
ENTERPRISE
ARMENIA
Invest in Armenia's
CLOTHING
2025


Threads of Excellence
Woven with Opportunity

INTRODUCTION

Armenia's clothing industry has evolved into a dynamic and promising sector, offering significant opportunities for investment. With a rich tradition of textile production, a skilled workforce, and competitive operational costs, the country has positioned itself as an attractive destination for clothing manufacturing. The presence of numerous established brands and expanding export markets further enhances its appeal. This guide explores the key advantages, market potential, and strategic considerations for those looking to invest in Armenia’s growing apparel industry.

WHY INVEST IN ARMENIA

1

Skilled Workforce
Armenia boasts well-educated, and cost-efficient talent, with low business costs

2

Macroeconomic Stability
Reliable financial sector and open-door policy for foreign investors

3

Export Market Access
Preferential conditions for access to large markets, including EAEU and Asian Arab regions

4

Incentives and Low Costs
Comprehensive fiscal and financial incentives, favorable taxation, and low business expenses

5

4 Free economic zones
"Alliance" "Ecos"
"Myler" "Meghri"

ADVANTAGES FOR INVESTMENT

Low Operational Costs
Energy and production costs are relatively low, enhancing profitability for investors.

Strong Textile Traditions
Armenia has a rich history in textile and garment production, ensuring high-quality standards and expertise.

Established Market Presence
A large number of companies operate in the sector, ensuring a well-developed supply chain and business ecosystem.

Supportive Business Policies
Economic freedom and government incentives create a favorable environment for investors.

GATEWAY TO MAJOR MARKETS

Access to the **EAEU**, a market of **184 million** consumers

FTAs with **Vietnam, Singapore, Serbia,** and **Iran** (Interim FTA)

FTAs with **CIS countries** and **Georgia**

GSP regime with the **USA, Japan, Canada, Switzerland,** and **Norway** covering **over 3,500 products**

Local market of **3 million** consumers

FDI LEGISLATION

OWNERSHIP

100% Ownership of resident legal entities is permitted to foreigners

NO RESTRICTIONS

Unrestricted access to almost any sector and geographic location within the country

EQUAL TREATMENT

Equal treatment under the law, ensuring foreign investors enjoy the same rights as Armenian nationals

LAND OWNERSHIP

Rights to land ownership for companies registered by foreign citizens, with long-term lease contracts for foreign nationals

- **Free exchange** of foreign currencies
- **No restrictions** on staff recruitment
- **No restrictions** on remittances
- **Unrestricted repatriation** of profits

