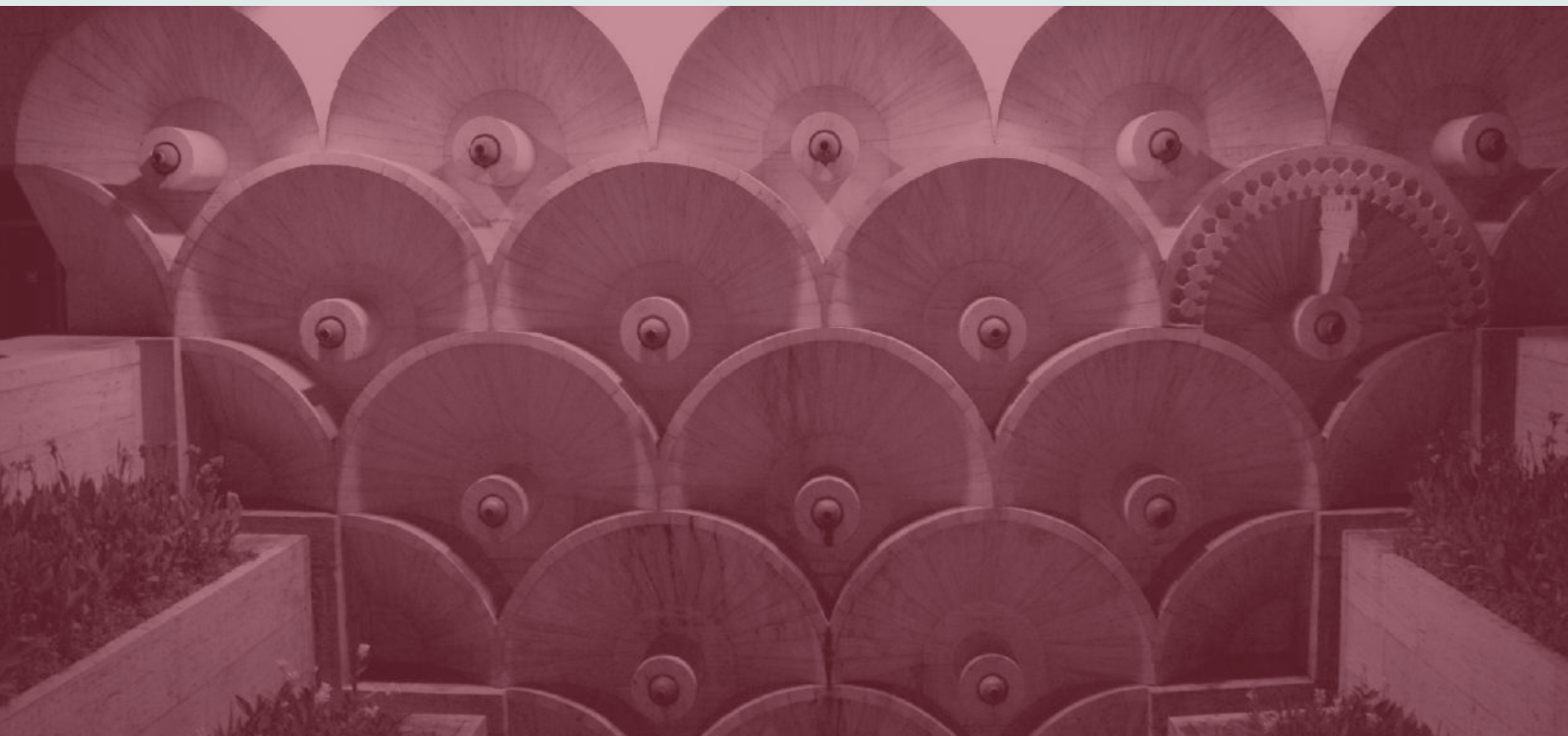




**INVESTMENT
GUIDE
ARMENIA
2022
WHY
ARMENIA**

CONTENT

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ARMENIA AT A GLANCE

COUNTRY OVERVIEW

Total area:
29,734 sq km

Climate:
Continental

Currency:
Armenian Dram (AMD)

