



Economic Report 2023-24

Armenia

30.09.2024

Executive Summary

Despite the ongoing conflict with Azerbaijan and the difficult regional situation, Armenia experienced a favorable economic performance throughout 2023, marked by a substantial 8.7 percent increase in real GDP. This growth was fueled by strong consumer and government spending as well as strong IT and construction sectors. It is expected that growth will slow, but remain clearly positive, to 5-6%/year in the coming years (assuming that there are no major political changes). However, the risk of an overheating construction sector remains.

The country witnessed a notable deceleration in inflation, with the rate dropping to 2 percent. This decline was primarily driven by a decrease in food price inflation, indicating some relief for consumers and a positive sign for economic stability.

Armenia's international trade remained robust, with both exports and imports showing remarkable strength. Armenian exports to Russia continue to be dominant, but alternative trade partners such as the UAE are emerging as well. Fears remain that worsening political relations with Russia might lead to worsening economic relations. It might be argued, however, that the current political tension have been ongoing for quite some time; so far, they do not seem to have entered the realm of the economy.

The Armenian Dram (AMD) appreciated against the US Dollar (USD) in 2023. These currency dynamics contribute to a favorable environment for investment but create challenges for Armenian exporters.

A cumulative deficit of 3.8 percent of GDP arose for the full year 2023. While this deficit is of concern, it is not alarmingly high and indicates room for fiscal management improvements (financial indicators demonstrated positive improvements in December 2022). It also has to be taken into account that this deficit can be explained entirely by the subsidies for the 115 thousand refugees coming from Nagorno-Karabakh late 2023.

In conclusion, Armenia's economy continues to exhibit impressive resilience and adaptability in 2023 despite facing challenges. The latter continue to exist, particularly those connected to the country's difficult geopolitical situation. In this context, it is crucial for the government to address the fiscal deficit and work on fiscal consolidation to ensure long-term economic stability and sustainable growth. Monitoring these trends and implementing appropriate policy measures will be critical for Armenia's economic prospects based on the results of 2024.

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1 ECONOMIC OUTLOOK AND ECONOMIC POLICY DEVELOPMENTS

Economic Growth¹

Even though Armenia's real GDP growth slowed down during 2023 when compared to the year before, it still stood at impressive 8.7%. This growth can partially be explained by an 18.5% increase of debt (mostly for consumer goods and mortgages). The percentage of non-performing loans dropped slightly to 2.4%, even though the amount of credit expanded significantly more than the year before (13.5%). The inflation rate dropped at the same time from 8.6% to 2.0%. The level of inflation and economic growth make Armenia the best performing country in the post-soviet space. It is estimated, however, that growth will slow down significantly as the windfall effects of the War in Ukraine start to fade, while inflation is expected to increase to a moderate 3.1%, which is still going to be much lower than the 7.9% expected throughout the Caucasus and Central Asia. The speed of economic growth varied significantly between the different sectors of the Armenian economy. Annual growth in services stood at 12.1% (17.8% in 2022), while industry excluding construction grew by a mere 1.7% (6% in 2022). This was mainly due to a 6.6% contraction in mining. The growth in construction slowed a bit but remained at a very substantial 15.7% (18.8% in 2022). 2023 was the first year since 2016 when the sector of agriculture grew. Even though growth remained at a modest 0.2%, this still represents an increase by 0.9% when compared to the 0.7% contraction in 2022.

Starting in the second half of September 2023, Armenia was faced by a refugee crisis during which approximately 115'000 ethnic Armenians left Nagorno-Karabakh for Armenia. The government introduced strong support measures, which led to an increased fiscal deficit of 3.8% of GDP. This is significantly higher than in 2022 (-2.1%) but still better than in 2021 (-4.7%). It has, however also to be mentioned that until the migration crisis unfolded Armenia was experiencing a budget surplus.

The account balance decreased to -1.9% of GDP after 2022 recorded a slight surplus of 0.8%. Exports and imports increased by 55.3% and 40.2% respectively. Russia remains by far the most important trade partner. Its market share has, however, decreased to 40.6% (exports) and 31.6% (imports). In 2023 the UAE has emerged as a big export market, after more than quadrupling its imports from Armenia when compared to 2022.

Foreign direct investment continued to increase, even though inflows from the traditionally most important country – Russia decreased. There were however, very significant investments stemming from Luxemburg and the UAE. The dram appreciated by 2.85% against the US dollar in 2023 after having risen by over 20% in 2022.

Inflation & Employment

After the start of the war in Ukraine, Armenia absorbed a notable influx of migrants, businesses, and capital following Russia's intervention in Ukraine. These developments stimulated domestic demand and led to the strengthening of the national currency. Increased money transfers bolstered reserve levels and reduced the prevalence of the U.S. dollar in credit transactions. And while these positive trends are vulnerable to potential reversals, adding an element of uncertainty to the economic outlook, it has to be noted however, that many of these trends have already started to reverse and while some economic indicators got worse when compared to 2022, economic growth

¹ IMF, World economic outlook; Asian Development Bank Outlook April 2024; Armstat

remains very impressive and the Dram continued to appreciate compared to the Dollar. In 2023, the **average inflation rate slowed down to 2.0 percent**, down from the 8.6 percent seen in 2022. This significant decline can be attributed to lower commodity prices, a stable currency and a cautious monetary policy. It is very likely, however, that inflation would have been even lower if not for increased government spending as a response and still ongoing supportive measure to the arrival of refugees from Nagorno-Karabakh. Inflation is expected to increase in 2024 but is very likely to remain significantly below the other countries of the Caucasus and Central Asia. Low inflation led the Central Bank to lower the refinancing rate step-by-step by 2.25% between June 2023 and March 2024 and is now standing at 8.5%.

The **unemployment rate declined slightly to 12.5 percent²** in 2023, from 13 percent in 2022. While it remains especially high in the country side, there is a notable shortening of qualified personnel in some sectors (particularly in the capital).

Public Debt and Fiscal Deficit

Government debt continued to increase in absolute terms and reached 11.8 bln USD. However, the debt to GDP ratio slightly decreased.

In 2023 the budget deficit slightly decreased from 2.2 percent in 2022 to 2.0 percent in 2023. It has to be noted, however, that the Armenian government was on course to reach a positive budget, but the social measures implemented to mitigate the consequences of the refugee crisis, starting in late September 2023, required significant additional public spending. It can also be seen, that 67% of the budget deficit of 2023, were caused in the month of December alone.

