

GOVERNMENT OF THE REPUBLIC OF ARMENIA

DECISION

No 1118-N of 17 September 2015

**ON APPROVING THE CONDITIONS REQUIRED FOR APPLICATION OF
A PRIVILEGE TO EXEMPT TECHNOLOGICAL EQUIPMENT, THE COMPONENTS
AND ADDITIONAL PARTS, RAW MATERIAL AND SUBSTANCES THEREOF BEING
IMPORTED WITHIN THE SCOPE OF AN INVESTMENT PROGRAMME BEING
IMPLEMENTED IN THE PRIORITY SECTOR FROM THE CUSTOMS DUTY ON
IMPORT AND RECOGNISING AN AUTHORISED BODY**

Accepting as a basis point 4 of the Protocol "On Uniform Customs Tariff Regulation" of Annex No 6 to the Treaty on the Eurasian Economic Union, the Government of the Republic of Armenia ***decides***:

1. To establish that the import of technological equipment, the components and additional parts, raw material and substances thereof envisaged for use exclusively in the territory of the Republic of Armenia within the scope of an investment programme being implemented in the priority sector shall be exempt from the customs duty calculated by customs bodies as prescribed by legislation, where such technological equipment, the components and additional parts, raw material and substances thereof are not produced in the member states of the Eurasian Economic Union (or are produced in a quantity that is not enough for implementation of the investment programme) or do not meet the technical standards required for implementation of the investment programme.

2. Within the meaning of this Decision, to establish as priority sectors the sectors prescribed by the 2014-2025 Strategic Programme of Prospective Development of the Republic of Armenia approved by Decision of the Government of the Republic of Armenia No 442-N of 27 March 2014, the 2010-2020 Strategy of Sustainable Rural and Agricultural Development of the Republic of Armenia approved by Decision of the Government of the Republic of Armenia No 1476-N of 4 November 2010, the Strategy of the Export-oriented Industrial Policy of the Republic of Armenia approved by Protocol Decision No 49 of the sitting of the Government of the Republic of Armenia of 15 December 2011 and the decision of the Government of the Republic of Armenia, as well as the production of types of products not produced in the territory of the Republic of Armenia (hereinafter referred to as "the priority sector").

3. To approve, pursuant to the Annex, the procedure for approval of the conditions required for application of the privilege to exempt technological equipment, the components and additional parts, raw material and substances thereof being imported within the scope of an investment programme being implemented in the priority sector from the customs duty on import.

4. Within the meaning of this Decision, to recognise the Ministry of Economic Development and Investments of the Republic of Armenia as an authorised body.

(point 4 amended by No 1374-N of 26 October 2017)

5. This Decision shall enter into force on the tenth day following the official promulgation.

**Prime Minister of
the Republic of Armenia**

H. Abrahamyan

2 October 2015

Yerevan

Annex
to Decision of the Government of
the Republic of Armenia No 1118-N
of 17 September 2015

PROCEDURE

**FOR APPROVING THE CONDITIONS REQUIRED FOR APPLICATION OF
A PRIVILEGE TO EXEMPT TECHNOLOGICAL EQUIPMENT,
THE COMPONENTS AND ADDITIONAL PARTS, RAW MATERIAL AND
SUBSTANCES THEREOF BEING IMPORTED WITHIN THE SCOPE OF
AN INVESTMENT PROGRAMME BEING IMPLEMENTED IN THE
PRIORITY SECTOR FROM THE CUSTOMS DUTY ON IMPORT**

1. This Procedure regulates the relations connected with approval of the conditions required for application of the privilege to exempt technological equipment, the components and additional parts, raw material and substances thereof being imported within the scope of an investment programme being implemented in the priority sector from the customs duty on import calculated by customs bodies as prescribed by legislation.
2. The conditions required for the application of the privilege to exempt technological equipment, the components and additional parts, raw material and substances thereof being imported within the scope of an investment programme being implemented in the priority sector from the customs duty on import calculated by customs bodies as prescribed by legislation shall be approved upon the decision of the Government of the Republic of Armenia, based on the conclusion of the Ministry

of Economic Development and Investments of the Republic of Armenia (hereinafter referred to as "the authorised body").

(point 2 amended by No 1374-N of 26 October 2017)

3. A legal person or individual entrepreneur (hereinafter referred to as "the applicant") may apply to benefit from the privilege to exempt technological equipment, the components and additional parts, raw material and substances thereof being imported within the scope of an investment programme being implemented in the priority sector from the customs duties on import calculated by customs bodies as prescribed by legislation.

4. The application for benefiting from the privilege to exempt technological equipment, the components and additional parts, raw material and substances thereof being imported within the scope of an investment programme being implemented in the priority sector from the customs duties on import calculated by customs bodies as prescribed by legislation (hereinafter referred to as "the application") shall be submitted to the Staff of the Government of the Republic of Armenia.

