



**REPUBLIC OF ARMENIA
EXTRACTIVE INDUSTRIES TRANSPARENCY
INITIATIVE (EITI)
REPORT 2023-2024**

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ABBREVIATIONS

VAT	Value added tax
MJ	Ministry of Justice
EITI	Extractive Industries Transparency Initiative
OJSC	Open Joint-Stock Company
OMP	Open Management Partnership
MSG	Multi-Stakeholder Group
EEU	Eurasian Economic Union
EEC	European Economic Community
MNP	Ministry of Environment of the Republic of Armenia
wmt	wet metric ton
dmt	dry metric ton
SRC	State Revenue Committee of the RA
GDP	Gross Domestic Product
TIN	Taxpayer Identification Number
EIA	Environmental Impact Assessment
CMC	Copper Molybdenum Combine
LLC	Limited Liability Company
LSGB	Local Self-Governance Bodies
MTAI	Ministry of Territorial Administration and Infrastructure of the RA
CJSC	Closed Joint-Stock Company
IFRS	International Financial Reporting Standards
EITI 2023 STANDARD	Standard

C INTRODUCTION

INTRODUCTION

The Extractive Industries Transparency Initiative (EITI) is a global standard that promotes the open and accountable management of natural resources in the oil, gas, and solid minerals sectors. Currently, 55 countries are members of EITI, which highlights the global significance of the initiative.

The standard requires disclosure and publication of all key information related to natural resource extraction and its impact on the country's citizens, particularly how extraction and other sector permits and contracts are granted and registered, who the beneficiaries of these processes are, what the financial and legal regulations are, how much production is generated, how much revenue flows to the state budget from the sector, how those revenues are allocated, and what investment is provided to the economy, including employment growth.

The standard is periodically revised to reflect new challenges and changes in natural resource management. The latest revised EITI Standard of 2023 has expanded its requirements to include the need for companies to have anti-corruption procedures, disclosure of national commitments, policies, and programs for energy transition, disclosure of proven reserves, greenhouse gas emissions data, and gender and social impact information, among others. Some of these requirements are mandatory, while others are encouraged or expected. In all cases, this Report must present Armenia's compliance with the requirements of the EITI 2023 Standard. The Report should also address the alignment of Armenia's Mining Sector Development Strategy (up to 2035) with energy transition goals, its targets and links to other national strategies, as well as the current emissions reporting system and its consistency with international standards.

This report is the sixth national EITI report of the Republic of Armenia, for which the reporting period is considered to be 2023-2024. It has been prepared in accordance with the EITI 2023 Standard¹.

The report aims to present a summary of the work carried out in the sector during the reporting year and the current data in line with the requirements of the EITI Standard.

EITI Process in Armenia

Armenia joined the EITI on March 9, 2017, during the EITI Board meeting held in Bogotá, with the aim of ensuring transparency and accountability in the mining sector. Prior to membership, in 2015 the intention to join the initiative was announced, and during 2016-2017 a multi-stakeholder group was formed, regulations were approved, and candidate status was obtained. These steps laid the foundation for a culture of open data and public dialogue in the sector.

The first validation began in September 2019, and the conclusion was approved in July 2020. Armenia received a "satisfactory progress" rating, becoming the 9th country out of 53 to achieve this high status. The assessment showed that Armenia met most of the Standard's requirements and received an "exceeded" rating for several of them.

A separate assessment of the beneficial ownership disclosure requirement was conducted in June 2021, resulting in Armenia again achieving "satisfactory progress."

The second validation started in July 2023 and was completed in April 2024. Armenia scored 89.5 points the highest rating in the EITI international community. With this score, Armenia fully met 24 requirements of the Standard, exceeded the requirement on beneficial ownership disclosure, and nearly satisfied the requirements on data quality and social-environmental expenditures.

These results demonstrate Armenia's consistency in ensuring transparency, accountability, and the adoption of international best practices in the mining sector.

¹ <https://eiti.org/eiti-standard>

1. METHODOLOGY AND SCOPE OF THE EITI REPORT

1. METHODOLOGY AND SCOPE OF THE EITI REPORT

The scope of Armenia’s sixth EITI report was defined by the decision of the Multi-Stakeholder Group (MSG) on September 16, 2025², which reaffirmed the requirement for all subsoil users holding permits for the extraction of metallic minerals to submit reports for the financial years 2023-2024, except for those declared bankrupt.

“Grant Thornton” CJSC, together with “Grant Thornton Consulting” CJSC (“Consultant”), prepared this report based on the relevant technical assignment. Specifically, in accordance with the assignment, the Consultant reconciled the material revenue flows published by the state and subsoil user companies, as well as presented other information required by the EITI Standard and the above-mentioned MSG decision.

The revenue flows presented in the reports are mainly reflected on an accrual basis, except for rental payments, payments for socio-economic development obligations, as well as the state duty for licenses or certificates issued for each ton of copper and molybdenum concentrates and molybdenum exports, which are presented on a cash basis.

1.1. Companies and State Bodies Presented in the EITI Report

According to the MSG decision, as of August 1, 2025, for companies whose subsoil use permits had been terminated, public reports were submitted unilaterally by the reporting state bodies only, since under the law those companies were no longer considered subsoil users and therefore had no obligation to submit public reports.

According to Decision No. 666-N of the Government of the Republic of Armenia dated June 8, 2018³, by August 1, 2024, state bodies and, as of August 1, 2024, companies holding subsoil use rights for the extraction of metallic minerals, except those declared bankrupt⁴, are required to submit public reports for the reporting year 2023. The reports for the year 2024 must be submitted by August 1, 2025, by the same companies holding those rights and by the relevant state bodies⁵.

For the years 2023 and 2024, 25 and 24 subsoil-using companies, respectively, were considered reporting entities.

