

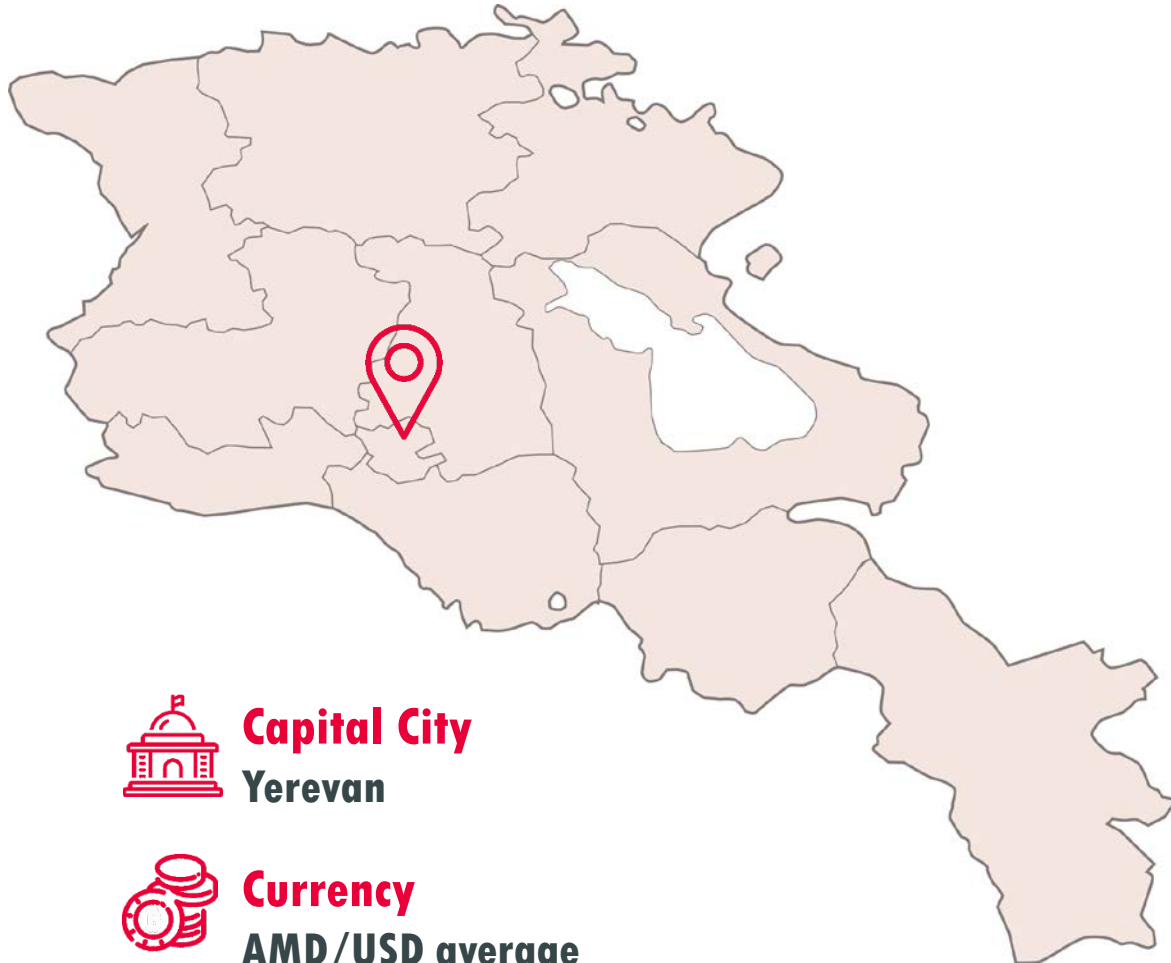


# 2022 INVEST IN ARMENIA COUNTRY PRESENTATION

***UPDATE ARMENIA II:  
ARMENIA AS AN IT AND R&D NEARSHORING DESTINATION***

*Mr. Aram Vardanyan,  
Investment Director  
Enterprise Armenia*

# REPUBLIC OF ARMENIA



**Capital City**  
Yerevan



**Currency**  
AMD/USD average  
exchange rate 2021  
