

Economy Profile
Armenia

Doing Business 2020

Comparing Business
Regulation in
190 Economies



WORLD BANK GROUP

Economy Profile of Armenia

*Doing Business 2020 Indicators
(in order of appearance in the document)*

Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company
Dealing with construction permits	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
Getting electricity	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
Registering property	Procedures, time and cost to transfer a property and the quality of the land administration system
Getting credit	Movable collateral laws and credit information systems
Protecting minority investors	Minority shareholders' rights in related-party transactions and in corporate governance
Paying taxes	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as postfiling processes
Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
Employing workers	Flexibility in employment regulation and redundancy cost

About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of employing workers. Although *Doing Business* does not present rankings of economies on the employing workers indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, *Doing Business* offers detailed [subnational studies](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These studies provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

The first *Doing Business* study, published in 2003, covered 5 indicator sets and 133 economies. This year's study covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

To learn more about *Doing Business* please visit doingbusiness.org

Ease of Doing Business in Armenia 	Region	Europe & Central Asia	DB RANK	DB SCORE
	Income Category	Upper middle income	47	74.5
	Population	2,951,776		
	City Covered	Yerevan		

Rankings on Doing Business topics - Armenia



Topic Scores



Starting a Business (rank) 10 Score of starting a business (0-100) 96.1 Procedures (number) 3 Time (days) 4 Cost (number) 0.8 Paid-in min. capital (% of income per capita) 0.0	Getting Credit (rank) 48 Score of getting credit (0-100) 70.0 Strength of legal rights index (0-12) 6 Depth of credit information index (0-8) 8 Credit registry coverage (% of adults) 0.0 Credit bureau coverage (% of adults) 82.5	Trading across Borders (rank) 43 Score of trading across borders (0-100) 91.7 <i>Time to export</i> Documentary compliance (hours) 2 Border compliance (hours) 27 <i>Cost to export</i> Documentary compliance (USD) 100 Border compliance (USD) 100 <i>Time to export</i> Documentary compliance (hours) 2 Border compliance (hours) 3 <i>Cost to export</i> Documentary compliance (USD) 100 Border compliance (USD) 0
Dealing with Construction Permits (rank) 62 Score of dealing with construction permits (0-100) 73.1 Procedures (number) 20 Time (days) 99 Cost (% of warehouse value) 1.3 Building quality control index (0-15) 12.0	Protecting Minority Investors (rank) 120 Score of protecting minority investors (0-100) 42.0 Extent of disclosure index (0-10) 7.0 Extent of director liability index (0-10) 6.0 Ease of shareholder suits index (0-10) 8.0 Extent of shareholder rights index (0-6) 0.0 Extent of ownership and control index (0-7) 0.0 Extent of corporate transparency index (0-7) 0.0	Enforcing Contracts (rank) 30 Score of enforcing contracts (0-100) 69.7 Time (days) 570 Cost (% of claim value) 16.0 Quality of judicial processes index (0-18) 11.5
Getting Electricity (rank) 30 Score of getting electricity (0-100) 87.7 Procedures (number) 2 Time (days) 72 Cost (% of income per capita) 67.6 Reliability of supply and transparency of tariff index (0-8) 6	Paying Taxes (rank) 52 Score of paying taxes (0-100) 81.5 Payments (number per year) 15 Time (hours per year) 264 Total tax and contribution rate (% of profit) 22.6 Postfiling index (0-100) 79.4	Resolving Insolvency (rank) 95 Score of resolving insolvency (0-100) 44.6 Recovery rate (cents on the dollar) 39.2 Time (years) 1.9 Cost (% of estate) 11.0 Outcome (0 as piecemeal sale and 1 as going concern) 0 Strength of insolvency framework index (0-16) 7.5
Registering Property (rank) 13 Score of registering property (0-100) 88.6 Procedures (number) 3 Time (days) 8 Cost (% of property value) 0.1 Quality of the land administration index (0-30) 22.5		

Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Procedures to legally start and formally operate a company (number)</p> <ul style="list-style-type: none"> • Preregistration (for example, name verification or reservation, notarization) • Registration in the economy's largest business city • Postregistration (for example, social security registration, company seal) • Obtaining approval from spouse to start a business or to leave the home to register the company • Obtaining any gender specific document for company registration and operation or national identification card 	<p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p>
<p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day (2 procedures cannot start on the same day) • Procedures fully completed online are recorded as ½ day • Procedure is considered completed once final document is received • No prior contact with officials 	<p>The business:</p> <ul style="list-style-type: none"> -Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the limited liability form most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office. -Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. -Performs general industrial or commercial activities such as the production or sale to the public of goods or services. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It is not using heavily polluting production processes. -Does not qualify for investment incentives or any special benefits. -Is 100% domestically owned. -Has five business owners, none of whom is a legal entity. One business owner holds 30% of the company shares, two owners have 20% of shares each, and two owners have 15% of shares each. -Is managed by one local director. -Has between 10 and 50 employees one month after the commencement of operations, all of them domestic nationals. -Has start-up capital of 10 times income per capita. -Has an estimated turnover of at least 100 times income per capita. -Leases the commercial plant or offices and is not a proprietor of real estate. -Has an annual lease for the office space equivalent to one income per capita. -Is in an office space of approximately 929 square meters (10,000 square feet). -Has a company deed that is 10 pages long.
<p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice 	<p>The owners:</p> <ul style="list-style-type: none"> -Have reached the legal age of majority and are capable of making decisions as an adult. If there is no legal age of majority, they are assumed to be 30 years old. -Are in good health and have no criminal record. -Are married, the marriage is monogamous and registered with the authorities. -Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.
<p>Paid-in minimum capital (% of income per capita)</p> <ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation 	

Starting a Business - Armenia

Standardized Company

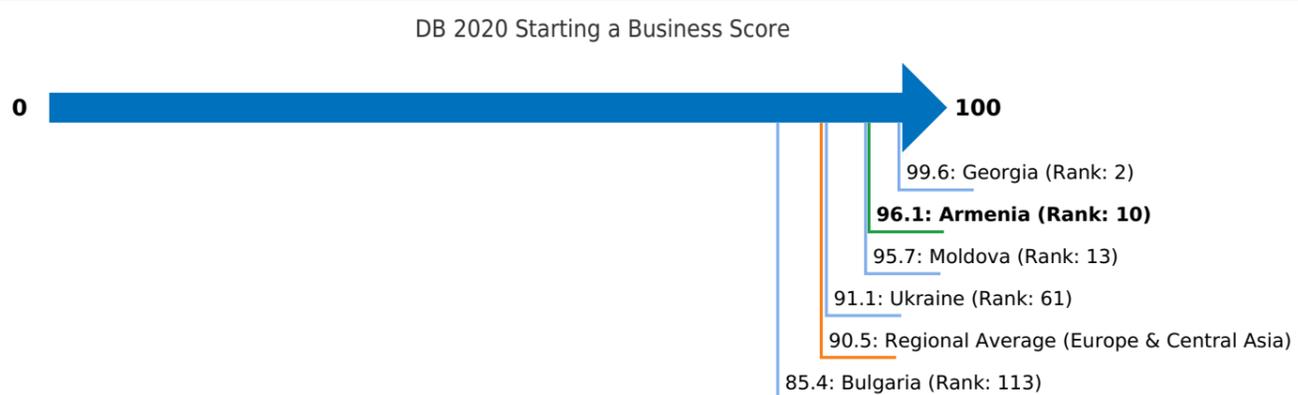
Legal form	LLC
Paid-in minimum capital requirement	No minimum
City Covered	Yerevan

Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedure - Men (number)	3	5.2	4.9	1 (2 Economies)
Time - Men (days)	4	11.9	9.2	0.5 (New Zealand)
Cost - Men (% of income per capita)	0.8	4.0	3.0	0.0 (2 Economies)
Procedure - Women (number)	3	5.2	4.9	1 (2 Economies)
Time - Women (days)	4	11.9	9.2	0.5 (New Zealand)
Cost - Women (% of income per capita)	0.8	4.0	3.0	0.0 (2 Economies)
Paid-in min. capital (% of income per capita)	0.0	0.7	7.6	0.0 (120 Economies)

Figure - Starting a Business in Armenia - Score

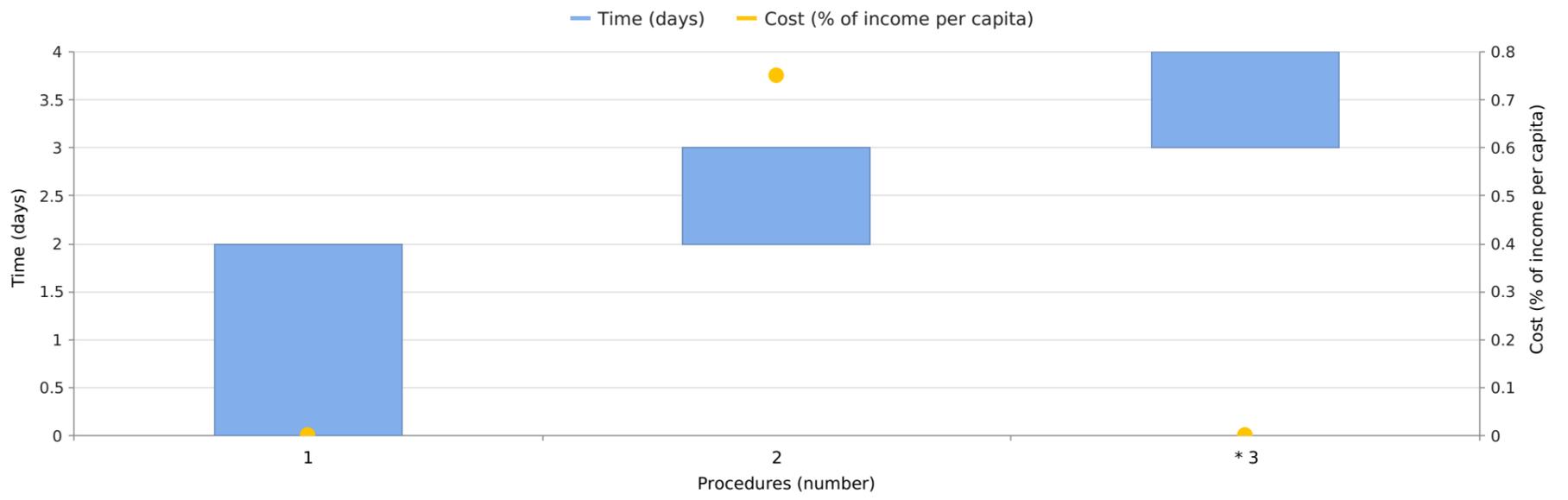


Figure - Starting a Business in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in Armenia - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Details - Starting a Business in Armenia - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Register at the One-stop shop <i>Agency</i> : State Register of the Legal Entities of the Ministry of Justice of the Republic of Armenia Documents required for registration are: - Company's charter; - Decision of owners to open a new LLC.</p> <p>In March 2011, the Business Entry One-stop Shop was launched within the Ministry of Justice. Companies and individual entrepreneurs can now obtain the name reservation, business registration and tax identification number at a single location and at the same time. An application for a taxpayer identification number is filed to tax authority at the one-stop shop and the TIN is issued by the State Registrar. Since January 2019, VAT registration can take place a year after a business exceeds the threshold of AMD 58.35 million. Starting from January 2018, entrepreneurs can opt for voluntary VAT registration within the application for company registration. In that case, no additional follow up or interaction is required in order to complete the VAT registration, and VAT number (same as TIN, with additional number "1" at the end) will be included in the incorporation certificate.</p> <p>The legal time limit is 2 working days but the application may be dealt with in one day if entrepreneurs decide to use the templates provided by the Ministry of Justice. However, these templates are limited and are designed for simple cases; therefore, most companies with 5 and more founders would prefer to draft their own founding documents.</p> <p>Electronic registration is available at www.e-register.am/am but it is not commonly used in practice, mainly due to the requirement to obtain e-signature, which implies additional cost and time. When registration is done online, founder(s) still need to visit the registry in order to obtain hard copy of the incorporation documents.</p>	2 days	no charge
2	<p>Order a company seal <i>Agency</i> : Seal maker According to the law, obtaining a company seal is not mandatory. However, entrepreneurs obtain the company's seal that may be asked during the operations of the company. For example, several banks require the seal when opening a bank account as well as public notaries. The fee for seal issuance varies according to turnaround time as following. - the same day: average AMD 15,500. - 30 days: average AMD 2,800. In order to obtain the seal, you need to submit to the seal maker company the following documents: copy of registration certificate, copy of the charter of the company, the outline of the seal or stamp, copy of trademark registration certificate if there is a registered trademark which you wish to have on the seal.</p>	1 day	AMD 15,500
⇒ 3	<p>Register employees <i>Agency</i> : Tax Service In accordance with the Tax Code of RA, a company has to register all employees with the Tax authorities no later than the day preceding the hiring or by 2.00 p.m. on the day of the hiring. The registration is done online (www.taxservice.am) using a specific registration form. In order to fill out the form, an electronic signature is necessary. Electronic signature can be obtained through the private company "Ekeng", and it takes several days to obtain and costs an annual fee of AMD 3000. In addition, a card reader is needed for the e-signature. Therefore, in the absence of electronic signature entrepreneurs prefer to register employees through their accountant, who would already have an electronic signature. The entrepreneur gives a power of attorney to the accountant to represent the company, and the accountant registers employees online.</p>	1 day	no charge

⇒ Takes place simultaneously with previous procedure.

Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2019. [See the methodology for more information](#)

What the indicators measure	Case study assumptions
<p>Procedures to legally build a warehouse (number)</p> <ul style="list-style-type: none"> • Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates • Submitting all required notifications and receiving all necessary inspections • Obtaining utility connections for water and sewerage • Registering and selling the warehouse after its completion <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes <p>Building quality control index (0-15)</p> <ul style="list-style-type: none"> • Quality of building regulations (0-2) • Quality control before construction (0-1) • Quality control during construction (0-3) • Quality control after construction (0-3) • Liability and insurance regimes (0-2) • Professional certifications (0-4) 	<p>To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.</p> <p>The construction company (BuildCo):</p> <ul style="list-style-type: none"> - Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts. - Owns the land on which the warehouse will be built and will sell the warehouse upon its completion. <p>The warehouse:</p> <ul style="list-style-type: none"> - Will be used for general storage activities, such as storage of books or stationery. - Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita. - Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures. - Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements). <p>The water and sewerage connections:</p> <ul style="list-style-type: none"> - Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built. - Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day. - Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

Dealing with Construction Permits - Armenia

Standardized Warehouse

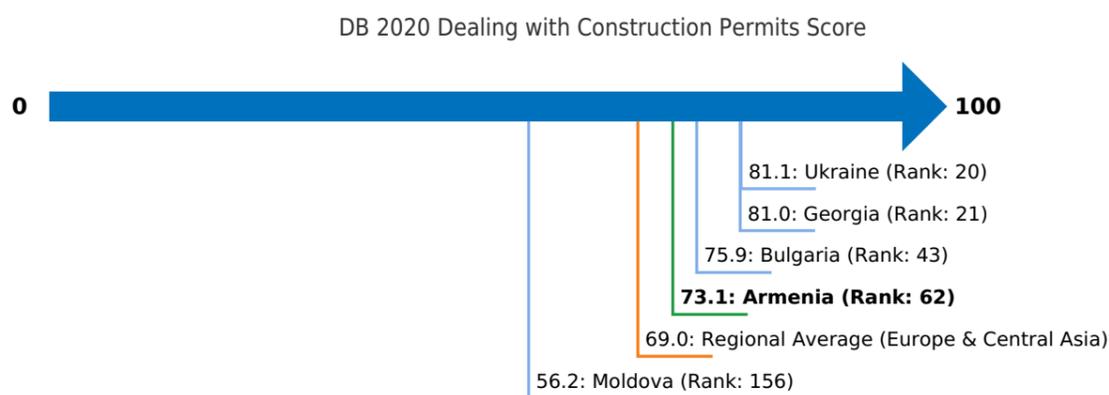
Estimated value of warehouse	AMD 103,131,099
City Covered	Yerevan

Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	20	16.2	12.7	None in 2018/19
Time (days)	99	170.1	152.3	None in 2018/19
Cost (% of warehouse value)	1.3	4.0	1.5	None in 2018/19
Building quality control index (0-15)	12.0	12.1	11.6	15.0 (6 Economies)

Figure - Dealing with Construction Permits in Armenia - Score

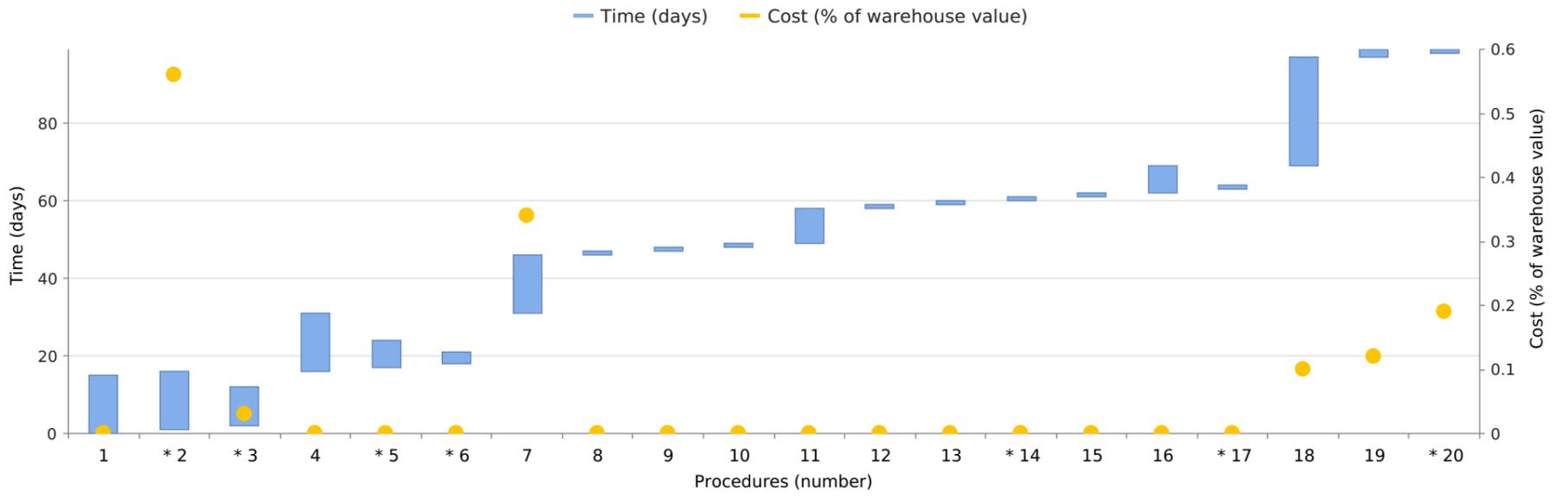


Figure - Dealing with Construction Permits in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

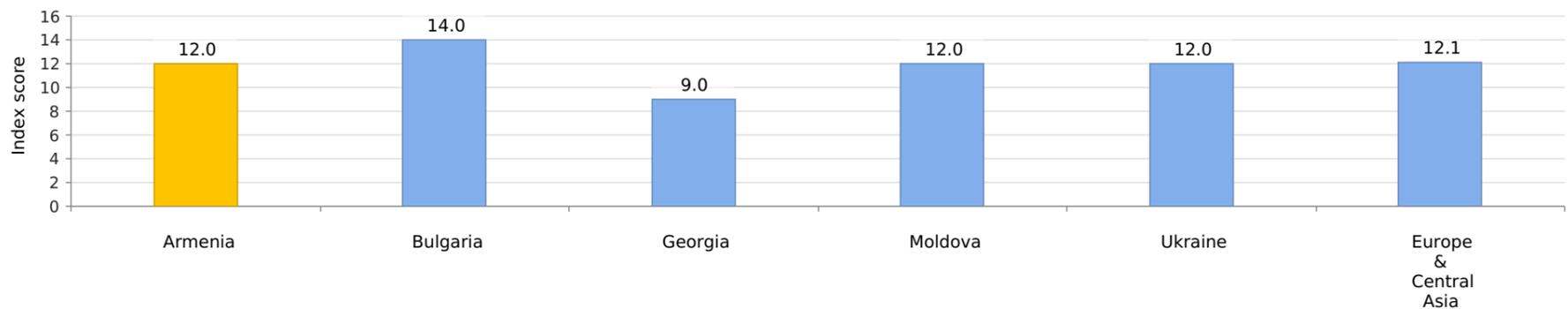
Figure - Dealing with Construction Permits in Armenia - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Armenia and comparator economies - Measure of Quality



Details - Dealing with Construction Permits in Armenia - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Apply and obtain architectural-construction assignment (APZ) <i>Agency</i> : Yerevan Municipality The company submits an application form to the Architectural and Urban Development Department of the Yerevan Municipality with the following information: the purpose of usage, building type and address, and the name(s). As part of this process, the owner receives technical conditions from appropriate authorities for drawing, building, and using the building's engineering substructures. The fee and time line are determined by the agreement with the company.</p> <p>For BuildCo to obtain a building permit, the municipality awards an architectural design assignment to a licensed building design firm, upon receiving the application and the drawings. The design firm prepares the drawing(s) with information on technical, urban, and other necessary conditions. The architectural drawing undergoes a review performed by the Chief Architect at the Municipality. The drawings are then approved by the Yerevan Municipality, citing the duration of the construction.</p> <p>According to legislation the official time limit to issue the APZ is 15 days. The APZ is issued after receiving all technical conditions from utilities.</p>	15 days	no charge
⇒ 2	<p>Obtain a geological survey of the land plot <i>Agency</i> : Private licensed company A geological survey of the land plot must be obtained prior to developing the architectural plans of the warehouse.</p>	15 days	AMD 577,000
⇒ 3	<p>Obtain topographic survey of the land plot <i>Agency</i> : Private licensed company A topographic survey of the land plot must be obtained prior to developing the architectural plans of the warehouse.</p>	10 days	AMD 35,000
4	<p>Request and obtain technical conditions approval from Veolia Water <i>Agency</i> : Veolia Water According to Regulation No. 257-N (2011), applicants must seek individual technical condition approvals from each authority. All technical conditions must be free of charge.</p> <p>Before starting earthwork, BuildCo must apply to utility providers, citing the planned route(s) of underground communications.</p>	15 days	no charge
⇒ 5	<p>Request and obtain technical conditions approval from Electrical Networks of Armenia <i>Agency</i> : Electrical Networks of Armenia BuildCo must obtain the technical conditions for electricity connection in order to be able to apply for the building permit. The municipality specifies the required technical conditions in the Architectural Planning Assignment (APZ), and the construction company has to obtain the technical conditions from each utility provider individually.</p>	7 days	no charge
⇒ 6	<p>Request and obtain technical conditions approval on Fire Safety from Ministry of Emergency Situations <i>Agency</i> : Ministry of Emergency Situations</p>	3 days	no charge
7	<p>Request and obtain building permit from Yerevan Municipality <i>Agency</i> : Municipality The company must resubmit the approved architectural drawings to the municipality.</p> <p>In Yerevan, the mayor grants the construction permit. The construction permit fee for the case study warehouse is AMD 350,000. The building permit is valid for 2 years.</p>	15 days	AMD 350,000
8	<p>Notify the Municipality of Yerevan of the start of construction works <i>Agency</i> : Municipality of Yerevan BuildCo writes a letter 3 days prior to construction works and does not wait for approval.</p>	1 day	no charge

9	Receive inspection by the Municipality <i>Agency</i> : Municipality - Urban Development and Land Inspection Department The construction site will be visited at least once by the Municipality during the duration of project, provided all works are done properly. There is no need to stop works. Inspections occur on a random basis. According to the Law on Inspection, all inspections must take place only once a year. However, so-called operational inspections are widespread.	1 day	no charge
10	Receive inspection by State Inspection of Urban Development of Ministry of Urban Development <i>Agency</i> : State Inspection of Urban Development of Ministry of Urban Development The construction site will be visited at least once by the State Inspection of Urban Development during the duration of project, provided all works are done properly. There is no need to stop works. Inspections occur on a random basis. According to the Law on Inspection, all inspections must take place only once a year. However, so-called operational inspections are widespread.	1 day	no charge
11	Request water and sewage services <i>Agency</i> : Veolia Water	9 days	AMD 2,600
12	Receive water and sewage inspection and obtain connection <i>Agency</i> : Veolia Water Upon starting work, BuildCo must request the presence of utility company representatives while connecting the building to utilities.	1 day	no charge
13	Submit the construction logbook to the Municipality and request occupancy permit <i>Agency</i> : Municipality/State Inspection of Urban Development of Ministry of Urban Development Upon completion of construction, BuildCo must inform the Municipality about the completion and must submit the construction logbook to the Municipality. The Municipality then calls an acceptance commission consisting of representatives of BuildCo, the project design firm, the municipality, the state urban development inspection and utility providers. The members of the commission conduct a final inspection of the building to verify that the building was built in accordance with the approved plans and applicable norms and regulations.	1 day	no charge
⇒ 14	Notify the Ministry of Urban Planning about the completion of construction works <i>Agency</i> : Ministry of Urban Planning	1 day	no charge
15	Receive final inspection from Ministry of Urban Planning <i>Agency</i> : Municipality/State Inspection of Urban Development of Ministry of Urban Development The completion of construction certificate, obtained upon completion through a joint meeting between the investor and the builder, is required to file for the final inspection process and is required to obtain the occupancy permit from the Municipality. The application is then made to receive a final inspection by the State Inspection of Urban Development under the Ministry of Urban Development and the Municipality.	1 day	no charge
16	Receive final inspection from the Ministry of Emergency Situations <i>Agency</i> : Civil Defense	7 days	no charge
⇒ 17	Receive final inspection from the Municipality <i>Agency</i> : Municipality/State Inspection of Urban Development of Ministry of Urban Development By Ministerial Decree, the Municipality must undertake the final inspection within 15 days of receiving the application. After the inspection, the application is forwarded to the State Expert Office for final approval. This takes another 10 -- 15 business days. Inspection by State Inspection of Urban Development of Ministry of Urban Development takes place separately.	1 day	no charge
18	Obtain occupancy permit from the Municipality <i>Agency</i> : Municipality After all signatures are signed the occupancy permit is issued by the Mayor's Office.	28 days	AMD 100,000
19	Register the building with the Cadastre <i>Agency</i> : Local Cadastre Office The company must register the building with the cadastre by submitting the land title, the allocation permit, the building permit, and the construction plans. The next step is an on-site inspection required for metering the building. Documents to be submitted are the following: • Construction permit • Architectural construction assignment • Occupancy permit	2 days	AMD 127,332
⇒ 20	Receive on-site inspection for building registration <i>Agency</i> : Licensed Private Company On-site inspection is done for all projects, both first time and re-sale of property. The mapping team visits the site and draws all relevant measurements in the records. A BuildCo representative must be present at the moment of inspection. This procedure needs to be completed by licensed private companies starting from January 1, 2012, according to the amendments of the Law on Registration of Rights Upon Property.	1 day	AMD 200,000

⇒ Takes place simultaneously with previous procedure.