Table 1.1.1

List of reporting subsoil users for 2023-2024.

N/N	Mining company	Registration number	TIN	Contract number and signing date	Accountable	
					2023	2024
1	"Meghradzor Gold" LLC	286.110.07682	02709666	PV-057 (22.08.2012)	Yes	Yes
2	"Paramount Gold Mining" CJSC	286.120.58034	04219371	089 (12.06.2012)	Yes	Yes
3	"Sagamar" CJSC	278.120.03167	00410036	PV-093 (20.10.2012)	Yes	Yes
4	"Ler-Ex" LLC	27.110.00893	09412188	PV-094 (16.08.2012)	Yes	No

² <https://www.eiti.am/hy/agenda-protocols-other-related-documents>

³ <https://www.arlis.am/hy/acts/132674>

⁴ The companies declared bankrupt are “Marjan Mining Company” LLC and “Tatstone” LLC

⁵ Two companies, “Marjan Mining Company” LLC and “Paramount Gold Mining” CJSC, won their court cases in 2023 and, on that basis, were reinstated in the register of active licenses (permits) maintained by the Ministry of Territorial Administration and Infrastructure

N/N	Mining company	Registration number	TIN	Contract number and signing date	Accountable	
					2023	2024
5	"Akhtala Mining And Processing Combine" CJSC	96.120.00632	06602309	PV-103 (20.10.2012)	Yes	Yes
6	"Fortune Resources" LLC	39.110.01312	02806526	PV-169 (20.10.2012)	Yes	Yes
7	"Kapan Mining And Processing Combine" CJSC (Formerly "Charat Kapan" CJSC)	27.120.01216	09416902	PV-183 (27.11.2012)	Yes	Yes
8	"Mego-Gold" LLC	77.110.00610	04213127	PV-184 (28.12.2012)	Yes	Yes
9	"Geopromining Gold" LLC	273.110.02424	01530525	PV -189 (20.10.2012)	Yes	Yes
10	"Multi Group Concern" LLC	42.110.01460	03516447	PV -213 (20.10.2012)	Yes	Yes
11	"Zangezur Copper-Molybdenum Combine" CJSC	27.140.00009	09400818	PV -232 (27.11.2012)	Yes	Yes
12	"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	79.110.00234	09414399	PV -239 (27.09.2012)	Yes	Yes
13	"Lydian Armenia" CJSC	264.120.07314	00091919	PV -245 (26.09.2012)	Yes	Yes
14	"Lichkvaz" CJSC	286.120.07744	02710054	PV -293 (22.11.2012)	Yes	Yes
15	"Agarak Copper-Molybdenum Combine" CJSC	79.140.00036	09700039	PV -311 05.04.2013	Yes	Yes
16	"Assat" LLC	77.110.00569	03807664	PV -366 (06.06.2013)	Yes	Yes
17	"Vaykgold" LLC	264.110.111245	00114369	P-371 (30.11.2012)	Yes	Yes
18	"Teghut" CJSC	286.120.06078	02700773	PV -376 (20.02.2013)	Yes	Yes
19	"Marjan Mining Company" LLC	273.110.05412	01569837	PV -398 (07.03.2013)	Yes	Yes
20	"Active Lernagorts" LLC	273.110.03365	01544838	PV -425 (28.12.2012)	Yes	Yes
21	"At-Metals" LLC	271.110.738775	00118721	P-514 (16.01.2015)	Yes	Yes
22	"Baktek Eco" LLC	282.110.06759	00870494	P -515 (22.08.2014)	Yes	Yes

N/N	Mining company	Registration number	TIN	Contract number and signing date	Accountable	
					2023	2024
23	"Geghi Gold" LLC	72.110.121815	09423012	P -544 (22.07.2016)	Yes	Yes
24	"Gharagulyanner" CJSC	286.120.929505	02583292	P -547 (25.10.2016)	Yes	Yes
25	"Georaid" CJSC	264.120.08798	00258804	P -707 (31.03.2023)	Yes	Yes

Source: MSG decision on September 16, 2025

The subsoil use right of “Ler-Ex” LLC was terminated in the second half of 2023, as a result of which the company was considered a reporting entity only for the year 2023.

By the decision of the MSG, the state bodies required to submit public reports have also been reaffirmed. These are:

- State Revenue Committee,
- Ministry of Environment of the Republic of Armenia,
- Communities whose reports are submitted through the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia or via the EITI online reporting system (<https://reports.eiti.am/>) either by entering them into the system or submitting in paper form.

According to the decision of the Multi-Stakeholder Group, for the financial years 2023-2024, companies considered reconcilable are those that have paid to the state budget of the Republic of Armenia an amount equivalent to or exceeding 150 million AMD in taxes and fees for each financial year. This principle has also been applied when reconciling financial flow data in all previous reports for 2016-2022.

1.2. Taxes and Payments Presented in the EITI Report

According to the MSG decision, the following taxes and payments presented in the public reports of subsoil user companies and state bodies have been included in the 2023-2024 EITI report:

Revenue Flow	Receiving State Body
<ul style="list-style-type: none"> • Profit Tax • Income Tax • Value Added Tax • Excise Tax • Royalty • Nature Use Fees • Environmental Taxes • Customs Duties and Fees • State duty for granting a permit for the use (operation) of each deposit of precious, non-ferrous, and rare metals • State duty for granting a water use permit 	State Revenue Committee
<ul style="list-style-type: none"> • Contributions to the Environmental Protection Fund • Allocations from the Environmental Protection Fund to the company • Payments for monitoring activities • Environmental impact assessment fee 	Ministry of Environment of the Republic of Armenia

