

Monthly Newsletter On Regulatory and Legislative Changes

MAY 2025



Changes to the Legislative Framework

On Amendments and Supplements to the Law on Holding Detained and Arrested Persons (Law No. HO-80-N, April 18, 2025, effective from May 17, 2025, with certain exceptions)

- The law establishes that detained and arrested persons must undergo a medical examination in all cases upon admission to a place of detention or arrest, rather than only when bodily injuries are detected, as was the case under the previous version of the law.
- Mechanisms have been defined that comply with international standards for the documentation of torture and ill-treatment.
- In cases where torture or ill-treatment is recorded, the law also establishes the obligation to electronically inform the competent investigative authority and the prosecutor's office.

On Supplements to the Civil Procedure Code of the Republic of Armenia (Law No. HO-81-N, April 18, 2025, effective from May 17, 2025)

- Taking into account that all proceedings related to the confiscation of property of illicit origin are uniform in nature and that the parties involved in such cases at least partially overlap (the plaintiff is always the Prosecutor General's Office of the Republic of Armenia), the law proposes to define criteria for merging cases that are under the jurisdiction of different judges.
- These criteria include the interconnection between the proceedings and the expediency of joint examination of the cases from the perspective of a faster and more efficient resolution.
- In addition, the law introduces a time limitation. All cases subject to merger must not yet have decisions issued regarding the allocation of the burden of proof.

On Amendments and Supplements to the Tax Code of the Republic of Armenia (Law No. HO-82-N, April 18, 2025, effective from January 1, 2026)

- The tax base for fees on the use of biological resources has been expanded. Instead of being calculated based on actual volumes used, for biological resources that are part of the flora (excluding timber or secondary forest materials) or fauna, it now includes the volume, weight, unit (piece), or other physical characteristic of the biological resource as defined by the license or usage agreement issued by the competent authority in accordance with the legislation of the Republic of Armenia.
- In cases where the permitted quantity is exceeded or where no permitted quantity is set (i.e., zero threshold), the actual volume, weight, unit, or other physical characteristic used will be taxed.
- For timber or secondary forest materials, the tax base remains the actual volume used.
- The rates for environmental usage fees for biological resources have also been revised.

On Amendments and Supplements to the Land Code of the Republic of Armenia (Law No. HO-85-N); On Amendments and Supplements to the Law on "State Property Management" (Law No. HO-86-N); On Amendment and Supplement to the Law on "Administrative-Territorial Division of the Republic of Armenia" (Law No. HO-87-N); On Amendment and Supplement to the Law on "Local Self-Government" (Law No. HO-88-N)(April 18, 2025, effective from May 17, 2025)

- The procedure for possession, management, and disposal of state-owned land has been clarified.
- The amendments also establish the possibility of transferring such land for donation or free use through the State Property Management Committee.

On Supplement to the Civil Code of the Republic of Armenia (Law No. HO-83-N); On Supplement to the Law on “State Registration of Legal Entities, Separate Subdivisions of Legal Entities, Institutions, and State Registration of Individual Entrepreneurs” (Law No. HO-84-N) (April 18, 2025, effective from May 8, 2025)

- Under the current legislation, the termination of an obligation secured by a pledge automatically results in the termination of the pledge itself.
- The recent amendments introduce an important exception to the grounds for termination of a pledge. Specifically, if a pledge secures obligations of unregistered individual entrepreneurs or legal entities, and the pledged property belongs to a third party (not the debtor), the pledge-holder's rights over the pledged property do not terminate unless the financial losses stemming from the obligations in question (including those transferred to the Government of Armenia under claims assignment agreements) have been fully or partially recovered or compensated in a manner and amount agreed upon with the pledge-holder; or the pledged asset or right relates to property intended for the construction of multi-apartment buildings or subdivided premises.

On Disaster Risk Management and Population Protection (Law No. HO-89-N); On Supplements to the Code of Administrative Offenses of the Republic of Armenia (Law No. HO-90-N); On Supplement to the Law on “Local Self-Government” (Law No. HO-91-N); On Supplement to the Law on “Local Self-Government in the City of Yerevan” (Law No. HO-92-N) (April 18, 2025, effective from January 1, 2027)

- Recognizing that the current Law “On Population Protection in Emergency Situations” does not comprehensively regulate the full scope of measures and priorities related to disaster risk reduction, response, early recovery, and post-disaster rehabilitation, a new law has been adopted to provide a more complete and integrated framework for disaster risk management and population protection.
- The new law places special emphasis on disaster risk reduction. It establishes responsibilities and coordination mechanisms across all structures involved in the disaster risk management system.
- Importantly, the law introduces administrative liability for local self-government bodies, individual entrepreneurs, and organizations that fail to fulfill their obligations as defined by the law.

On Amendments and Supplements to the Law on “Private Guarding Activity” (Law No. HO-93-N) (April 18, 2025, effective from May 24, 2025, with certain exceptions); On Amendments and Supplements to the Code of Administrative Offenses of the Republic of Armenia (Law No. HO-94-N) (April 18, 2025, effective from May 24, 2025); On Amendment to the Law on “Licensing” (Law No. HO-95-N) (April 18, 2025, effective from January 1, 2026); On Amendments to the Law on “State Duty” (Law No. HO-96-N) (April 18, 2025, effective from January 1, 2026); On Amendment and Supplement to the Law on “Regulation of Circulation of Weapons” (Law No. HO-97-N) (April 18, 2025, effective from May 24, 2025)