Details - Dealing with Construction Permits in Armenia - Measure of Quality

	Answer	Score
Building quality control index (0-15)		12.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		1.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	By law, there is no need to verify plans compliance.	1.0
Quality control during construction index (0-3)		2.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by in-house engineer; Unscheduled inspections.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice.	1.0
Quality control after construction index (0-3)		3.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		0.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	No party is held liable under the law.	0.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
Professional certifications index (0-4)		4.0
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	Minimum number of years of experience; University degree in architecture or engineering; Passing a certification exam; There are no specific requirements.	2.0
What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)	Minimum number of years of experience; University degree in engineering, construction or construction management; Passing a certification exam.	2.0

⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

Price of electricity (cents per kilowatt-hour)*

- Price based on monthly bill for commercial warehouse in case study

*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor in the ranking on the ease of getting electricity.

Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

Getting Electricity - Armenia

Standardized Connection

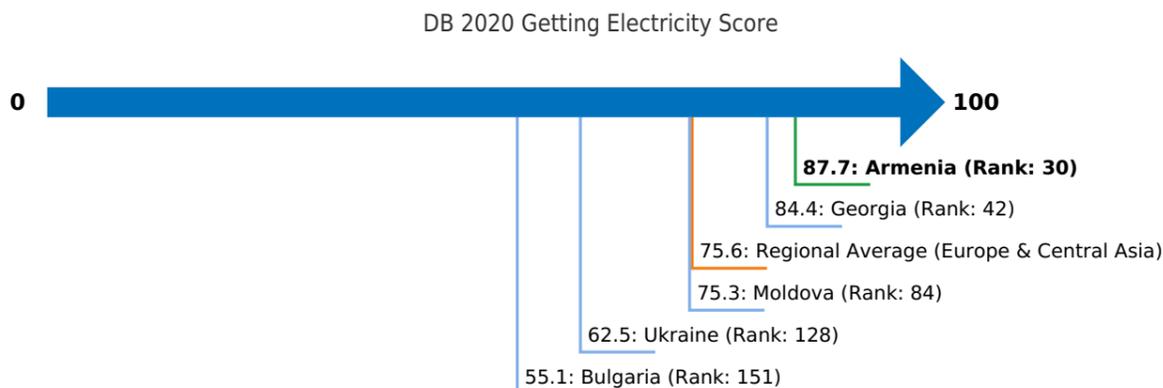
Name of utility	Electric Networks of Armenia (ENA) CJSC
Price of electricity (US cents per kWh)	7.7
City Covered	Yerevan

Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	2	5.1	4.4	3 (28 Economies)
Time (days)	72	99.6	74.8	18 (3 Economies)
Cost (% of income per capita)	67.6	271.9	61.0	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	6	6.2	7.4	8 (26 Economies)

Figure - Getting Electricity in Armenia - Score

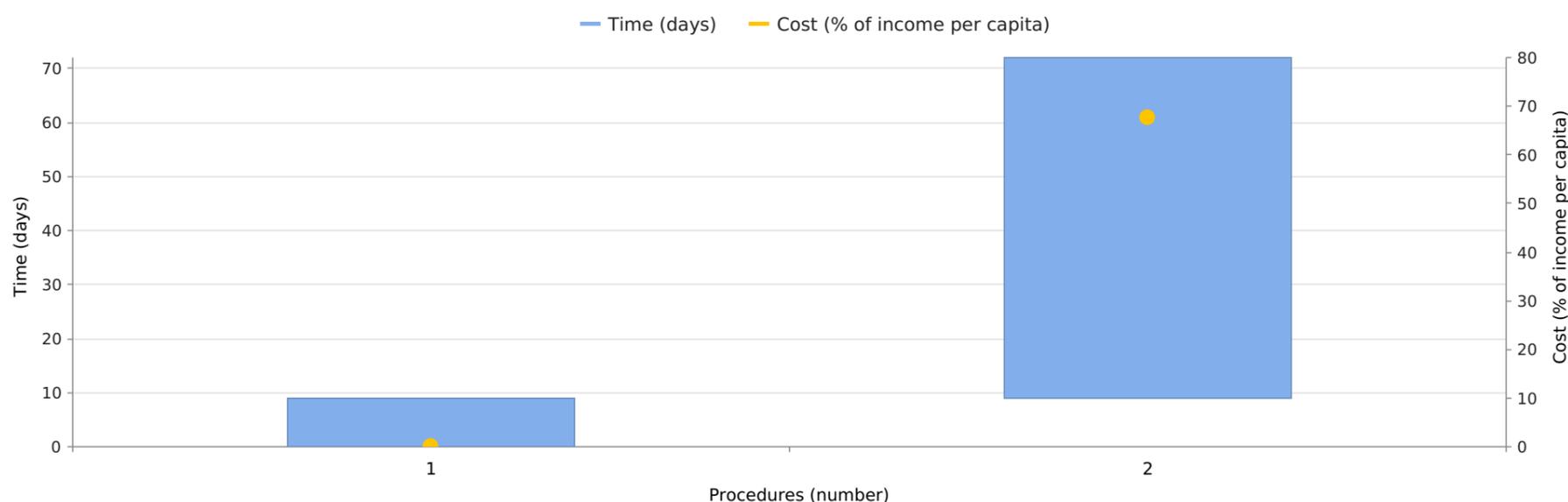


Figure - Getting Electricity in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

Figure - Getting Electricity in Armenia - Procedure, Time and Cost

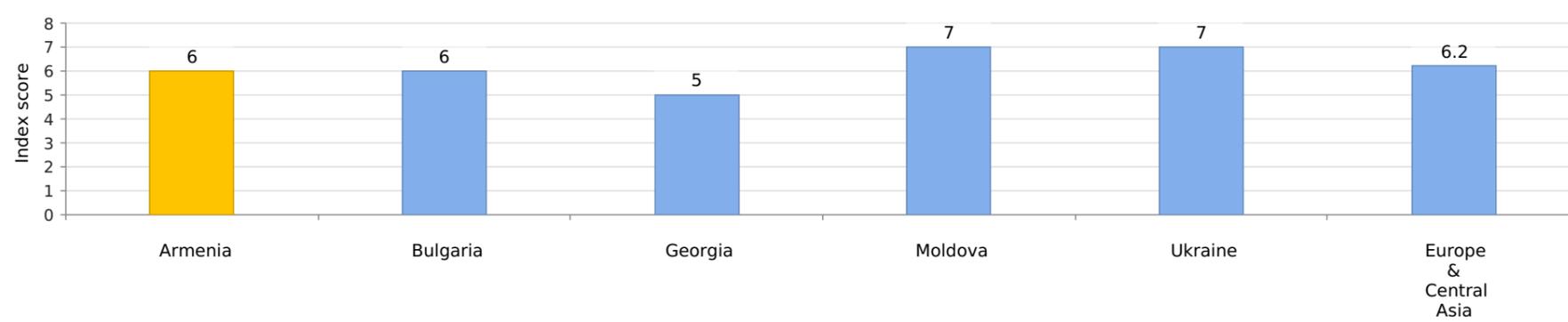


*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures

reflected here, see the summary below.

Figure - Getting Electricity in Armenia and comparator economies - Measure of Quality



Details - Getting Electricity in Armenia - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Submit application to Electrical Networks of Armenia, sign supply contract and await technical conditions and connection contract from the utility</p> <p><i>Agency</i>: Electric Networks of Armenia (ENA)</p> <p>Since January 1, 2013, following the implementation of the PSRC Resolution N208-N dated June 13, 2012, a customer can submit an online application for a new connection on the following website: www.ena.am.</p> <p>If the client is a legal entity, the following documents must be submitted: Application form, accompanied by a certificate of the state cadaster, tax code, bank account information, a certificate of privatization of the land/area (in case of a land lease the agreement of the property owner), a notarized certificate authorizing the applicant to act on behalf of the legal entity</p> <p>In addition, information on the requested capacity, voltage level, connection type (single-phase, three-phase) and connection point(s) as well as request for an alternative power supply must also be submitted.</p> <p>Online application also requires a copy of passport and an e-mail address of the company's director, private entrepreneur, physical entity or their authorized persons.</p> <p>According to Decree N140 on "Amendments and additions to the decree 358N 27.12.2006 of Public Services Regulatory Commission of Republic of Armenia" issued on 02.05.18, signing the contract of connection to the electricity network and signing electricity supply contract take place at the same time.</p> <p>Thus, in the course of this procedure utility must:</p> <ol style="list-style-type: none"> 1) Present to the customer a signed connection contract, and supply contract 2) Prepare the technical-economic conditions for the connection 	9 calendar days	AMD 0
2	<p>Receive external works by Electrical Networks of Armenia and final connection</p> <p><i>Agency</i>: Electric Networks of Armenia (ENA)</p> <p>The utility develops the necessary design and estimate documentation, and in the case of a simplified connection - the technical characteristics of the connection; obtains all necessary approvals with state bodies, local self-government bodies, etc; and carries out construction works on the connection of a new consumption system to the electric grid, and installs meter.</p> <p>Final connection takes place at the end of external works without a need to submit a separate request.</p>	63 calendar days	AMD 1,394,166.67

⇒ Takes place simultaneously with previous procedure.

Details - Getting Electricity in Armenia - Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	6
Total duration and frequency of outages per customer a year (0-3)	1
System average interruption duration index (SAIDI)	10.9
System average interruption frequency index (SAIFI)	7.2
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	5.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	http://psrc.am/images/docs/monitoring/electric/Textekank_Sakagner_Sayt.pdf
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Procedures to legally transfer title on immovable property (number)

- Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration procedures in the economy's largest business city.
- Postregistration procedures (for example, filling title with municipality)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of property value)

- Official costs only (such as administrative fees, duties and taxes).
- Value Added Tax, Capital Gains Tax and illicit payments are excluded

Quality of land administration index (0-30)

- Reliability of infrastructure index (0-8)
- Transparency of information index (0-6)
- Geographic coverage index (0-8)
- Land dispute resolution index (0-8)
- Equal access to property rights index (-2-0)

Case study assumptions

To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.

The parties (buyer and seller):

- Are limited liability companies (or the legal equivalent).
- Are located in the periurban (that is, on the outskirts of the city but still within its official limits) area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Are 100% domestically and privately owned.
- Perform general commercial activities.

The property (fully owned by the seller):

- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone (that is, on the outskirts of the city but still within its official limits), and no rezoning is required.
- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.
- Will not be subject to renovations or additional construction following the purchase.
- Has no trees, natural water sources, natural reserves or historical monuments of any kind.
- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.
- Has no occupants, and no other party holds a legal interest in it.

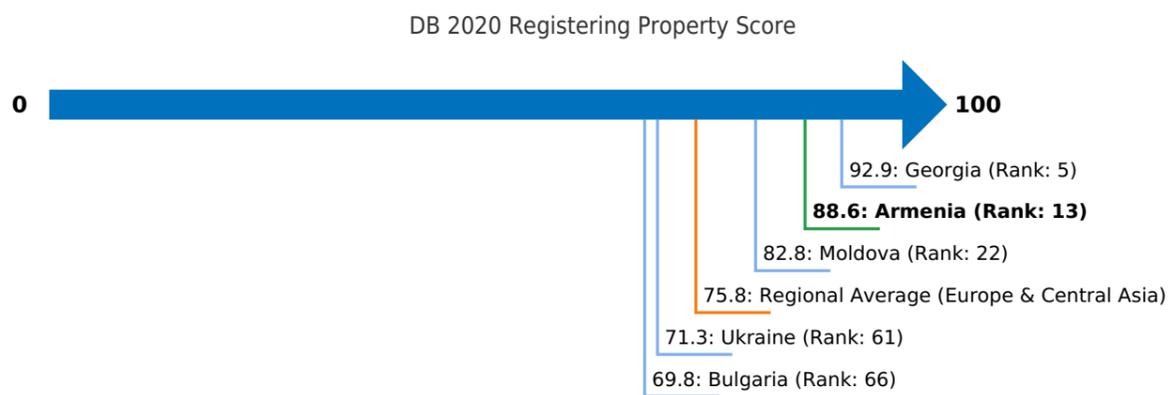
Registering Property - Armenia

Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	3	5.5	4.7	1 (5 Economies)
Time (days)	8	20.8	23.6	1 (2 Economies)
Cost (% of property value)	0.1	2.7	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	22.5	20.4	23.2	None in 2018/19

Figure - Registering Property in Armenia - Score

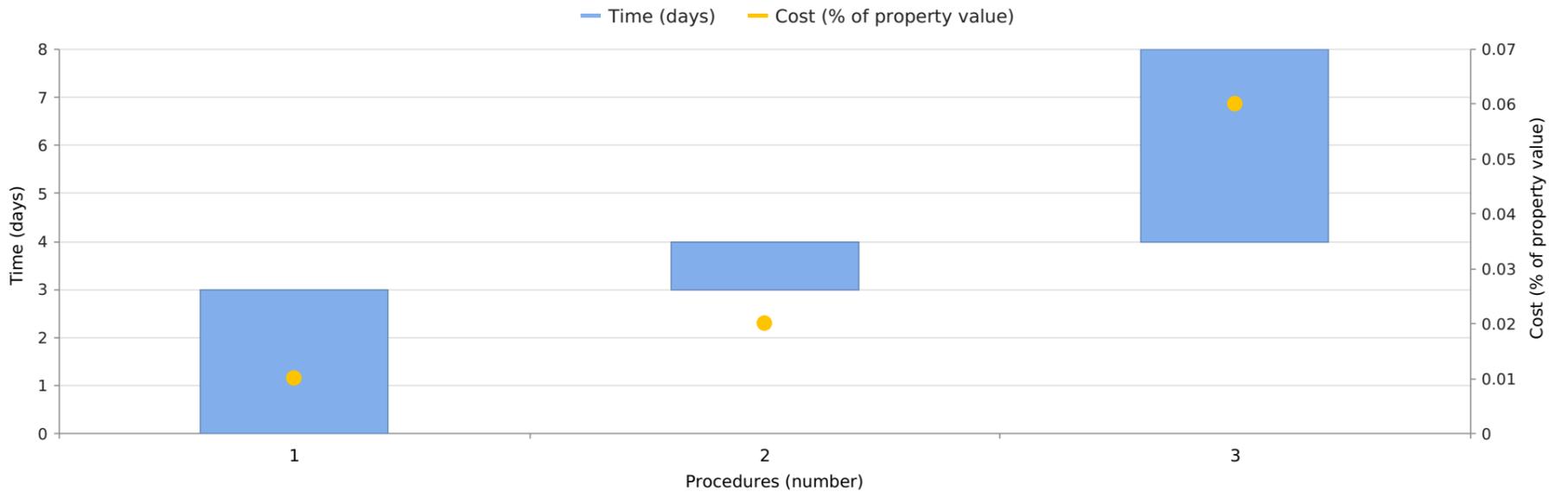


Figure - Registering Property in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