The **international reserves** of Armenia decreased significantly over the last year. At the end of 2022 they stood at 4.11 bln USD and decreased over the span of 2023 to 2.8 bln which is the equivalent of 2.7 months of import coverage.

Remittances

In 2023 Armenia received net 1.4 bln USD in remittances³. This amount is significantly lower than the 2022 figure (2.0 bln USD). The decrease may be partially explained by a reduction in money transfers from Russia towards their Russian relatives who fled the country, particularly after the partial mobilization was implemented in the fourth quarter of 2022. Furthermore, the value for 2023 is only slightly under the 10-year average of 1.552 bln USD/year.

Russia remains the biggest source (and destination) for remittances, having sent 3.046 bln USD and receiving 641 mln USD. At 141 mln USD, Switzerland was the third largest country of origin for remittances. However, transfers from Armenia to Switzerland stood even higher (at 236 mln USD) making Switzerland a net recipient (and the 6th destination country for money transfers from Armenia after Russia, UAE, US, Monaco and UK.⁴). When interpreting these figures, it should be noted that according to the Central Bank of Armenia, these money flows include transactions of commercial and non-commercial nature. Therefore, these funds not only represent remittances from Armenians residing abroad to their families in Armenia but also include transfers made for purposes such as buying goods and conducting business activities by individuals.

² IMF, World Economic Outlook

³ https://www.cba.am/stat/stat_data_eng/Remittances_eng.xlsx

⁴ <https://hetq.am/en/article/165112>

Important Policy changes

Digital Innovation Against Corruption:

In February 2023, the CPC (presumably the Armenian government’s Commission for the Prevention of Corruption) launched the Electronic Platform for Declarations of Assets, Incomes, Expenditures, and Interests. By incorporating artificial intelligence and machine learning, this platform aims to enhance scrutiny of asset declarations filed by public servants, making it easier to detect and prevent corruption. Corruption watchdogs can now crosscheck asset declarations with data from other state agencies, as well as from banks. Furthermore, the requirement to submit declarations has significantly expanded, with an expected 35,000 declarations to be filed in the next year.

Green Investments in Armenia:

The Armenian Ministry of Economy initiated the “Developing Green Taxonomy in Armenia” project in February 2023. This year-long effort aims to establish a policy and legal framework for green investments within the country. By defining clear criteria and promoting environmentally sustainable investments, Armenia seeks to create a sustainable green finance ecosystem, attract capital, and foster the growth of green projects.

Sanction compliance

The Armenian government is actively working to prevent local companies from evading Western sanctions on Russia. In 2023, authorities implemented several measures to ensure compliance with these sanctions. Notably, due to a significant increase in exports to Russia from 2022, the government compiled a list of goods prohibited from re-export to Russia. Additionally, strict controls were imposed on “dual-use” items that could potentially be utilized by the Russian arms industry.

2 PRIORITY SECTORS AND OPPORTUNITIES FOR SWISS COMPANIES

2.1 Sector development

- **IT:** See 2.3 Digitization/digitalization/IT.
- **Mining:** Armenia possesses abundant mineral resources, which include copper, gold, steel, zinc, magnesium, and molybdenum (ranking **11th globally in reserves**). However, despite its growth potential, Armenia currently lacks a well-defined mining sector policy. The World Bank’s current Armenia Mineral Sector Policy Grant II is helping the government evaluate the economic viability of different types of mining investments for Armenia and the potential to develop stronger economic links along the supply chain.⁵

Despite the Armenian government reporting strong GDP growth, the crucial manufacturing subsector of mining and metallurgy experienced a significant 6.4% contraction in 2023. The mining sector’s contribution to Armenia’s GDP amounted to a mere 4.8%, in 2023 marking a decrease compared to the preceding years.

Agriculture⁶: Agriculture had zero growth in 2023 – a rather poor performance that was nevertheless better than in any previous year since 2016. Statistics show 2.7 percent overall increase in crop production, while meat and dairy production experienced a contraction of 3.4. Armenia’s agricultural sector remains in a state of crisis.

⁵ <https://documents1.worldbank.org/curated/en/099740107202331671/pdf/IDU0272fe39b0f4dc04ca3085fe070d0c002cd09.pdf>

⁶ Agriculture means Agriculture, forestry and fisheries

Approximately 30% of Armenian workers are employed in agriculture. However, they work in over 335'000 farms, the average size of which is only 1.4 ha. This leads to inefficient and unsustainable farming techniques which lead to further soil degradation. The Armenian government has realized the dire state of the national agricultural sector and has announced supportive measures e.g. a government scheme to build modern greenhouses. It is however highly unlikely, that those will be enough.

Experts observe that Armenia's food self-sufficiency decreased even more in 2022-23. Among other factors, the conflicts along Armenia's border with Azerbaijan significantly disrupted agricultural operations in nearby areas, playing a role in this trend.

Construction: After a decade of decline, the sector has recently witnessed a resurgence. Presently, the outskirts of the capital are teeming with newly constructed apartment buildings, and construction contributed to **6.9% of GDP**. This corresponds to a 16% increase in spending in this area. It is very impressive, however, that according to official information, the amount of new buildings increased by 43.5% yoy and the amount of square meters built more than doubled. It also should be mentioned that 25.6% of all construction spending was done by the government while another 12% came from international organizations such as Asian Development Bank and World Bank.

Real estate market: The large influx of mostly affluent people arguably overheated the Armenian and especially Yerevan real estate market (the Russian-Ukrainian conflict led to a significant influx from Russia in 2022, with prices skyrocketing). As the pressures on the market eased, so did prices, which led to a 4.6% contraction of the value of real estate in Armenia to 157.75 bln USD in 2023 from 165.31 the year before. The contraction in residential real estate was, however, even more significant at 6.9%. In 2023 Armenia witnessed approximately 47'000 real estate transactions, approximately 5000 less than the year before⁷. Notwithstanding this decrease, the demand has remained robust overall, fueled further by ongoing government schemes, such as the possibility to reclaim income tax upon mortgage loan repayment. As these measures are supposed to be canceled in the coming years, a future crisis in the housing market remains a looming possibility.

The real estate market is notably sensitive, with properties frequently purchased for investment purposes rather than as residences. Fluctuations in the political and economic landscape, particularly those linked to Russia, can exert a considerable impact on the market. It is difficult to make forecasts due to the market's susceptibility to external factors.⁸

Health services:

Armenia's health-care sector grapples with several challenges impacting both care quality and access to services. Despite recent improvements, **out-of-pocket expenditures** still constitute a significant portion of health spending. Additionally, **primary health-care visits** remain below the European average, as defined by the World Health Organization. These issues are partly attributed to care quality problems, with a notable percentage of individuals opting for self-treatment rather than seeking professional medical assistance.