5. The application must include:

- (1) the investment programme, pursuant to Form No 1 of this Procedure;
- (2) the list of technological equipment, the components and additional parts and/or raw material and substances thereof and their technical specifications, pursuant to Form No 2 of this Procedure;
- (3) statement on using the technological equipment, the components and additional parts and/or raw material and substances imported (being imported) within the scope of the investment programme exclusively in the territory of the Republic of Armenia, pursuant to Form No 3 of this Procedure.

6. The applicant shall, as prescribed by law, bear liability for the reliability of information submitted by him or her.

7. The application shall be sent, no later than within 2 working days from the day of entry into the Staff of the Government of the Republic of Armenia, upon the assignment of the Prime Minister of the Republic of Armenia, to the Ministry of International Economic Integration and Reforms of the Republic of Armenia, the Ministry of Finance of the Republic of Armenia, the State Revenue Committee adjunct to the Government of the Republic of Armenia and, if necessary, the relevant sector-specific ministry(ies) of the Republic of Armenia for opinion, and to the Ministry of Economic Development and Investments of the Republic of Armenia — for conclusion.

(point 7 supplemented by No 672-N of 30 June 2016, amended by No 1374-N of 26 October 2017)

8. The Ministry of International Economic Integration and Reforms of the Republic of Armenia, the Ministry of Finance of the Republic of Armenia, the State Revenue Committee adjunct to the Government of the Republic of Armenia and the relevant sector-specific ministry(ies) of the Republic of Armenia shall, within 3 working days, examine the submitted application and provide their opinion to the Ministry of Economic Development and Investments of the Republic of Armenia.

(point 8 supplemented by No 672-N of 30 June 2016, amended by No 1374-N of 26 October 2017)

9. The Ministry of Economic Development and Investments of the Republic of Armenia shall, within 5 working days upon receipt of the opinion from the bodies prescribed by point 8, examine the submitted application, prepare a conclusion by summing up the opinions of the Ministry of International Economic Integration and Reforms of the Republic of Armenia, the Ministry of Finance of the Republic of Armenia, the State Revenue Committee adjunct to the Government of the Republic of Armenia and a relevant sector-specific ministry of the Republic of Armenia, and submit it to the Staff of the Government of the Republic of Armenia.

(point 9 supplemented by No 672-N of 30 June 2016, amended by No 1374-N of 26 October 2017)

10. The opinion of the Ministry of International Economic Integration and Reforms of the Republic of Armenia, the Ministry of Finance of the Republic of Armenia, the State Revenue Committee adjunct to the Government of the Republic of Armenia and the relevant sector-specific ministry of the Republic of Armenia and the conclusion of the Ministry of Economic Development and Investments of the Republic of Armenia shall be drawn up based on the following:

- (1) the investment programme is carried out in the priority sector;
- (2) the technological equipment, the components and additional parts and/or raw material and substances thereof imported (being imported) within the scope of the investment programme will be applied exclusively in the territory of the Republic of Armenia;
- (3) technological equipment, the components and additional parts and/or raw material and substances thereof imported (being imported) within the scope of the investment programme are not produced in the member states of the Eurasian Economic Union (or are produced in a quantity that is not enough for implementation of the investment programme) or do not meet the technical standards required for the implementation of the investment programme;
- (4) amount of investments that have been actually made or are predicted to be made as a result of the implementation of the investment programme;
- (5) type of product produced (being produced) as a result of the implementation of the investment programme, volumes of sales (actual or predicted) and directions thereof;
- (6) new jobs created (being created) as a result of the implementation of the investment programme.

(point 10 supplemented by No 672-N of 30 June 2016, amended by No 1374-N of 26 October 2017)

11. Upon the assignment of the Prime Minister of the Republic of Armenia, the conclusion shall be sent to the Ministry of Justice of the Republic of Armenia for an opinion.

12. The Government of the Republic of Armenia shall examine the conclusion and the opinion of the Ministry of Justice of the Republic of Armenia related thereto and shall, within 15 working days, adopt a decision on satisfaction or rejection of the application.

(point 12 amended by No 1374-N of 26 October 2017)

13. Incompatibility of the application with the requirements prescribed under points 5 and 10 of this Procedure shall serve as a ground for rejection of the application.

(point 13 edited by No 1374-N of 26 October 2017)

14. The Ministry of Economic Development and Investments of the Republic of Armenia shall inform the applicant about the relevant decision of the Government of the Republic of Armenia no later than within 1 working day from the moment of receipt of the decision.

(point 14 amended by No 1374-N of 26 October 2017)

15. Monitoring shall be conducted for the purpose of conformity assessment of the initial, current and final outcomes of the implementation of investment programmes.

