



ENTERPRISE
ARMENIA

Invest in Armenia's

FOOD PROCESSING

2025



*Enhancing Flavor
Advancing Industry*

INTRODUCTION

Armenia's food production sector stands as a pillar of economic growth, offering significant opportunities for investment. With a well-established manufacturing base and a strong emphasis on quality production, the sector has gained prominence both domestically and internationally. The country's strategic location, expanding trade networks, and government-backed initiatives create a favorable environment for food industry investors. This guide explores the key factors driving the sector's growth, highlighting opportunities for businesses looking to establish or expand operations in Armenia's thriving food market.

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”
“Mylar” “Meghri”

ADVANTAGES FOR INVESTMENT

Robust Economic Growth

Armenia has demonstrated consistent economic expansion, with a 5.9% GDP growth in 2024, surpassing the 10 trillion dram threshold.

Tourism Growth

The manufacturing industry reached \$5.4 billion in 2024, with food production accounting for 32.6% and beverage production for 10.2% of this output.

Strategic Trade Partnerships

Armenia's total exports amounted to \$13.09 billion in 2024, with processed food exports contributing \$954.2 million, reflecting a 6.9% growth from the previous year.

Government Support and Reforms

The Armenian government is implementing comprehensive reforms to enhance the business environment of RA, offering favorable conditions and incentives for foreign 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

EQUAL TREATMENT

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

NO RESTRICTIONS

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

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



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-

FOOD

PRODUCTION



10.2% (552,3 \$)
Beverage Production

32.6% (1,6\$)
Food Production

9.2% (441,4\$)
Tobacco Products

- Long established tradition of high-quality food production
- Access to major markets
- Developed logistic and distribution services
- Favorable climate conditions and fertile soil

PRODUCTION VOLUMES

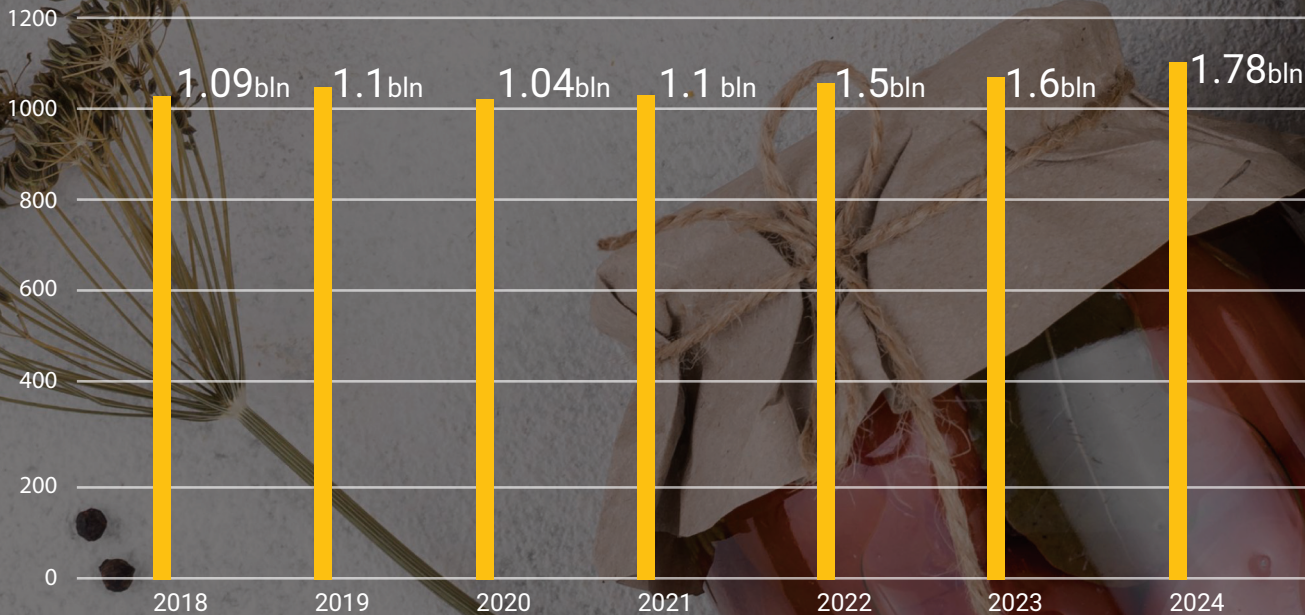
2019-2023 PRODUCTION

GROWTH BY 20.7%

PRODUCTION
1.78\$ billion in 2024

VOLUMES IN YEARS (USD)

PRODUCTION



PRODUCTION VOLUMES

BY REGIONS



Lori **5.6%**

Shirak **3.5%**

Tavush **3.2%**

Aragatsotn **3.0%**

Kotayk **5.7%**

1.7% Gegharkunik

2.0% Armavir

6.2% Ararat

0.6% Vayots Dzor

5.6% Syunik

62.9% Yerevan

STRUCTURE OF

FOOD PROCESSING

422.230 tons
Bakery and Grain Products

42.771 tons
Cheese and Dairy Products

103.734 tons
Meat Products

344.845 liters
Beverages

9940 tons
Ice cream and Popsicles

7334 tons
Chocolate and Confectionary

21.364 tons
Salt

EXPORT OF PROCESSED

FOOD
IN 2024



7,2%
Processed
Food (2024)