- The list of private guarding service types has been expanded to include all such practically provided services, including surveillance via security systems, protection through alarm systems, and rapid response services.
 - Each protected person may now be transported only in a single vehicle, with no more than three bodyguards present in that vehicle (including the driver-bodyguard). Escorting the protected person's vehicle by another vehicle is prohibited. Violation of these rules is subject to an administrative fine of AMD 500,000, and in case of a repeat offense within one year of the initial sanction, the fine increases to AMD 1,000,000. Furthermore, two or more such violations within one year following an administrative sanction may result in the suspension of the company's license by the authorized public administration body.
 - The term “license granted through a complex procedure” has been removed from the law, as such a procedure no longer exists under the current Law on Licensing.
 - A new minimum requirement has been introduced: at the time of applying for a license, the applicant must have employment contracts in place with at least 10 qualified staff members (guards and/or bodyguards). The license is issued for an indefinite term.
 - Private security companies are now required to insure their liability risks in accordance with rules and limits set by the Government.
 - Licensed private security companies are also required to submit semiannual activity reports to the competent authority.
 - The list of permits issued to legal entities has been expanded to include firearm permits for employees of legal entities with special statutory functions. The permit is valid for five years and may be extended in five-year increments.
 - As of January 1, 2026, the state duty for obtaining a private security activity license will increase from the current AMD 500,000 to AMD 3,000,000.
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On Amendments and Supplements to the Law “On Food Safety” (Law No. HO-98-N, April 18, 2025, effective from July 15, 2025)

- In order to ensure the implementation of Point 5.1 of Annex No. 2 of Government Decision No. 356-L of March 23, 2023, it has been established that, during the registration of food chain operators in the database, it will also be mandatory to submit information and an approved plan related to procedures based on the principles of the HACCP system (Hazard Analysis and Critical Control Points).
- In the case of processing meat products derived from slaughter, semi-finished and meat products must now include information on the country of local production or animal rearing, the slaughterhouse origin, and/or whether the meat was imported — indicating the proportion of locally produced and imported meat in the composition.

On Supplement to the Law “On the Military-Industrial Complex” (Law No. HO-99-N, May 15, 2025, effective from May 17, 2025)

- The military-purpose products owned by the state may, by decision of the Government of the Republic of Armenia, be alienated or granted for free use to entities included in the consolidated list of subjects of the military-industrial complex (MIC), as well as to subjects fulfilling state defense orders on the basis of contracts concluded for military needs — for the purposes of developing new types of products, modernization, repair, disposal, or testing of products.
- The terms of alienation or free use shall be defined by a decision of the Government of the Republic of Armenia.

On Ratification of the Protocol on Amendments and Additions to the Agreement of November 6, 2006, between the Government of the Republic of Armenia and the Government of the Republic of Kazakhstan on International Road Transport (Law No. HO-100-N) (May 12, 2025, effective from May 17, 2025)

- The amendments, among other things, stipulate that carriers of one party engaged in passenger and freight transportation in the territory of the other party shall, on a reciprocal basis, be exempt from taxes and fees related to the possession of the vehicle in the territory of that state (excluding cases involving damage to roads caused by the vehicle and the use of toll infrastructure).

On Amendments to the Law “On Ecological Patrol Service” (Law No. HO-101-N) (May 12, 2025, effective from May 31, 2025)

- In the event of death in the line of duty, a one-time monetary compensation shall be provided to the family members of the Service Member. In case the Service Member is recognized as a person with a disability, the compensation shall be provided to them. The defined monetary compensation serves as a form of social guarantee, replacing state insurance.

On Amendments and Supplements to the Water Code of the Republic of Armenia (Law No. HO-102-N) (May 12, 2025, effective from May 31, 2025)

- Pursuant to the amendments introduced by Law HO-129-N of 20.03.2024, the requirement for the water user to sign the Water Use Permit (WUP) as a condition of its validity has been removed. Accordingly, under Article 33.1 of the Water Code, in cases where the WUP is reviewed on the initiative of the Water Resources Management and Protection Body, the obligation for the water user to submit the WUP to the said body—and therefore the need to establish a deadline for such submission—is eliminated, as is the ground for suspension due to failure to submit the original of the WUP.
- Simultaneously, the process of digitalization of WUP issuance is currently underway, and upon its implementation, the submission of paper copies will no longer be required.

On Amendments and Supplements to the Law “On Education” (Law No. HO-103-N) (May 12, 2025, effective from June 9, 2025)

- The key principles, objectives, tasks, and development paths aimed at establishing new qualitative foundations in the field of extracurricular education have been defined. In particular, as a mandatory condition, the content of programs in the field of extracurricular education must be submitted for endorsement by the Ministry.
- General requirements for applicants seeking a certificate of the right to manage preschool, general, and vocational educational institutions have been established, along with grounds for the suspension of such certificates.

On Amendment to the Law “On Remuneration of Persons Holding Public Positions and Public Service Positions” (Law No. HO-104-N) (May 12, 2025, effective from May 31, 2025)

- As a result of the revision of the remuneration coefficients for contract servicemembers of the Ministry of Defense of the Republic of Armenia, the law defines the remuneration coefficients for the positions of army (General Staff) sergeant, corps (directorate) sergeant, and staff sergeant.

On Amendments and Supplements to the Law “On Functional Assessment of a Person” (Law No. HO-105-N); On Amendment to the Code of Administrative Offenses of the Republic of Armenia (Law No. HO-106-N) (May 12, 2025, effective from June 9, 2025)

- Under the current legislation, oversight of the procedure for assessing a person's functionality is carried out by the inspection body responsible for supervision in the field of healthcare. However, there are no regulations governing the tools and procedures for conducting such oversight.
- The amendments establish a detailed procedure for oversight of the functional assessment process, including the grounds for conducting inspections, the duration of proceedings, the information to be included in the inspection report, and the actions to be taken in case of detected violations.
- Administrative liability has been introduced for violations of the procedure for assessing a person's functionality.