(point 15 amended, edited by No 1374-N of 26 October 2017)

15.1. For the purpose of conducting a monitoring, the person having obtained the relevant privilege within the scope of investment programmes shall, pursuant to Form No 4 of this Procedure, on the annual basis, submit to the Ministry of Economic Development and Investments of the Republic of Armenia information regarding the process of implementation of the programme, within 5 working days following

the expiry of the subsequent year of the relevant decision issued by the Government of the Republic of Armenia, until the end of the period of the investment programme.

(point 15.1 supplemented by No 1374-N of 26 October 2017)

15.2. During the monitoring of an investment programme, the Ministry of Economic Development and Investments of the Republic of Armenia may, where necessary, request that the person having obtained the relevant privilege provide additional documents and materials regarding the data submitted in Form No 4 of this Procedure.

(point 15.2 supplemented by No 1374-N of 26 October 2017)

15.3. With a view to fixing shortcomings and omissions revealed during the monitoring, the Ministry of Economic Development and Investments of the Republic of Armenia shall submit recommendations to the applicant.

(point 15.3 supplemented by No 1374-N of 26 October 2017)

16. The person having obtained the relevant privilege within the scope of an investment programme shall, in case of change of the period of implementation of the investment program, inform the Ministry of Economic Development and Investments of the Republic of Armenia thereon within 3 working days.

(point 16 supplemented by No 1374-N of 26 October 2017)

**Minister-Chief of Staff of
the Government of
the Republic of Armenia**

D. Harutyunyan

INVESTMENTPROGRAMME

1.	Name of applicant	
2.	Location (place of residence), contact information	
2.1.	Period of implementation of investment programme	
3.	Type of product envisaged by the programme, description of the application of technological equipment, the components, additional parts, raw material and substances thereof	
4.	Volume of products envisaged by the programme (actual or predicted) — in value terms (AMD)	
5.	Volumes of sales of products envisaged by the programme (actual or predicted) — in value terms (AMD) <i>including:</i> <i>in the territory of the Republic of Armenia</i> <i>in the territory of other member states of the Eurasian Economic Union</i> <i>in the territory of third countries</i>	
6.	New jobs created (being created) as a result of implementation of the investment programme and the average wage (AMD)	
7.	Investments that have been actually made or are predicted to be made within the scope of the programme (AMD) (<i>in case of financing from sources of state support, indicate the source and amount of corresponding financing</i>)	
8.	Information regarding failure to produce technological equipment, the components and additional parts, raw material and substances thereof imported (being imported) within the scope of an investment programme in the member states of the Eurasian Economic Union (or producing in the amount that is not enough for the implementation of the investment programme) or failure to comply with the technical standards required for the implementation of the investment programme	
9.	Other information regarding the programme (<i>upon discretion of applicant</i>)	

(form supplemented by No 1374-N of 26 October 2017)

LIST

**OF TECHNOLOGICAL EQUIPMENT, THE COMPONENTS AND
ADDITIONAL PARTS AND/OR RAW MATERIAL AND SUBSTANCES
IMPORTED (BEING IMPORTED) WITHIN THE SCOPE OF
AN INVESTMENT PROGRAMME IN THE PRIORITY SECTOR**

NN	CNFEA code on a 10-digit level	Name	Technical specification	Unit of measurement	Quantity	Country of origin	Value (AMD)
1	2	3	4	5	6	7	8
1.							
2.							
3.							
Total							

(form supplemented by No 1374-N of 26 October 2017)

STATEMENT

I certify that the information contained in this application is reliable and complete. I am aware that submitting any false document or information will lead to liability prescribed by law.

I certify that the technological equipment, the components and additional parts and/or raw material and substances thereof imported (being imported) within the scope of the investment programme will be applied exclusively in the territory of the Republic of Armenia.

I agree to notify the authorised body of any change in the information provided by me above.

Signatory _____
(position)

(name, patronymic, surname)

(signature)

_____ 20__

Form No. 4

INFORMATION

ON THE PROCESS OF IMPLEMENTATION OF THE INVESTMENT PROGRAMME

20__

NN	Indicator	Unit of measurement	Quantity (volume)	Sum (AMD)
	1. Volume of production			
	2. Investments made			
	3. Volumes of sales of products			

	<i>including</i> <i>in the territory of the Republic of Armenia</i> <i>in the territory of other member states of the Eurasian Economic Union in the territory of third countries</i>			
4.	Number of jobs			
5.	Average salary			
6.	VAT			
7.	Profit tax			
8.	Income tax			

(Annex supplemented by No 672-N of 30 June 2016, amended, edited, supplemented by No 1374-N of 26 October 2017)