Revenue Flow
Receiving State Body

<ul style="list-style-type: none"> • Land Tax • Property Tax • Land Acquisition • Lease payments to the local self-government (community) • Land Acquisition • Payment of the difference in cadastral values of land plots at the time of changing their designated purpose • Obligations related to the socio-economic development of communities as defined by the subsoil use contract for mineral extraction 	Ministry of Territorial Administration and Infrastructure of the Republic of Armenia
<ul style="list-style-type: none"> • Penalties and fines for environmental violations 	Ministry of Environment of the Republic of Armenia (the ministry will present data received from the Environmental and Subsoil Inspection Body)

Unilaterally, only companies provide data for the following financial flows:

- Charitable contributions, donations, or other forms of gratuitous transfers made by the subsoil user to the community,
- Donations, contributions, or other forms of gratuitous transfers provided to non-commercial legal entities (by organizations),
- Donations, contributions, or other forms of gratuitous transfers provided to individuals (total amount and number of individuals).

According to the MSG decision, due to the positive trend in reducing data discrepancies and their non-material nature resulting from improved skills in properly completing reports by state bodies and companies and the reduction of mechanical errors as well as considering the need to ensure financial efficiency in report preparation and the “flexible reporting” principles proposed by the EITI International Secretariat, for the financial years 2023 and 2024, the following five revenue flows directly related to the extractive sector and most at risk of mechanical errors will be considered reconcilable:

- Royalty,
- Value Added Tax,
- Customs duties and fees,
- Lease payments,
- Obligations related to the socio-economic development of communities as defined by the subsoil use contract.

If differences are found in the financial flows reported by both sides, the Consultant must identify them and request explanations if, according to the MSG decision, the difference is 4% of the reported amount, but not less than 1 million AMD. The calculation is based on the smaller amount reported by either party. This rule was also applied when reconciling financial flows in previous reports for 2016-2022.

Obligations related to the socio-economic development of communities under the subsoil use contract for mineral extraction will be reconciled without applying any materiality threshold.

1.3. Verification Process in State Bodies and Companies

Reporting companies and state bodies are responsible for the completeness and accuracy of the data they provide. To ensure data reliability, they must confirm the information submitted to the Consultant. Therefore, companies issue confirmation letters stating that the data they have provided is complete and accurate.

According to RA Government Decision No. 666-N dated June 8, 2018, reports must be validated with the electronic signature of the company's director or chief accountant, as well as a senior official of the state body or their deputy, to guarantee the reliability and accuracy of the published data.

The reports must be signed by:

The report is signed by:

- Heads of state administrative bodies and/or their deputies,
- The head or chief accountant of the subsoil user company holding a permit for the extraction of metallic minerals.

This procedure helps ensure the reliability of the data. In addition, an extra positive factor is when the company's annual financial statements are subject to independent audit.

According to the legislation of the Republic of Armenia, the financial statements of subsoil-using companies are subject to mandatory audit in the cases defined by the Law of the Republic of Armenia "On Accounting".

In particular, under the Law "On Accounting", the financial statements of the following organizations and groups are subject to mandatory audit:

- public interest entities and large entities
- medium-sized entities
- groups whose parent entity is a public interest entity, and large groups
- medium-sized groups

In addition to the above-mentioned organizations and groups, other types of organizations and groups whose financial statements are subject to mandatory audit may also be defined by other laws.

For the purposes of the Law "On Accounting", public interest entities are considered to be:

- a. a person making a public offer of securities or a reporting issuer in the territory of the Republic of Armenia, except when the person making a public offer of securities or acting as a reporting issuer is the International Monetary Fund, the European Central Bank, the European Investment Bank, or another international organization of which the Republic of Armenia is a member, or
- b. a bank, a credit organization, a payment and settlement organization, an investment company, a crypto-asset service provider, a regulated market operator, a central depository, an insurance company, a reinsurance company, an insurance brokerage company, or an investment fund manager.

The criteria under which organizations and groups are classified as large, medium, or small are defined by points 7-9 and 14-16 of part 1 of Article 3 of the Law "On Accounting". In particular, the financial statements of those organizations and groups are subject to mandatory audit if, as of the end of the reporting year (for which the financial statements are to be prepared), they exceed at least two of the following three indicators:

- a. total assets in the statement of financial position (balance sheet): 2 billion AMD
- b. revenue from operations: 4 billion AMD
- c. average annual number of employees: 100

The Consultant performs only the reconciliation process for bilaterally reported financial flows, which involves reviewing discrepancies and working to eliminate them. Reviewing discrepancies means aligning the reported revenue flow between the company and the state body.

This verification process does not involve an audit or the issuance of an audit opinion in accordance with international standards. Therefore, no assurance can be provided regarding the reliability of the information submitted by companies and state bodies, nor will there be any attempt to detect fraud or errors that may have been made by companies and/or state bodies.

The current format of EITI public reports submitted by companies, including the fields to be completed, does not provide sufficient information to determine whether a company's financial statements are subject to external audit for the reporting year.

Based on Article 3, points 6-8 of the RA Law "On Accounting," which define public interest entities, large organizations, and medium-sized organizations, the Ministry of Finance of the Republic of Armenia has identified 587 organizations⁶ whose financial statements for 2024 are subject to mandatory audit and publication. However, this list is not exhaustive, as it is based on the information available to the Ministry at that time.

Thus, for subsoil-using companies, the audit of financial statements is mandatory only in the cases defined by law. Consequently, there will be companies to which the external audit requirement may not apply.

In particular, out of the 25 subsoil-using companies reporting for 2023, 8 had their financial statements audited externally, while out of the 24 companies reporting for 2024, 9 underwent external audit. Within the scope of the 6th EITI Report for 2023, the consolidated financial statements submitted by "Zangezur Copper Molybdenum Combine" CJSC include the financial data of "Ler-Ex" LLC; however, the latter's statements were not audited separately, as it did not fall under the mandatory audit requirements. Information on the publication of companies' financial statements, as well as on external audits, is provided in Annex 1.

