



INVEST IN ARMENIA

COUNTRY Presentation **2024**

11th January 2024

Ontario, Canada

REPUBLIC OF ARMENIA



CAPITAL CITY

Yerevan

CURRENCY

Armenian Dram
average exchange rate
1 USD \approx 410 AMD
1 EUR \approx 450 AMD

TOTAL AREA

29,743 km²

POPULATION

2.97 million

GOVERNANCE

Parliamentary Republic

LANGUAGE

Armenian
(English and Russian are widely used)

TIME ZONE

UTC/GMT +4

DOMAIN

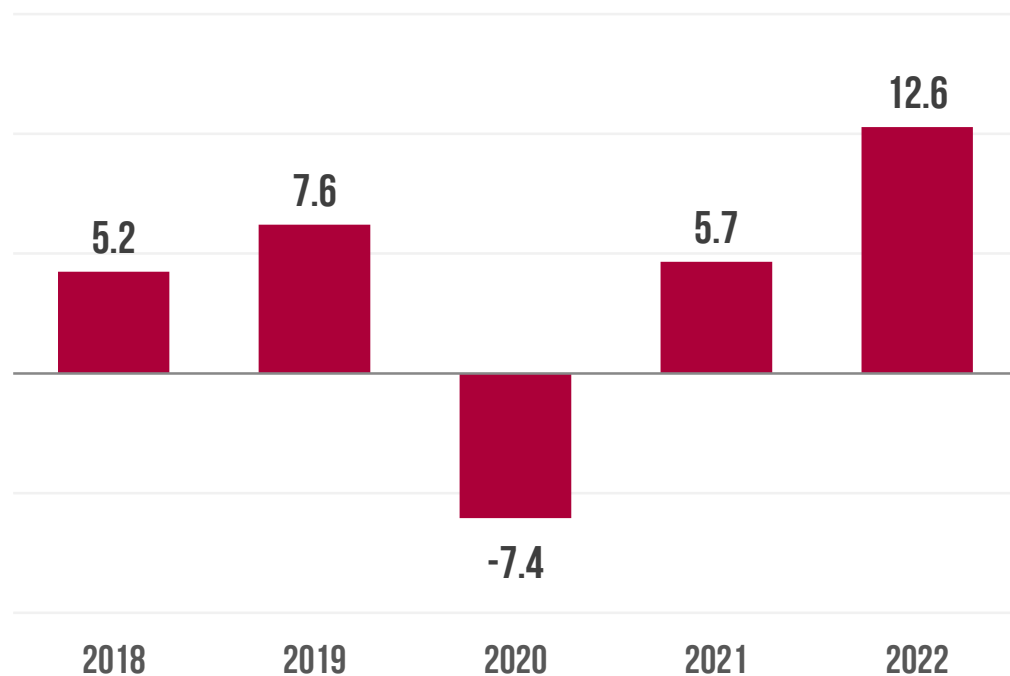
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GDP STRUCTURE 2022