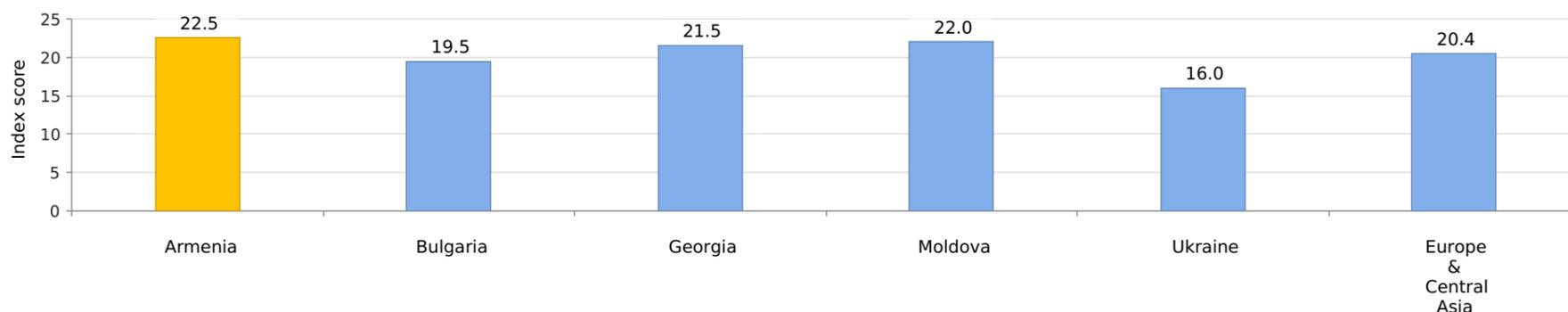
Figure - Registering Property in Armenia - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Armenia and comparator economies - Measure of Quality



Details - Registering Property in Armenia - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Seller obtains a special reference on restrictions on the property at the State Committee of the Real Property Cadastre of the Republic of Armenia (SCRPC)</p> <p><i>Agency</i> : State Committee of the Real Property Cadastre of the Republic of Armenia (SCRPC)</p> <p>As part of the due diligence process, the seller obtains an extract from SCRPC about the encumbrances and other restrictions (mortgage, easement, etc.) on the real property which could be obtained online prior visiting the SCRPC office.</p> <p>Although notaries can obtain the relevant information using an online system, in majority of cases clients prefer to go to the SCRPC in person to obtain the official physical extract with an official stamp. Obtaining the extract online is likewise not common since an electronic signature, which very few people possess, is required to use this service.</p>	3 days	<p>AMD 10,000; (AMD 10,000 (regular procedure), AMD 20,000 (expedited procedure - 24 hours), AMD 60,000 (2 hours procedure))</p> <p>Regular procedure is most common and takes 3 days.)</p>
2	<p>Payment of stamp duty and notarization of sale-purchase agreement by public notary</p> <p><i>Agency</i> : Notary</p> <p>The parties or their representatives meet at the notary’s office. After the notary completes checking the documents the parties execute the agreement in the notary’s presence following which the notary authenticates the agreement by signing and stamping it. The notary collects both the notary fees and the government fees, typically in cash at the end of the procedure.</p> <p>The documentation for notarization of sale-purchase agreement shall include:</p> <ul style="list-style-type: none"> • Sale-purchase agreement • Registration certificate (in possession of the seller) • Reference on restrictions (obtained in Procedure 1) • Corporate documents of the parties (e.g. charters, foundation agreements, powers of attorney) 	1 day	<p>AMD 20,000; (AMD 5,000 (Stamp duty for Notarization) + between AMD 10,000 to 20,000 for Notary’s fees)</p>

3	<p>The local office of the SCRPC registers the title and provides a registration certificate to the new owner</p> <p><i>Agency</i> : The State Committee of the Real Property Cadastre of the Government of the Republic of Armenia (SCRPC)</p> <p>The law specifies 30 working days for registration of the ownership titles over real property. Either seller or buyer can submit all documents for registration. According to the law ownership right arises only after the registration has been completed.</p> <p>The documentation required for registration include:</p> <ul style="list-style-type: none"> (a) Application; (b) One copy of the notarized agreement in case the parties chose to undergo Procedure 2 (otherwise the parties shall sign a sample agreement on site); (c) Statement certifying the payment of the state duty; state registration certificate of the buyer; (d) In case an authorized person is representing the company then a power of attorney and the copy of the latter's passport or (e) If the company is represented by its director then the latter's passport's copy and the state registration certificate of the company certifying its position. <p>According to the State registration of rights to property of October 20, 2016, the current applicable fees are included in Articles 73 and 74:</p> <ul style="list-style-type: none"> (a) 25,000 AMD for the standard registration procedure in 4 working days; (b) Double fee (50,000) for title registration in 3 working days; and (c) Triple fee (75,000) for title registration in 2 working days. (d) Six times the fee (150,000) for title registration within 2 hours. <p>Registration fees can be paid:</p> <ul style="list-style-type: none"> (a) Online via web-portal of SCRPC (www.e-cadastre.am); (b) By using the terminals at SCRPC; or (c) At any commercial bank. <p>Stamp duty in this case equals AMD 40,000, which can be paid at the commercial bank.</p>	4 days	<p>AMD 65,000; (State Duty and Registration Fees: AMD 40,000 (state duty for registration) + AMD 25,000 (registration fee, regular procedure on 4th working day); AMD 40,000 (state duty for registration) + AMD 50,000 (registration fee, expedited procedure on 3rd working day); AMD 40,000 (state duty for registration) + AMD 75,000 (registration fee, super fast on 2nd working day); AMD 40,000 (state duty for registration) + AMD 150,000 (registration fee, super super fast in 2 working hours)</p> <p>State duty fee: 40,000 AMD, based on Amendments to Law "On State Duty" HO-167-N adopted as of 20.10.2016. State duty for registration of commercial buildings exceeding 200 square meters was set in the amount of AMD 40,000.</p> <p>Registration Fees: Law "On Introducing Amendments and Changes to Law "On State Registration of the Rights to the Property"" HO-166-N adopted as of 20.10.2016:)</p>
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⇒Takes place simultaneously with previous procedure.

Details - Registering Property in Armenia - Measure of Quality

	Answer	Score
Quality of the land administration index (0-30)		22.5
Reliability of infrastructure index (0-8)		7.0
Type of land registration system in the economy:	Dual system (Title & Deed)	
What is the institution in charge of immovable property registration?	State Committee of the Real Property Cadastre of the Republic of Armenia	
In what format are past and newly issued land records kept at the immovable property registry of the largest business city of the economy—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there a comprehensive and functional electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	Yes	1.0
Institution in charge of the plans showing legal boundaries in the largest business city:	State Committee of the Real Property Cadastre of the Republic of Armenia	
In what format are past and newly issued cadastral plans kept at the mapping agency of the largest business city of the economy—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Fully digital	2.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	Yes	1.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Single database	1.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
Transparency of information index (0-6)		4.5
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Anyone who pays the official fee	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	http://www.cadastre.am/page/yntacik_grancum	
Is the applicable fee schedule for any type of property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	http://www.cadastre.am/page/382 , http://www.cadastre.am/page/383 , http://www.cadastre.am/page/384	
Does the agency in charge of immovable property registration agency formally commit to deliver a legally binding document that proves property ownership within a specific timeframe—and if so, how does it communicate the service standard?	Yes, online	0.5
Link for online access:	https://www.cadastre.am/page/362	
Is there a specific and independent mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	Yes	0.5
Number of property transfers in the largest business city in 2018:	23511.0	

Who is able to consult maps of land plots in the largest business city?	Anyone who pays the official fee	0.5
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	http://www.cadastre.am/page/384	
Does the cadastral/mapping agency formally specifies the timeframe to deliver an updated cadastral plan—and if so, how does it communicate the service standard?	Yes, on public boards	0.5
Link for online access:		
Is there a specific and independent mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
Geographic coverage index (0-8)		4.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
Are all privately held land plots in the economy mapped?	Yes	2.0
Land dispute resolution index (0-8)		7.0
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Legal basis:	The Civil Code of the RA dated 05.05.1998 and the Law of the RA "On state registration of rights to property" from 14.04.1999, Article 24 point 6	
Is the system of immovable property registration subject to a state or private guarantee?	Yes	0.5
Type of guarantee:	State guarantee	
Legal basis:	The Civil Code of the RA dated 05.05.1998 and the Law of the RA "On state registration of rights to property" from 14.04.1999, Article 3	
Is there a is a specific, out-of-court compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	Yes	0.5
Legal basis:	The Civil Code of the RA, Civil procedural code of RA, Administrative procedural code of RA; The Law of the RA "On state registration of rights to property", The Law of RA "On the basis of administering and administrative proceedings", Chapter 7. he RA Law "On the bases of administering and administrative proceedings", Chapter 15	

Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Notary;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar; Notary;	
Is there a national database to verify the accuracy of government issued identity documents?	Yes	1.0
What is the Court of first instance in charge of a case involving a standard land dispute between two local businesses over tenure rights for a property worth 50 times gross national income (GNI) per capita and located in the largest business city?	The Court of First Instance of the relevant Community of Yerevan where the property is located.	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 1 and 2 years	2.0
Are there publicly available statistics on the number of land disputes at the economy level in the first instance court?	Yes	0.5
Number of land disputes in the economy in 2018:	1562.0	
Equal access to property rights index (-2-0)		0.0
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Strength of legal rights index (0-12)

- Rights of borrowers and lenders through collateral laws (0-10)
- Protection of secured creditors' rights through bankruptcy laws (0-2)

Depth of credit information index (0-8)

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)

Credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest credit bureau as a percentage of adult population

Credit registry coverage (% of adults)

- Number of individuals and firms listed in credit registry as a percentage of adult population

Case study assumptions

Doing Business assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

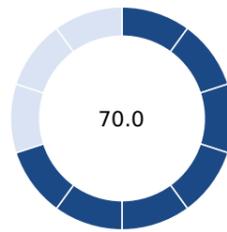
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

Getting Credit - Armenia

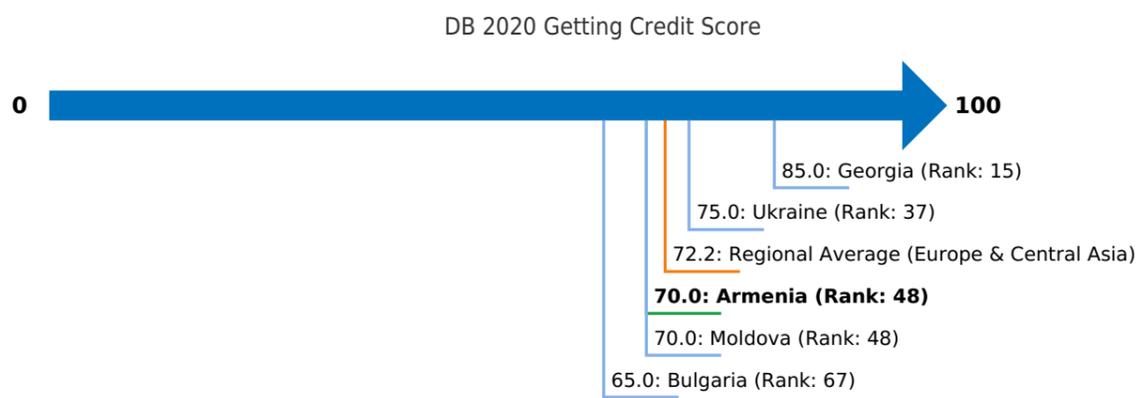
Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	6	7.8	6.1	12 (5 Economies)
Depth of credit information index (0-8)	8	6.7	6.8	8 (53 Economies)
Credit registry coverage (% of adults)	0.0	24.0	24.4	100.0 (2 Economies)
Credit bureau coverage (% of adults)	82.5	41.7	66.7	100.0 (14 Economies)

