

Invest in Armenia

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Levon Ohanesyan is the CEO of the national investment promotion agency of the Republic of Armenia, Enterprise Armenia, since December 2019. Before that, he has successfully led Armenian representations of several multinational corporations.

Armenia is a country in the South Caucasus with broad opportunities in several economic sectors. The country's attractiveness to foreign investors is conditioned by several aspects, including the **strong talent pool, friendly business environment and preferential access to large export markets.**

Strong Talent Pool

Armenia's skilled, well-educated and highly cost-effective **human capital** brings value to big international companies operating in the country. The youth adapts well to multinational organizations thanks to the knowledge of multiple foreign languages. Besides being advanced in hard skills, people in Armenia are acknowledged by international organizations to be friendly and welcoming, which is one of the decisive factors when choosing a new business destination for foreign investors.

Friendly Business Environment

The second important aspect is Armenia's **friendly business environment, simplified procedures, and the government's open-door policy** toward foreign investors. The country's open-door policy is also reflected in international rankings: Armenia is ranked



Yerevan, Armenia

among the top 10 countries with the most open FDI rules according to the OECD and is 58th among 177 countries in the Index of Economic Freedom of the Heritage Foundation. A comprehensive system of fiscal and financial incentives and a variety of free economic zones create a solid ground and additional opportunities for doing successful business in Armenia.

Notably, Armenia's investment legislation grants equal treatment to foreign investors, which means a legal regime no less favourable than the one for nationals unless a respective treaty provides a better regime. Foreign citizens have the right of 100% ownership of resident legal entities. Regarding land ownership, companies registered by foreign citizens in Armenia have the right to own land. Meantime, foreign citizens can have long-term lease contracts. Another advantage for foreign investors is that there are no restrictions on remittances and repatriation of profits, free exchange of foreign currencies and no limitations on staff recruitment.

Access to Large Export Markets

Finally, Armenia's **access to large export markets** on preferential conditions creates additional opportunities for successful business in Armenia. Thanks to the country's diversified economic relations, Armenia's production can be exported to a consumer market of around 1 billion people with 0% or reduced customs duties. That includes the markets of the Eurasian Economic Union and preferential access to markets like the USA, Canada, Japan, Switzerland and Norway.

Promising Sectors

Speaking about what opportunities can be found across Armenia's economy, today, our country is successfully modernizing the traditional sectors of the

economy like agriculture, food processing, textile and clothing. In the meantime, we are rapidly advancing in the technology sector.

Smart Agriculture is one of the main driving forces of the Armenian economy, attracting more investments annually. Armenia's unique climatic conditions and vast natural resources make the country a lucrative agricultural destination. Continuous modernization of the sector and large-scale initiatives in areas like greenhouse construction, intensive orchards and organic agriculture stimulate the sector's growth even faster. State beneficial policies and dozens of supporting, financing and subsidizing programs significantly support the sector enabling more investments.

Another promising sphere linked with agriculture is **Food Processing**, with a tremendous added value. The country is now witnessing the revival of the **wine industry** and huge expansion overseas of **Armenian bottled water and beverages**.

Famous clothing brands are outsourcing their production to Armenia. Despite offering a highly cost-effective talent pool with lower salaries, the Armenian **clothing and garment industry** stands out with high standards in responsible business conduct, which is an essential prerequisite for the increased demand by large multinational corporations.

Armenia is a country with immense cultural heritage, which, combined with modern touristic infrastructures and diverse experiences, makes our country attractive to an increasing number of tourists annually. This creates a number of advantages for attracting new investments in the **Tourism and Hospitality sector**.

Finally, the sector of **Information Technologies** is booming in Armenia. Not surprisingly, Armenia is named a technological hub of the region. This is due to the presence of globally recognized tech giants, locally grown unicorns, innovative educational initiatives, and active technology transfer.

Between 2018 and 2020, the sector's share in the

country's GDP grew by 19%. Supportive regulatory landscape and tax incentives for IT startups increase the sector's attractiveness and rapidly boost the sector. But most importantly, world leaders in several IT disciplines chose Armenia as a new destination for their business expansion and open country offices here.



Enterprise Armenia

Once an investor considers Armenia for business expansion, Enterprise Armenia is the focal point of contact, providing comprehensive and free of charge services at all stages of investment.

Acting as a one-stop shop for investors, we are the national authority for promoting and facilitating investments in Armenia. After the business is established, we provide aftercare services to support reinvestments.

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