On Inspectorate Supervision in the Field of Education (Law No. HO-107-N) (May 12, 2025, effective from June 9, 2025); On Amendments and Supplements to the Law “On Education” (Law No. HO-108-N) (May 12, 2025, effective from June 9, 2025); On Amendments and Supplement to the Law on “On Higher and Postgraduate Professional Education” (Law No. HO-109-N) (May 12, 2025, effective from January 31, 2026); On Supplements to the Code of Administrative Offenses of the Republic of Armenia (Law No. HO-110-N) (May 12, 2025, effective from January 31, 2026);

- Under the current legislation, the Inspectorate Body in the field of education is the only supervisory body that lacks administrative leverage to apply effective enforcement measures when violations are detected.
 - The legislative amendments define the powers of the inspectorate body, including its role in assessing the quality of education, conducting inspections aimed at identifying shortcomings, and the ability to implement administrative sanctions when violations are found.
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Changes to the Framework of Government Resolutions

Government Resolution on Supplementing Government Resolution No. 596-N of March 19, 2015 (Resolution No. 556-N, May 8, 2025, effective from May 9, 2025)

- The amendments to the procedure defined by Government Resolution No. 596-N of March 19, 2015, regarding the issuance of permits and other documents for construction purposes, now require that in order to obtain a design permit (architectural and planning task) for the construction of fish farming facilities, applicants must submit proof of a valid water use permit.
- This regulation aims to prevent the misuse of construction permits issued for fish farms, which have at times been used solely as a pretext for excavation works—causing financial and environmental harm to the state.

Government Resolution on Establishing the Procedure for Granting, Suspending, or Revoking the Authority of a Scientific Organization (Center) to Conduct Risk Assessments (Resolution No. 563-N, May 8, 2025, effective from May 22, 2025)

- In accordance with the Law “On Food Safety Supervision,” state oversight is based on risk analysis, where risk assessments are carried out by scientific organizations (centers), and risk management is conducted by the competent risk management authority.
- This resolution establishes the procedure for granting, suspending, or revoking the authority of a scientific organization to conduct risk assessments. If the organization meets the prescribed criteria, it may be authorized by an order of the head of the competent authority. Once authorized as a scientific center for risk assessment, it is responsible for developing an annual action plan for risk assessment, in coordination with the competent authority and the Food Safety Inspectorate.

Government Resolution on Amending and Supplementing Government Resolution No. 595-N of April 21, 2023 (Resolution No. 543-N, May 8, 2025, effective from May 9, 2025)

- Government Resolution No. 595-N of April 21, 2023, sets out the procedure and conditions for granting state property for free use. Under this resolution, communities, non-governmental organizations, and foundations may be granted state property for a period not exceeding three years, as specified in their submitted program.
- However, in practice, long-term investment programs are sometimes proposed that may positively contribute to the development of sectors such as sports, education, and culture. The recent amendments introduce an exception: if the Government of Armenia has approved the submitted program, state property may be granted for free use for the duration specified in the government-approved program, even if it exceeds the standard three-year limit.

Government Resolution on Amending and Supplementing Government Resolution No. 1251-N of September 9, 2010 (Resolution No. 570-N, May 8, 2025, effective from September 1, 2025)

- To improve the digitalization process of vehicle disposal and state registration procedures, changes have been made to the regulations established by Government Resolution No. 1251-N of September 9, 2010.
 - Until now, it has not been possible to execute a simple written transaction for a vehicle through the Ministry of Internal Affairs (MIA) electronic platform—nor to register ownership rights, pledge, or lease rights arising from such transactions, or simultaneously register and record ownership—unless the person had a qualified electronic signature.
 - Under the amendments, these procedures will now be fully digitalized. Individuals will have the option to obtain a digital registration certificate, retain existing license plate numbers, or receive new ones by mail if replaced. Moreover, individuals can fully avoid visiting the MIA’s territorial registration and examination units, if they so choose.
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Government Resolution on Amending and Supplementing Government Resolution No. 1176-L of August 1, 2024 (Resolution No. 569-L, May 8, 2025, effective from May 14, 2025, with certain exceptions)

- In light of the implementation of the state support program for slaughterhouse service providers, as approved by Government Resolution No. 1176-L of August 1, 2024, amendments have been made to clarify the grounds for rejecting applications.
- Additionally, a new support program has been introduced to promote the expansion of large cattle slaughter volumes.
- The program provides partial reimbursement to slaughterhouses for services rendered to farmers.
- No reimbursement will be provided to slaughterhouses that do not serve external farm clients (i.e., operate only within a single business) or are owned/used by individuals who are founders or hold more than 10% of the economic entity's shares, or by their family members (parent, spouse, child).

Government Resolution on Amending and Supplementing Government Resolution No. 105-L of January 27, 2022 (Resolution No. 585-L, May 15, 2025, effective from May 16, 2025)

- Under Armenia's agricultural equipment leasing support program, the total value of leased items a single lessee could acquire was previously capped at AMD 250 million, which limited the implementation of larger investment projects.
- With this amendment, the cap is increased to AMD 500 million per lessee, allowing for more substantial acquisitions within the program.
- This change is expected to support the modernization of agricultural machinery fleets, reduce operational costs, and promote more efficient use of agricultural land and the establishment of favorable conditions for market-oriented production.

Government Resolution on Establishing the Procedure for the Use of Wildlife and the Conclusion of Contracts for Use for Environmental, Scientific, Educational, Healthcare, and Breeding Purposes (Resolution No. 600-N, May 15, 2025, effective from May 17, 2025)

- This resolution establishes the procedure for the use of wildlife for environmental protection, scientific research, education, healthcare, and breeding purposes, as well as the process for concluding contracts governing such use.

Government Resolution on Amending and Supplementing Government Resolution No. 1755-N of November 7, 2024 (Resolution No. 605-N, May 15, 2025, effective from May 17, 2025)

- This amendment updates Government Resolution No. 1755-N of November 7, 2024, which imposed temporary restrictions on the movement of certain goods from Armenia to EAEU member states and third countries.
- The amendments clarify procedures related to the temporary importation/exportation and processing under customs control, including the return of goods previously imported under contractual obligations (e.g., due to warranty or quality conditions) and permit the temporary re-export of certain goods back to EAEU states for repair or replacement purposes.
- The resolution authorizes the export or transfer of up to 400 tons of alloy scrap containing copper, iron, or nickel, and up to 3 tons of zirconium scrap.