COUNTRY RATINGS

The Heritage Foundation

AMONG 176 COUNTRIES

ECONOMIC FREEDOM INDEX 2024

47th

AMONG 175 COUNTRIES

INVESTMENT FREEDOM INDEX 2024

30th

FitchRatings

BB-

Moody's

Ba3

S&P Global Ratings

BB-

CONSTANT GROWTH IN PRODUTION

45.7% AVERAGE PRODUCTION GROWTH **(2018-2024)**

PRODUCTION GROWTH

PRODUCTION **2024**

102.8 mln USD

COATS AND JACKETS
1.289.361 items

CARPETS AND RUGS
1011.1 square metres

SOCKS
189 18.6 thous. of pairs

FABRIC
69 646.0 m2

The sector's share is
1.88%
in Armenia's total manufacturing

NUMBER OF ENTERPRISES

1537
Companies
(2024)

MAJOR LOCAL BRANDS



LIGHT INDUSTRY

15 SHOEMAKING COMPANIES

SHOEMAKING

PRODUCTION 202
Thousand Pairs

EXPORT 50.1
Mln USD

LEATHER PRODUCTS

PRODUCTION 10.4
Mln USD

EXPORT 25.7
Mln USD

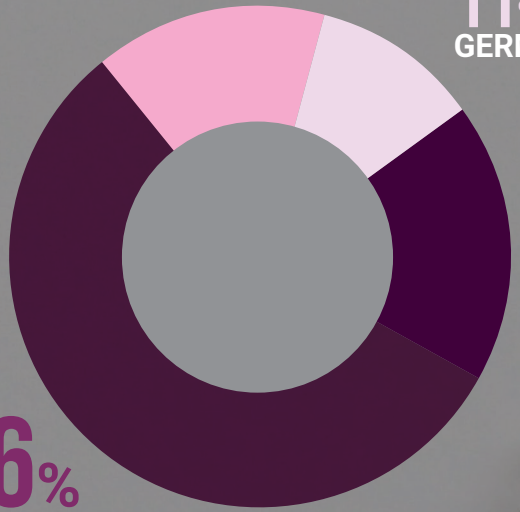
MAJOR BRANDS

LEATHER & SHOES

SALI SHOES ACCESSORIES · ELMA · ARMOS · SAFIAN · ANANYAN · KRISTOBAD · YEGHVARD · ROBERTO PRALOFF

EXPORT DESTINATIONS

As of 2023
Source: UNIDO



TOTAL EXPORT in 2024

CLOTHING & SHOEMAKING

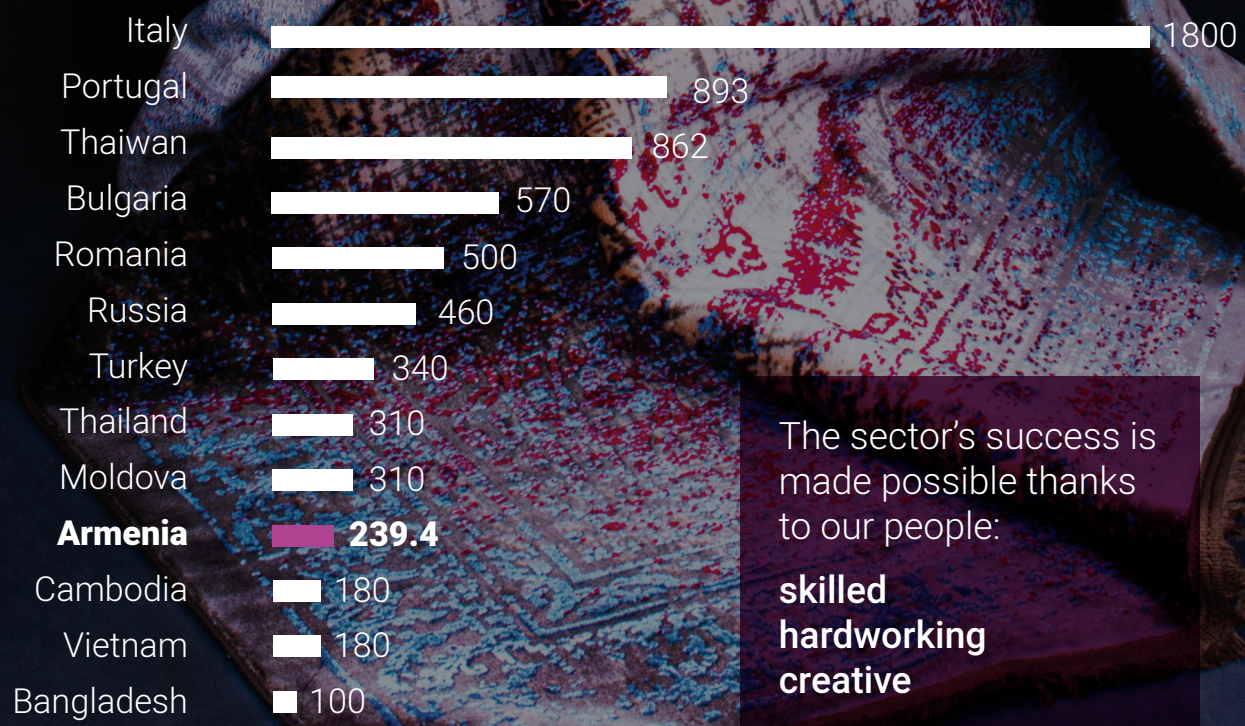
INCLUDING COMPOSITION LEATHER ACCESSORIES OF LEATHER

447 Mln USD

HUMAN CAPITAL

HIGH QUALITY AND COST-EFFECTIVE

AVERAGE MONTHLY SALARY IN THE GARMENT INDUSTRY, USD



The sector's success is made possible thanks to our people:

skilled
hardworking
creative

CONSISTENT EFFORDS TOWARDS
DEVELOPING IN THE SECTOR



- ACCESS TO LARGE EXPORT MARKETS ON PREFERENTIAL CONDITIONS
- INCREASED COST-EFFICIENCY
- PRODUCTION TRADITIONS AND RICH EXPERIENCE
- RESPONSIBLE BUSINESS CONDUCT
- SKILLED AND CREATIVE LABOUR FORCE
- RELATIVELY LOW ENERGY COSTS

STATE SUPPORT PROGRAM
FOR THE ATTRACTION OF WORKERS

EMPLOYEE

- **At last 50%** of the turnover for each reporting period of the year preceding the date of submission of the application should be formed from activities included in the **"C Manufacturing"** classifier group

EMPLOYEE

- Must have been in continuous employment with the employer for **12 months** under an employment contract
- Must not have worked in the manufacturing industry in the **three years** preceding the employment relationship
- No criteria are set for persons forcibly displaced from Nagorno-Karabakh

The program is aimed to provide compensation to the employer in the sum of the income tax for the period of **12 MONTHS PER EMPLOYEE**

CONCLUSION

The Armenian clothing industry stands as a compelling choice for investment, supported by a strong foundation of craftsmanship, skilled labor, and favorable business conditions. The sector's growth potential is reinforced by expanding production capabilities and increasing global market integration. As Armenia continues to develop its textile industry, investors can benefit from its competitive advantages and long-term opportunities.



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