1 USD – 480 AMD



**Total Area**  
29,743 km<sup>2</sup>



**Population**  
2.97 million



**Governance**  
Parliamentary Republic



**Language**  
Armenian  
*(Russian and English are widely used)*



**Time Zone**  
UTC/GMT +4



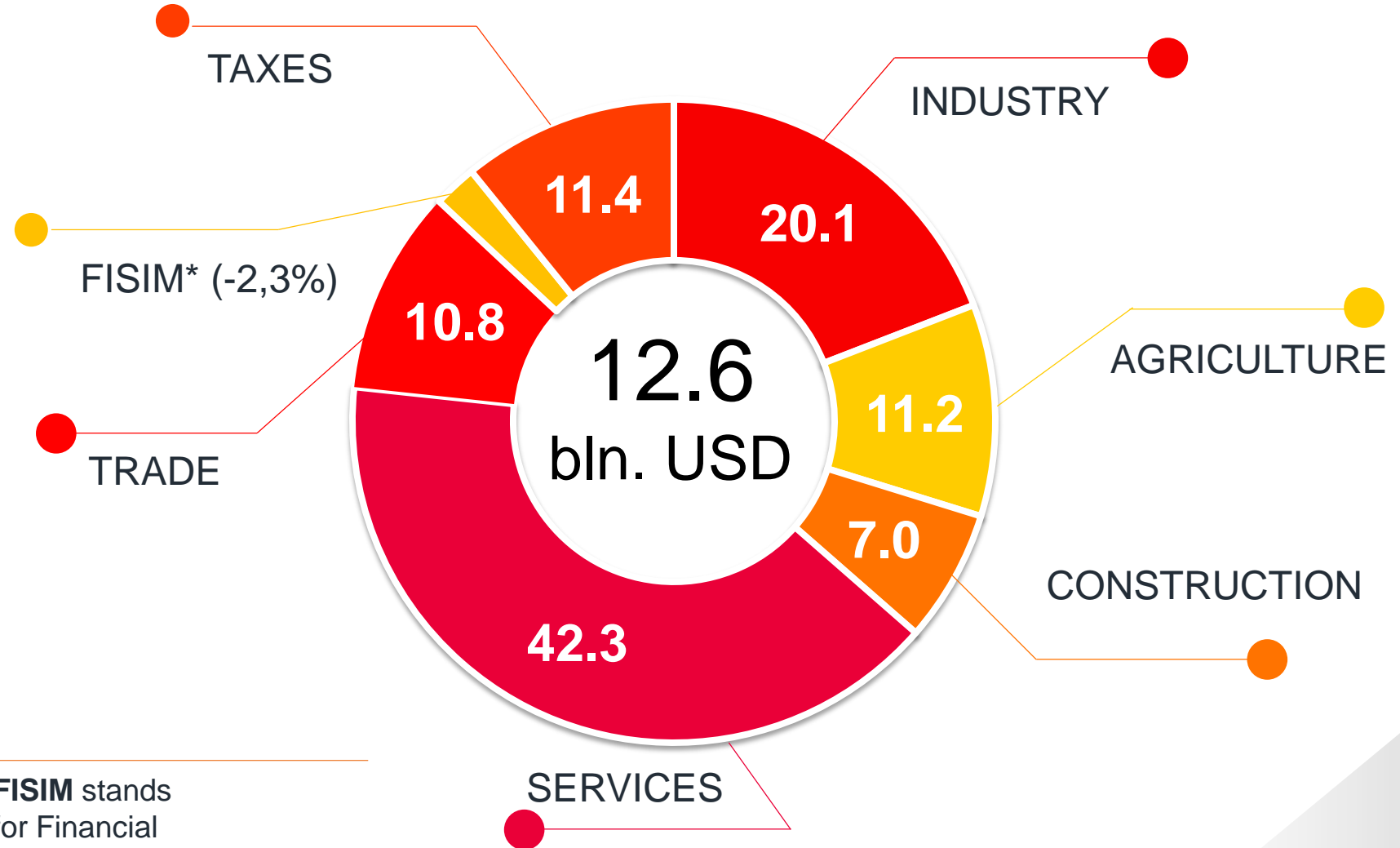
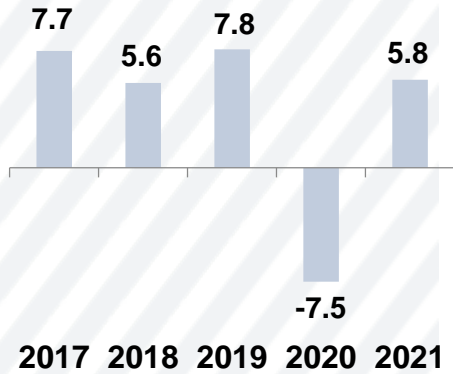
**Domain**  
.am