Government Resolution on Repealing Government Resolution No. 1815-N of November 21, 2024 (Resolution No. 619-N, May 22, 2025, effective from May 23, 2025)

- Government Resolution No. 1815-N of November 21, 2024, which established a temporary quantitative restriction and approved the import procedure for live pigs of domestic breeds classified under EAEU CN FEA code 0103 92, has been repealed.
- Given that as of January 1, 2025, the pig population has decreased by more than 4,600 head compared to the previous year, including a decrease of approximately 1,300 sows, the temporary quantitative restriction on the import of live pigs of domestic breeds into the Republic of Armenia under the mentioned code has been lifted.

Government Resolution on Supplementing Government Resolution No. 904-N of July 27, 2017 (Resolution No. 620-N, May 22, 2025, effective from May 23, 2025)

- Goods acquired through test purchases and not returned had to be transferred by the tax authority to the Ministry of Territorial Administration and Infrastructure (MTAI) within thirty working days following the day of their receipt.
 - Given that the MTAI does not have the authority or capacity to distribute those goods for use, the amendment stipulates that such goods will instead be transferred to the State Property Management Committee under the MTAI—as the body responsible for managing state property.
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Government Resolution on Amending and Supplementing Government Resolution No. 927-L of June 3, 2021 (Resolution No. 591-L, May 15, 2025, effective from May 16, 2025)

- Amendments have been made to the 2021–2025 state support program for the development of intensive horticulture, the introduction of modern technologies, and the promotion of the production of non-traditional high-value crops in Armenia.
- To increase accessibility to hail protection nets, a compensation component has been introduced to support the installation of such nets in all settlements. The compensation rate remains 75% for settlements located in high-risk hail zones, while a 50% compensation rate has been set for other areas.
- It is now stipulated that in cases where investments are made for an area of 10 hectares or more, or where a reservoir of at least 10,000 cubic meters is being constructed, the beneficiary (limited to legal entities, individual entrepreneurs, or communities) may implement the program through multiple contractors, signing contracts with several of them. Additionally, the necessary materials or equipment may be procured either by the beneficiary or by the contractor, recognizing that procurement through contractors for large-scale investments leads to additional expenses.
- The same approach has been adopted under the support program for the development of greenhouse farms. In cases where the program is implemented over 10 hectares or a reservoir of at least 10,000 cubic meters is constructed, and materials are procured by the beneficiary or contracts are signed with multiple contractors, the beneficiary is required—upon completion of the work—to submit an auditor's opinion. This must be issued by an auditing organization registered in the registry of auditors, expert accountants, and auditing organizations under Article 22(1) of the Law on “Regulation and Public Oversight of Accounting and Auditing Activities” and must be a member of an international network. The auditor's opinion must reflect the expenditures incurred under the program as recorded in the beneficiary's financial statements.
- To ensure equal conditions for all beneficiaries, the relevant provisions of the resolution are granted retroactive effect.
- Clarifications have also been made regarding the qualifications required for the contractor's personnel, based on their field of specialization.

Government Resolution on Amending and Supplementing Government Resolution No. 1699-N of October 5, 2023 (Resolution No. 618-N, May 22, 2025, effective from June 1, 2025)

- Following the adoption of Government Resolution No. 125-N of February 6, 2025, it was established that, starting from the deadlines specified in the same resolution, the marking of goods subject to stamp labeling shall be carried out in accordance with the main technological and organizational model for product marking with identification means in the Eurasian Economic Union, approved by the EEC Council on March 5, 2021.
 - Among the goods subject to stamp labeling were also products under code 2208 with alcohol content up to and including 9%, whereas products under the same code with more than 9% alcohol content have been marked using identification means since October 15, 2023, pursuant to Government Resolution No. 1699-N of October 5, 2023.
 - Starting from January 1, 2026, products under code 2208 with alcohol content up to and including 9% will be marked using identification means, in accordance with the main model.
 - Products with the same alcohol content under code 2208, which were labeled with excise stamps based on applications submitted by December 31, 2025, in line with Article 393(4) of the Tax Code, may remain exempt from marking under the main model.
 - Starting January 1, 2026, electronic registration through the electronic system for reallocation and accounting of excise stamps and/or labels will no longer be available for goods under code 2208 with alcohol content up to and including 9%, based on applications submitted for such labels.
 - The marking of these products with identification means may be carried out before January 1, 2026, if desired.
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Government Resolution on Amending Government Resolution No. 1418-N of August 24, 2023 (Resolution No. 616-N, May 22, 2025, effective from May 23, 2025)

- The annex approved by Point 1 of Government Resolution No. 1418-N of August 24, 2023, titled “On Approving the Specifics of Implementing the Information System for Monitoring the Circulation of Goods Subject to Marking with Control (Identification) Labels”, has been revised in a new edition.
- The revised annex now defines and clarifies several important terms, including marking code, product marking, product release into circulation, consumer packaging, group packaging, product set, aggregation, and participants in the circulation of goods.
- Based on the practical use of the system, the updated annex clarifies the possible statuses of marking codes, the specific cases in which violations of marking rules occur, and what is considered a violation in terms of enforcement responsibility—specifically distinguishing between a breach of marking rules and distribution of unmarked products.