Governance:
Parliamentary Republic

Major cities:
Gyumri, Vanadzor

Time zone:
GMT +4

Capital:
Yerevan
(1,074.3 population)

Population:
2,9 million

International airports:
Zvartnots International Airport
Shirak International Airport

RELIABLE PARTNERSHIP



EAEU
Since 2015



United Nations
Since 1992



CIS
Since 1992



Council of Europe
Since 2001



ICSID
Since 1992



BSEC
Since 1992



WTO
Since 2003



EU CEPA
Since 2017



MIGA
Since 1992

COUNTRY RANKING



**ECONOMIC
FREEDOM INDEX
2022**

► **58th** Among 177
countries



**OECD FDI
REGULATORY
RESTRICTIVENESS
INDEX 2019**

► **10th** Among 69 countries including
all OECD countries and G20

MOODY'S

► **Ba3**

FitchRatings

► **B+**

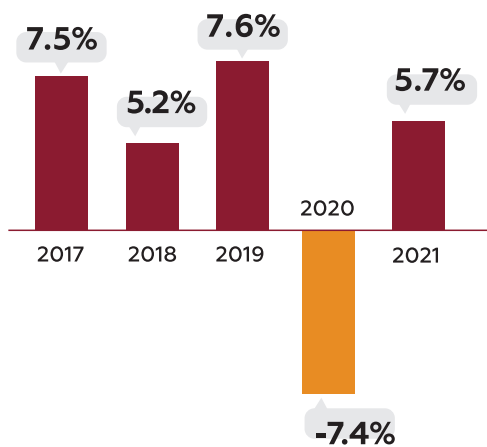
S&P Global
Ratings

► **B+**

KEY ECONOMIC INDICATORS

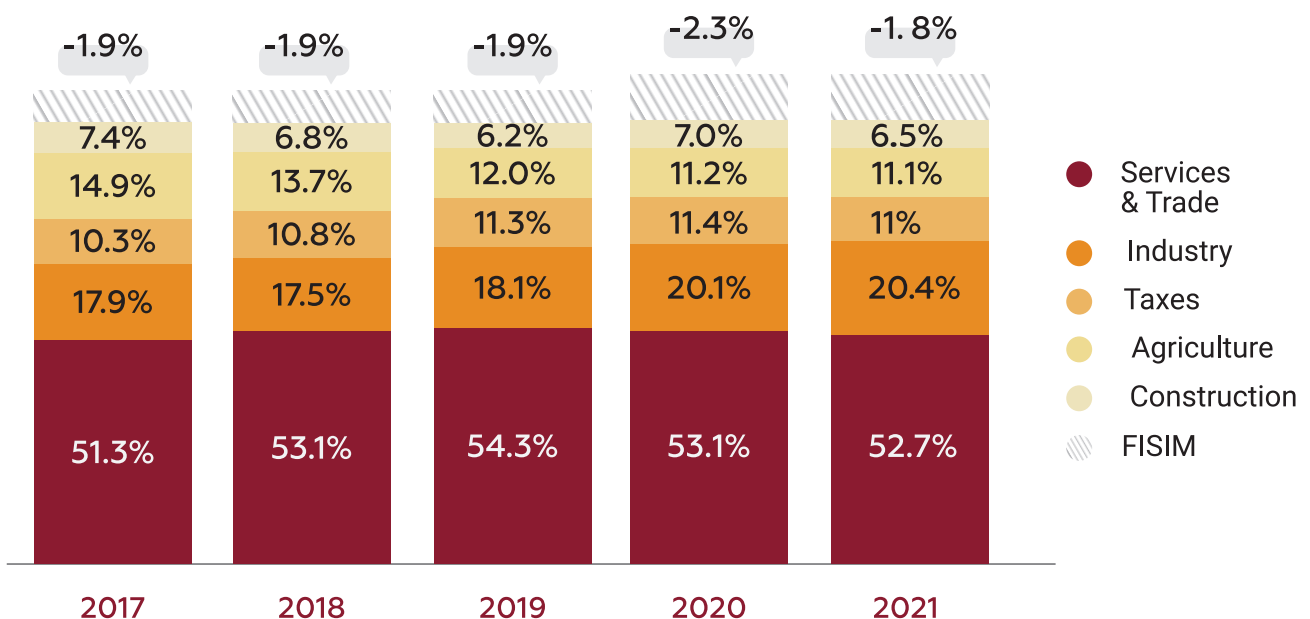
GDP growth 5.7%

Real GDP growth rate compared to the previous year, 2021



- Currency: Armenian dram (AMD)
- Economic activity index 2021: 5.7%
- GDP 2021: \$ 13.9 bln.
- GDP Growth 2021: 5.7%
- GDP per capita 2021: \$4679
- Main sectors of economy: Industry, Agriculture, Services, Construction
- Inflation rate 2021: 5.35%
- AMD/USD average exchange rate 2021: 500 AMD

Structure of Gross Domestic Product by Classification of Economic Activity, %, 2021



ATTRACTIVE SECTORS FOR FDI



**INNOVATIVE
AGRICULTURE**



**FOOD
PROCESSING**



**BEVERAGES
& WINEMAKING**



TOURISM



HIGH-TECH & IT



PHARMACEUTICAL



**TEXTILE
& APPAREL**



**BUSINESS PROCESS
OUTSOURCING**

WHY ARMENIA

FDI LEGISLATION

OWNERSHIP

100% ownership of resident legal entities is permitted for foreigners

NO RESTRICTIONS

Unrestricted access to almost any sector and geographic location within country

LAND OWNERSHIP

Companies registered by a foreigner in Armenia have the right to buy land. Foreign citizens can have long-term lease contracts

EQUAL TREATMENT

Legal regime no less favorable than the one for nationals, unless a more favorable regime is provided by a respective treaty