Realizing these problems, the Armenian government has developed a 2023-2026 strategy for health-care reform. This includes step-by-step increases in public spending to at least 10% of the government's budget and 2.5% of GDP. Eventually, the reform is supposed to lead to the introduction of a universal health care scheme designed to put an end to out-of-pocket treatments and to ensure high quality healthcare to all.

⁷ <https://www.reanin.com/report-store/real-estate-and-construction/real-estate/armenia-real-estate/global-armenia-real-estate-market>

⁸ <https://armenpress.am/eng/news/1103040/>

Tourism/foreign arrivals: The number of foreign visitors to Armenia increased by 39.1% in 2023 and reached 2.32 million visitors. The most important group is formed by Russians who represent 49.2% of all visitors (1.14 million a 44.2% increase compared to 2022). Other important groups include Georgians (11.0%) and Iranians (6.5%). Visitors spend on average 1200 dollars during their time in Armenia.⁹

Financial system: The overall condition of the financial system is currently stable, although there are emerging risks to consider. On the heels of double-digit growth in mortgage and construction lending, banks have become more exposed to real estate risks. Their mortgage portfolio has more than doubled over four years, and the share of loans to the construction sector has increased considerably. It seems however that banks are in a relatively robust position with their capital exceeding the 12 percent requirement, healthy levels of liquidity, and relatively few non-performing loans.

It should be noted that banks have experienced significant advantages from the substantial influx of funds into the economy due to the mass migration from Russia following the onset of the conflict in Ukraine. These inflows translated into a record-high level of profitability in 2022, resulting in a substantial improvement in capitalization and liquidity. It is anticipated that the banking sector's performance will continue to outperform historical norms in the short term.

2023 and the beginning of 2024 have seen a few important changes in the financial system of the Republic of Armenia. HSBC, the only western bank with a presence in Armenia decided to leave the market. Ameriabank, one of the largest Armenian banks has been sold to the Bank of Georgia group (90%) and EBRD remains 10% shareholder. The Armenian Central Bank announced at the end of March 2024 that the national payment system will stop servicing the Russian MIR payment system. An exception will, however, be made for the MIR cards issued by the Armenian office of the Russian VTB bank, which itself will continue to service all Russian MIR cards.¹⁰

2.2 Potential for Swiss companies

Adaptive capacity of Swiss businesses

In the wake of international sanctions imposed on Russia following its invasion of Ukraine, Swiss businesses demonstrated their ability to promptly adjust to unforeseen circumstances and innovate new approaches to conducting business in new locations while staying compliant with the sanctions. As a result, Armenia has witnessed several Swiss and multinational companies headquartered in Switzerland re-orienting towards Armenia. This phenomenon primarily pertained to companies operating in the IT sector.

In the current situation, Switzerland Global Enterprise (S-GE) has already received enquiries from Swiss businesses to sell their products in other markets than Russia. This situation could bring new opportunity for the economy of Armenia, and for other EAEU member countries that could become a new market for the Swiss products. S-GE and the Swiss embassy in Yerevan held the first ever Swiss Days in Armenia in May of 2024. There was solid demand from Swiss companies for this event, showing interest in the Armenian, as well as larger EAEU markets.

⁹ <https://jam-news.net/how-many-tourists-visited-armenia-in-2023/>

¹⁰ <https://www.rferl.org/a/armenian-banks-to-ditch-russian-cards-over-u-s-sanctions/32882489.html>

The Embassy with the help of the existing platforms such as the Joint Chamber of Commerce Switzerland, Easter Europe and South Caucasus, as well as with Switzerland-Armenia Chamber of Commerce can bridge such companies with the Ministry of Economy of Armenia and local enterprises. It is important to follow up on this, and with the help of S-GE to check the nature of products and businesses that have pulled out from the Russian market and are actively looking for alternative markets.

There is a lack of information among Swiss companies about the possibilities that the Armenian market can offer. It was also sensed from the limited number of interested Swiss companies in that were present during the Market Focus Armenia event in Geneva, that was organized by jointly by the Geneva Chamber of Commerce and Industry and the Switzerland Armenia Chamber of Commerce in May 2024.

Long-term value driven

The security environment remains unstable, marked by sporadic border skirmishes, with the extended and expanded civilian EU mission overseeing developments along the border with Azerbaijan. After the events of September 2023 around Nagorno-Karabakh, the achievement of a peace treaty seemed possible. After some, mostly rhetoric, escalation in the first few months of 2024, diplomacy seems to be currently prevailing, with an increase in direct meetings and the process of border demarcation having begun in May 2024. It is expected however, that the progress in these negotiations will proceed at a gradual pace.

Armenia can use this momentum to transition its economy towards a value-driven, long-term approach, rather than being exclusively influenced by short-term prospects, and a certain refocusing has to be made in the range and quality of goods produced for export.

Armenia as a hub for trade

If the current logistic challenges (due to geopolitical tension/closed borders) diminish, Armenia would possess a certain potential to become a relative trade hub for the region. Its strategic geographical location, combined with the active support and commitment from the government, amplifies Armenia's significance and role within the realm of international trade.

Businesses established in Armenia may benefit from: (i) **favorable conditions for importing raw materials** from member states of EAEU / exporting production to large markets due to minimal customs clearance formalities, technical regulations, etc.; (ii) **location of the country** potentially being a gateway for Iran to the EAEU market and vice versa; (iii) strategy of **cooperation with EU countries**, potentially becoming a gateway for EU countries to access the EAEU market and vice versa.¹¹

Infrastructure modernization projects

The S-GE GoGlobal Cockpit platform remains an important tool for Swiss companies to get firsthand information about the existing projects in other countries, where Swiss solutions can be offered. Since it has been launched the platform gives access to multiple public tenders by the government of Armenia or by donor organizations where Swiss companies can participate in equal terms. Currently Swiss companies have a possibility to participate in about 16 public tenders for implementing different projects in Armenia with a total value of over 300 mln USD.¹²

¹¹ <https://assets.kpmg.com/content/dam/kpmg/am/pdf/2017/am-en-great-country-smart-opportunities.pdf>

¹² <https://goglobal.s-ge.com/en/business-opportunities>

2.3 Digitization/digitalisation/IT

The number of IT companies in Armenia doubled in 2023 and the number of workers in the high-tech sector increased by 30%. The government launched new support measures such as the “from ideas to business” scheme, while many older programs, such as tax breaks for start-ups are still active. It has to be mentioned, however, that bureaucratic hurdles are sometimes limiting the impact that such programs could potentially have. According to the “Global Start-up Ecosystem Report”, Armenia takes the first position in the Caucasus, the 15th place in Eastern Europe and the 57th position globally. Venture capital and private equity investments in the Armenian IT sector reached 265 mln USD in the first half of 2023, which represents an 83% increase when compared to the same period in 2022.