Government Resolution on Approving the Procedure and Criteria for Accreditation of Organizations Conducting Expert Examination of Cultural Property (Resolution No. 669-N, May 29, 2025, effective from November 30, 2025)

- In an implementation of the Law on Amendments and Supplements to the Law of the Republic of Armenia on the Export and Import of Cultural Property (adopted on September 10, 2024, No. HO-331-N), this resolution introduces a system for the accreditation of organizations that carry out expert examinations of cultural property.
- Organizations conducting expert examinations of cultural property in Armenia will be required to undergo accreditation for a five-year term.
- The accreditation and official registration of such organizations will be carried out by the authorized state body.
- The goal is to enhance the quality of services provided to citizens, ensure greater professionalism and accountability, and reduce the risk of flawed or improper expert opinions being submitted or circulated within the competent state authorities.
- This accreditation mechanism is intended to improve regulatory oversight and raise the reliability and transparency of cultural property examination practices.

Government Resolution on Amending and Supplementing Government Resolution No. 125-N of February 6, 2025 (Resolution No. 644-N, May 22, 2025, effective from May 24, 2025)

- The Annex to Government Resolution No. 125-N, dated February 6, 2025, establishes the list of goods subject to labeling with identification means and the implementation timelines.
 - According to the timelines set by the annex, labeling with identification means for the first group of goods began on March 1, 2025.
 - For the next groups, the effective labeling dates are June 1, 2025, September 1, 2025, and January 1, 2026, respectively.
 - On April 17, 2025, Government Resolution No. 431-N was adopted, amending Government Resolution No. 1923-N of November 7, 2002, and Armenian-language labels (“Armenianization labels”) were included among the identification means.
 - For certain dairy products (classified under codes 0401, 0402, 0403, 0404, 0405, 0406, 2105 00, 2202 99 910 0, 2202 99 950 0, 2202 99 990 0), the application for a labeling code must include information about variable weight.
 - It has become necessary to also allow indication of variable weight for goods under codes 1901100000, 1901200000, 1901909200, and 1901909800.
 - Given the scope of work required to implement the new labeling system and the time/resources needed for businesses to align their operations, the implementation deadline is extended to January 1, 2026, for all goods not previously subject to the March 1, 2025 deadline.
 - The application form for labeling codes will now also require product Armenianization details.
 - For goods in the 1901 product group, applicants are permitted to indicate variable weight.
 - It is clarified that if goods listed in Annex No. 1 are labeled with identification means ahead of the scheduled deadline, such labeling is considered valid if the code status is “Released into Circulation.”
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Government Resolution on Defining the Cases, Procedure, and Deadlines for Including Commodity Codes of the Foreign Economic Activity Commodity Nomenclature (FEACN) in Accounting Documents (Resolution No. 679-N, May 29, 2025, effective from September 1, 2025)

- In accordance with the amendments introduced by the Law No. HO-491-N of December 4, 2014, the inclusion of the FEACN code in accounting documents related to the supply of goods becomes a mandatory requirement, under cases and timelines established by the Government.
- The basis for including the FEACN code in accounting documents is the Unified Commodity Nomenclature of Foreign Economic Activity of the EAEU, as approved by Decision No. 80 of the EEC Council dated September 14, 2021.
- In electronic accounting documents, the FEACN code must be provided in a separate column at the 4-digit level.
- The product name must be filled in by the taxpayer, clearly reflecting the product and corresponding to the full description of the item under the 4-digit FEACN classification.
- From September 1, 2025: FEACN codes must be included in accounting documents for:
 1. Goods imported into Armenia under the “release for domestic consumption” customs procedure or from EAEU member states, when supplied or transported by the original importer;
 2. Imported or locally produced goods, subject to mandatory labeling with control (identification) marks, such as tobacco and alcohol products.
- From November 1, 2025: The requirement applies to locally produced goods, in accounting documents issued by producers, except for tobacco and alcohol products (which remain under the September 1 timeline).
- From January 1, 2026: FEACN codes must be included in all other remaining cases of supply or transportation of goods.
- From September 1, 2025, regardless of mandatory timelines, taxpayers may voluntarily include FEACN codes in accounting documents for all goods.

Government Resolution on Amending and Supplementing Government Resolution No. 47-N of January 19, 2006 (Resolution No. 665-N, May 29, 2025, effective from June 28, 2025)

- This resolution introduces significant updates to the hazardous waste passporting procedure, including the transition to a fully electronic format through the “Digital Services Platform in the Field of Environmental Management”.
- If the actual quantity of waste generated exceeds the amount stated in the approved passport by more than 20%, the passport must be revalidated in accordance with established procedures.
- Waste-generating legal entities or individual entrepreneurs (or their authorized representatives) who have previously approved waste passports in paper form may digitize and validate these documents through the electronic platform, either:
 1. When necessary for other waste management procedures, or
 2. At their own initiative, to maintain records solely in electronic form.
- The goal of the resolution is to enhance efficiency, traceability, and regulatory control in hazardous waste management in Armenia.

Government Resolution on Amending and Supplementing Government Resolution No. 1990-L of December 12, 2024 (Resolution No. 686-L, May 29, 2025, effective from May 31, 2025)

- This resolution introduces several updates to the program aimed at promoting the economic activity of individuals with non-performing loans, expanding eligibility and clarifying implementation mechanisms.
 - The definition of “creditor” has been extended to also include commercial banks and credit organizations undergoing liquidation in Armenia.
 - During the eligibility period, the Compulsory Enforcement Service will suspend enforcement actions related to non-performing loans against the beneficiaries’ assets, without lifting existing asset freezes—provided no other creditors are involved.
 - Employees of the Ministry of Defense, Ministry of Internal Affairs, and the National Security Service are now explicitly recognized as eligible beneficiaries, provided they meet the general program requirements.
 - A legal basis is introduced for reimbursing the state budget for any overpayments made to creditors under the program.
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Upcoming Changes to the Regulatory Framework

THE FOLLOWING DRAFT LAWS HAVE BEEN ADOPTED IN THE SECOND READING AND IN FULL.