# GDP STRUCTURE 2020



## DIVERSIFIED ECONOMY

Economic Activity



**FISIM** stands for Financial Intermediation Services Indirectly Measured

# ECONOMIC RANKINGS

## OECD FDI REGULATORY RESTRICTIVENESS INDEX 2020

Among 69 countries

10

Including all OECD countries and G20



## ECONOMIC FREEDOM INDEX 2021

Among 178 countries

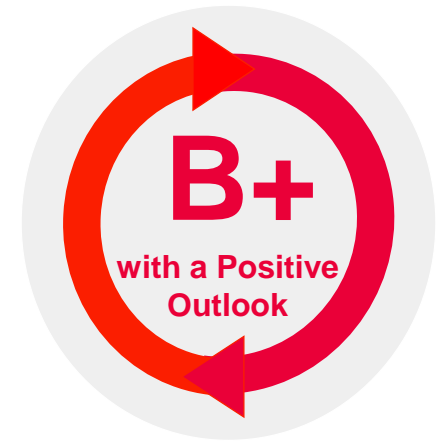
32



FitchRatings



MOODY'S



S&P Global  
Ratings

# WHY ARMENIA

## 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

- ✓ Free exchange of foreign currencies
- ✓ No restrictions on staff recruitment

- ✓ No restrictions on remittances
- ✓ Free repatriation of profit

# INTERNATIONAL TREATIES



Armenia is a signatory to the **International Convention of Investment Disputes (ICSID)** and a member of **Multilateral Investment Guarantee Agency (MIGA)**



## ECONOMIC PARTNERSHIP

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, UK, USA, Uruguay, Vietnam

49

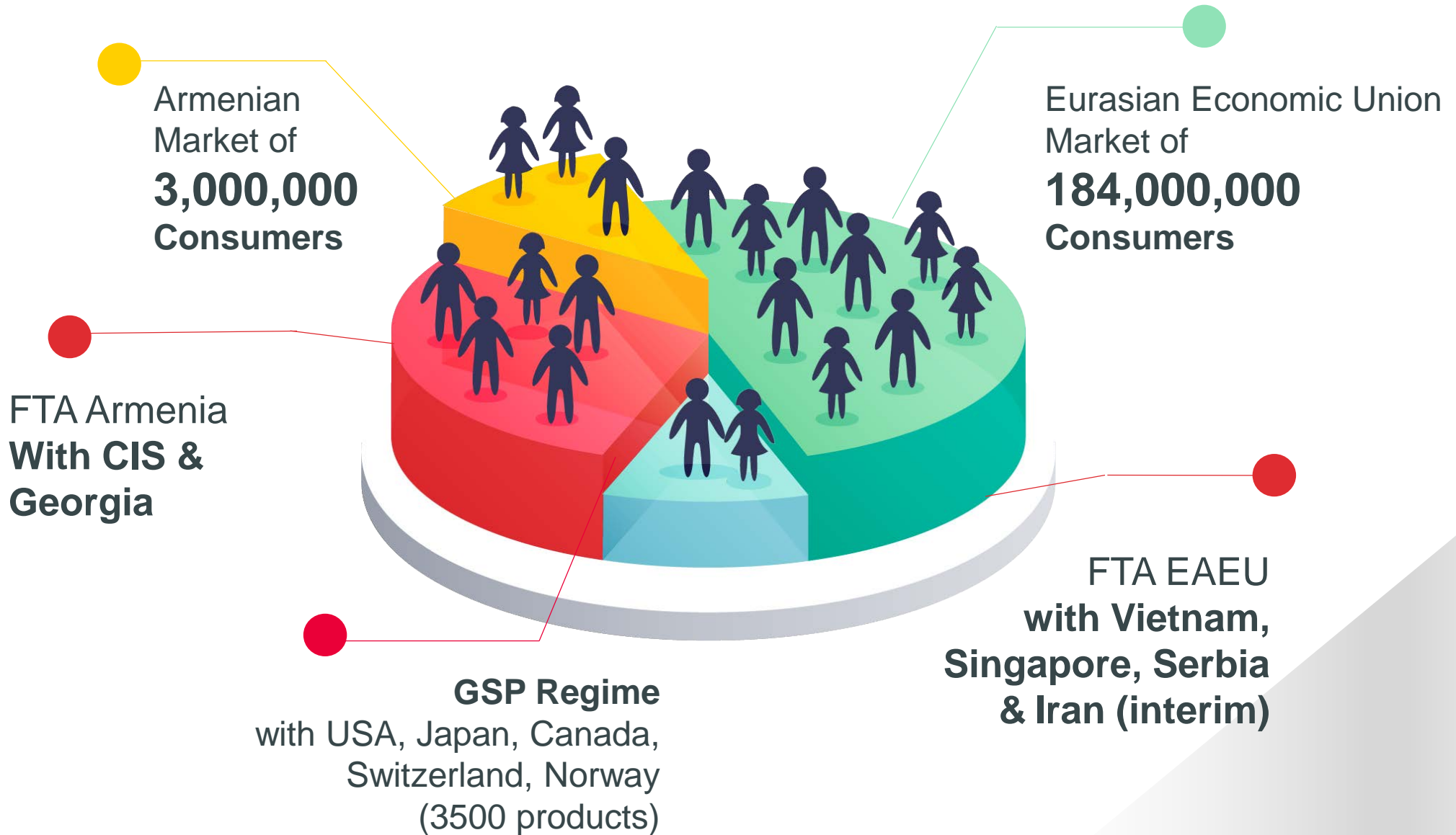
### DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION

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, UK, UAE, Ukraine, Germany, Ireland, Kuwait, Slovenia, Indonesia, Tajikistan, Serbia, Malta, Singapore

# MARKET & TRADE



**GATEWAY TO  
MAJOR  
MARKETS**

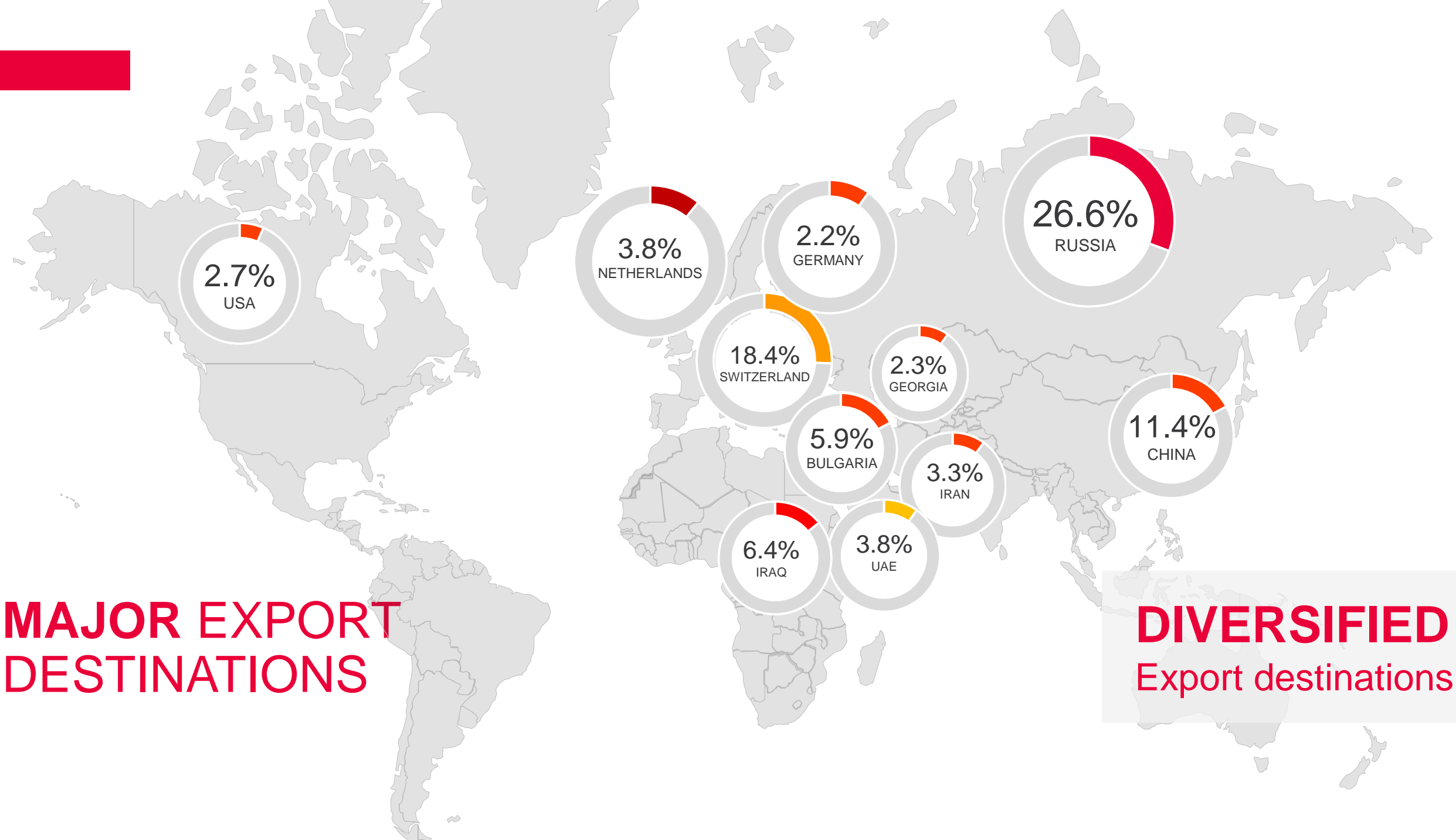


# INTERNATIONAL ECONOMIC PARTNERSHIP

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**MAJOR EXPORT  
DESTINATIONS**