ATORY COUNTRY
SIGNCSID CONVENTION

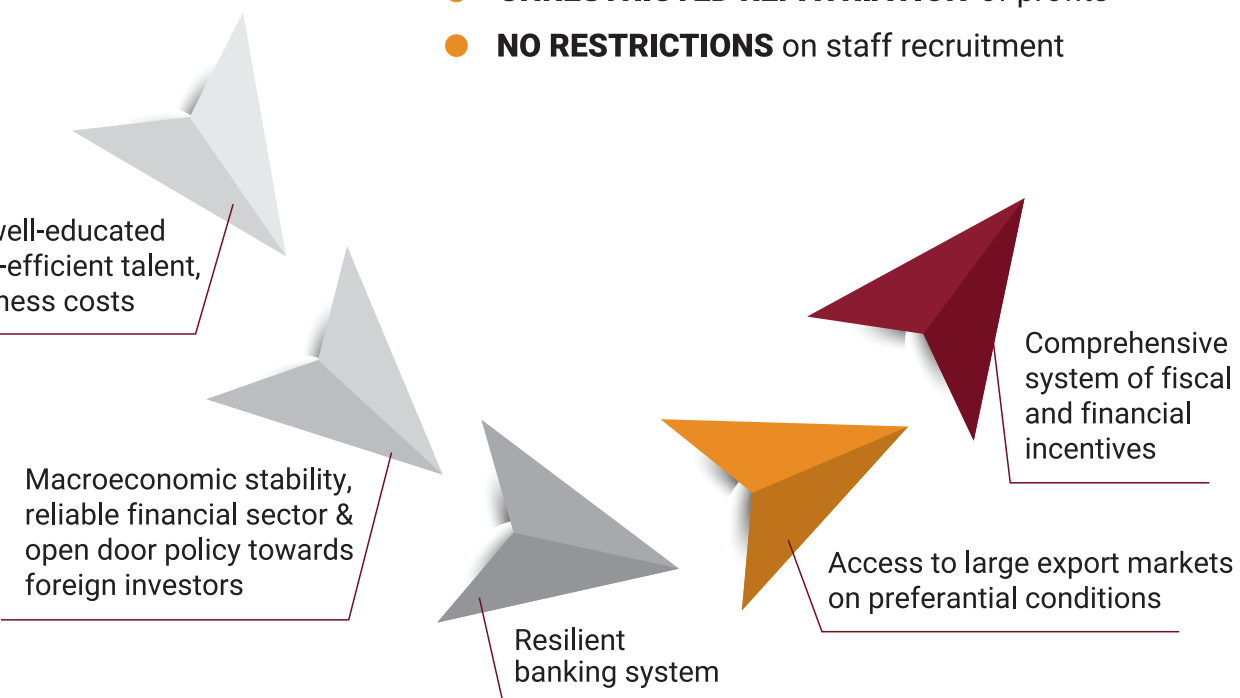


MEMBER OF MIGA



TALENTS AND BUSINESS ENVIRONMENT

- **FREE EXCHANGE** of foreign currencies
- **NO RESTRICTIONS** on remittances
- **UNRESTRICTED REPATRIATION** of profits
- **NO RESTRICTIONS** on staff recruitment



Skilled, well-educated
and cost-efficient talent,
low business costs

Macroeconomic stability,
reliable financial sector &
open door policy towards
foreign investors

Resilient
banking system

Access to large export markets
on preferential conditions

Comprehensive
system of fiscal
and financial
incentives

GATEWAY TO MARKETS

LOCAL
MARKET OF
3.000.000
CONSUMERS

EURASIAN ECONOMIC
UNION MARKET OF
184.300.000
CONSUMERS

FTA
Armenia
with
CIS & Georgia

FTA
EAEU
with
Vietnam, Singapore,
Serbia & Iran (interim FTA)