⁶ [List_2024.pdf](#)

2. OVERSIGHT AND ENGAGEMENT BY THE EITI MULTI-STAKEHOLDER GROUP (MSG)

2.2. OVERSIGHT AND ENGAGEMENT BY THE EITI MULTI-STAKEHOLDER GROUP (MSG)

The EITI Standard requires each member country to ensure effective multi-stakeholder oversight, which is carried out through the MSG (Multi-Stakeholder Group).

2.1. Government Commitment, Company and Civil Society Engagement, and Anti-corruption Policy (Requirements 1.1, 1.2, 1.3)

In 2023-2024, Armenia's EITI Multi-Stakeholder Group (MSG) continued its active work to ensure compliance with the initiative's requirements and advance national priorities. During this period, the MSG held several meetings and approved key documents aimed at improving transparency and accountability:

1. June 2023- Decisions on EITI implementation were approved, the MSG's internal procedures were revised, and second validation templates were adopted.
2. March 2024 - A number of decisions and documents related to the implementation process were adopted.
3. June 2024 - The performance of the 2023-2024 work plan and the annual progress report for 2023 were approved.
4. September 2025 - Decisions for preparing the 6th annual report were approved electronically.
5. October 2025 - Key agenda items were discussed and recorded in official minutes.

In addition to meetings, the MSG organized thematic discussions and training sessions, including a workshop on royalty distribution (May 2023), and published progress reports and evaluations of work plan implementation.

At the same time, it should be noted that, according to the MSG Rules of Procedure, meetings of the Multi-Stakeholder Group are to be convened at least three times a year. However, during the reporting years, the actual number of meetings did not correspond to the frequency defined by the Rules of Procedure, indicating the need to fully ensure compliance with the established procedural requirements. This level of activity demonstrates the continuity of multi-stakeholder cooperation and the effective implementation of the EITI requirements.

Overall, the recorded level of activity reflects the continuity of multi-stakeholder cooperation and the efforts made toward the implementation of EITI requirements, while also highlighting the importance of maintaining procedural clarity and regularity in governance processes.

Government Commitment

The Government of the Republic of Armenia has remained committed to the EITI since joining the initiative.

The government constituency includes senior officials from relevant state agencies five deputy ministers (one of whom is an alternate member) and the Chair of the MSG is the Deputy Prime Minister of Armenia.

MSG meeting minutes confirm that government representatives actively participate in discussions. Data available on the EITI electronic reporting platform for 2023 shows that reporting state agencies submitted all required reports on time and in full, as stipulated by RA Government Decision No. 666-N of June 8, 2018⁷, "On defining the procedure, deadlines, and formats for publishing information on activities related to subsoil use, including geological exploration for mineral extraction, and for submitting public reports on the activities of subsoil users holding permits for the extraction of metallic minerals, as well as the list of state bodies". In 2024, due to technical issues with the electronic reporting system, reports could not be submitted through the platform. As a result, all reporting entities companies and state bodies submitted their reports via email.

Company Engagement

⁷ <https://www.arlis.am/DocumentView.aspx?DocID=132674>

The company constituency in the MSG consists of 4 main and 4 alternate members representing 7 subsoil user companies. MSG meeting minutes confirm the regular participation of company representatives in discussions. Verification of the EITI reporting platform shows that subsoil user companies submitted all required reports for 2023 on time, in accordance with RA Government Decision No. 666-N dated June 8, 2018.

Under Requirement 1.2 of the EITI Standard (2023), reporting companies are expected to publish an anti-corruption policy that provides clear guidelines for managing corruption risks. This policy should include methods for using beneficial ownership data and outline all relevant functions linked to anti-corruption measures. In addition, companies represented in the MSG are expected to participate in detailed review processes to ensure that all stakeholders and practices comply with ethical and legal norms.

Although not all companies have published anti-corruption policies, major and international companies in the sector Lydian Armenia CJSC and Zangezur Copper-Molybdenum Combine (ZCMC) have already taken this important step.

Lydian Armenia adopted its anti-corruption policy on August 14, 2018, aiming to reduce corruption risks and ensure operational transparency. The company is committed to maintaining high ethical standards and ensuring that all stakeholders are informed about their responsibilities. Lydian Armenia is part of a large group, and its policy likely reflects or builds on the group's experience.

“Lydian Armenia” is a company that forms part of the large group Lydian Canada Ventures Corporation, and its policy is evidently included in, or has been developed on the basis of, the group's experience.

Zangezur Copper-Molybdenum Combine (ZCMC), as a major industry player, adopted its anti-corruption policy in December 2024, based on a zero-tolerance principle. The policy requires all employees to act with honesty and integrity in business relations and to report any corruption-related concerns. It is grounded in the company's Code of Conduct and encourages both employees and partners to raise corruption issues. ZCMC also actively supports the Extractive Industries Transparency Initiative (EITI) in Armenia. The company has made its policy publicly available⁸ and is currently finalizing a comprehensive anti-corruption framework.

Other mining companies can review best international practices and either develop a standalone policy or integrate anti-corruption measures into their corporate strategy. It should be noted that this requirement of the Standard is expected but not mandatory.

Civil Society Engagement

The civil society constituency in the MSG consists of 5 members representing non-governmental organizations, one of whom is an alternate member. MSG meeting minutes confirm the regular participation of constituency members in discussions. The civil society constituency fully and actively participates in decision-making processes related to EITI implementation and the development of key EITI documents.