GDP growth **12.6%**

Real GDP growth rate compared to the previous year, %, 2022

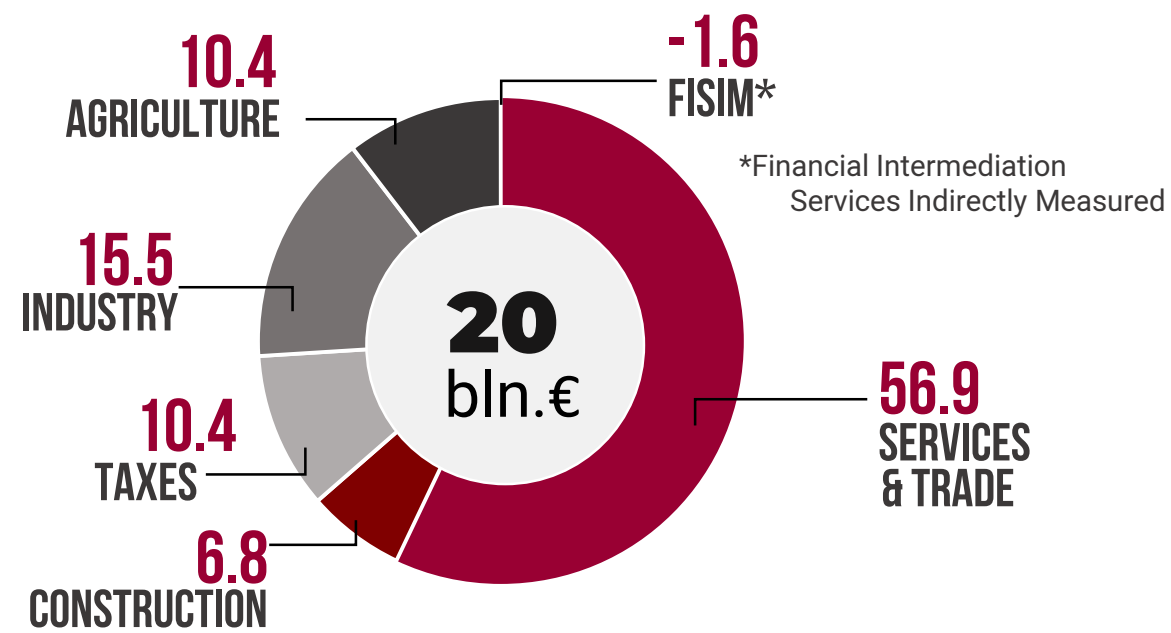


2023 figures

ECONOMIC ACTIVITY GROWTH **9.4%**
JAN-NOV

INFLATION **2.2%**
JAN-NOV

GDP PER CAPITA
8280 USD



FDI LEGISLATION

OWNERSHIP

100% ownership of resident legal entities is permitted for foreigners

EQUAL TREATMENT

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

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

No restrictions on remittances

Free repatriation of profit

Free exchange of foreign currencies

No restrictions on staff recruitment

INTERNATIONAL TREATIES

ECONOMIC PARTNERSHIP



INTERNATIONAL CENTRE FOR
SETTLEMENT OF INVESTMENT DISPUTES



43 PROMOTION AND RECIPROCAL
PROTECTION OF INVESTMENTS

Argentina, Austria, Belgium and Luxemburg, Belarus, Bulgaria, **Canada**, China, Cyprus, Egypt, Finland, France, Georgia, Germany, Greece, Korea, Iran, Iraq, Israel, Italy, Japan, Jordan, Kazakhstan, Kuwait, Kyrgyzstan, Latvia, Lebanon, Lithuania, Netherlands, Qatar, Romania, Russian Federation, Singapore, Sweden, Switzerland, Syria, Tajikistan, Turkmenistan, Ukraine, UAE, United Kingdom of Great Britain and Northern Ireland, USA, Uruguay, Vietnam

51 DOUBLE TAXATION AND
PREVENTION OF FISCAL EVASION

Austria, Belgium, Bulgaria, Belarus, **Canada**, Switzerland, China, Cyprus, Czech Republic, Estonia, Spain, Finland, France, Georgia, Greece, Croatia, Hungary, India, Iran, Italy, Kazakhstan, Kingdom of Denmark, Lebanon, Lithuania, Luxembourg, Latvia, Moldova, Netherlands, Poland, Qatar, Romania, Russian Federation, Syria, Thailand, Turkmenistan, United Kingdom of Great Britain and Northern Ireland, UAE, Ukraine, Germany, Ireland, Kuwait, Slovenia, Indonesia, Tajikistan, Serbia, Sweden, Malta, Singapore, Kyrgyzstan

MARKET & TRADE

GATEWAY TO MAJOR MARKETS

Eurasian Economic
Union Market of

185,400,000
Consumers

Local

Market of
3,000,000
Consumers

GSP Regime

With
USA, Japan, Canada,
Switzerland, Norway
(3500 products)