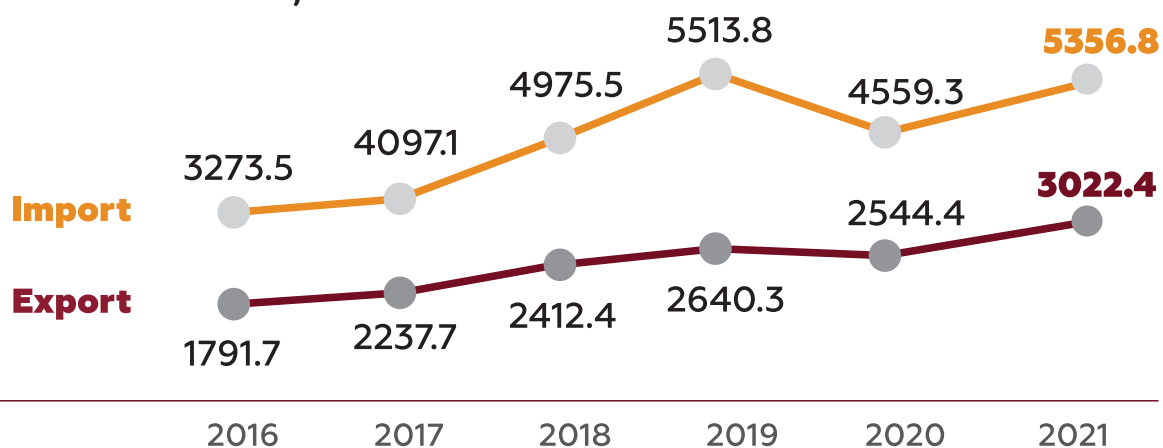


Preferential Trade Regimes

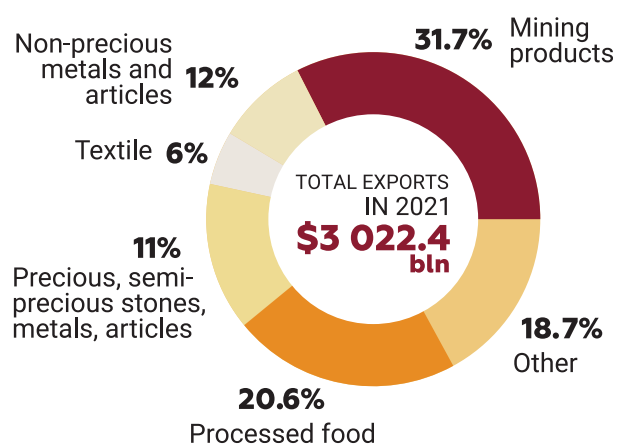
GSP REGIME
3.500 products
WITH USA, JAPAN, CANADA,
SWITZERLAND, NORWAY