International companies continue to open offices in Armenia. Many large players such as Microsoft, Synopsys, Cisco and others have already opened local offices in the past. However, the Russian tech giant Yandex moved in march of 2023 a large number of its employees to Armenia. This is representative of a broader trend of international companies relocating part of their production to Armenia. On the other hand, Armenia’s wage level in the IT sector has risen significantly over the past few years. This makes the country unsuitable for mass outsourcing but reinforces its position as a country that can provide high-quality, custom solutions to many tech problems.

The IT sector represented approximately about 5.5% of GDP in 2023 (4.5% in 2022)¹³. The Government Programme for 2021-2026 states the goal of increasing the proportion of the IT sector by 5-6% over the next few years. Since coming to power in 2018, the current administration has consistently stressed its commitment the development of this sector and is willingness to fostering a conducive environment for foreign investments, and providing assistance to local small businesses and start-ups.

Armenia's ICT sector has earned respectable positions in global indices such as the Global Innovation Index, the Network Readiness Index, and the Global Competitiveness Index. Armenian universities and private enterprises, including notable entities like TUMO, Microsoft, Synopsis, and IBM, prioritize STEM education, playing a pivotal role in training and nurturing young, ambitious professionals who subsequently find employment in both domestic and international IT companies.

Several Armenian IT firms have demonstrated the capacity to attract significant investments and expand their operations internationally. Notwithstanding these positive developments, the Armenian IT industry faces substantial challenges, including talent emigration, which contributes to a shortage of qualified specialists within the domestic labor market. The war in Ukraine and the partial mobilization in October 2022 led to approximately 100'000 Russians leaving the country towards Armenia. As of October 2023, approximately 60'000 remain, most of which are IT specialists. Should Armenia succeed in retaining them long term, then this might significantly ease the problem of lacking personal. Additionally, various other issues present obstacles to growth and pose risks for companies operating within the country. It is noteworthy that the IT sector is widely recognized as one of the highest-paying segments in the Armenian job market.

Russian tech companies like Miro (valued at USD17.5bln) and Yandex have expanded their presence in Armenia, offering potential employment opportunities for local tech sector workers. The long-term impact of Russian, Ukrainian, and Belarusian tech professionals in Armenia remains uncertain. While some have integrated into local startups, many have also found opportunities to immigrate to Europe and North

¹³ <https://caucasuswatch.de/en/news/armenias-economy-surges-with-87-gdp-growth-in-2023.html>

America, work remotely for global companies, or join their employers' Armenian branches.

Tech-company structurization: Armenia's technology sector is predominantly composed of startups, with a significant majority of these firms, accounting for over 80%, having fewer than 25 employees. Approximately 13% of these startups have workforces ranging from 25 to 100 employees, while only 4% have more than 100 employees. Notably, despite state initiatives aimed at fostering the growth of local startups, the presence of foreign companies, or businesses owned by foreigners, remains substantial in the country.

Armenia has attracted substantial investments from prominent multinational high-tech companies, including industry leaders like Synopsis, NI, NVIDIA, Veeam Software, among others, who have established a strong presence and engaged in research and development (R&D) activities within the country.¹⁴

3 FOREIGN ECONOMIC POLICY

3.1 Host country's policy and priorities

Economic Unions and Trading

In 2013, Armenia undertook a pivotal shift by joining the Eurasian Customs Union and joined the subsequent Eurasian Economic Union in 2015. It seemed before that Armenia might pursue an association process with the European Union – a step now impossible as the EAEU's customs union is not compatible with the affiliation to the EU's Deep and Comprehensive Free Trade Agreement (DCFTA). Armenia has, however, demonstrated over the past few years that strengthening its ties with the West and especially the European Union remains a key priority.

The EU-Armenia Comprehensive and Enhanced Partnership Agreement entered into force on the 1st of March 2021. In terms of trade policy, CEPA retains several aspects of the previous Association Agreement. This can be witnessed across a range of sectoral areas of cooperation, including political dialogue, energy and security.

A potential resumption of free-trade negotiations between EFTA and the EAEU could potentially also highly benefit Swiss-Armenian trade, as the two countries are members of the respective unions.

Armenia is a beneficiary of GSP system from the USA, Switzerland, Norway and Japan, however the system remains underused and does not seem to reflect any substantial increase in the export of goods with Armenian origin.

3.2 Outlook for Switzerland (potential for discrimination or comparative advantage)

- The changes regarding the GSP+ system do not directly affect the GSP-status Switzerland has regarding Armenia. Switzerland abolished the customs duties for industrial goods from January 2024 and the Swiss GSP regime is applicable only with full or partial customs duties' reductions for food and agricultural goods originating from Armenia.
- The following **bilateral agreements** ruling economic and trade exchanges are in force between Switzerland and Armenia:
 - Agreement on Trade and Economic Cooperation of 19 November 1998

¹⁴ <https://evnreport.com/magazine-issues/armenias-tech-sector-in-2022/>

- Agreement on the Promotion and Reciprocal Protection of Investments of 19 November 1998
- Agreement on the Avoidance of Double Taxation with Respect to Taxes on Income and Capital of 12 June 2006
- Agreement on the Avoidance of Double Taxation with Respect to Taxes on Income and Capital has been accepted by the Swiss Federal Council of 12 November 2021
- These agreements provide a solid legal framework for the development of bilateral trade and economic relations. As a rule, Armenia is committed to diversifying its external economic relations to the highest extent possible and welcomes the interest of Swiss investors and other trade partners.
- The Embassy has no information on intended or collateral discrimination against Swiss economic interests in Armenia.
- Armenia is not a signatory of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information and Intended First Information Exchange Date (MCAA).