Figure - Getting Credit in Armenia - Score



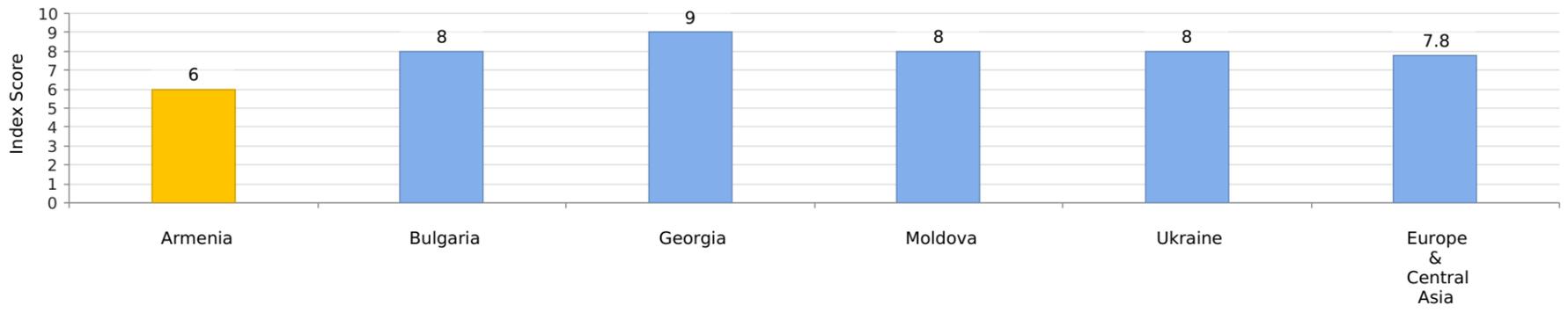
Score - Getting Credit

Figure - Getting Credit in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

Figure - Legal Rights in Armenia and comparator economies



Details - Legal Rights in Armenia

Strength of legal rights index (0-12)

6

Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy? No

Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral? No

Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral? No

May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets? No

Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered? Yes

Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name? Yes

Does a notice-based collateral registry exist in which all functional equivalents can be registered? No

Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party? Yes

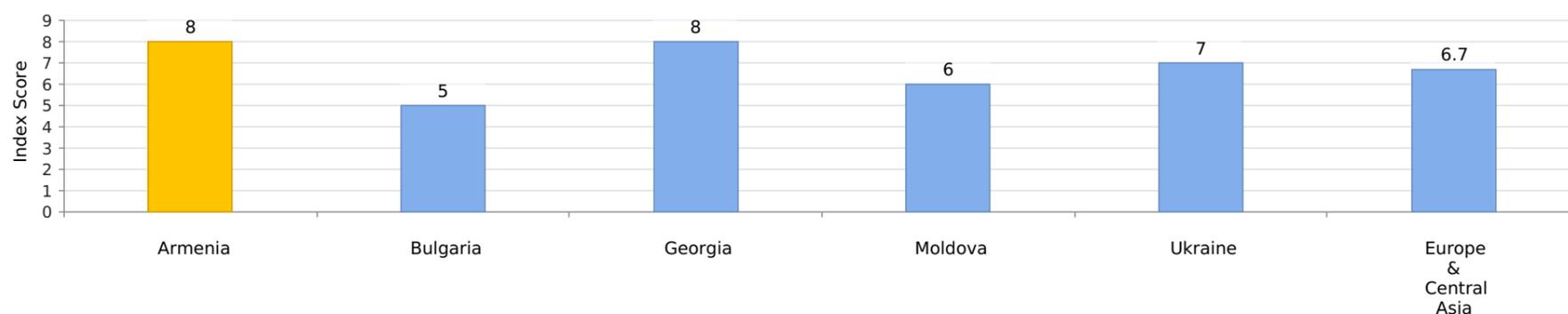
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure? Yes

Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated? Yes

Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it? No

Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt? Yes

Figure - Credit Information in Armenia and comparator economies



Details - Credit Information in Armenia

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	No	1
Are both positive and negative credit data distributed?	Yes	No	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	Yes	No	1
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	No	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	No	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	No	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	1,629,346	0
Number of firms	37,792	0
Total	1,667,138	0
Percentage of adult population	82.5	0.0

Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

- **Extent of disclosure index (0-10):** Disclosure, review, and approval requirements for related-party transactions
- **Extent of director liability index (0-10):** Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, disqualification from managerial position(s) for one year or more, rescission of the transaction)
- **Ease of shareholder suits index (0-10):** Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses
- **Extent of conflict of interest regulation index (0-30):** Sum of the extent of disclosure, extent of director liability and ease of shareholder suits indices
- **Extent of shareholder rights index (0-6):** Shareholders' rights and role in major corporate decisions
- **Extent of ownership and control index (0-7):** Governance safeguards protecting shareholders from undue board control and entrenchment
- **Extent of corporate transparency index (0-7):** Corporate transparency on ownership stakes, compensation, audits and financial prospects
- **Extent of shareholder governance index (0-20):** Sum of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices
- **Strength of minority investor protection index (0-50):** Sum of the extent of conflict of interest regulation and extent of shareholder governance indices

Case study assumptions

To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.

The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange.
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.
- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.
- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.
- Is a manufacturing company with its own distribution network.

The transaction involves the following details:

- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.
- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.
- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.
- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.
- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.
- The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.

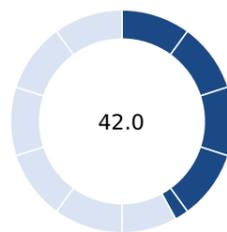
Protecting Minority Investors - Armenia

Stock exchange information

Stock exchange	Armenian Stock Exchange
Stock exchange URL	https://amx.am
Listed firms with equity securities	3
City Covered	Yerevan

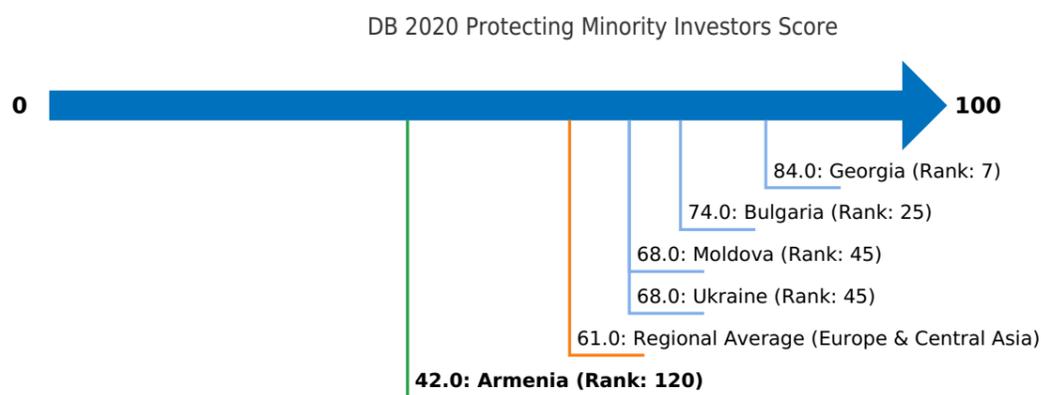
Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	7.0	7.5	6.5	10 (13 Economies)
Extent of director liability index (0-10)	6.0	5.0	5.3	10 (3 Economies)
Ease of shareholder suits index (0-10)	8.0	6.8	7.3	10 (Djibouti)
Extent of shareholder rights index (0-6)	0.0	3.4	4.7	6 (19 Economies)
Extent of ownership and control index (0-7)	0.0	3.7	4.5	7 (9 Economies)
Extent of corporate transparency index (0-7)	0.0	4.1	5.7	7 (13 Economies)

Figure - Protecting Minority in Armenia - Score



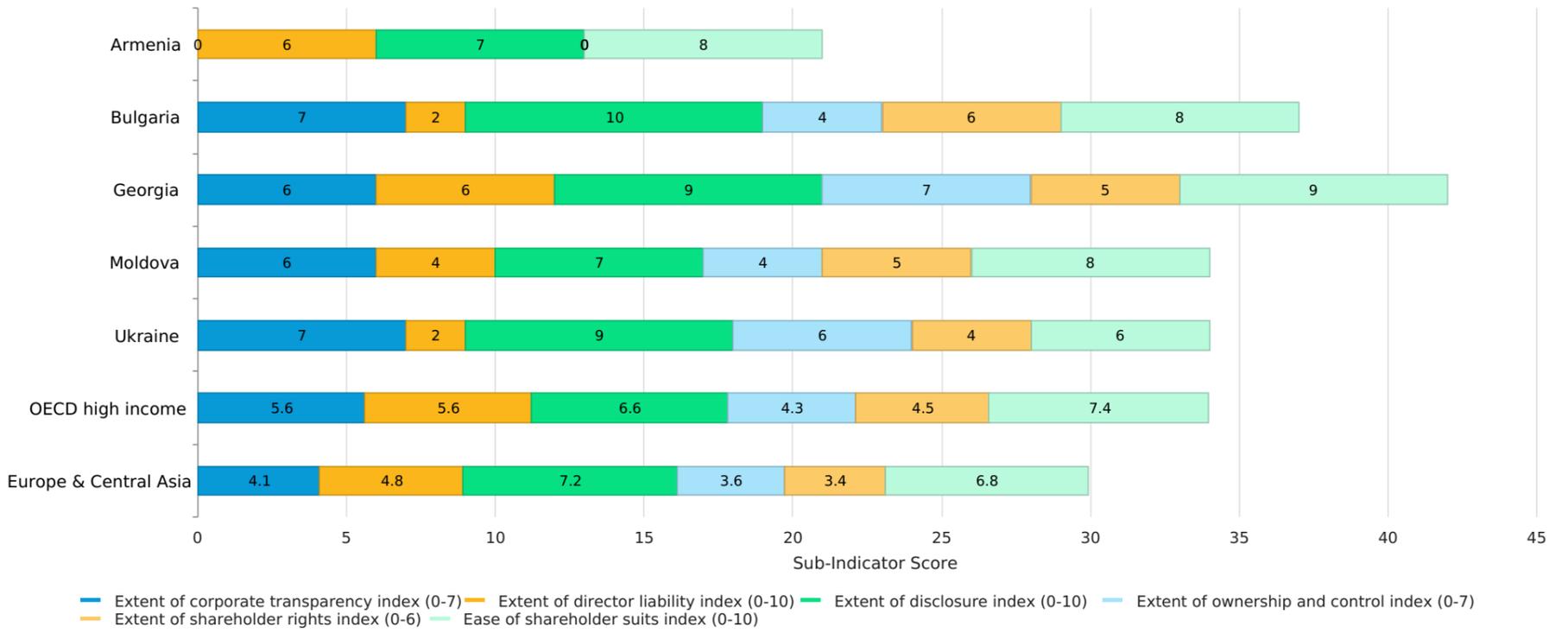
Score - Protecting Minority Investors

Figure - Protecting Minority Investors in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in Armenia and comparator economies - Measure of Quality



Details - Protecting Minority Investors in Armenia - Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-30)		
Extent of disclosure index (0-10)		7.0
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders or board of directors including interested parties	1.0
Must an external body review the terms of the transaction before it takes place? (0-1)	Yes	1.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	Disclosure on the transaction only	1.0
Extent of director liability index (0-10)		6.0
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Liable if negligent	1.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer? (0-2)	Liable if negligent	1.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if negligently concluded	1.0
Ease of shareholder suits index (0-10)		8.0
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	Yes	1.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	No	0.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-20)		
Extent of shareholder rights index (0-6)		0.0
Does the sale of 51% of Buyer's assets require shareholder approval?	Yes	1.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0
Do shareholders elect and dismiss the external auditor?	Yes	1.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Extent of ownership and control index (0-7)		0.0
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	Yes	1.0

Must the board of directors include independent and nonexecutive board members?	No	0.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	No	0.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Must Buyer pay declared dividends within a maximum period set by law?	Yes	1.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	Yes	1.0
Extent of corporate transparency index (0-7)		0.0
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	No	0.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	Yes	1.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0

Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2019 covering for the Paying Taxes indicator calendar year 2018 (January 1, 2018 – December 31, 2018). [See the methodology for more information.](#)

What the indicators measure

Tax payments for a manufacturing company in 2018 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

Total tax and contribution rate (% of commercial profits)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

Postfiling Index

- Time to comply with VAT refund (hours)
- Time to obtain VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2017. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2018). Taxes and mandatory contributions are measured at all levels of government.

The VAT refund process:

- In June 2018, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2018.