On Amendments to the Tax Code of the Republic of Armenia (available [here](#))

- The purpose of this legislative amendment is to clarify and extend the validity period of tax exemptions provided under the Tax Code of Armenia for income derived from securities listed on the regulated market (Armenian Stock Exchange).
- The law extends the tax exemptions applicable to dividends from listed shares; interest income from listed bonds; discount income (e.g. from zero-coupon bonds or discounted securities).
- These exemptions, previously applicable for a limited term, are now explicitly extended through December 31, 2027.
- This change is intended to further stimulate investments in Armenia's capital market by providing greater predictability and continuity in the tax treatment of securities-related income.

On Amendments and Supplements to the Law on the State Supervision Service and Several Other Laws (available [here](#))

- This legislative package transfers the function of financial and budgetary oversight from the Ministry of Finance to the State Supervision Service (SSS).
- Key developments include:
 1. **Reassignment of Competence:** The Ministry of Finance is no longer responsible for financial-budgetary control; this function is now formally entrusted to the SSS.
 2. **Healthcare Oversight:** Within the scope of the state order system, the SSS will now have the authority to oversee the lawfulness and efficiency of medical services provided, their funding, and related processes. This change aims to enable more effective supervisory mechanisms by the SSS.
 3. **Administrative Liability Introduced:** The law clarifies the legal force of instructions issued by SSS officials and establishes administrative responsibility for obstructing their work or failing to comply with lawful demands.
- These amendments aim to strengthen institutional oversight, particularly in sectors involving public expenditures and service delivery under state contracts.

On Amendments and Supplements to the Civil Code of the Republic of Armenia; the Law on Limited Liability Companies; the Law on Joint-Stock Companies; and the Tax Code (available [here](#))

- This legislative package introduces the concept of convertible loan into Armenian law, aiming to enhance legal and financial tools available for early-stage investment and corporate financing.
- Key points include:
 1. **Convertible Loan Instrument:** For the first time, Armenian legislation will regulate convertible loans, which allow investors to convert debt into equity (shares or ownership interests) at a later stage, typically under pre-agreed conditions.
 2. **Civil Code Amendments:** The Civil Code is supplemented with definitions and rules governing convertible loan agreements, their formation, and enforcement.
 3. **Corporate Law Adjustments:** The Law on Limited Liability Companies and the Law on Joint-Stock Companies are amended to facilitate conversion procedures and registration of resulting share changes.
 4. **Tax Implications Clarified:** The Tax Code is amended to specify that interest payable under a convertible loan shall be considered paid at the moment of conversion into shares or equity stakes, thus establishing clear taxation timing rules for such interest.
- These changes are designed to encourage investment in Armenian companies and align domestic law with international financing practices.

On Amendments and Supplements to the Law “On the Assessment of a Person’s Functionality” and the Code of Administrative Offenses (available [here](#))

- Under the current legislation, oversight of the procedure for assessing a person's functionality is carried out by the inspection body operating in the field of healthcare. However, there are no regulations defining the tools and procedures for conducting such oversight.
 - The draft proposes to establish a detailed procedure for overseeing the assessment of functionality, including the grounds for conducting inspections, the duration of the proceedings, and the information to be included in the inspection report.
 - Administrative liability has been established for violating the procedure for assessing a person's functionality.
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On Amendments and Supplements to the Labor Code of the Republic of Armenia and the Criminal Procedure Code of the Republic of Armenia (available [here](#))

- The necessity of the amendments arises from the absence of regulations concerning the status and rights of an employee in cases of house arrest, which is defined as an alternative preventive measure under the new Criminal Procedure Code of Armenia.
- The draft law specifically provides that a person under house arrest may fulfill their work duties from the location of residence specified in the court's decision if the nature of the work allows for remote performance.
- Otherwise, the employment relationship is suspended, similar to cases of detention.

On Supplements to the Law on Physical Culture and Sports; the Law on Local Self-Government; the Law on Local Self-Government in the City of Yerevan (available [here](#))

- Currently, the Law “On Physical Culture and Sports” lacks an enabling provision that would allow for establishing a procedure for naming youth sports schools by order of the Minister of Education, Science, Culture and Sports of the Republic of Armenia.
- At the same time, proposals are being submitted regarding the naming of such sports schools.
- Recognizing the significant contribution of distinguished individuals and persons with notable achievements in sports—including Olympic and World Champions—to the development of sports, the education of athletes, and patriotic upbringing, the naming of sports schools will serve as a special acknowledgment of their dedicated work.

On the Ratification of the Protocol on Amending the “Agreement on Interstate Search for Persons by the Member States of the Commonwealth of Independent States” of December 10, 2010 (available [here](#))

- The mechanisms of cooperation have been clarified to enable the electronic transmission of inquiries.

On the Law to Crypto-Assets and Amendments and Supplements to Several Other Laws (available [here](#))

- The growing activity in the field of crypto-assets has led to the emergence of several risks. These are largely related to the lack of adequate mechanisms for protecting clients' interests and the potential misuse of crypto-assets and their underlying technologies for money laundering and terrorism financing (ML/TF).
 - In addition, the continuous growth in the volume of crypto-asset circulation can pose risks to financial stability. Inadequate response to these risks adversely affects the development of the sector.
 - In particular, insufficient protection of clients' interests hampers the ability to attract a large number of clients and provide them with access to high-quality services. It also limits their ability to participate in various funding programs through investments in newly issued crypto-assets. Meanwhile, ML/TF and other risks constrain the proper integration of the crypto-ecosystem with the financial system and the possibility for mutually beneficial cooperation.
 - Given the importance and urgency of properly addressing these issues, there is a need to implement a comprehensive regulatory framework for the crypto-asset sector. This model would help create the necessary preconditions for the uninterrupted development of the field while reducing the negative impact of existing and potential risks.
 - During the second reading, it was proposed to take into account that the crypto-asset sector is characterized by unpredictable and rapidly evolving risks.
 - At this stage, it was decided not to allow banks to combine crypto-asset services with their banking services, with the exception of issuing electronic money tokens—considering that under the current legislation, banks are permitted to issue electronic money.
 - At the same time, it was proposed to monitor the effectiveness of this restrictive regulation for banks and, if necessary, propose further legislative changes.
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On Amendments and Supplements to the Law “On Energy” (available [here](#))