FOREIGN TRADE

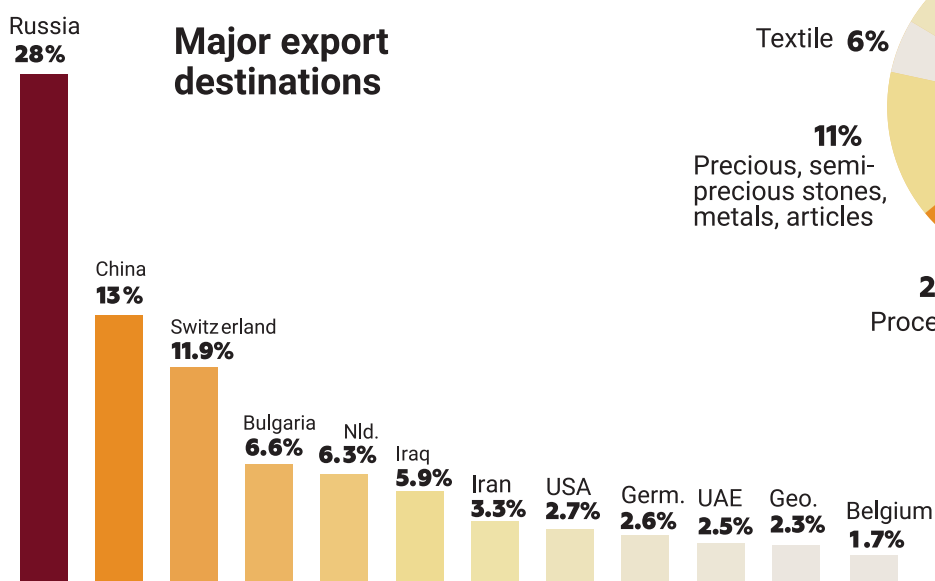
Export and Import,
million USD, 2020



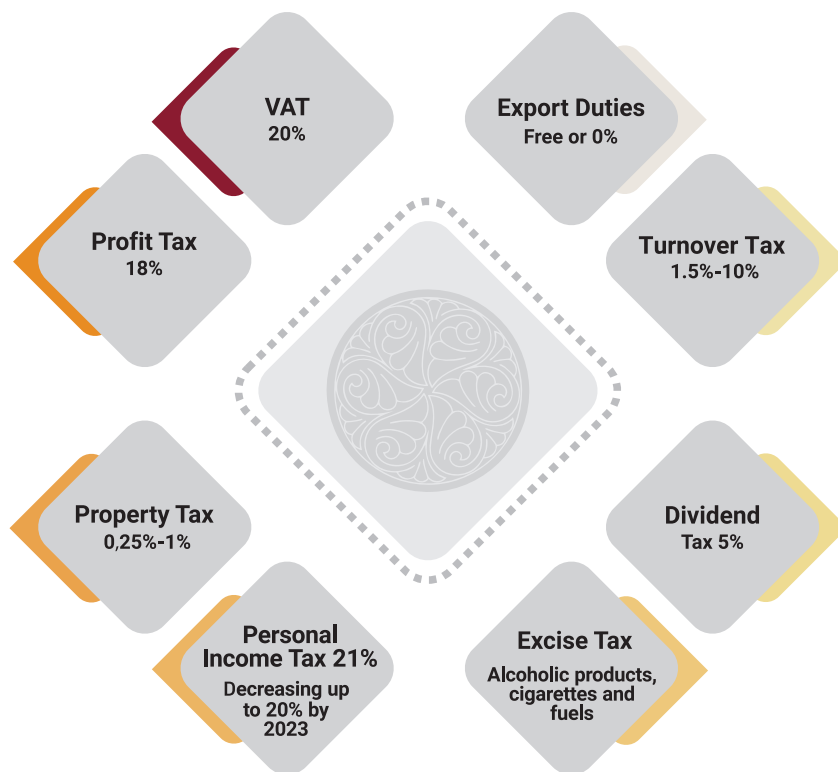
Main goods exported



Major export destinations



TAXATION



TAX INCENTIVES FOR INVESTORS



TAX EXEMPTION FOR ACTIVITIES IN BORDERING AND OTHER COMMUNITIES

- Exemption from VAT
- Exemption from profit tax
- Exemption from personal income tax
- Exemption from VAT & Profit tax for operations in Dilijan community and adjacent territories of the Tavush marz of Armenia within the scope of projects approximately 4 million USD



TAX BENEFITS FOR THE MEDICAL SECTOR

- Prosthetic and orthopedic accessories
- Medical equipment
- Sales of medical products
- Medical assistance services



TAX BENEFITS FOR THE IT SECTOR

- Exemption from profit tax
Reduction of income tax rate on employees' salaries (10%)
- 50% cash back mechanism from income tax for IT companies who relocate / register 50+ overseas employees to Armenia (during 2022)



TAX INCENTIVES FOR IMPORT OF CERTAIN GOODS AND EQUIPMENT

- Customs duties exemption on import of equipment and
- raw materials from non-EAEU countries in the scope of export oriented investment projects
0% VAT on most of the equipment for production as well as most of the raw materials imported for further processing.