2.2. Multi-Stakeholder Group (Requirement 1.4)

As of the date of this report, the Multi-Stakeholder Group (MSG) of the Republic of Armenia EITI consists of 13 core members representing three main constituencies:

- Government - 5 members
- Mining sector companies - 4 members
- Civil society - 4 members

In addition to the core members, each constituency has alternate members to ensure continuity of participation. According to the MSG's Terms of Reference, each constituency must have at least one alternate member, who should

⁸ [PowerPoint Presentation](#)

represent the same sector, but not exceed the number of core members in that constituency. In total, there are 6 alternate members in the MSG.

Detailed information on the composition of the MSG is presented in Annex 4.

MSG members and alternate members are appointed for a term of 3 years. The Chair of the MSG is the Deputy Prime Minister of the Republic of Armenia. The administrative support for MSG activities is provided by the EITI Armenia Secretariat operating under the Office of the Prime Minister of the Republic of Armenia. The MSG carries out its activities in accordance with the MSG's work plan⁹. Minutes of MSG meetings, decisions adopted therein, or other important documents approved electronically are published and accessible on the EITI website.¹⁰

2.3. Work Plan (Requirement 1.5)

The working plans for the implementation of EITI Armenia are regularly published on the EITI website¹¹. At the meeting held on June 29, 2023, the Multi-Stakeholder Group of EITI Armenia approved the 2023-2024 work plan. The plan sets out the following national EITI priorities, which have remained unchanged and stem from previous years, as national priorities are revised based on MSG decisions, and it is assumed that for the reporting years they remained the same, taking into account the key objectives of EITI:

1. Deepening the application of the EITI Standard on transparency and accountability in the mining sector, addressing identified issues

2. Development of institutional capacities of sector stakeholders, introduction of systematic disclosure practices, and enhancement of capacities for the use and analysis of disclosed sector data

3. Ensuring awareness regarding the mining sector

4. Improvement of a responsible mining culture through the application of international best practices and enhancement of legal regulations

5. Improvement of a competitive investment environment for responsible investors

Under the EITI Armenia 2023-2024 work plan, the following objectives have been defined:

1. Ensuring accessible and up-to-date information
2. Enhancing accountability and public oversight, reducing corruption risks:
 - 2.1 Maintaining Armenia's EITI membership status
 - 2.2 Preparation of the EITI Report in compliance with the EITI Standard
 - 2.3 Measures aimed at the disclosure of beneficial ownership
 - 2.4 Expansion of the scope of EITI Armenia; in case of an MSG decision to expand the scope of EITI Standard implementation, alignment of the RA legal framework accordingly
3. Ensuring systematic disclosure of EITI data, strengthening the capacities of the EITI MSG and stakeholders

⁹ [Rules of Procedure of the MSG - Eiti.am](#)

¹⁰ <https://www.eiti.am/hy/agenda-protocols-other-related-documents>

¹¹ [MSG work plan - Eiti.am](#)

4. Introduction of responsible mining practices

The EITI Armenia Secretariat has prepared and published two semi-annual reports¹² for 2024 on the current progress of EITI implementation, as well as the annual report for 2023. These reports have been adopted and approved by Armenia's MSG.

The objectives of the 2023-2024 work plan, as well as those of previous years' work plans¹³, are linked to the EITI Principles and contribute to the implementation of national priorities in the extractive sector. Thus, EITI implementation is connected and integrated with the Mining Sector Development Strategy adopted by the Government in 2024¹⁴, and the actions envisaged in the work plan have been included in the Government's Five-Year Action Plans¹⁵.

The development of work plans has been carried out with the involvement of all MSG members.

Analysis of MSG Performance

In 2024, the EITI Multi-Stakeholder Group (MSG) continued to coordinate the ongoing activities of the initiative, ensuring the key processes related to the preparation of national reports, stakeholder engagement, enhancement of transparency, and maintenance of international assessments. Despite certain challenges during the year, in particular the situation related to the non-convening of meetings at the request of civil society, the year can be characterized as relatively effective, especially in terms of data disclosure.

Key achievements include:

1. High score in the second EITI validation

In 2024, Armenia was awarded 89.5 points, which is currently the highest among EITI implementing countries. This is a significant achievement that reflects the efforts of the MSG, the Secretariat, and the Government in ensuring systematic disclosure of data in the mining sector.

2. Successful implementation of the 5th national report

The development of the Terms of Reference, organization of the tender, and selection of the independent administrator were carried out on time, and the 5th report was presented at a conference with broad public participation.

3. Launch of the development of the 6th national report (2023-2024)

Based on the decision adopted in the second half of 2025 regarding the source of financing required for the development of the 6th national report namely, to ensure it from state funds allocated to the Ministry of Territorial Administration and Infrastructure the report is planned to be published by December 30, 2025, ensuring compliance with the deadline set by the EITI Standard for data publication, which is no later than two years after the reporting year.

4. Progress in the area of beneficial ownership (BO) data

Workshops under the Opening Extractives program, analysis of BO declarations, and high evaluations from international partners have strengthened Armenia's position as a leader in beneficial ownership transparency. According to the EITI International Secretariat¹⁶, Armenia has set a high benchmark in the disclosure of beneficial ownership and serves as an example for other EITI member countries.

5. Consistent work on public awareness and communication

¹² [Progress reports - Eiti.am](https://www.eiti.am/en/progress-reports)

¹³ [MSG work plan - Eiti.am](https://www.eiti.am/en/msg-work-plan)

¹⁴ [RA MTAI | Subsoil programs \(mtad.am\)](https://mtad.am/en/ra-mtai-subsoil-programs)

¹⁵ [Programs - Five-Year Program of Activities - Government of the Republic of Armenia \(gov.am\)](https://gov.am/en/programs-five-year-program-of-activities)

¹⁶ [Armenia: A model for economy-wide beneficial ownership transparency | EITI](https://www.eiti.am/en/armenia-a-model-for-economy-wide-beneficial-ownership-transparency)

Regular updates have been ensured on the EITI website and social platforms, with the publication of information, news, and videos, as well as continuous engagement with stakeholders.