4 FOREIGN TRADE

4.1 Developments and general outlook

4.1.1 Trade in goods

Trade development with selected partners:

Armenia's foreign trade in 2023 was 46.7% bigger than in 2022. Foreign trade turnover with the **Commonwealth Independent Countries (CIS)**, the **Eurasian Economic Union (EAEU)** and the **European Union (EU)** countries amounted to about 7.77 bln USD (+41.4%), 7.62 bln USD (+42.7%), and 2.67 bln USD (+17.1%) respectively. The largest foreign trade partners of Armenia in 2023 were Russia (7.31 bln USD, + 43.3%), the United Arab Emirates (UAE) (2.30 bln USD, +2.9 times), China (2.13 bln USD, +21.3%), Iran (692.5 mln USD, -2.5%) and the United States of America (670.0 mln USD, +45.1%). The largest trade partners within the EU are Germany (647.5 mln USD, +20.3%), Italy (417.5 mln USD, +21.2%), and the Netherlands (294.8 mln USD, +9.5%), France (176.9 mln USD, +44.4%), Poland (157.1 mln USD, -2.5%). Bilateral trade with **Switzerland** stood at 125.2 mln USD which represents a reduction 57.8% when compared to 2022.

Exports:

Armenian exports in 2023 amounted to 8.42 bln USD with FOB prices which recorded a very significant 55.3% yoy growth rate. A plurality of Armenia's exports goes to **Russia**. While exports grew by impressive 38.8%, it has to be mentioned that this is below the overall export growth rate of 55.3%. Armenian exports to the **UAE** in 2023 have risen by staggering 316.4% and reached 2.22 bln USD and a market share of 26.4% which led to the country becoming the second most important export market for Armenia. 8.4% or 709.5 mln USD worth of Armenian exports go to the **EU**. This 8.2% less, than in 2022 but still represents a sizeable amount. The 4th to 10th biggest export markets are in order China, Iraq, Georgia, Iran, Belarus, **Switzerland** and Kazakhstan and represent between 5.1 and 0.9% of Armenian exports. Armenian exports to Switzerland contracted by 67.3% yoy and fell to 83.3 mln USD. This contraction combined with overall strong export growth reduced the Swiss market share from 4.7% to 1.0%. While exports to Russia still dominate overall exports to the EAEU it has to be mentioned that growth to EAEU-members Kirgizia and Kazakhstan stood very impressive at 382.0% and 281.8% respectively.

The membership of the Armenia and Russia in a multitude of International Organizations such as the Eurasian Economic Union (EAEU) facilitate the freedom of goods which at least partially explains that **40.6%** of Armenian exports go to Russia. Another important factor is that Armenian products oftentimes do not meet EU standards and at times even struggle to meet EAEU standards. The government promotes trade diversification but it is unlikely that significant quality changes will happen in the next decade.

Exported goods: According to statistical data, Armenian exports of precious and semi-precious stones, precious metals and articles thereof increased by 2.3 times, reached 3.2 bln USD and represent now the biggest exported product group. The second largest export group is the machinery and equipment which increased by 79.6% and reached 1.29 bln Dollars. The third and fourth largest export groups are mineral products and ready-to-eat-foods with 887.7 mln and 885.1 mln USD respectively. The export of those groups was underwhelming and stood at -13.6% and 0.3% respectively. The fifth largest source for exported goods are vehicles for land, air and water transport. Exports in this area grew 64.9% yoy and reached 548.3 mln USD.

Imports:

According to official Armenian statistics, the volume of goods imported to Armenia grew by 40.2% and reached 12.3 bln USD. By far the biggest source of goods is **Russia**. Imports from Russia grew 47.4% yoy and reached 3.89 bln USD, which represents 31.6% of all goods imported into Armenia. This dominant Russian position can at least partially be explained by the two countries membership in organizations such as the EAEU and the freedom of goods between the countries within the region. The **EU** is the second biggest source of imported goods to Armenia. Imports grew by 30%, reached 16% and 1.96 bln USD. The third largest source of imports is **China**, whose products make up 13.8% of all imports which equates to 1.70 bln USD which in turn represents a 23% yoy increase. The 4th to 10th biggest sources of imported goods are in order the United States of America, Iran, Japan, Korea, Georgia, UK and Belarus. Each of them represents between 5.1% and 0.7% of total imports. In 2023 **Switzerland** was the 15th largest source for imported goods which after an 8.5% yoy decrease represents 41.8 mln USD or 0.3% of all imported goods. Armenia enjoys substantive trade relationships with numerous developed and developing countries across which has a positive effect on competition and product diversity.

In summary, Armenia's import landscape showcases a blend of established partnerships with countries like Russia and the EU, expansion into new and emerging markets, and steady import patterns from countries like the USA and Japan. The data highlights Armenia's efforts to diversify its import sources and foster economic ties with both regional and global partners. It also underscores the country's potential for further growth and development in international trade.

Imported goods: Imports of machinery and equipment represent the biggest imported product group. Its import rose in 2023 by 42.3% and reached 2.46 bln USD. The import of precious and semi-precious stones, precious metals and articles thereof rose by 233.0% and reached 2.30 bln USD which makes it the second most important product group. Vehicles for land, air and water transport represent the third largest product group and represent a value of 1.83 bln USD after having risen by 91.3% in the previous year. The import of mineral products decreased 2023 by 6.9% and stood at 1.11 bln USD, which makes it the 4th largest product group. The import of textiles increased by 63% and stood at 650 mln USD, which makes it the 5th largest product group.

4.2 Bilateral trade

4.2.1 Trade in goods

The Armenian Statistical Office (ARMSTAT) takes the position that bilateral trade with Switzerland amounted to 125.17 mln USD. This puts Switzerland in the position of the 18th biggest trade partner. This represents a significant drop by 58.3% yoy. In 2023 Switzerland was the 9th most important export- and the 15th largest import country for Armenia.

The trade turnover according to Swiss statistics for 2023, sees Swiss imports from Armenia amounting to CHF 10.30 mln which is 5.4% more than the 9.77 mln in 2022. Swiss exports to Armenia amounted to CHF 54.36 mln in 2023 which is a 10.4% reduction when compared to the 60.67 mln CHF exported in 2022. This reduction in Swiss exports is almost exclusively due to a 66.4% export reduction of non-electrical machines. While Switzerland exported 16.34 mln CHF worth of such products, only 5.50 mln CHF were exported. The export of beauty and washing products increased by an impressive 6.9 times and reached 2.97 mln CHF in 2023. An 11.5% growth in watches and watch parts led to exports of this product group increasing to 9.66 mln CHF. 99.8% and 22.4% growth rates in electrical machines and gemstones, precious metals and bijouterie led to 1.22 mln and 2.33 mln CHF exports in the respective categories. At the same time there has been an impressive 372.0% growth in the import to Switzerland of leather, leather products and fur which now stands at 1.19 mln CHF. An 80.7% increase of the import of gemstones, precious metals and bijouterie could be observed and stands now at 1.34 mln CHF. The two largest import groups – watchmaking goods and textiles changed by -15.9% and +6.0% and amounted for 3.11 mln and 2.66 mln CHF respectively.