**DIVERSIFIED**  
Export destinations

# MAIN EXPORTS

TOTAL EXPORTS IN 2021  
**\$ 3,02 BLN**



**MINERALS**



**PROCESSED FOOD**

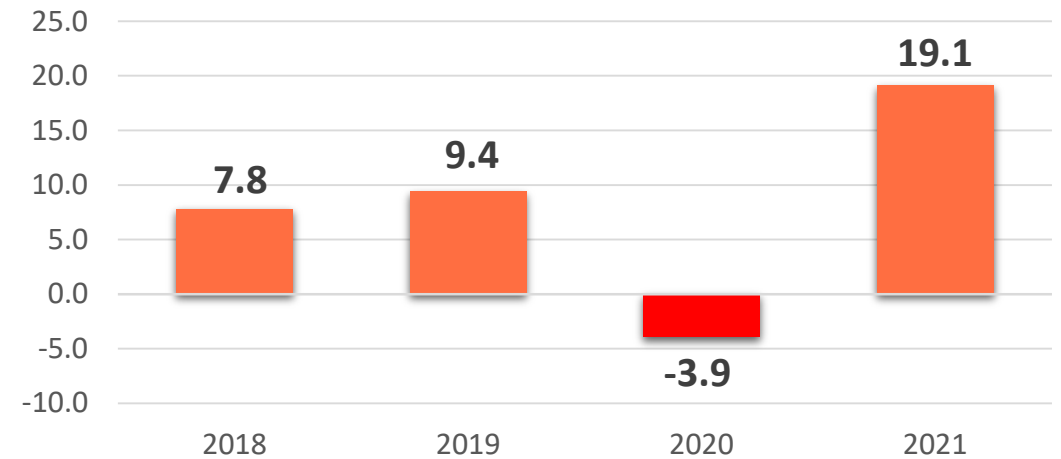


**PRECIOUS, SEMI-PRECIOUS,  
NON-PRECIOUS, STONES,  
METALS, ARTICLES**

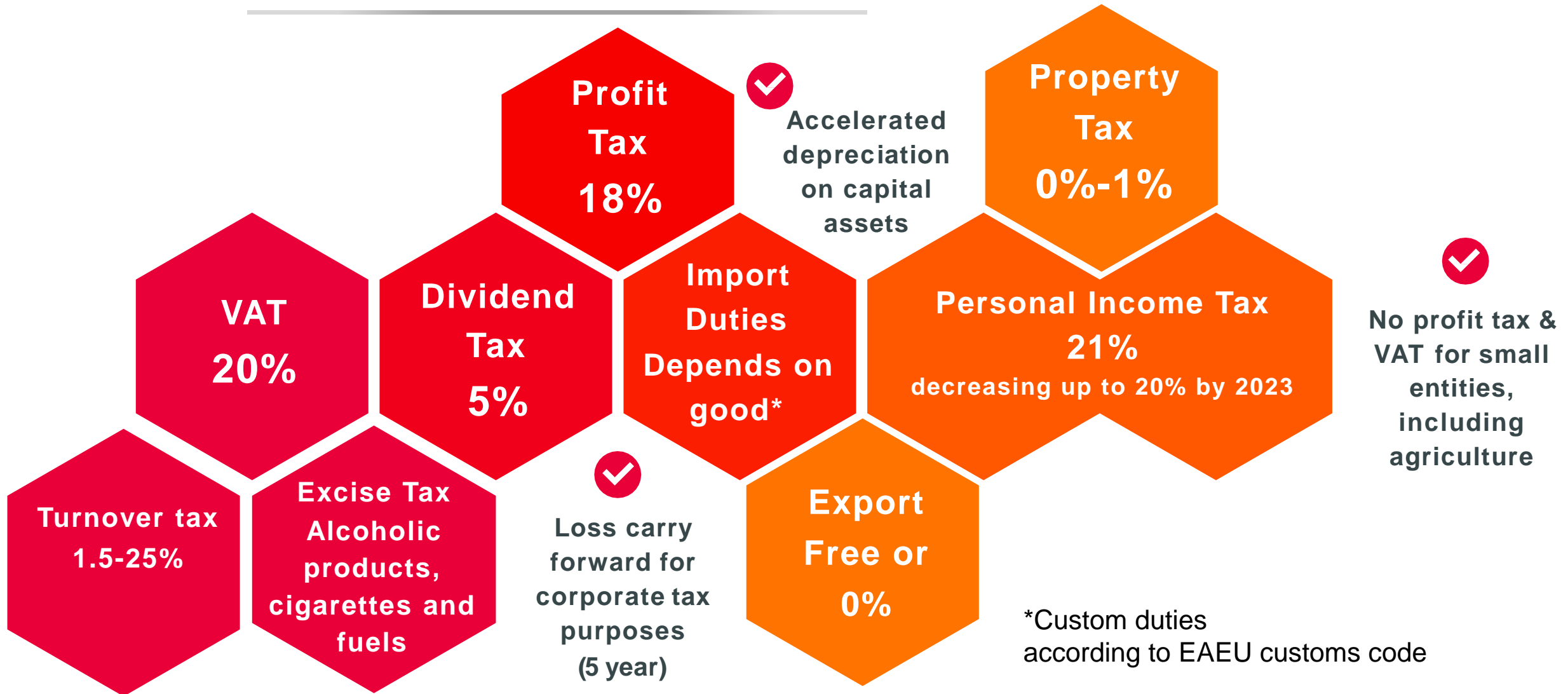


**APPAREL, TEXTILE**

## EXPORT GROWTH (%)

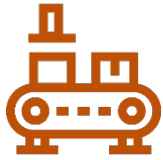


# TAXATION SYSTEM



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 220 000 USD)**, with some exceptions.

# TAX INCENTIVES FOR INVESTORS



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

## **TAX EXEMPTION FOR ACTIVITIES IN BORDERING 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 investment projects above 2 bln. AMD (around 4.1 mln. USD)**



## **TAX BENEFITS FOR THE IT SECTOR**

- Exemption from profit tax
- Reduction of income tax rate on employees' salaries (10%)



## **TAX BENEFITS FOR THE MEDICAL SECTOR**

- Prosthetic and orthopedic accessories, medical equipment, alienation of medical products, medical assistance services and etc. are exempted from VAT