FTA Armenia

With
CIS & Georgia

FTA EAEU

With
Vietnam, Singapore,
Serbia & Iran

OTHER ECONOMIC AGREEMENTS



CEPA

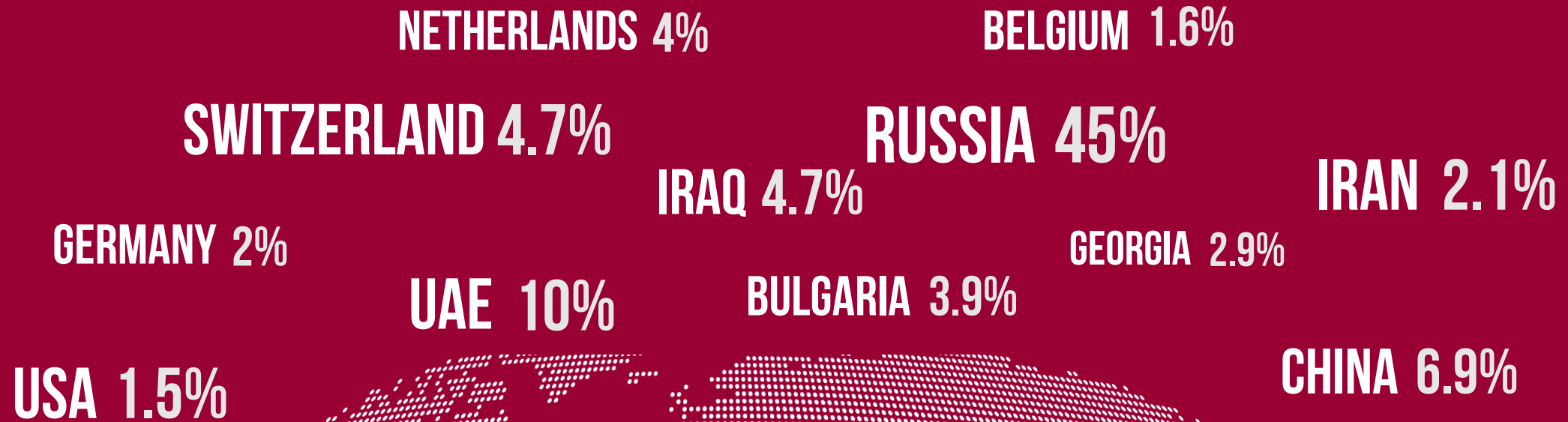
With
EU (Comprehensive and Enhanced Partnership Agreement)



TIFA

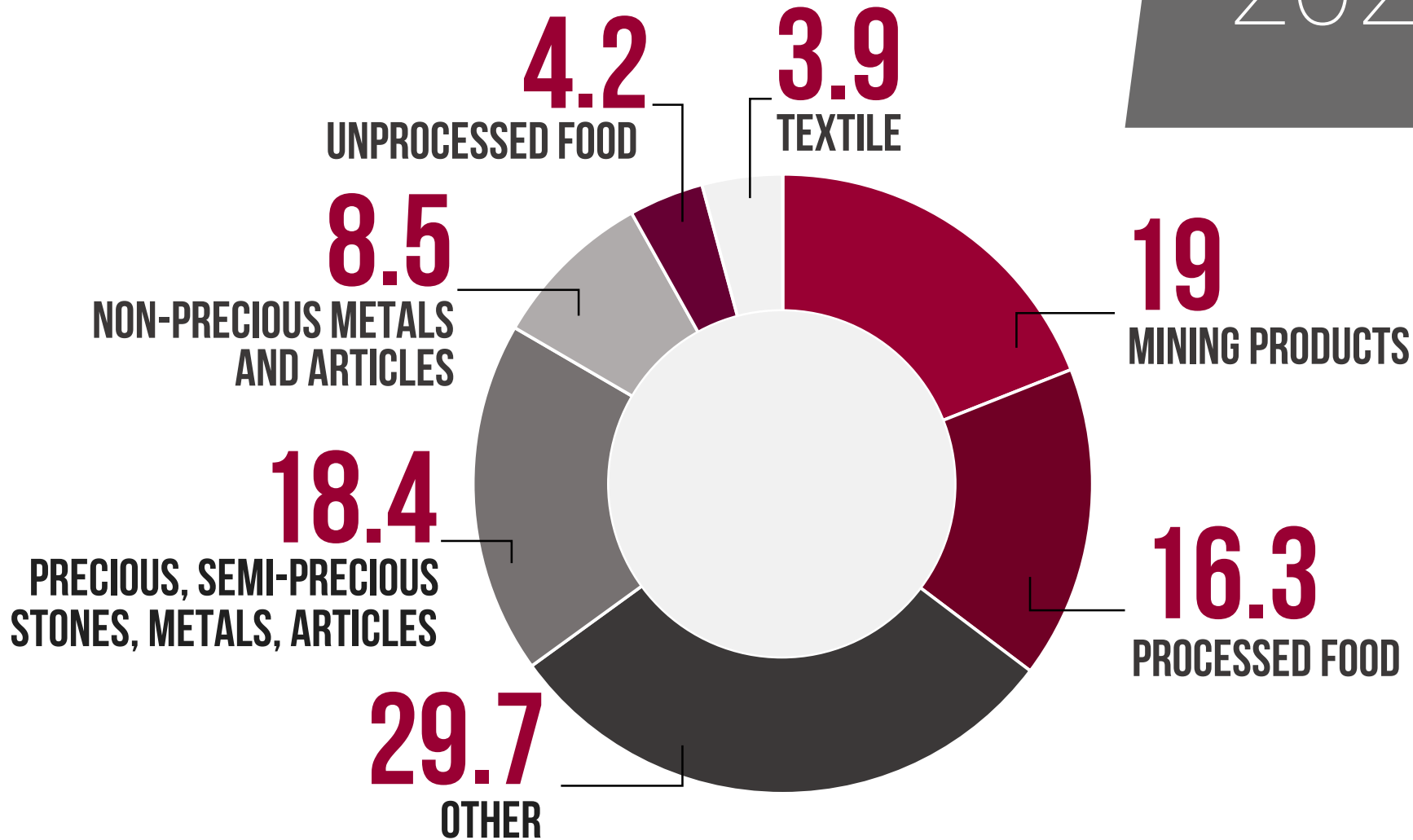
With
USA (Trade and Investment Framework Agreement)