Exported Processed Food

Fish Products
9719 tons/58 544 K \$

Dairy Products
1781 tons/11 642 K

Mutton or Goat's fresh,
cooled or frozen Products
565 tons/3946 K \$

Crustaceans
83 tons/743 K \$

Salted, dried or smoked Meat
or Offal, flour and meal Products
13 tons/191 K \$

Meat, edible Offal of
Domestic Poultry
83 tons/743 K \$

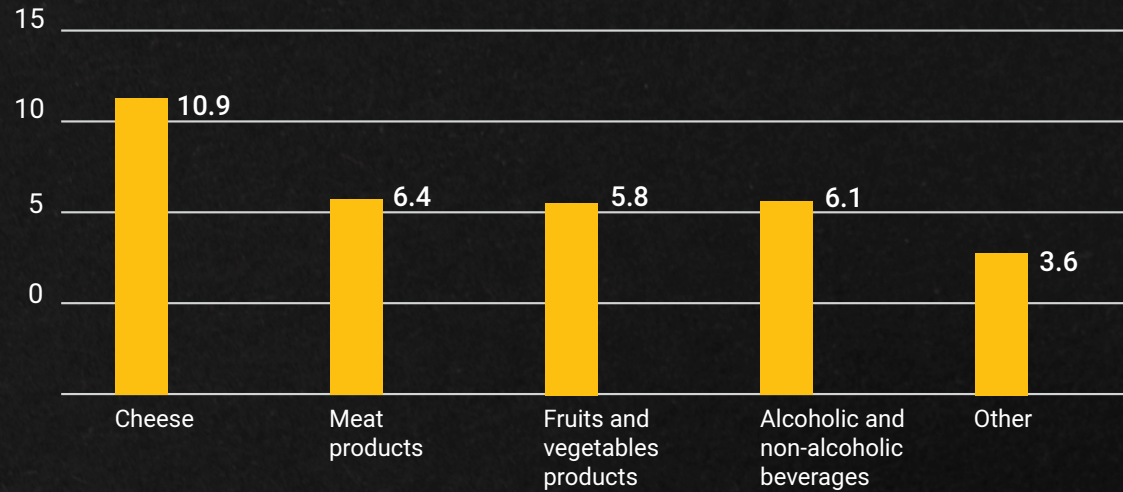
Edible Offal of
Domestic Animals
46 tons/471 K \$

VOLUMES OF

EXPORT (in 2023)

Exported Processed Food

MLN
USD



FOOD PROCESSING

EAEU, FDA, ISO, HACCP

CERTIFICATES

COMPANIES

More than

1600

Food Processing
Companies



74 Meat Processing



10 Fish Products



47 Tea and Coffee Production



212 Confectionery & Pasta Production



69 Fruit and Vegetable Processing



350 Dried Fruits Producers



150 Milk Processing, Dairy Products

STATE SUPPORT PROGRAM FOR SUSTAINABLE DEVELOPMENT

REQUIREMENTS

EMPLOYER

- **At least 80%** 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 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

AIM

- To provide compensation to the employer in the sum of the income tax for the period of **12 months** per employee

AGRICULTURAL RAW MATERIALS LOAN SUBSIDY PROGRAM

The aim of the program is to increase the accessibility of loans and ensure the short-term payment of procured raw materials by subsidizing the interest rates of targeted loans provided to existing agricultural raw material processing legal entities and individual entrepreneurs

PROGRAM CONDITIONS

- The state subsidizes **9% per year** of the interest rate of the loan
- In the areas of border communities, the state subsidizes **12% per year** of the interest rate of the loan

**THE LOAN IS
PROVIDED FOR THE
FOLLOWING PURPOSES**

PURCHASE OF

Grapes

Chinchillas

Fruits and vegetables

Milk

Livestock by slaughterhouses

GREENHOUSE ECONOMY DEVELOPMENT PROGRAM

The project's goal is to expand greenhouse farms in the Republic of Armenia, increase production and exports, enhance product competitiveness, and boost farmers' incomes through state-supported affordable credit resources

15 BLN
AMD

For greenhouse construction
loans (about 4 hectares)

10%

Of the provided loan's interest rate
will be subsidized by the state

1 HA
or more

Required for each
complete greenhouse

1.5 YEARS

The maximum term for
greenhouse construction

INTENSIVE HORTICULTURE DEVELOPMENT PROGRAM

State support for entrepreneurs creating intensive gardens

Within the framework of the program, state support is provided to businessmen for the following types of activities

Cultivated Grape Plantation Establishment (only with technical grapevine varieties)

Intensive Orchards Establishment

Orchards Establishment

Cultivation of Non-traditional High-value Crops,

Implementation of Modern Irrigation Systems and Hail Protection Networks

**THE PROGRAM IS IMPLEMENTED
IN TWO COMPONENTS**

- Partial subsidy of loan interest rates
- In case of construction or expansion of modern irrigation systems or reservoirs, as well as partial reimbursement of costs

CONCLUSION

Armenia's food production industry continues to evolve, supported by steady growth, increasing exports, and a commitment to innovation. As the sector benefits from government incentives and expanding global partnerships, it remains an attractive destination for investment. With a focus on high-quality production and market expansion, Armenia presents a compelling opportunity for investors looking to capitalize on a dynamic and growing food industry.



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