About 40 companies registered in Armenia are doing business with Switzerland contributing to creation of more than 1000 jobs in Armenia.

Armenia is a beneficiary of customs' duties exemption or easing through Switzerland's **Generalized System of Preferences (GSP)**. However, this instrument, which could significantly benefit Armenian exporters, remains still very little known and underused¹⁵.

In 2023, GSP utilization by Armenia is 1.84% in 2023. It has increased compared to 2020 (year of last reporting), when only 0.5% of imports were imported under the GSP.

The statistics show that it is mainly clocks/watches and watch parts thereof, articles of apparel and clothing accessories, not knitted or crocheted, as well as articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut) and other made-up textile articles; sets; worn clothing and worn textile articles; rings aluminum, where there are unexploited opportunities to use the GSP.

Registered Exporter system (REX) remains in force for GSP eligible exports to Switzerland of goods with Armenian origin. This system serves the exporters for self-certification of origin. The REX¹⁶ consists of an application accessed through the Internet and is managed by the Ministry of Economy of Armenia as the local operator of the system.¹⁷

As observed in previous reporting years, it's important to highlight that the data provided by the National Statistical Service of Armenia consistently varies significantly from Swiss statistical data. Typically, the Armenian figures tend to be higher.

¹⁵ The EU equivalent (GSP+) is much better used by Armenian exporters. "Armenia benefits from the reformed EU Generalized Scheme of Preferences (GSP+). 91% of total EU imports from Armenia entered the EU with zero duties in 2018, which is lower than in 2017. According to the information from Eurostat this is because part of Armenia's exports to the EU were registered as "confidential" by a Member State." (https://eeas.europa.eu/sites/eeas/files/partnership_implementation_report_armenia.pdf)

¹⁶ <https://www.ezv.admin.ch/ezv/en/home/information-companies/exemptions--reliefs--preferential-tariffs-and-export-contributio/importation-into-switzerland/developing-countries-gsp--generalized-system-of-preferences-.html>

¹⁷ https://ec.europa.eu/taxation_customs/dds2/eos/rex_validation.jsp?Lang=en&Screen=0&Type=&Number=&Expand=false

According to the official clarification provided by the Armenian Statistical Service, the international experience shows that differences are reported in foreign trade statistics of partner countries. The result of the maintaining of mirror statistics has shown that although all countries use the UN offered common methodology, however, there are certain differences in the indices of partner countries that are caused by certain objective and subjective factors. These differences are divided into 3 main groups by their nature of origin: methodological, technical and intentionally distortion of statistical data. For more details see the document below:



Reasons of differences_CH_AM.

4.2.2 Trade in Services

Trade of services in Armenia rose by 29.2% yoy and reached 9.0 bln USD. Imports and exports had similar growth rates at 27.8% and 30.1% respectively. Approximately half of imports and exports are related with tourism. Other significant exports include IT and telecommunication services (19.1%) and transportation (15.9%). The other significant import of services aside from tourism is transportation (31.5%).

5 DIRECT INVESTMENTS¹⁸

5.1 Developments and general outlook

Armenia's policy on foreign direct investment is considered as being **one of the most open and liberal among the CIS countries**. Foreign direct investment is actively encouraged and enjoys the same rights as locally originated investment. Policy is governed by the Law on Foreign Investment, as well as bilateral investment treaties (of which Armenia has concluded about 40). Those investments can be restricted in some territories/areas based on national security considerations. In practice, there is only one strict limitation that is for television broadcasting, where at least 50% of shareholdings must be controlled by Armenian nationals. Less strict limitations apply to some financial institutions and to gambling. It can generally be said that foreign nationals are not restricted in their rights to acquire, found or liquidate of their business interests. The business registration process is furthermore usually straightforward. It has to be mentioned, however, that a limited independence and capacity of government institutions remain problems.

Notwithstanding the national law, which prevents foreign individuals to **own land**, the latter can obtain long-term leases and ownership of buildings is allowed. Besides, a local company registered in Armenia by a foreign national can acquire land.

Several **grants or incentives** are available to investors, both foreign and domestic, particularly in the fields of agriculture and IT start-ups. Imports of machinery are eligible for postponing of VAT payments.

During 2023, the amount of foreign direct investments (FDI) to Armenia **increased by 487.48 mln USD (+10.60%)** and reached a stock of 5.3 bln USD. This is comparable to 2022, when the net flows of foreign direct investments in the Armenian economy amounted to 454.5 Mln. USD. The highest amount of new net inflows came from the UAE, whose investments in the country increased almost seven-fold and who's FDIs accounted for approximately 51% of Armenias positive FDI saldo and stood at 230.7 mln USD. Other large increases originated from Luxemburg, whose investments almost quadrupled and reached 398 mln as well as France with a 41% increase, totaling 353 mln USD. **Swiss** investments increased by **80%**, albeit starting at a much lower level and therefore reaching 44 mln USD.

¹⁸ A different methodology was applied in the Swiss Economic Report 2023 when compared to last years version. Last years version when mentioning investments was referring to transnational money flows, whereas this edition uses FDI's as used by the Armenian government. All inconsistencies between the two versions can most likely be explained this way.

Russia is the largest source of FDI stock in Armenia. Even though its exposure decreased by 150 mln USD yoy it still stands at 1'932 mln USD or 36.55% of all FDI in the country. Other countries with a large amount of FDI stock are Canada (414 mln, 7.84%), Luxemburg (398 mln, 7.53%), Cyprus (356 mln, 6.73%) and France (353 mln, 6.67%).

In 2023 the main sectoral directions of FDI went into the broader energy market¹⁹, metal ore mining (14.41%), the provision of mining services (7.86%), real estate (7.79%) and the beverage industry (5.51%)

5.2 Bilateral Investment

In 2023 direct investments flown to Armenia from Switzerland targeted three main sectors: **retail and wholesale trade (USD 6.56 mln/15% and 2.61 mln/8% FDI) and construction (USD 3.43 mln/8% FDI)**. Investments in other industries are either very small and/or fall behind the investments of other countries and do therefore not appear in the Armenian statistics.