# FREE ECONOMIC ZONES

0%

VAT

Profit Tax

Property Tax

HI-TECH  
INDUSTRIAL  
PRODUCTION

JEWELRY  
WATCHMAKING  
DIAMOND CUTTING

HI-TECH

INDUSTRIAL AND  
LOGISTIC

“ALLIANCE” FEZ  
SINCE 2013

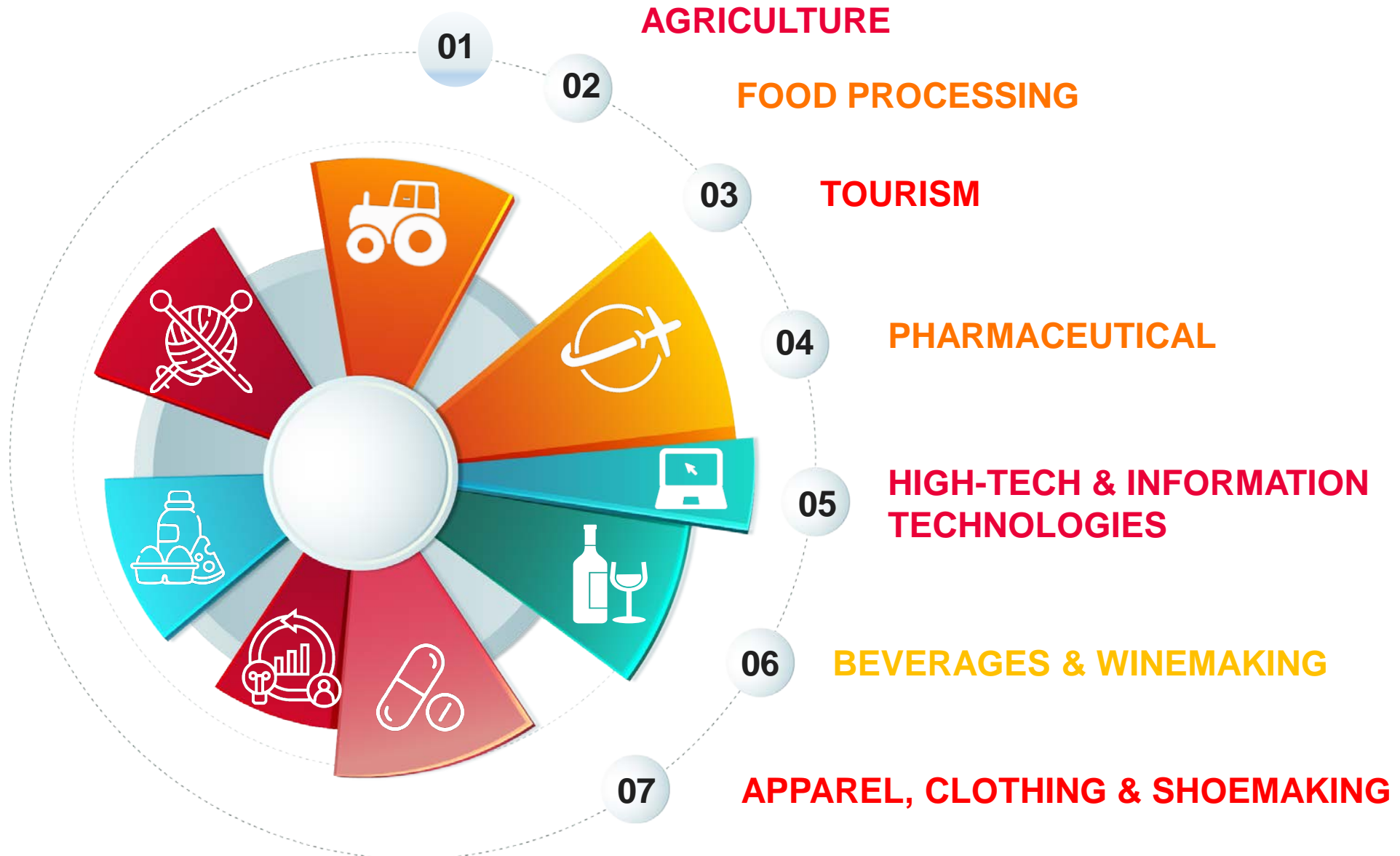
“MERIDIAN” FEZ  
SINCE 2015

“ECOS” FEZ  
SINCE 2018

“MEGHRI” FEZ  
SINCE 2020

There are no exemptions for income tax (payroll taxes)

# PROMISING SECTORS



# WHO WE ARE

THE BOARD OF TRUSTEES IS CHAIRED BY THE  
PRIME MINISTER OF ARMENIA



“SINGLE WINDOW”  
FOR  
INVESTORS

## NATIONAL AUTHORITY FOR



ATTRACTING & FACILITATING FDI INFLOW TO ARMENIA



SUPPORTING FOREIGN & LOCAL INVESTORS  
THROUGHOUT THE WHOLE INVESTMENT LIFE CYCLE



PROVIDING AFTERCARE SERVICES



BRIDGING INVESTORS & PUBLIC SECTOR

# MAJOR BRANDS



TASHIR





# CONTACT US

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THANK YOU  
FOR YOUR ATTENTION !



[enterprisearmenia.am](http://enterprisearmenia.am)



[onewindow@isc.am](mailto:onewindow@isc.am)



5a, Mher Mkrtchyan St.  
0010 Yerevan, Armenia