Alongside progress and achievements, there have been certain challenges and limitations:

1. Non-implementation of the platform for systematic data disclosure

Due to delays in infrastructure and management decisions, the program could not be implemented despite the selection of the contractor (VxSoft company). The delayed decisions of the Digitalization Council and the expiration of the World Bank grant, which was the source of program financing, resulted in the inability to launch the work.

2. Delays in work related to responsible mining

During the reporting years 2023-2024, multiple changes in the composition of the MSG prevented the formation of appropriate working groups for the development of legislative proposals and strategic actions. This area continues to require greater attention from the MSG.

The years 2023-2024 have been marked by steady progress and the maintenance of a high international reputation for the EITI MSG. The country's high score in the 2024 international validation, the successful progress of national reports, and stakeholder engagement attest to effective work. At the same time, there are key areas that need improvement digitalization, responsible mining, and systematic planning.



3. LEGISLATIVE AND INSTITUTIONAL FRAMEWORK IN THE MINING SECTOR OF THE REPUBLIC OF ARMENIA, PROCEDURES FOR GRANTING MINING PERMITS AND CONCLUDING CONTRACTS

3. LEGISLATIVE AND INSTITUTIONAL FRAMEWORK IN THE MINING SECTOR OF THE REPUBLIC OF ARMENIA, PROCEDURES FOR GRANTING MINING PERMITS AND CONCLUDING CONTRACTS

3.1. Legal Framework and Fiscal Regime (Requirement 2.1)

3.1.1. Legal Framework and Description of Legal Acts

This section of the annual report presents a general description of the legal regulations governing the subsoil use sector, highlighting the key provisions that define the legal foundations of the sector's activities. Legislative and sub-legislative changes implemented during the reporting year are considered an important component for sector development and improving management efficiency.

The report also addresses issues arising during the practical application of legal changes, as well as procedures related to the conclusion of subsoil use contracts and the licensing process.

This section provides an overview of the main legal acts regulating the sector, as well as legislative and sub-legislative acts adopted and/or amended during the reporting year.

Table 3.1.1.1

Legislation related to the subsoil use sector

1.	Constitution of the Republic of Armenia	15.	RA Law "On Joint Stock Companies"
2.	Subsoil Code of the Republic of Armenia	16.	RA Law "On State Registration of Legal Entities, Separated Subdivisions of Legal Entities, Institutions and Individual Entrepreneurs"
3.	Labor Code of the Republic of Armenia	17.	Law of the RA "On Foreign Investments"
4.	Water Code of the Republic of Armenia	18.	Law of the RA "On Combating Money Laundering and Financing of Terrorism"
5.	Land Code of the Republic of Armenia	19.	RA Law "On the Organization and Conduct of Inspections in the RA"
6.	Civil Code of the Republic of Armenia	20.	RA Law "On Environmental Control"
7.	Tax Code of the Republic of Armenia	21.	RA Law "On the Targeted Use of Environmental Taxes Paid by Companies"
8.	RA Law "On Environmental Impact Assessment and Expertise"	22.	RA Law "On Specially Protected Areas of Nature"
9.	RA Law "On Waste"	23.	RA Law "On State Regulation of Ensuring Technical Safety"
10.	RA Law "On Limited Liability Companies"	24.	RA Law "On State Duty"

11.	Law of the Republic of Armenia "On the State Budget"	25.	RA Law "On Lake Sevan"
12.	RA Law "On Atmospheric Air Protection"	26.	RA Law "On Public Service"
13.	RA Administrative Procedure Code	27.	RA Law "On the Budgetary System of the Republic of Armenia"
14.	RA Law "On Insolvency"	28.	RA Law "On Local Self-Government"

Below are the main sub-legislative legal acts adopted to ensure the application of legislative acts related to the subsoil use sector:

1. Decision No. 437-N of the Government of the Republic of Armenia dated March 22, 2012, "On Approving Model Forms of Subsoil Use Contracts" (amended by Government Decision No. 994-N of June 27, 2024).
2. RA Government Decision No. 2294-N of 21.12.2023 "On Approving the Procedure for Strategic Environmental Assessment and Requirements for Strategic Environmental Assessment Reports."
3. RA Government Decision No. 1143-N of 25.07.2024 "On Approving the Procedure for Environmental Impact Assessment."
4. Decision No. 643-N of the Government of the Republic of Armenia dated May 2, 2024, "On Approving the Procedure for Conducting Expert Examination, Introducing Amendments or Addenda to the State Expert Conclusion, and Declaring the State Expert Conclusion Invalid" (this decision repeals Government Decision No. 399-N of April 9, 2015, "On Approving the Procedure for Conducting the Environmental Impact Assessment of the Foundational Document and the Proposed Activity," and Government Decision No. 428-N of April 22, 2015, "On Defining the Procedure for Declaring an Expert Conclusion Invalid").
5. RA Government Decision No. 43-N of 11.01.2024 "On Approving the Procedure for Determining the Need for Environmental Impact Assessment and Expertise for Reconstruction, Expansion, Technical or Technological Re-equipment, Reprofilling, Conservation, Relocation, Termination, Closure, Demolition, or Design Changes of Planned Activities."
6. RA Government Decision No. 2343-N of 28.12.2023 "On Making Amendments and Additions to RA Government Decision No. 1325-N of 19.11.2014."
7. Decision No. 43-N of the Government of the Republic of Armenia dated January 11, 2024, "On Approving the Procedure for Determining the Necessity of Environmental Impact Assessment and Expert Examination for Reconstruction, Expansion, Technical or Technological Modernization, Reprofilling, Conservation, Relocation, Suspension, Closure, Demolition, or Design Modification of Proposed Activities."
8. RA Government Decision No. 638-N of 02.05.2024 "On Approving Types of Activities Subject to Assessment and Expertise Not Included in Foundational Documents with Positive State Expert Conclusion, in Specially Protected Areas, Forest Lands, Green Zones of Settlements, Cultural Heritage Sites, or Environmental Lands."
9. RA Minister of Environment Order No. 468-N of 20.12.2023 "On Recognizing RA Minister of Nature Protection Order No. 347-N of 18.11.2014 as Invalid."
10. RA Government Decision No. 1421-N of 24.08.2023 "On Approving the Procedure for Coordinating Priorities or Changes in Measures Planned by Environmental Programs with Authorized Bodies in the Environmental and Healthcare Sectors and Recognizing RA Government Decision No. 1544-N of 26.09.2002 as Invalid."
11. RA Minister of Environment Order No. 310-N of 04.09.2023 "On Approving the Procedure for Developing Environmental Programs Implemented at the Expense of Amounts Deducted from Environmental Tax Paid by Companies."