Switzerland improved its rank according to the results of 2023 becoming **top-13 investor** in Armenia (after Russia, Canada, Luxemburg, Cyprus, France, UAE, UK, USA, Italy, Argentina, Germany and the Virgin Islands).

6 ECONOMIC AND TOURISM PROMOTION

6.1 Swiss foreign economic promotion instruments

Several organizations – first and foremost the Switzerland-Armenia Chamber of Commerce inaugurated in June 2017- are active in the promotion of trade and economic relations between Armenia and Switzerland. Most of these private initiatives are attributable to a relatively small, but very enterprising Armenian diaspora in Switzerland. Additional organizations, why not Armenia-Switzerland specific are the Joint Chamber of Commerce Switzerland, Eastern Europe, Central Asia, South Caucasus (JCC) and the Armenia office of the International Chamber of Commerce (ICC). Those two trade chambers also signed a Memorandum of Understanding at the Swiss Days that were held in May 2024.

The Embassy of Switzerland in Armenia organizes informational and promotional business-events on a regular basis. Example of such events are the annual round table meetings which are usually held in the first quarter of each calendar year as well as the Swiss Days that for the first time were held from the 14th until the 18th of May 2024, and were jointly organized with Switzerland Global Enterprise.

6.2 The host country's interest in Switzerland

From Armenia's perspective, Switzerland is mainly perceived as a financial centre, as a home for several thousand (around 6000 ppl) diaspora Armenians and, to a lesser extent, as a place of quality education. The number of tourists visiting Switzerland from Armenia is small.

Switzerland, notably its banking and finance sectors as well as its robust economy, enjoys an excellent reputation in Armenia.

Whereas the number of Armenian tourists visiting Switzerland is small and the potential of a strong increase is rather limited, the numbers of visitors from Switzerland to Armenia interested in the Armenian culture and rich historical legacy were growing over the past years: in 2023

¹⁹ According to official statistics 22.1% of all FDIs went into the "provision of electricity, gas, steam and conditioned air"

Armenia welcomed **3,161 visitors from Switzerland** which was 7.6% more than in 2022 (*corrected figure received from the Tourism Committee of Armenia for 2022 is 2,937*).

ANNEX 1 – Economic structure

Economic structure of the host country

	2021	2022	2023
Distribution of GDP²⁰			
Primary sector	16.8%	14.2%	11.3%
Manufacturing sector	11.4%	11.3%	11.0%
Services	71.8%	74.5%	77.7%
- of which public services	15.3%	13.5%	17.2%

Source(s):

https://www.armstat.am/file/article/sv_03_21a_112.pdf

https://www.armstat.am/file/article/sv_03_22a_112.pdf

https://www.armstat.am/file/article/sv_01_22a_142.pdf

https://www.armstat.am/file/article/sv_03_23a_112.pdf

https://www.armstat.am/file/article/sv_03_24a_112.pdf

²⁰ The presented figures have been amended according to the adjustments in the statistical data published by Armenian Statistical Service.

ANNEX 2 – Main economic data

Host country's main economic data*

	2021	2022	2023
GDP (USD million)	13,928	19,502	23,787
GDP per capita (USD)	4,701	6,583	8,029
Growth rate (% of GDP)	5.7	12.6	8.7
Inflation rate (%)	7.2	8.6	2.0
Unemployment rate (%)	15.5	13.0	12.5
Fiscal balance (% of GDP)	-4.7	-2.1	- 3.8
Current account balance (% of GDP)	-3.5	0.8	-1.9
Total external debt (% of GDP)	98.2	72.7	62.4%
Total government debt (% of GDP)		54.5%	49.8%
Debt-service ratio (% of exports)	134.8	72.8	48.6
Reserves (months of imports)	3.8	4.0	2.7

Source(s):

- <https://www.imf.org/en/News/Articles/2023/12/11/pr23435-armenia-imf-exec-board-concludes-2023-art-iv-consult-completes-2nd-rev-sba>
- <https://www.imf.org/en/Publications/CR/Issues/2023/12/14/Republic-of-Armenia-2023-Article-IV-Consultation-and-Second-Review-Under-the-Stand-By-542533>
- <https://www.imf.org/-/media/Files/Publications/WEO/2024/April/English/text.ashx>
- <https://armstat.am/en/?nid=12&id=17007&submit=Search>
- <https://www.imf.org/-/media/Files/Publications/CR/2024/English/1ARMEA2024001.ashx>

ANNEX 3 – Trade partners

Trade partners of the host country Year: 2023

Host country view

	Rank	Country	Exports from the host country (USD mln)	Share	Change ²¹		Rank	Country	Imports to the host country (USD mln)	Share	Change ¹⁰
→	1	Russia	3'418.64	40.6%	38.8%	→	1	Russia	3'887.38	31.6%	47.4%
↑	2	UAE	2'224.34	26.4%	316.4%	→	2	EU	1'962.59	16.0%	30.0%
↓	3	EU	709.51	8.4 %	-8.2%	→	3	China	1'701.75	13.8%	23.0%
→	4	China	425.35	5.05%	15.1%	↑	4	USA	621.57	5.1%	62.1%
↑	5	Iraq	180.60	2.2%	-27.6%	↓	5	Iran	597.95	4.9%	-0.3%
↓	6	Georgia	139.70	1.7%	-14%	→	6	Japan	343.76	2.8%	76.0%
↑	7	Iran	94.55	1.1%	-14.3%	↑	7	Korea	150.69	1.2%	58.9%
↑	8	Belarus	91.93	1.1%	19.5%	↓	8	Georgia	122.66	-1.0%	-14.9%
↓	9	Switzerland	83.34	1.0%	-67.3%	↑	9	UK	107.19	0.9%	34.6%
↑	10	Kasachstan	71.32	0.9%	281.8%	↓	10	Belarus	89.71	0.7%	-18.4%
						↓	15	Switzerland	41.83	0.3%	-8.5%
		Total	8'415.16	100%	55.3%			Total	12,307.96	100%	40.2

Source(s):

https://www.armstat.am/file/article/sv_12_23r_411.pdf

Bilateral trade between Switzerland and the host country

	Export (CHF mln)	Change (%)	Import (CHF mln)	Change (%)	Balance (in mln)	Volume (in mln)
i2017	91.3	178.6	141.3	46	-49.95	240.6
2018	130.27	42.6	193.71	37.1	-63.44	206.98
2019	51.80	-60.2	252.57	-30.4	200.77	304.37
2020	18.69	-63.7	165.77	-34.4	-147.09	184.46
2021 (Total 1)*	22.53	+20.6	12.07	-92.7	10.46	34.61
2022	60.67	+169%	9.77	-24%	50.9	70.44
2023	54.36	-10.4%	10.30	5.4%	44.06	64.66

