

<i>Number:</i>	N 1118-N	<i>Type:</i>	Official Incorporation
<i>Type:</i>	Decision	<i>Status:</i>	Effective
<i>Original source:</i>	RA Official Journal 2015.10.07/65(1154) Art. .883	<i>Place of adoption:</i>	Yerevan
<i>Adopting body:</i>	RA Government	<i>Date of adoption:</i>	17.09.2015
<i>Signing body:</i>	RA Prime Minister	<i>Date of signing:</i>	02.10.2015
<i>Validating body:</i>		<i>Date of validation:</i>	
<i>Effective date:</i>	17.10.2015	<i>Date of invalidation:</i>	

GOVERNMENT OF THE REPUBLIC OF ARMENIA

DECISION

N 1118-N of 17 September 2015

ON APPROVING THE CONDITIONS NECESSARY FOR APPLYING THE INCENTIVE OF EXEMPTION FROM THE CUSTOMS DUTY FOR IMPORTATION OF TECHNOLOGICAL EQUIPMENTS, COMPONENTS AND ACCESSORIES THEREOF, RAW MATERIAL AND SUBSTANCES IMPORTED WITHIN THE FRAMEWORKS OF AN INVESTMENT PROJECT IN THE PRIORITY SECTOR, AND RECOGNIZING THE AUTHORIZED BODY

Based on point 4 of Annex 6 of the Protocol on the Common Customs Tariff Regulation under the Treaty “On the Eurasian Economic Union”, the Government of the Republic of Armenia hereby *decides*:

1. To define that the importation of technological equipments, components and accessories thereof, raw material and substances shall be exempt from the customs duty, calculated by customs authorities in the manner provided by the legislation, if such technological equipments, components and accessories thereof, raw material and substances are not manufactured (or are manufactured in quantities insufficient for the implementation of the investment project) in the member countries of the Eurasian Economic Union, or do not conform to technical standards necessary for the implementation of the investment project.

2. Under this Decision, to define the areas specified by 2014-2025 Strategic Program of Prospective Development of the Republic of Armenia, approved by RA Decision N 442-N of 27 March 2014, 2010-2020 Sustainable Development Program of the RA Ministry of Agriculture and Rural Development, approved by RA Government Decision N 1476-N of 4 November 2010, Export-Oriented Industrial Policy Strategy of the Republic of Armenia, approved by the RA Protocol Decision N 49 of RA Government Session of 15 December 2011, areas defined by the decision of the Republic of Armenia, as well as the manufacturing of types of goods/commodities not produced in the territory of the Republic of Armenia, as priority sectors (hereinafter referred to as “the priority sector”).

3. To approve the procedure for approving the conditions necessary for applying the incentive of exemption from the customs duty for importation of technological equipments, components and accessories thereof, raw material and substances imported within the frameworks of an investment project in the priority sector, in accordance with the Annex.

4. Under this Decision, to recognize the Ministry of Economy of the Republic of Armenia as the authorized body.

5. This Decision shall enter into force on the tenth day following the day of the official promulgation.

RA Prime Minister

H. Abrahamyan

October 2, 2015
Yerevan

PROCEDURE

FOR APPROVING THE CONDITIONS NECESSARY FOR APPLYING THE INCENTIVE OF EXEMPTION FROM THE CUSTOMS DUTY FOR IMPORTATION OF TECHNOLOGICAL EQUIPMENTS, COMPONENTS AND ACCESSORIES THEREOF, RAW MATERIAL AND SUBSTANCES IMPORTED WITHIN THE FRAMEWORKS OF AN INVESTMENT PROJECT IN THE PRIORITY SECTOR

1. This Procedure regulates relations pertaining to approving the conditions necessary for applying the incentive of exemption from the customs duty, calculated by customs authorities in the manner provided by the legislation, for importation of technological equipments, components and accessories thereof, raw material and substances imported within the frameworks of an investment project in the priority sector.

2. Conditions necessary for applying the incentive of exemption from the customs duty, calculated by customs authorities in the manner provided by the legislation, for importation of technological equipments, components and accessories thereof, raw material and substances imported within the frameworks of an investment project in the priority sector, shall be approved by the decision of the RA Government made based on the conclusion of the RA Ministry of Economy (hereinafter referred to as “the Authorized Body”).

3. A legal person or an individual entrepreneur (hereinafter “the applicant”) may apply for benefiting from the incentive of exemption from the customs duty, calculated by customs authorities in the manner provided by the legislation, for importation of technological equipments, components and accessories thereof, raw material and substances within the frameworks of an investment project in the priority sector.

4. The application for benefiting from the incentive of exemption from the customs duty (hereinafter “the application”), calculated by customs authorities in the manner provided by the legislation, for importation of technological equipments, components and accessories thereof, raw material and substances within the frameworks of an investment project in the priority sector, shall be submitted to the Staff of the RA Government.

5. The application shall include:

- 1) the investment project, in accordance with Form N 1 of this Procedure;
- 2) the list of technological equipments, components and accessories thereof and/or raw material and substances, and their technical specifications, in accordance with Form N 2 of this Procedure, and
- 3) the declaration about using technological equipments, components and accessories thereof and/or raw material and substances imported (to be imported) within the frameworks of the investment project exclusively in the territory of the Republic of Armenia, in accordance with Form N 3 of this Procedure.

6. The applicant shall bear responsibility, in the manner stipulated by the legislation, for accuracy/reliability of information provided by him.

7. Within not longer than 3 (three) days of filing the application with the Staff of the RA Government, the application, on the instruction of the RA Prime Minister, shall be sent to the RA Ministry of International Economic Integration and Reforms, the RA Ministry of Finance and the State Revenue Committee at the Staff of the RA Government (RA SRC) and, where appropriate, respective branch ministry (ministries) of the Republic of Armenia, to seek opinion, and to the RA Ministry of Economy, to seek conclusion.