12. RA Government Decision No. 1358-N of 01.09.2022 “On Approving the Procedure for Coordinating the Program or Changes in the Program for Spending Community Deductions with the Authorized Body in the Field of Territorial Administration.”
13. RA Government Decision No. 1370-N of 01.09.2022 “On Approving the Directions and Priorities of Measures Planned by the Program for Spending Community Deductions.”
14. RA Government Decision No. 1198-N of 04.08.2022 “On Approving the Requirements for Reports on Community Deduction Expenditures and the Format of the Report.”
15. RA Minister of Territorial Administration and Infrastructure Order No. 16-N of 26.09.2022 “On Approving the List of Affected Settlements” (acts mentioned in points 13-16 entered into force on 01.01.2023).
16. Order No. 12-N of the Minister of Territorial Administration and Infrastructure of the Republic of Armenia dated April 21, 2025, “On Defining the List of Affected Settlements.”
17. Decision No. 1268-N of the Government of the Republic of Armenia dated August 11, 2022, “On Defining the Procedure for Submitting the Annual Report on the Movement of Mineral Reserves, the Reporting Forms, and the Guidelines for Their Completion.”
18. RA Minister of Territorial Administration and Infrastructure Order No. 12-N of 08.08.2022 “On Approving Methodological Guidelines for Geological and Economic Justification of Parameters for Mineral Deposit Conditions.”
19. RA Minister of Environment Order No. 369-N of 25.10.2022 “On Approving Guidelines for the Application of Environmental Impact Assessment Provisions.”
20. RA Minister of Territorial Administration and Infrastructure Order No. 9-N of 13.04.2022 “On Approving Minimum Requirements for Geological Survey Programs.”
21. RA Minister of Territorial Administration and Infrastructure Order No. 15-N of 09.09.2022 “On Approving Minimum Requirements for Mineral Extraction Project Design.”
22. RA Government Decision No. 1446-N of 03.09.2020 “On Approving the Procedure for State Subsoil Expertise and Recognizing RA Government Decision No. 1784-N of 09.12.2004 as Invalid.”
23. RA Minister of Territorial Administration and Infrastructure Order No. 06-N of 11.08.2021 “On Approving Instructions for Applying Mineral Reserve Classification.”
24. RA Minister of Territorial Administration and Infrastructure Order No. 04-N of 03.05.2021 “On Approving Requirements for the Content of Materials Submitted for Subsoil Expertise and Recognizing RA State Commission Decision No. 86 of 12.12.2000 as Invalid.”
25. RA Government Decision No. 274-N of 14.03.2013 “On Recognizing RA Government Decision No. 80 of 09.02.1998 on Approving Classification of Solid Mineral Deposits and Forecast Resources as Invalid.”
26. RA Government Decision No. 1480-N of 22.11.2012 “On Approving Classification of Operational Reserves and Forecast Resources of Groundwater and Recognizing RA Government Decision No. 94 of 02.02.2002 as Invalid.”
27. RA Minister of Environment Order No. 439-N of 29.10.2024 “On Approving Guidelines for Strategic Environmental Assessment and Environmental Impact Assessment.”

3.1.2. Tax System, Flows of Tax and Non-Tax Revenues, Tax Rates

Tax System, Tax and Non-Tax Revenues

In the Republic of Armenia, revenue flows received by the state from the mining sector are regulated by the following legal acts:

1. Tax Code of the Republic of Armenia¹⁷,
2. Subsoil Code of the Republic of Armenia¹⁸,
3. Eurasian Economic Union Customs Code¹⁹,
4. Civil Code of the Republic of Armenia²⁰,
5. Law of the Republic of Armenia on State Duty²¹:

Taxes and payments applicable to companies in the mining sector are as follows:

Tax Code of the Republic of Armenia	Profit Tax
	Royalty
	Value Added Tax (VAT)
	Income Tax
	Environmental Tax
	Fees for Use of Natural Resources
	Real estate tax
	Vehicle property tax
Subsoil Code of the Republic of Armenia	Replenishment of environmental protection fund
	Monitoring implementation fees
	Environmental impact assessment fee
	Penalties and fines imposed by the Environmental and Subsoil Inspection Authority
Customs Code of the RA	Value added tax on import
	Custom duties
	Custom fees