*) 'Economic' total (total 1): not including gold bars and other precious metals, currencies, previous stones and gems, works of art and antiques

***) Change (%) from the previous year

²¹ Change from the previous year in %

ANNEX 4 – Bilateral trade

PROVISORISCHE ERGEBNISSE

Bundesamt für Zoll und Grenzsicherheit BAZG, Aussenhandelsstatistik, 3003 Bern
 TN103: Schweizerischer Aussenhandel nach Ländern und Kapiteln
 Periode: Januar bis Dezember 2023
 Land: 185 Armenien

17.01.2024

* = Veränderungsrate / Anteile nicht berechenbar

** = Veränderungsrate > 999.9 %

Total 2: Ergebnisse inklusive Gold in Barren und anderen Edelmetallen, Münzen, Edel- und Schmucksteinen sowie Kunstgegenständen und Antiquitäten.

Total 2		Import in Mio. CHF				Export in Mio. CHF				Saldo in Mio. CHF	
		2022	2023	+/- %	Anteil	2022	2023	+/- %	Anteil	2022	2023
Total		9.77	10.30	5.4	100.0	60.67	54.36	-10.4	100.0	50.90	44.06
01 - 24	Landwirtschaftliche Produkte	0.43	0.37	-13.5	3.6	0.50	0.42	-15.3	0.8	0.07	0.05
25 - 26	Mineralische Stoffe	0.03	0.02	-46.8	0.2	0.02		-100.0	*	-0.02	-0.02
27	Energieträger			*	*	0.01	0.01	3.3	0.0	0.01	0.01
28 - 29	Chemische Grundprodukte	0.01	0.08	794.7	0.8	0.31	0.04	-86.8	0.1	0.30	-0.04
30	Pharmazeutische Erzeugnisse	0.00	0.00	-39.1	0.0	21.95	23.53	7.2	43.3	21.95	23.53
31 - 32	Düngemittel, Farbstoffe, Pigmente		0.00	*	0.0	1.80	0.40	-77.7	0.7	1.80	0.40
33 - 34	Schönheitsmittel, Waschmittel	0.00	0.00	-25.2	0.0	0.37	2.97	694.1	5.5	0.37	2.97
35 - 38	Stärke, versch. chemische Erzeugnisse	0.00	0.02	338.7	0.2	1.35	0.85	-36.8	1.6	1.34	0.83
39 - 40	Kunststoffe, Kautschuk	0.01	0.00	-7.9	0.0	0.81	0.77	-5.4	1.4	0.80	0.76
41 - 43	Felle, Leder, Lederwaren	0.25	1.19	372.0	11.5	0.03	0.05	87.9	0.1	-0.22	-1.14
44 - 46	Holz, Kork, Flechtwaren	0.00	0.06	**	0.6	0.43	0.72	68.6	1.3	0.42	0.65
47 - 49	Papier und Papierwaren	0.00	0.00	97.6	0.0	0.01	0.02	63.2	0.0	0.01	0.02
50 - 63	Textilien und Bekleidung	2.51	2.66	6.0	25.8	0.83	0.41	-50.6	0.8	-1.68	-2.25
64 - 67	Schuhe, Schirme usw.	0.00	0.00	276.5	0.0	0.06	0.15	139.6	0.3	0.06	0.14
68 - 70	Waren aus Steinen, Keramik, Glas	0.00	0.01	559.2	0.1	0.09	0.09	7.4	0.2	0.08	0.08
71	Edelsteine, Edelmetalle, Bijouterie	0.74	1.34	80.7	13.0	1.91	2.33	22.4	4.3	1.16	0.99
72 - 83	Uedle Metalle und Waren daraus	1.69	0.44	-74.1	4.3	1.00	0.79	-21.2	1.4	-0.70	0.35
84	Maschinen (nicht elektrisch)	0.01	0.33	**	3.2	16.34	5.50	-66.4	10.1	16.34	5.17
85	Maschinen (elektrisch)	0.05	0.32	525.0	3.1	0.61	1.22	99.8	2.2	0.56	0.90
86 - 89	Fahrzeuge, Flugzeuge usw.		0.00	*	0.0	0.62	0.65	4.5	1.2	0.62	0.65
90	Opt. / medizin. Instrumente	0.09	0.24	157.6	2.3	2.84	2.91	2.6	5.4	2.75	2.68
91	Uhrmacherwaren	3.69	3.11	-15.9	30.2	8.66	9.66	11.5	17.8	4.97	6.55
92	Musikinstrumente	0.00	0.02	363.3	0.2		0.01	*	0.0	0.00	0.00
93	Waffen und Munitionen			*	*	0.02	0.03	17.6	0.1	0.02	0.03
94	Möbel, Bettzeug usw.	0.00	0.03	**	0.3	0.03	0.49	**	0.9	0.03	0.46
95 - 96	Spielzeuge, Sportgeräte usw.	0.02	0.01	-45.1	0.1	0.06	0.14	115.8	0.3	0.04	0.13
97	Kunstgegenstände, Antiquitäten	0.22	0.05	-78.6	0.5	0.00	0.19	**	0.3	-0.22	0.14

ANNEX 5 – Main investing countries

Main investing countries in the host country

Year: 2023

	Rank	Country	Direct investment gross (Mln USD, stock)	Share %	Variation % (stock)	FDI Inflows over past year (mln USD)
→	1	Russia	1'931.63	36.55	-7.18	-149.5
→	2	Kanada	414.49	7.84	+16.07	57.8
↑	3	Luxemburg	397.77	7.53	+296.51	297.5
↓	4	Cyprus	355.54	6.73	+6.13	20.5
→	5	France	352.60	6.67	+40.94	102.4
↑	6	UAE	270.13	5.11	+584.69	230.7
↓	7	UK	199.32	3.77	-9.07	-19.9
↓	8	USA	175.83	3.33	+28.78	39.3
↓	9	Italy	120.89	2.29	-7.76	-10.2
↓	10	Argentina	120.56	2.28	-61.92	-
↑	13	Switzerland	44.11	0.83	+85.84	20.4
		Total	5'285.01	100%	+10.60	487.48

Source:

Armstat: https://www.armstat.am/file/article/sv_02_24r_420.pdfArmstat: https://www.armstat.am/file/article/sv_02_23r_420.pdf