The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

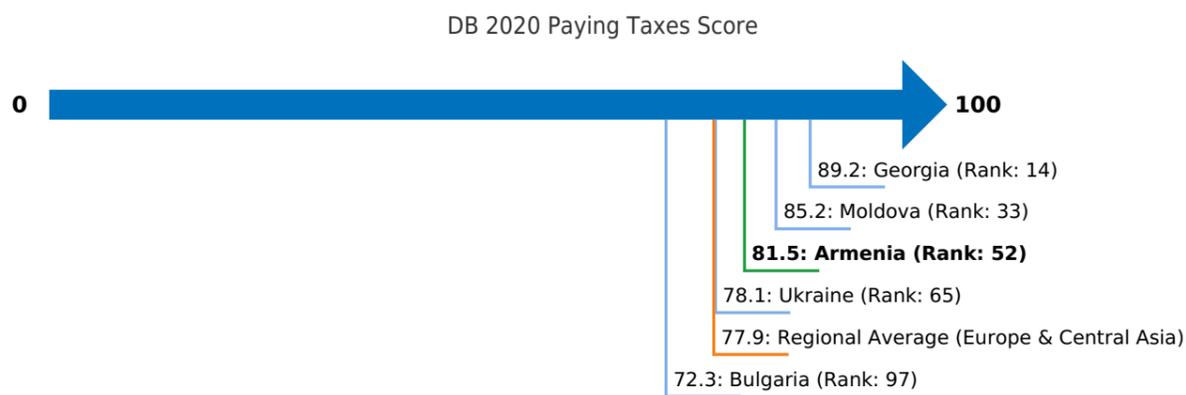
Paying Taxes - Armenia

Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Payments (number per year)	15	14.4	10.3	3 (2 Economies)
Time (hours per year)	264	213.1	158.8	49 (3 Economies)
Total tax and contribution rate (% of profit)	22.6	31.7	39.9	26.1 (33 Economies)
Postfiling index (0-100)	79.4	68.2	86.7	None in 2018/19

Figure - Paying Taxes in Armenia - Score

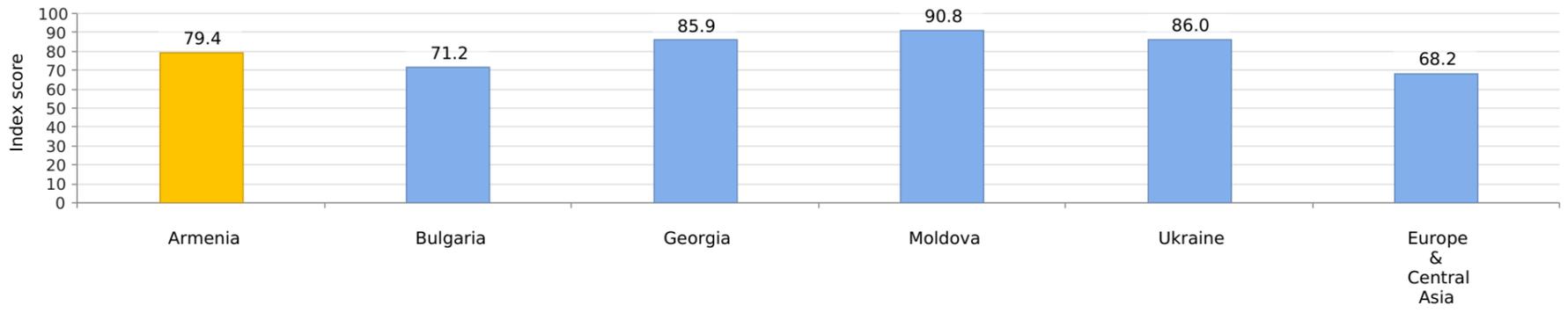


Figure - Paying Taxes in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in Armenia and comparator economies - Measure of Quality



Details - Paying Taxes in Armenia

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Corporate income tax	1.0	online	89.5	20%	taxable profit	21.77	
Land Tax	2.0			1%	cadastral value	0.51	
Property tax on Building	2.0			0.3%	cadastral value	0.29	
Environmental fee	4.0			AMD 600	ton of non-toxic waste	0.02	
Vehicle tax	2.0			varies	depends on horsepower	0.02	
Environmental pollution charge for vehicles	1.0			AMD 50 per horsepower	engine of the vehicle (in horsepower)	0.01	
Income tax (includes social security contributions - employees)	1.0	online	94.0	(i) 23% of monthly taxable income up to AMD 150,000; (ii) AMD 34,500 plus 28% of the monthly taxable income exceeding AMD 150,000; (iii) AMD 552,500 plus 36% of the monthly taxable income exceeding AMD 2,000,000.	gross salaries	0.00	
Stamp duty on employee	1.0	online		AMD 1000 per month for each employee	Fixed amount for each employee per month	0.00	withheld
Value added tax (VAT)	1.0	online	80.5	20%	value added, land sale	0.00	not included
Totals	15		264			22.6	

Details - Paying Taxes in Armenia - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	21.8
Labor tax and contributions (% of profit)	0.0
Other taxes (% of profit)	0.8

Details - Paying Taxes in Armenia - Measure of Quality

	Answer	Score
Postfiling index (0-100)		79.4
VAT refunds		
Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	Yes	
Restrictions on VAT refund process	none	
Percentage of cases exposed to a VAT audit (%)	75% - 100%	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	15.0	70.5
Time to obtain VAT refund (weeks)	29.0	50.9
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	3.5	96.3
Time to complete a corporate income tax correction (weeks)	No tax audit per case study scenario	100

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as $22 \times 24 = 528$ hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

Cost: Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

Assumptions of the case study:

- For all 190 economies covered by *Doing Business*, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.
- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.
- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.
- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.
- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.
- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

Trading across Borders - Armenia

Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	27	16.1	12.7	1 (19 Economies)
Cost to export: Border compliance (USD)	100	150.0	136.8	0 (19 Economies)
Time to export: Documentary compliance (hours)	2	25.1	2.3	1 (26 Economies)
Cost to export: Documentary compliance (USD)	100	87.6	33.4	0 (20 Economies)
Time to import: Border compliance (hours)	3	20.4	8.5	1 (25 Economies)
Cost to import: Border compliance (USD)	0	158.8	98.1	0 (28 Economies)
Time to import: Documentary compliance (hours)	2	23.4	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	100	85.9	23.5	0 (30 Economies)

Figure - Trading across Borders in Armenia - Score

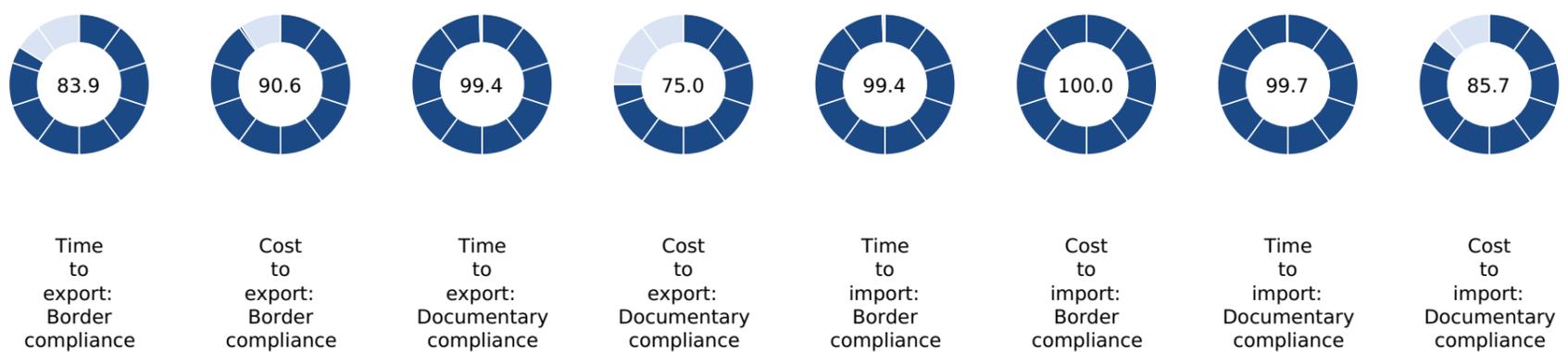
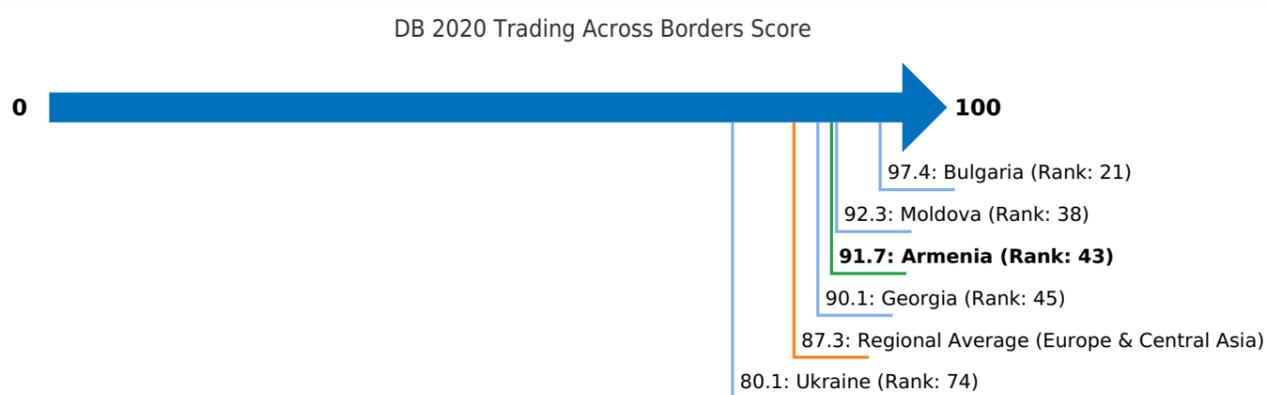
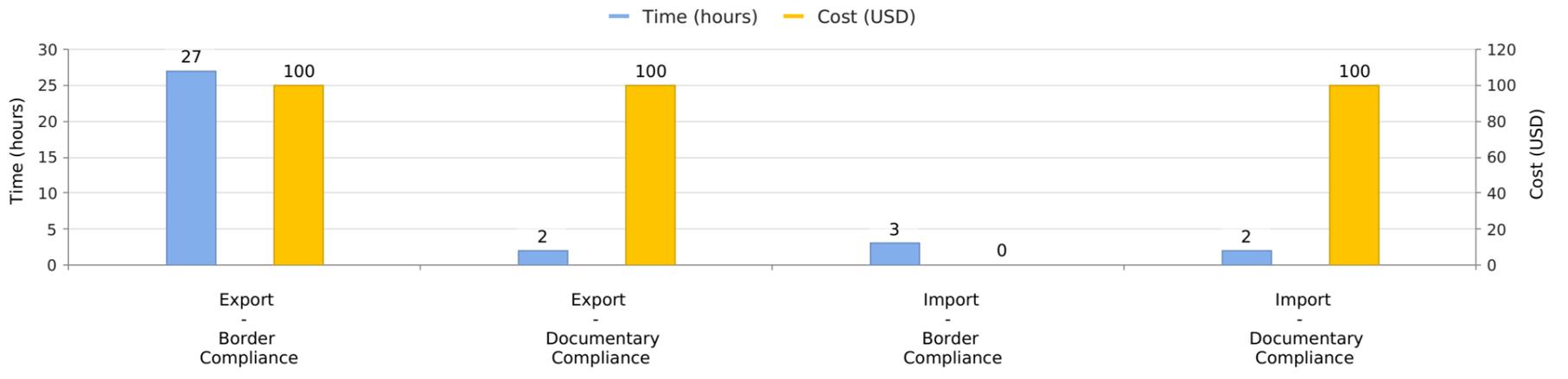


Figure - Trading across Borders in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in Armenia - Time and Cost



Details - Trading across Borders in Armenia

Characteristics	Export	Import
Product	HS 22 : Beverages, spirits and vinegar	HS 8708: Parts and accessories of motor vehicles
Trade partner	Russian Federation	Russian Federation
Border	Bagratashen-Sadakhlo border crossing	Bagratashen-Sadakhlo border crossing
Distance (km)	211	211
Domestic transport time (hours)	5	5
Domestic transport cost (USD)	371	371

Details - Trading across Borders in Armenia - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	24.0	100.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	2.5	0.0
Import: Clearance and inspections required by customs authorities	2.0	0.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	2.5	0.0

Details - Trading across Borders in Armenia - Trade Documents

Export

Import

Commercial invoice

Invoice

CMR waybill

CMR waybill

Packing list

Transit document (T1)

Transit document (by Georgian customs)

Packing list

Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Time required to enforce a contract through the courts (calendar days)

- Time to file and serve the case
- Time for trial and to obtain the judgment
- Time to enforce the judgment

Cost required to enforce a contract through the courts (% of claim value)

- Average attorney fees
- Court costs
- Enforcement costs

Quality of judicial processes index (0-18)

- Court structure and proceedings (-1-5)
- Case management (0-6)
- Court automation (0-4)
- Alternative dispute resolution (0-3)

Case study assumptions

The dispute in the case study involves the breach of a sales contract between two domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.

To make the data on the time and comparable across economies, several assumptions about the case are used:

- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The Buyer orders custom-made furniture, then fails to pay alleging that the goods are not of adequate quality.
- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.
- The Seller sues the Buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000 whichever is greater.
- The Seller requests the pretrial attachment of the defendant's movable assets to secure the claim.
- The claim is disputed on the merits because of Buyer's allegation that the quality of the goods was not adequate.
- The judge decides in favor of the seller; there is no appeal.
- The Seller enforces the judgment through a public sale of the Buyer's movable assets.