(Provision 7 supplemented by RA Government Decision N 672-N, dated 30.06.16)

8. The RA Ministry of International Economic Integration and Reforms, the RA Ministry of Finance, the RA SRC and the respective branch ministry (ministries) of the Republic of Armenia shall review the submitted application in 5 (five) business days and provide their opinions to the RA Ministry of Economy.

(Provision 8 supplemented by RA Government Decision N 672-N, dated 30.06.16)

9. Within 7 (seven) business days, the RA Ministry of Economy shall review the submitted application, prepare a conclusion by summarizing the opinions of the RA Ministry of International Economic Integration and Reforms, the RA Ministry of Finance, the RA SRC and the respective branch ministry of the Republic of Armenia, and submit it to the Staff of the RA Government.

(Provision 9 supplemented by RA Government Decision N 672-N, dated 30.06.16)

10. Opinions of the RA Ministry of International Economic Integration and Reforms, the RA Ministry of Finance, the RA SRC and the respective branch ministry of the Republic of Armenia and the conclusion of the RA Ministry of Economy shall be produced in consideration of the following:

- 1) the investment project is implemented in the priority sector;
- 2) the technological equipments, components and accessories thereof and/or raw material and substances imported (to be imported) within the frameworks of the investment project will be used exclusively in the territory of the Republic of Armenia;
- 3) the technological equipments, components and accessories thereof and/or raw material and substances imported (to be imported) within the frameworks of the investment project are not manufactured (or are manufactured in quantities insufficient for the implementation of the investment project) in the member countries of the Eurasian Economic Union, or do not conform to technical standards necessary for the implementation of the investment project;
- 4) actual or projected amount of investments due to the implementation of the investment project;
- 5) the type of product produced (to be produced) due to the implementation of the investment project, sales volumes (actual or projected) and marketing destinations, and
- 6) new jobs created (to be created) due to the implementation of the investment project.

(Provision 10 supplemented by RA Government N 672-N, dated 30.06.16)

11. On the instruction of the RA Prime Minister, the conclusion shall be send to the RA Ministry of Justice, to seek opinion.

12. Taking into consideration the conclusion and the opinion of the RA Ministry of Justice about the conclusion, the RA Government, within 20 business days, shall adopt a decision on satisfying or rejecting the application.

13. Inconformity of the application to requirements thereto stipulated by this Procedure, as well as the conclusion produced in accordance with information prescribed under provision 10 hereof, shall serve as grounds for rejecting the application.

14. In not later than 3 (three) business days after the date of receiving the RA Government decision, the RA Ministry of Economy shall inform the applicant about it.

15. The person granted with the respective incentive shall submit to the RA Ministry of Economy information about the progress of the project performance, in accordance with Form N 4 of this Procedure, on annual periodicity, until the end of the investment project period.

Minister - Chief of Staff of the RA Government

D. Harutyunyan

Form N 1

INVESTMENT PROJECT

1.	Name of the applicant	
2.	Location (residence address), contacts	
3.	Product to be produced under the project; description of technological equipments, components and accessories thereof, raw material and substances	
4.	Volume of production planned under the project (whether actual or projected), expressed in value (AMD)	
5.	Sales volumes planned under the project (whether actual or projected), expressed in value (AMD)	
	<i>Including</i> <i>in the territory of the RA</i> <i>in the territory of the EAEU member countries</i> <i>in the territory of third countries</i>	
6.	New jobs created (to be created) due to the implementation of the investment project and the average salary (AMD)	
7.	Investments made within the frameworks of the project, whether actual or projected (AMD) <i>(in the case of financing from state support source, specify the relevant financing source and amount)</i>	
8.	Information about the fact that technological equipments, components and accessories thereof and/or raw material and substances imported (to be imported) within the frameworks of the investment project are not manufactured (or are manufactured in quantities insufficient for the implementation of the investment project) in the EAEU member countries, or do not conform to technical standards necessary for the implementation of the investment project	
9.	Other information about the project (at the applicant's discretion)	

Form N 2

LIST

**OF TECHNOLOGICAL EQUIPMENTS, COMPONENTS AND ACCESSORIES THEREOF
AND/OR RAW MATERIAL AND SUBSTANCES IMPORTED (TO BE IMPORTED) WITHIN
THE FRAMEWORKS OF THE INVESTMENT PROJECT IN THE PRIORITY SECTOR**

NN	FEACN code, at 10-digit level	Item	Technical specifications	Measurement unit	Unit number	Country of origin	Cost (AMD)
1	2	3	4	5	6	7	8
1.							
2.							
3.							

Form N 3

DECLARATION

I hereby certify that information contained in the application is truthful and complete. I acknowledge that provision of any false document or information entails liability stipulated by law.

I assure that technological equipments, components and accessories thereof and/or raw material and substances will be used exclusively in the territory of the Republic of Armenia.

I agree to inform the Authorized Body about any changes in the information submitted by me.

Signatory _____
(position)

(first name, patronymic name, surname)

(signature)

Date: _____ 20____

INFORMATION

ABOUT THE PROGRESS OF IMPLEMENTATION OF THE INVESTMENT
PROJECT

Date: 20__

NN	Indicator	Measurement unit	Quantity (volume)	Amount (AMD)
1.	Production volume			
2.	Investments			
3.	Sales volumes <i>including in the territory of the RA in the territory of other member countries of the EAEU in the territory of third countries</i>			
4.	Number of workplaces			
5.	Average salary			
6.	VAT			
7.	Profit tax			
8.	Income tax			

(The Annex supplemented by RA Decision N 672-N, dated 30.06.16)