ARMENIA

Artem Aznaurian, MFA Armenia


Euro-Asian Regional Midterm Review Of the Vienna Programme of Action for the Landlocked Developing Countries For the Decade 2014-2024

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SOME ECONOMIC INDICATORS
ARMENIA
Armenia’s GDP in 2017 expanded at its fastest pace since the 2008–09 global financial crisis, with favorable trends continuing in early 2018.

Armenia made significant progress in reducing poverty from a peak of close to 54 percent in 2004 to 25.7 percent in 2017.
More than half of GDP growth in 2017 came from a strong expansion in services, including trade, reflecting positive developments in the labor market and robust tourism.

The tourism industry is dynamic and exports in the ICT sector are increasingly vigorous. There has also been a rapid recent expansion of agribusiness products, in particular beverages and tobacco.
CHALLENGES AND GOALS

Constraints

- Armenia’s geopolitical constraints call for deeper improvements across the economy than might be needed in less constrained environments to achieve similar development outcomes.

  However, pockets of productivity and export strength have emerged, holding the promise of better trade and productivity in the future.

Priorities

- Raising human capital through “free, dignified, and happy citizens.”
- Stimulating more competition
- Prudent use of natural resources, balanced with social equity and economic efficiency
- Promoting good governance and the rule of law, including combatting corruption

The new Government program seeks to institutionalize the values of the overwhelming confidence of population through, inter alia, prioritizing better governance and rule of law, market dynamism, and human capital development, leading to economic growth, job creation, and poverty reduction; and implementing policies to support these principles.
The document defines the strategies for sectors
- road communication and construction,
- information and high technologies,
- energy system,
- nature and environmental protection,
- mining industry,
- poverty reduction and sustainable development,
- regional and international economic integration and cooperation,
and the measures aimed at their implementation.

The strategy is in line with
- the 2030 Agenda for Sustainable Development with provisions closely linked to the SDGs
- the Vienna Declaration and the Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, reflecting its priorities

INFORMATION AND COMMUNICATIONS TECHNOLOGY INFRASTRUCTURE

“The progress made by Armenia in developing and implementing a structural transformation strategy aimed at improving science, technology and innovation, (export diversification, productivity, efficiency and competitiveness)”

IT sector, being one of the leading sectors in Armenian economy, promotes technology innovation and productivity growth. The constant growth of IT also comes from the technical and managerial qualities of the workers. Armenian universities offer educational programs, which are designed to give high-quality professionals.

- Number of ICT enterprises: over 800
- Number of employees in ICT sector: over 18000
- Average annual expansion since 2008: 20%

In 2017 the IT growth accelerated at record 38.2%

- Share in the GDP: 7%
- Revenue earned in 2017: USD 600 mln

Major foreign companies: Microsoft, Synopsys, National Instruments, Mentor Graphics, Vmware have a considerable share in the Armenian IT sector.
THE ENGINEERING CITY
launched in August 2018

IMPROVING SCIENCE, TECHNOLOGY AND INNOVATION

Will transform and revitalize Armenian economy, providing economic competitiveness, wealth creation, and jobs through establishment of Engineering City and Engineering Cluster of Armenia

Key stakeholders: Government of Armenia and National Instruments Corporation (Austin, Texas)
- based public-private partnership
- 1500 specialists will be prepared and trained,
- 2000 new jobs, start-ups will be created,
- growth of export volume is expected.
New law on Free Economic Zones (FEZ) adopted by the National Assembly in October 2018.

**Free Economic Zones (FEZ)**

1. **Alliance** - electronics, precision engineering, pharmaceutics and biotechnologies, information technologies, alternative energy, industrial design and telecommunications
2. **Meridian** - jewelry, stones cutting and watch making
3. **Meghri (near the Armenian border with Iran)** - processing industries, electricity supply, trade, transportation and storage, tourism and entertainment.
Main functions: of the Foundation
• promotional campaigns aimed at increased international awareness of Armenia as a prime tourism destination;
• assisting Armenia based tour operators in participating at key international tourism expos;
• organizing trips to Armenia for international media and tour operators;
• developing new and diversified tour products, etc.
The number of visiting tourists has been showing stable growth at all times. In ten-year period it tripled. Since the adoption of the VPoA in 2014 the number of tourists coming to Armenia rose by 37%.

2008 – 558,442
2009 – 586,775
2010 – 729,260
2011 – 832,746
2012 – 963,035
2013 – 1,081,984
2014 – 1,203,745
2015 – 1,192,119
2016 – 1,259,657
2017 – 1,494,779
2018 – 1,651,782
Thank You!!!