Enforcing Contracts - Armenia

Standardized Case

Claim value	AMD 3,967,407
Court name	Yerevan Court of First Instance
City Covered	Yerevan

Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Time (days)	570	496.4	589.6	120 (Singapore)
Cost (% of claim value)	16.0	26.6	21.5	0.1 (Bhutan)
Quality of judicial processes index (0-18)	11.5	10.3	11.7	None in 2018/19

Figure - Enforcing Contracts in Armenia - Score

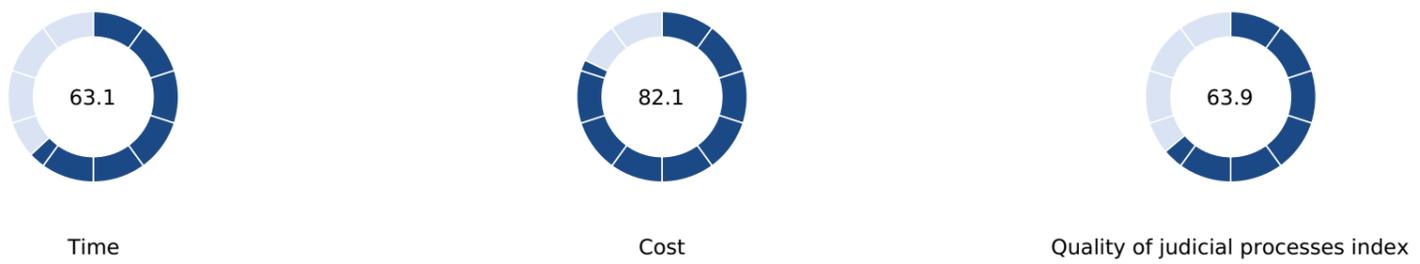


Figure - Enforcing Contracts in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in Armenia - Time and Cost

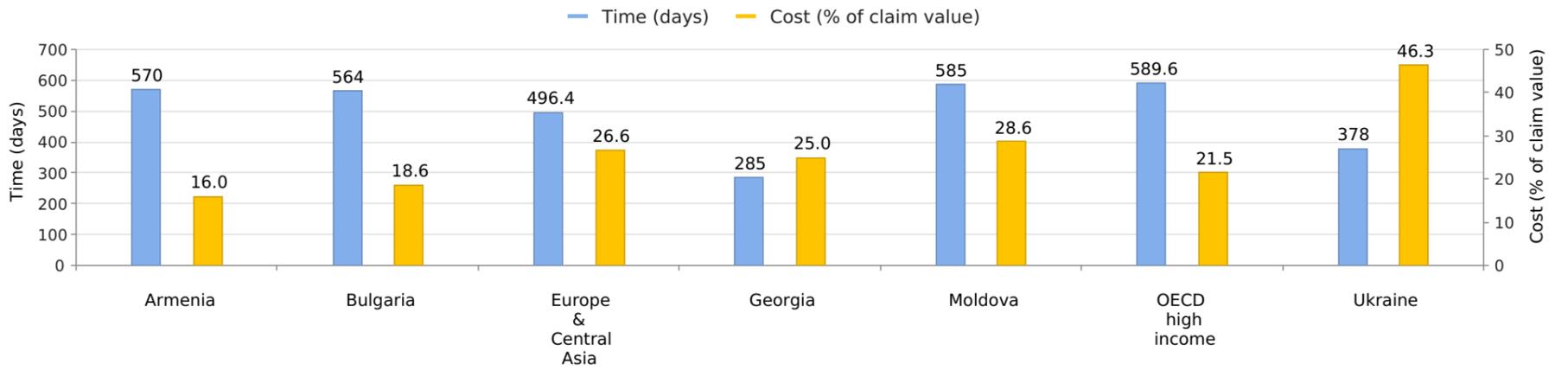
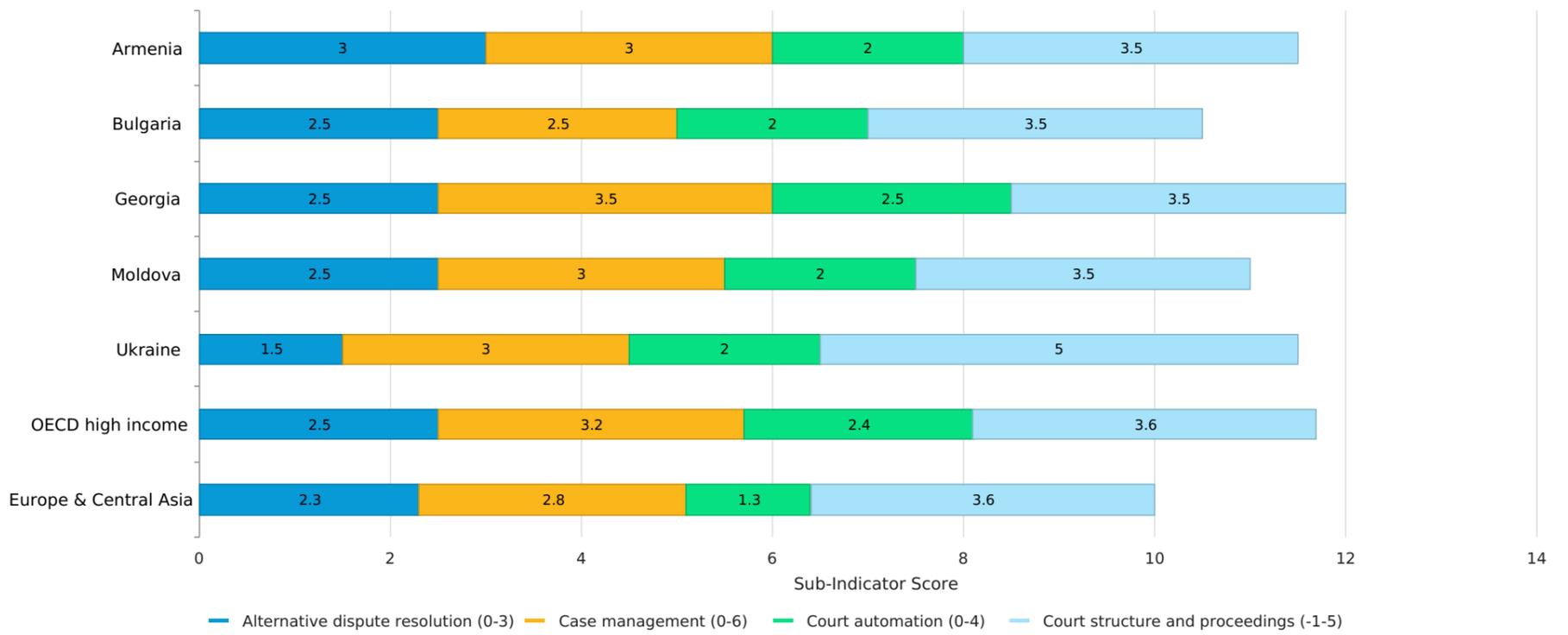


Figure - Enforcing Contracts in Armenia and comparator economies - Measure of Quality



Details - Enforcing Contracts in Armenia

	Indicator
Time (days)	570
Filing and service	30
Trial and judgment	420
Enforcement of judgment	120
Cost (% of claim value)	16.0
Attorney fees	12
Court fees	4
Enforcement fees	0
Quality of judicial processes index (0-18)	11.5
Court structure and proceedings (-1-5)	3.5
Case management (0-6)	3.0
Court automation (0-4)	2.0
Alternative dispute resolution (0-3)	3.0

Details - Enforcing Contracts in Armenia - Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		11.5
Court structure and proceedings (-1-5)		3.5
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	No	0.0
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, automatic	1.0
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		3.0
1. Time standards		0.5
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	Yes	
1.c. Are these time standards respected in more than 50% of cases?	No	
2. Adjournments		0.5
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	Yes	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	Yes	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	Yes	1.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	0.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
Court automation (0-4)		2.0
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	No	0.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		1.0
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
Alternative dispute resolution (0-3)		3.0
1. Arbitration		1.5
1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	

2. Mediation/Conciliation	1.5
2.a. Is voluntary mediation or conciliation available?	Yes
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects (for example, definition, aim and scope of application, design)	Yes
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	Yes

Resolving Insolvency

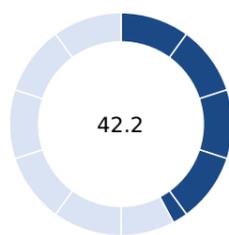
Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Time required to recover debt (years)</p> <ul style="list-style-type: none"> • Measured in calendar years • Appeals and requests for extension are included <p>Cost required to recover debt (% of debtor's estate)</p> <ul style="list-style-type: none"> • Measured as percentage of estate value • Court fees • Fees of insolvency administrators • Lawyers' fees • Assessors' and auctioneers' fees • Other related fees <p>Outcome</p> <ul style="list-style-type: none"> • Whether business continues operating as a going concern or business assets are sold piecemeal <p>Recovery rate for creditors</p> <ul style="list-style-type: none"> • Measures the cents on the dollar recovered by secured creditors • Outcome for the business (survival or not) determines the maximum value that can be recovered • Official costs of the insolvency proceedings are deducted • Depreciation of furniture is taken into account • Present value of debt recovered <p>Strength of insolvency framework index (0- 16)</p> <ul style="list-style-type: none"> • Sum of the scores of four component indices: • Commencement of proceedings index (0-3) • Management of debtor's assets index (0-6) • Reorganization proceedings index (0-3) • Creditor participation index (0-4) 	<p>To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:</p> <ul style="list-style-type: none"> - A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties. - The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater. - The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise. <p>In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.</p>

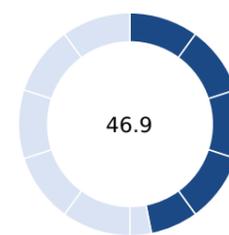
Resolving Insolvency - Armenia

Indicator	Armenia	Europe & Central Asia	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	39.2	38.5	70.2	92.9 (Norway)
Time (years)	1.9	2.3	1.7	0.4 (Ireland)
Cost (% of estate)	11.0	13.3	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0
Strength of insolvency framework index (0-16)	7.5	11.2	11.9	None in 2018/19

Figure - Resolving Insolvency in Armenia - Score

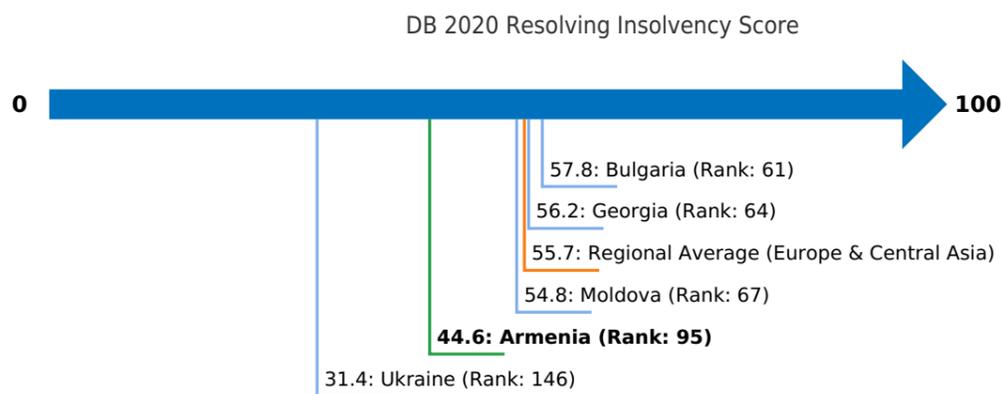


Recovery rate



Strength of insolvency framework index

Figure - Resolving Insolvency in Armenia and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in Armenia - Time and Cost

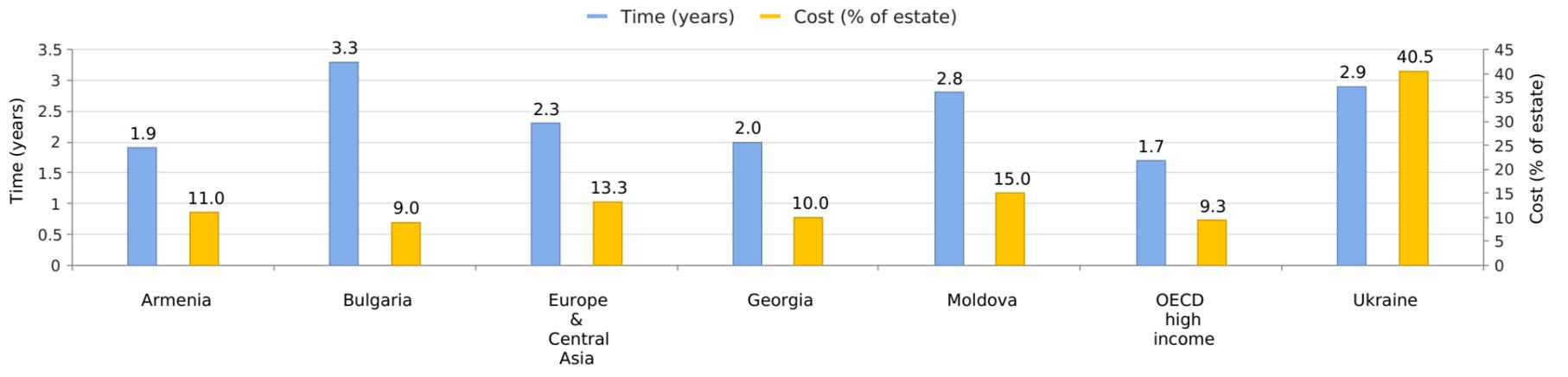
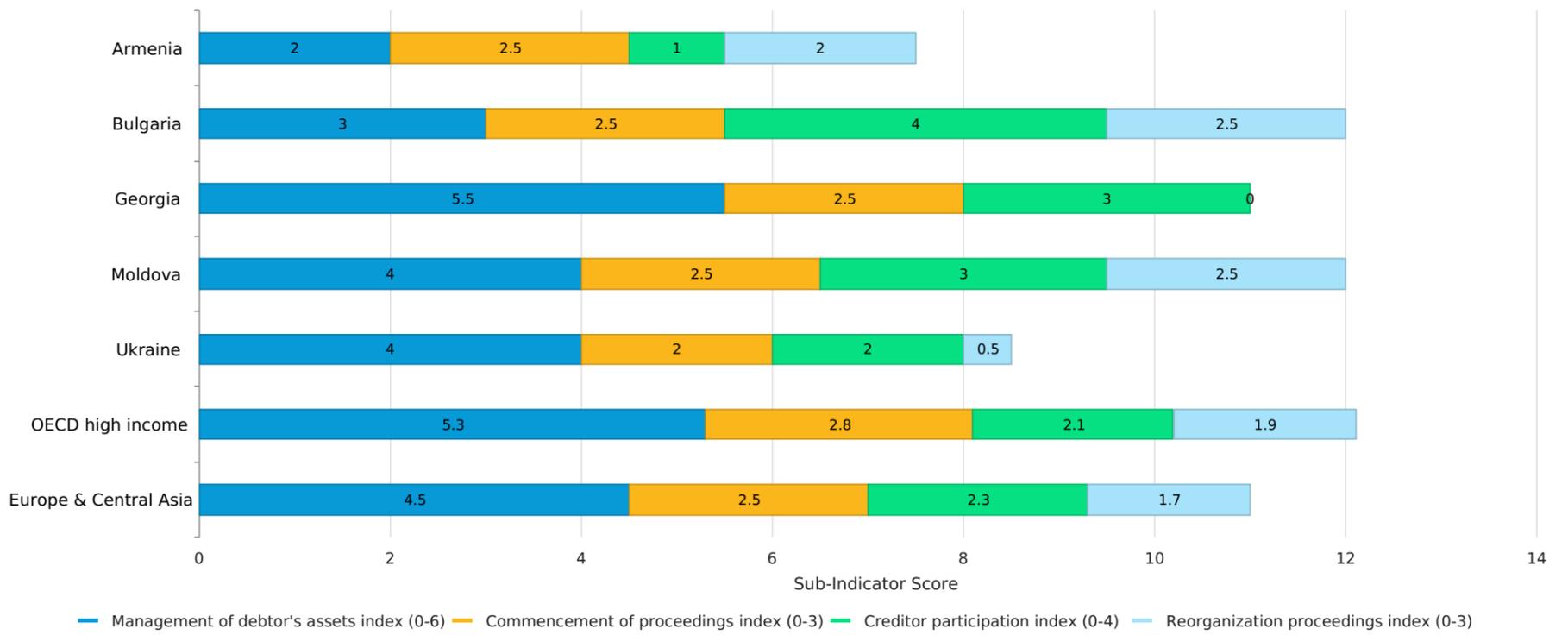
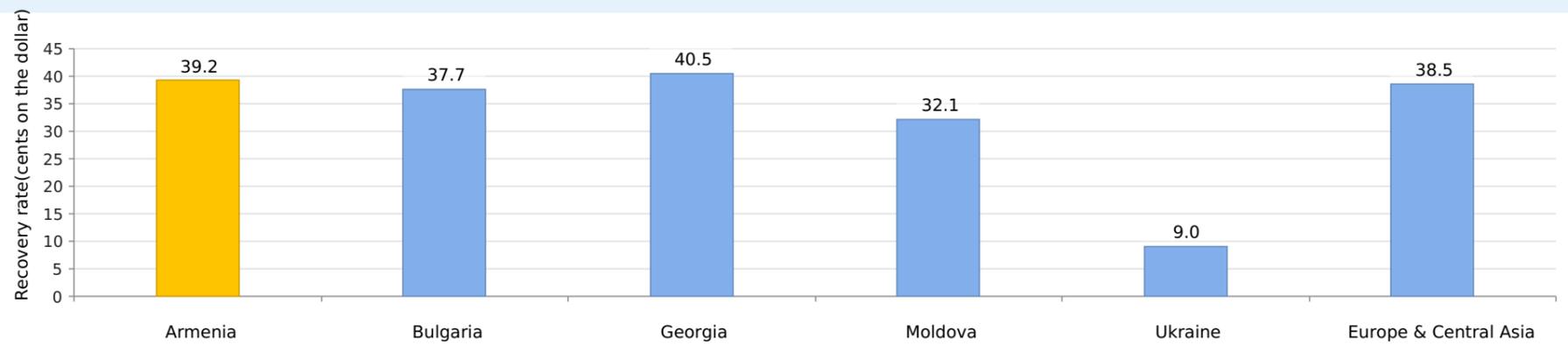