MAJOR EXPORT DESTINATIONS



DIVERSIFIED
Export Destinations

MAIN EXPORTS



Export growth
2022

77.7%

\$ 5.36 BLN

**TOTAL EXPORTS
IN 2022**

\$ 5.79 BLN

38.5%

**EXPORT GROWTH,
(JANUARY - OCTOBER, 2023)**

TAXATION SYSTEM

PROFIT TAX
18%

VAT
20%

PROPERTY TAX
0.25%-1%

DIVIDEND TAX 5%
SUBJECT TO REFUND IN CASE OF REINVESTMENT

PERSONAL INCOME TAX 20%

TURNOVER TAX* 1.5-10%
*LOTTERIES 25%, PUBLIC FOOD 20%

EXCISE TAX
(ALCOHOL, CIGARETTES, FUELS)

Turnover tax payers:
The turnover tax is applicable for taxpayers with previous year revenues from the sale of goods and provision of services not exceeding, **115 million AMD (around 270 000 EUR)**, with some exceptions.

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 5 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

- Reduction of income tax rate on employees' salaries (10%) for IT startups
- Reimbursement of 50% of income tax paid for the salaries of newly employed IT specialists who relocated to Armenia



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

- “ALLIANCE” FEZ SINCE 2013
- “ECOS” FEZ SINCE 2018
- “MEGHRI” FEZ SINCE 2020

SUPPORT PROGRAMS

ATTRACTION OF HIGH-QUALITY SPECIALISTS

- Up to 20% reimbursement to the companies of the wages paid to new highly qualified specialists
- Up to 50% reimbursement to the companies of the wages paid to new highly qualified specialists with doctorate degrees and—in the case of teaching in Armenian universities—the return of 70% of the salary from teaching activities.

INFRASTRUCTURE IN EXCHANGE FOR INVESTMENT

- The funds provided by the state may be used in the following forms:
 - Road construction
 - Water supply systems
 - Drainage systems
 - Gas supply systems
 - Power supply systems and
 - Telecommunications
- Assistance in the amount of 10% in case of investments of up to 500 million drams. If the investment amount exceeds 500 million drams, reimbursement will be provided in the amount of 20%.

SUBSIDIZED CREDIT AND LEASING FOR NEW EQUIPMENT, DEVICES, AND THEIR PARTS

- **Subsidized loan**
 - In AMD: 8%
 - In foreign currencies: 6%
- **Subsidized lease**
 - In AMD: 10%
 - In foreign currencies: 8%

STATE SUPPORT PROGRAM FOR COMPANIES PRODUCING COMPLEX GOODS

- Beneficiaries of this state support program can be companies with at least \$1 bln AMD capital investment.
- Within the framework of the program companies can access up to 35% reimbursement of the real assets of capital investments.