FREE ECONOMIC ZONES

TAX INCENTIVES FOR RESIDENTS OF
FREE ECONOMIC ZONES

LAW ON FREE
ECONOMIC ZONES
FROM JUNE 2011



VALUE-ADDED TAX
PROFIT TAX
CUSTOMS DUTIES
PROPERTY TAX

HI-TECH
INDUSTRIAL
PRODUCTION

"ALLIANCE" FEZ

SINCE 2013

Yerevan

JEWELRY
WATCHMAKING
DIAMOND CUTTING

"MERIDIAN" FEZ

SINCE 2015

Yerevan

HI-TECH

"ECOS" FEZ

SINCE 2018

Hrazdan

INDUSTRIAL
AND LOGISTIC

"MEGHRI" FEZ

SINCE 2020

Meghri

REGISTER YOUR BUSINESS

TYPES OF LEGAL ENTITIES

- Individual Entrepreneurship ● Cooperative
- Limited Liability Company ● Branch of Foreign Company
- Joint-stock Company ● Non-Profit Organization
- Partnership ● Private Equity Fund

eRegulations Armenia

Portal is a step-by-step guide on business investment-related procedures
<https://armenia.eregulations.org/>

5 minutes

Online registration of commercial entities is available at www.e-register.am

1-10 days

Opening a corporate bank account in Armenia may take 1-10 days



Enterprise Armenia is the national investment promotion authority of Armenia. Our main mission is to promote and facilitate foreign and domestic investments, attract new foreign direct investments, support and provide financing to SMEs.

We provide aftercare services to foreign investors in Armenia.

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