- Guided by the goal of market liberalization and promoting competition, it has been established that producers of electricity from small hydropower plants built on natural watercourses, as well as solar and wind power plants benefiting from a guaranteed power purchase agreement, will be allowed, during the next two years, to waive the guaranteed purchase obligation and enter the competitive electricity market—without the right to restore the guarantee thereafter.
- This marks a change from the previous regulation, under which producers benefiting from the guaranteed purchase were required to sell electricity to the state at tariffs set by the Public Services Regulatory Commission and were not allowed to exit the guarantee scheme for a period of 15–20 years.
- Changes have also been introduced concerning the status and rights of qualified consumers.

On Amendments and Supplements to the Code of Administrative Offenses of the Republic of Armenia (available [here](#))

- When a criminal prosecution is not initiated, is terminated, criminal proceedings are not initiated or are discontinued, or in the event of an acquittal, but the conduct of the person still contains elements of an administrative offense, an administrative penalty may be imposed.
- This must be done within one month from the date the authorized body (or official) receives the final decision or written notice regarding the refusal to initiate criminal prosecution, termination or discontinuation thereof, or the entry into force of an acquittal verdict.
- In any case, an administrative penalty must be imposed no later than six months after the criminal prosecution is refused, terminated, discontinued, or after the acquittal verdict enters into force.

On Amendments and Supplements to the Law on Enforcement Proceedings and Several Other Laws (available [here](#))

- The need for the amendments stems from the unprecedented increase in the number of enforcement proceedings, creating a necessity to digitize processes derived from the law.
- Considering that it will not be possible to properly implement the process during 2025, it has been proposed to set the effective date of the legislative package not as July 1, 2025, but January 1, 2026.
- The deadlines for establishing and integrating communication channels with the courts have been rescheduled from September 1, 2025, to March 1, 2026.
- It is expected that these changes will allow sufficient time to prepare the electronic system to meet the requirements established by legislative regulations and to ensure its proper implementation.
- Specifically, this includes concluding a contract with a relevant service provider, making the necessary adjustments to the current system used by the service, integrating the system with other agencies, simultaneously circulating and adopting the package of sub-legislative acts required for implementation, and training enforcement officers to familiarize them with the new legal regulations and the functionalities of the electronic tools.

On the Ratification of the “Agreement between the Government of the Republic of Armenia and the Government of the State of Qatar on the Regulation of Employment of Citizens of the Republic of Armenia in the Territory of the State of Qatar” (available [here](#))

- The ratification of the agreement stems from Point 1.1 of the Government of the Republic of Armenia’s 2021–2026 Program, specifically: “The Government will promote the expansion of cooperation with countries of the Near and Middle East in areas of mutual interest, including ensuring the security of our compatriots living in conflict zones.”
 - The ratification also aligns with Strategic Goal 4 of Chapter 6 of the 2024–2040 Strategy for the Improvement of the Demographic Situation of the Republic of Armenia, particularly Sub-goal 4.1, which aims to establish a developed migration system.
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On Amendment to the Law “On State Duty” (available [here](#))

- In recent years, the import of low-priced Iranian cement has threatened to disrupt the operations of domestic cement producers.
- In response, legislative measures were introduced in 2019 to create equal conditions in the local market for both imported and locally produced cement.
- Cement imports were made subject to licensing and a state duty was introduced.
- To respond flexibly to market behavior, periodic adjustments have been made.
- However, recent studies show that Iranian cement prices have again decreased, making locally produced cement non-competitive in terms of pricing and resulting in unequal market conditions between local and imported cement.
- The proposed amendment suggests revising Article 19.6 of the Law on State Duty to set the amount of the state duty at 800 times the base rate (instead of the current 200 times) for the issuance of licenses for the import of cement falling under the code 2523 of the “Foreign Economic Activity Commodity Nomenclature”, excluding codes 2523210000 and 2523100000, under the following customs procedures: "Release for domestic consumption", "Processing on customs territory", and "Processing for domestic consumption".

On the Ratification of the Financial Agreement between the Republic of Armenia and the European Investment Bank Regarding the "Armenia: Sisian-Kajaran Road Section Program" is a project funded by the European Fund for Sustainable Development (EFSD+) and its Special Investment Window 1 (available [here](#))

- The agreement was signed for a total amount of EUR 236 million.
- The allocated funds are intended to finance part of the overall program for the construction of a new 60 km long single-carriageway road junction between Sisian and Kajaran in the Syunik region of Armenia.
- The Program will be implemented in three sub-sections:
 1. Northern Subsection – Northern road segment from Sisian to Shenatagh, 27.1 km in length;
 2. Bargushat Tunnel – 8.6 km in length;
 3. Southern Subsection – 24.25 km in length.

On Amendments to the Code of Administrative Offenses of the Republic of Armenia (available [here](#))

- Taking into account that Article 47.16, Parts 1 and 2 of the Code of Administrative Offenses of the Republic of Armenia currently regulate only tobacco products or their substitutes that do not comply with the technical safety regulations defined by the Government of Armenia, while Armenia, as a member state of the Eurasian Economic Union (EAEU), is also subject to the regulations established by the EAEU, an amendment was needed to establish administrative liability for products that fail to meet EAEU requirements.
- In the course of exercising oversight functions over tobacco products, there have been cases where a person, after being held administratively liable, repeatedly committed the same administrative offense.
- Given that the current legal regulations prescribe relatively small fines for the production and import of tobacco products or their substitutes that do not meet the technical regulations, offenders tend to simply pay the fine without ceasing the unlawful behavior.
- Accordingly, the amendment aims to introduce stricter administrative penalties for non-compliance with EAEU technical requirements in order to discourage repeat offenses and ensure greater compliance.