PROMISING SECTORS



HIGH-TECH & IT



TOURISM



SMART AGRICULTURE



TEXTILE AND SHOEMAKING



FOOD PROCESSING



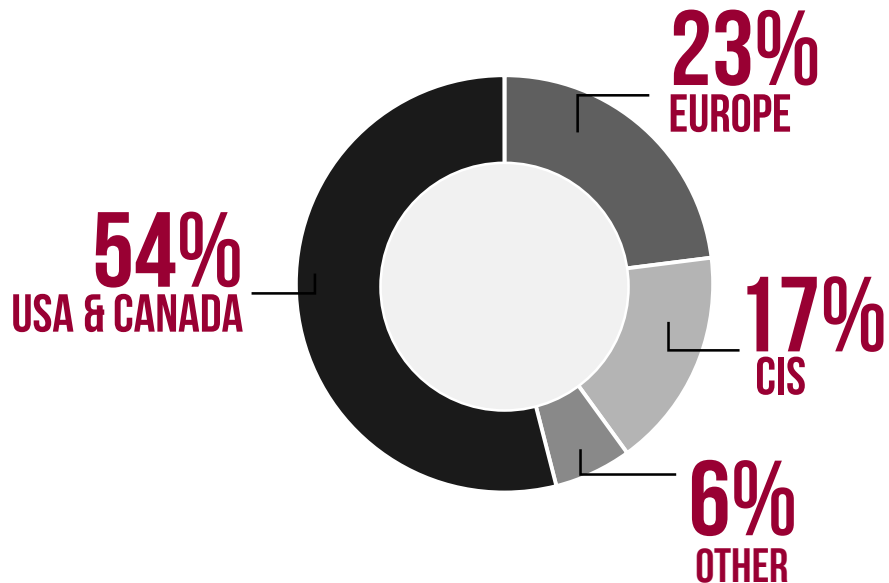
PHARMACEUTICAL



BEVERAGES & WINEMAKING

GLOBAL TECH COMPANIES

SILICON VALLEY OF THE CAUCASUS



SYNOPSYS®

Adobe

AMD

TeamViewer

<epam>

SIEMENS
Ingenuity for life

SADA

CISCO

vmware®

FORTRA

DataArt

nl

2022-2023: PIVOTAL YEAR



**OVER 50+
TECH
COMPANIES**



miro



ManyChat

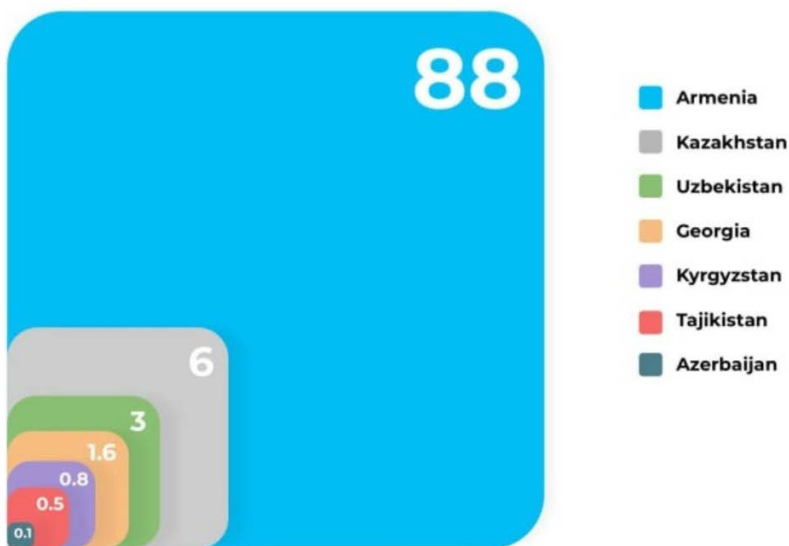


Grid Dynamics



ARMENIA STARTUP NATION

Venture investments by country in
1H 2023, Central Asia and South
Caucasus, %



BILLION DOLLAR CLUB

The First Armenia born Unicorn



Picsart



ServiceTitan®

SOFT



DIGITAIN

SUCCESSFUL STARTUPS

krisp

Robin the Robot
BY EXPPER TECHNOLOGIES

SuperAnnotate

moxie

Renderforest

intelinair

sololearn

cognaize™

CODESIGNAL

NATIONAL AUTHORITY FOR

| SUPPORTING FOREIGN & LOCAL
INVESTORS THROUGHOUT
THE WHOLE INVESTMENT LIFE-CYCLE

| PROVIDING AFTERCARE SERVICES

| ATTRACTING & FACILITATING
FDI INFLOW TO ARMENIA

| BRIDGING INVESTORS
& PUBLIC SECTOR

THE BOARD OF TRUSTEES

IS CHAIRED BY THE PRIME MINISTER OF ARMENIA

THANK YOU!

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