Figure - Resolving Insolvency in Armenia and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in Armenia and comparator economies - Recovery Rate



Details - Resolving Insolvency in Armenia

Indicator	Answer	Score
Proceeding	foreclosure	Because in insolvency proceedings in Armenia the automatic stay of enforcement proceedings does not apply with regards to secured creditors, the Bank is likely to initiate foreclosure and directly enforce its collateral. Under these circumstances, foreclosure is the most efficient procedure for the bank.
Outcome	piecemeal sale	The hotel's assets are likely to be sold piecemeal after several auctions.
Time (in years)	1.9	BizBank may commence foreclosure proceedings on the next day following the act of non-payment. After the court receives BizBank's petition, the debtor is likely to use various tactics to delay the proceedings. The court will hold a number of hearings before making the final decision on BizBank's claim. After the final decision is rendered, the debtor may seek to appeal the decision at the Civil Court of Appeals and later at the Court of Cassation. The litigation will take between 1 and 1.5 years. Then, BizBank will obtain a writ of execution and submit it for enforcement with the Compulsory Enforcement Service (CES). CES will hire an expert to evaluate Mirage's assets and will set a date for a public auction. Most likely, several auctions will be needed to sell the property. The execution will take between 0.5 and 1 years. After the auction is held, BizBank will be repaid.
Cost (% of estate)	11.0	The cost of foreclosure will amount to approximately 11% of the value of the debtor's estate. Major expenses will include remuneration of the auctioneer (5%), attorneys' fees (3%), court's fees (2%) and assessors' fees (1%).
Recovery rate (cents on the dollar)		39.2

Details - Resolving Insolvency in Armenia - Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		7.5
Commencement of proceedings index (0-3)		2.5
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(b) Yes, but a creditor may file for liquidation only	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework? (a) Debtor is generally unable to pay its debts as they mature (b) The value of debtor's liabilities exceeds the value of its assets	(c) Both (a) and (b) options are available, but only one of them needs to be complied with	1.0
Management of debtor's assets index (0-6)		2.0
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	No	0.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	No	0.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	No	0.0
Does the insolvency framework assign priority to post-commencement credit?	(c) No priority is assigned to post-commencement creditors	0.0
Reorganization proceedings index (0-3)		2.0
Which creditors vote on the proposed reorganization plan?	(c) Other	1.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	Yes	1.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	No	0.0
Creditor participation index (0-4)		1.0
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	No	0.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	No	0.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Employing Workers

Doing Business presents detailed data for the employing workers indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The study does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the maximum probationary period; (iv) minimum wage; (v) ratio of minimum wage to the average value added per worker.

Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) length of paid annual leave.

Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether the law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments, and (iii) penalties due when terminating a redundant worker. Data on the availability of unemployment protection for a worker with one year of employment is also collected.

Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

Employing Workers - Armenia

Details - Employing Workers in Armenia

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	Yes
Maximum length of a single fixed-term contract (months)	No limit
Maximum length of fixed-term contracts, including renewals (months)	No limit
Minimum wage applicable to the worker assumed in the case study (US\$/month)	112.8
Ratio of minimum wage to value added per worker	0.2
Maximum length of probationary period (months)	3.0
Working hours	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	30.0
Premium for work on weekly rest day (% of hourly pay)	100.0
Premium for overtime work (% of hourly pay)	50.0
Restrictions on night work?	No
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	20.0
Paid annual leave for a worker with 5 years of tenure (working days)	20.0
Paid annual leave for a worker with 10 years of tenure (working days)	20.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	20.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	No
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	Yes
Priority rules for redundancies?	No
Priority rules for reemployment?	No
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure (weeks of salary)	8.7
Notice period for redundancy dismissal for a worker with 5 years of tenure (weeks of salary)	8.7
Notice period for redundancy dismissal for a worker with 10 years of tenure (weeks of salary)	8.7
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure, in weeks of salary)	8.7
Severance pay for redundancy dismissal for a worker with 1 year of tenure (weeks of salary)	4.3
Severance pay for redundancy dismissal for a worker with 5 years of tenure (weeks of salary)	4.3

Severance pay for redundancy dismissal for a worker with 10 years of tenure (weeks of salary)	4.3
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure, in weeks of salary)	4.3
Unemployment protection after one year of employment?	No

Business Reforms in Armenia

From May 2, 2018 to May 1, 2019, 115 economies implemented 294 business regulatory reforms across the 10 areas measured by Doing Business. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

DB2020

- ✓ **Dealing with Construction Permits:** Armenia strengthened construction quality control by imposing stricter qualification requirements for architects and engineers.
- ✓ **Protecting Minority Investors:** Armenia strengthened minority investor protections by requiring an independent review and immediate disclosure to the public of related party transactions, increasing shareholders' rights and role in major corporate decisions, and clarifying ownership and control structures.
- ✓ **Paying Taxes:** Armenia made paying taxes easier by extending value added tax cash refunds to cases of capital investment.
- ✓ **Trading across Borders:** Armenia made exporting faster by allowing the online submission of customs declarations.

DB2019

- ✓ **Starting a Business:** Armenia made starting a business easier by allowing voluntary value added tax registration at the time of business incorporation.
- ✓ **Getting Electricity:** Armenia made getting electricity faster by imposing new deadlines for procedures to obtain a new electrical connection.
- ✓ **Registering Property:** Armenia made it easier to register property by digitizing its cadastral records in Yerevan.
- ✓ **Protecting Minority Investors:** Armenia strengthened minority investor protections by increasing disclosure of related-party transactions, clarifying ownership and control structures and requiring greater corporate transparency.
- ✓ **Paying Taxes:** Armenia made paying taxes easier by introducing administrative measures to ease compliance with corporate income tax, value added tax and labor tax rules.
- ✓ **Enforcing Contracts:** Armenia made enforcing contracts easier by introducing a simplified procedure for small claims and time standards for key court events.

DB2018

- ✓ **Getting Electricity:** Armenia made getting electricity easier by imposing new deadlines for connection procedures and introducing a new geographic information system at the utility.
- ✓ **Registering Property:** Armenia made registering property easier by improving the land dispute resolution mechanisms of the land administration system.

DB2017

- ✓ **Getting Credit:** Armenia strengthened access to credit by adopting a new law on secured transactions that establishes a modern and centralized collateral registry. Armenia improved its credit information system by adopting a new law on personal data protection.
- ✓ **Enforcing Contracts:** Armenia made enforcing contracts easier by introducing a consolidated chapter regulating voluntary mediation and by establishing financial incentives for the parties to attempt mediation.

DB2016

- ✓ **Dealing with Construction Permits:** Armenia made dealing with construction permits easier by exempting lower-risk projects from requirements for approval of the architectural drawings by an independent expert and for technical supervision of the construction.
- ✓ **Trading across Borders:** Armenia reduced the time and cost for documentary and border compliance for trade with the Russian Federation by joining the Eurasian Economic Union.
- ✓ **Enforcing Contracts:** Armenia made enforcing contracts easier through a new law requiring that cases be assigned to judges randomly—and through a fully automated system—in courts throughout the country.

DB2015

- ✓ **Starting a Business:** Armenia made starting a business easier by streamlining postregistration procedures.

DB2014

- ✓ **Starting a Business:** Armenia made starting a business easier by eliminating the company registration fees.
- ✓ **Paying Taxes:** Armenia made paying taxes easier by merging the employee and employer social contributions and individual income tax into one unified income tax.

DB2013

- ✓ **Getting Electricity:** Armenia made getting electricity easier by streamlining procedures and reducing connection fees.
 - ✓ **Protecting Minority Investors:** Armenia strengthened investor protections by introducing a requirement for shareholder approval of related-party transactions, requiring greater disclosure of such transactions in the annual report and making it easier to sue directors when such transactions are prejudicial.
-

DB2012

- ✓ **Starting a Business:** Armenia made starting a business easier by establishing a one-stop shop that merged the procedures for name reservation, business registration and obtaining a tax identification number and by allowing for online company registration.
- ✓ **Dealing with Construction Permits:** Armenia made dealing with construction permits easier by eliminating the requirement to obtain an environmental impact assessment for small projects.
- ✓ **Getting Credit:** Armenia improved its credit information system by introducing a requirement to collect and distribute information from utility companies.
- ✓ **Paying Taxes:** Armenia made tax compliance easier for firms by reducing the number of payments for social security contributions and corporate income, property and land taxes and by introducing mandatory electronic filing and payment for major taxes.
- ✓ **Resolving Insolvency:** Armenia amended its bankruptcy law to clarify procedures for appointing insolvency administrators, reduce the processing time for bankruptcy proceedings and regulate asset sales by auction.

Employing Workers: Armenia increased the maximum duration of fixed-term contracts, reduced the premium applicable in case of night work as well as decreased the notice period and the severance pay applicable in case of redundancy dismissals.

DB2011

- ✓ **Trading across Borders:** Armenia made trading easier by introducing self-declaration desks at customs houses and warehouses, investing in new equipment to improve border operations and introducing a risk management system.
-

DB2010

- ✓ **Starting a Business:** Armenia made starting a business easier by making the registration forms available online and by eliminating the minimum capital requirement and the requirement to obtain approval from the National Police Department to prepare the company seal.
 - ✓ **Getting Credit:** Armenia improved its credit information system through a new law establishing a legal and regulatory framework for the activities of credit bureaus, including collecting credit information and preparing credit reports.
 - ✓ **Trading across Borders:** Armenia reduced the time required for trading across borders by encouraging greater competition in the banking and transport sectors and customs brokerage service industry and by reducing the number of goods requiring inspection and the number of documents needed to clear goods.
-

DB2009

- ✓ **Dealing with Construction Permits:** Armenia made dealing with construction permits easier by abolishing the requirement to pay “charitable contributions” in order to obtain design rights.
 - ✓ **Enforcing Contracts:** Armenia made enforcing contracts easier by reorganizing its court system, reducing procedural complexity and introducing monetary thresholds for cases heard by different jurisdictions.
-

DB2008

- ✓ **Getting Credit:** In Armenia a private credit bureau started operating that distributes credit information on firms and individuals, has no minimum threshold for loans included in its database and guarantees all borrowers access to their credit reports.
- ✓ **Trading across Borders:** Armenia made trading across borders easier by implementing an electronic data interchange system (Direct Trader Input) that enables customs brokers to submit customs declarations electronically.
- ✓ **Resolving Insolvency:** Armenia adopted a new bankruptcy law with the aim of improving its reorganization proceedings and also set a time limit for judges to approve a reorganization plan.

Doing Business 2020 is the 17th in a series of annual studies investigating the regulations that enhance business activity and those that constrain it. It provides quantitative indicators covering 12 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

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ISBN 978-1-4648-1440-2



SKU 211440