On the Ratification of the Investment Grant Agreement between the Republic of Armenia and the European Investment Bank Regarding the “Yerevan Energy Efficiency Phase II Program” (available [here](#))

- The goal of the program is to implement measures aimed at improving energy efficiency and energy savings in public buildings under the jurisdiction of the Yerevan Municipality, particularly kindergartens and polyclinics.
 - As a result of these works, energy consumption in 38 public buildings (6 polyclinics and 32 kindergartens) is expected to be reduced by approximately 65%, the operational life of the buildings extended by at least 20 years, and CO₂ emissions into the atmosphere decreased.
 - Renovation, seismic reinforcement, and reconstruction of public buildings are considered a priority at both the national and local levels.
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THE FOLLOWING DRAFT LAWS HAVE BEEN ADOPTED IN THE FIRST READING.

On Supplements and Amendments to the Law “On the Preservation of Immovable Monuments of History and Culture”; On Amendment to the Law “On Urban Development”; On Supplement to the Law “On Local Self-Government” (available [here](#))

- The term “reserve” has been replaced with “archaeological site-museum”, aligning national terminology with international standards.
- The amendments define and clarify the procedures and responsibilities of the Authorized Body regarding the issuance of architectural and planning assignments and construction permits for activities involving the consolidation, renovation, restoration, alteration, and relocation of monuments of history and culture.
- Standardized templates for permits and completion certificates are also introduced, taking into account the unique characteristics of such monuments.

On Amendment to the Law “On Advertising” (available [here](#))

- The proposed amendment introduces a ban on the advertisement of games of chance, including internet-based gambling, casinos, gaming halls, and lotteries, at the entry points of the Republic of Armenia’s borders, as well as in hotels that meet the standards of at least four-star classification.
- The aim is to limit the visibility and promotion of gambling activities in high-traffic and prestigious locations.

On Amendment and Supplement to the Law “On Public Procurement” (available [here](#))

- In practice, there are cases when organizations included in the list approved by the Public Services Regulatory Commission purchase goods, works, or services from companies under their influence.
- In such cases, conflicts of interest arise and competition is distorted.
- It is proposed to establish that if such procurements are made, public service providers must declare such cases, and the company under their influence that carries out the procurement of goods, performance of works, or provision of services must organize the processes through a regulated mechanism to ensure transparency and accountability.

On Organizing Cultural Auctions; On Supplement to the Law “On Public Bidding”; On Supplement to the Law “On Licensing”; On Supplement to the Law “On State Duty” (available [here](#))

- The initiative aims to regulate and promote the field of cultural auctions in Armenia, addressing a major gap in the country’s art market.
- Cultural auctions play a pivotal role globally in ensuring transparent mechanisms for the sale of artworks, supporting the formation of a viable art market.
- The legislative changes seek to:
 1. Establish a legal framework for the sale and purchase of artworks,
 2. Foster collaboration between art galleries and auction houses,
 3. Enable state monitoring over the circulation of valuable cultural property,
 4. Help the state acquire culturally significant items, and
 5. Support artists’ visibility, reputational growth, and the development of contemporary art trends.
- Overall, the package is expected to facilitate transparent art transactions, boost the local art economy, and enhance Armenia’s cultural diplomacy and preservation efforts.

On Supplement to the Criminal Code of the Republic of Armenia (available [here](#))

- The draft proposes to consider the theft of components, devices, or equipment of vehicles (committed from outside the vehicle) as an aggravated form of theft, which in this case will be regarded as a crime of medium gravity instead of a minor offense.
 - After the adoption of this draft law, a person who commits this crime will be punished by a fine ranging from twenty to fifty times the average monthly salary, or by community service lasting from one hundred fifty to two hundred seventy hours, or by restriction of liberty for a term of one to three years, or by short-term imprisonment for a term of one to two months, or by imprisonment for a term of two to five years.
 - At the same time, after the adoption of this draft law, judicial practice will provide greater opportunities for the use of pre-trial detention as a preventive measure during the consideration of this type of crime in order to prevent the commission of new offenses.
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On Amendments and Supplements to the Law “On Protection of Economic Competition” (available [here](#))

- This legislative package was developed in fulfillment of Armenia's commitments under the Comprehensive and Enhanced Partnership Agreement (CEPA) with the European Union, aiming to align Armenian legislation with EU legal standards.
- Key changes include:
 - 1.Designation of the Competition Protection Commission (CPC) as the central competent authority in the field of consumer protection.
 - 2.Codification of procedures for handling administrative cases concerning collective consumer interests, including their specific legal features.
 - 3.Empowerment of the CPC to apply interim measures during investigations to enhance procedural effectiveness.
 - 4.Designation of the CPC as the national contact point for consumer protection—ensuring coordination at both domestic and international levels.
 - 5.Clarification of consumer rights violations, especially defining unfair commercial practices and their most predictable forms.
- These reforms are expected to strengthen consumer rights protection and promote a fairer, more competitive economic environment in Armenia.

On Amendments to the Criminal Code of the Republic of Armenia (available [here](#))

- To provide an appropriate legal response to cases of evasion from the declared conscription for military or alternative service and from training assemblies, and to reduce such incidents, the penalties prescribed in Article 461 (Evasion from declared conscription for mandatory military or alternative service), Part 1, and Article 462 (Evasion from ongoing training assembly), Part 1, of the Criminal Code of the Republic of Armenia have been toughened.
- In particular, the draft proposes to replace the punishment of imprisonment for "two to five" years prescribed in Article 461, Part 1, with imprisonment for "three to six" years. In Article 462, Part 1, it is proposed to set the fine amount from fifteen to thirty times the minimum wage, and to replace the imprisonment term of "up to two years" with a term of "one to three years."

Thank you!