¹⁷ <https://www.arlis.am/DocumentView.aspx?docid=196879>

¹⁸ <https://www.arlis.am/DocumentView.aspx?docid=178678>

¹⁹ <https://www.arlis.am/hy/acts/95221>

²⁰ <https://www.arlis.am/DocumentView.aspx?docID=74658>

²¹ <https://www.arlis.am/DocumentView.aspx?docid=196890>

	Lease payments
	Land acquisition
Civil Code of the RA	Payment of the difference in the cadastral values of land plots at the time of change of purpose
	Payments for the socio-economic obligations of communities defined by the mining contract
	State fee for the issuance of a water use permit
RA Law on State Duty	State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals

Tax system

Table 3.1.2.1

Revenue stream rate and competent state bodies

Competent state body	Revenue stream	Rate or calculation base	Budget
State Revenue Committee of the RA	Royalty	B1, B2, B3 bases, article 202 ²²	State
	Value Added Tax	20%	State
	Custom duties and fees	-	State
	Profit tax	18%	State
	Income tax	20%	State
	Excise tax	Article 88 of the Tax Code of the RA	State
	Environmental taxes	Article 165 of the Tax Code of the RA	State
	Nature use payments	Article 201 of the Tax Code of the RA	State
	State fee for the issuance of a water use permit	10,000 AMD	State

²² arlis.am/DocumentView.aspx?docid=196879

Competent state body	Revenue stream	Rate or calculation base	Budget
	State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals	in the amount of 10,000 times the base duty	State
Ministry of Environment of the RA	Replenishment of environmental protection fund	$AA = CB - PA/P$ ²³	State
	Penalties and fines imposed by the Environmental and Subsoil Inspection Authority	-	State
	Environmental impact assessment fee	Base fee of 15,300 or at a rate of 1,000 times	State
	Allocations from the environmental protection fund to the company	Appendix, Chapter 43 ²⁴	State
	Monitoring implementation fees	$MF = (BV - DV) / T$	State
Ministry of Territorial Administration and Infrastructure of the RA	Payments for the socio-economic obligations of communities defined by the mining contract	Appendix 3 to the contract	Community
	Lease payments	Lease object	Community
	Real estate tax	0.25%	Community
	Vehicle property tax	Article 244 of the RA Tax Code	Community
	Land acquisition	Selling price	Community

Source: Relevant laws and legal acts

Changes in the Tax Regime During the Reporting Period

Royalty

Starting from January 1, 2023, a new procedure²⁵ for calculating royalty came into force, according to which the following calculation bases and rates apply:

²³ <https://www.arlis.am/DocumentView.aspx?docid=157091>

²⁴ [arlis.am/DocumentView.aspx?docid=157091](https://www.arlis.am/DocumentView.aspx?docid=157091)

²⁵ [arlis.am/DocumentView.aspx?docid=164753](https://www.arlis.am/DocumentView.aspx?docid=164753)

1. B_1 - Turnover from the sale of concentrate, ingots supplied instead of or without concentrate, subsoil use waste, ore, any final product obtained as a result of processing concentrate or ingots (hereinafter referred to as “product” together with concentrate).
2. B_2 - Profit before taxation, calculated as the positive difference between B_1 and the deductions directly related to B_1 as defined by Section 6 of the RA Tax Code (excluding financial expenses, royalty defined by this section, and tax losses of previous years).
3. B_3 - Profit before taxation, determined by the following formula, and royalty based on B_3 is calculated only if B_3 is greater than zero for the royalty payer:

$$B_3 = B_2 - FE - (B_1 \times R_1) - (B_2 \times R_2) - (B_1 \times 0.15)$$

Where:

1. FE - Financial expenses calculated according to Section 6 of the RA Tax Code, considered for B_3 calculation in accordance with the procedure, cases, and limits set by the Government.
2. R_1 and R_2 - Royalty rates defined by Article 209 of the RA Tax Code.

For the purpose of applying the above:

1. When calculating B_2 , no deductions are made from turnover for financial expenses, royalty defined by Section 10 of the Code, or tax losses of previous years, regardless of whether these expenses and losses are related to mine operation and/or concentrate production.
2. Administrative expenses, selling expenses, and other non-production expenses of the subsoil user are considered in gross income proportionally to the share of turnover corresponding to royalty.

The following rates apply to the above royalty bases:

1. For $B_1 - R_1$, equal to 4%.
2. For $B_2 - R_2$, equal to 12.5%.
3. For $B_3 - R_3$, equal to 15%.

For the purpose of calculating turnover from concentrate sales, the basis is the final metal content in the supplied concentrate determined according to conclusions provided by laboratories²⁶ included in the list approved by the Government. If the pricing period specified in the concentrate supply contract exceeds the period including the month of delivery and the following month, the price for the physical volume of supplied concentrate is based on the international average metal prices formed for the month following the month of delivery.

State Duty

According to the amendments made to the Law “On State Duty” adopted on July 15, 2021, it was decided to establish a state duty for issuing licenses, permits, or certificates for the export of copper and molybdenum. The rationale behind adopting the law was the increase in prices of non-ferrous metals in international markets, which created an opportunity for the growth and development of Armenia’s metallurgical industry revenues. This amendment aimed to regulate the foreign trade of goods of strategic importance for the Republic of Armenia (copper and molybdenum concentrate, ferromolybdenum).

According to the amendment HO-150-N of June 15, 2022²⁷, the decision was repealed effective January 1, 2023.

3.1.3. Significant Legislative Changes in the Mining Sector During the Reporting Year

Legal regulations in the mining sector represent one of the fundamental components of state policy, through which the universal principles of use, preservation, and management of subsoil as the exclusive property of the state are ensured. Subsoil natural resources are considered public property; therefore, their efficient, responsible, and transparent

²⁶ [arlis.am/DocumentView.aspx?docid=173326](https://www.arlis.am/DocumentView.aspx?docid=173326)

²⁷ <https://www.arlis.am/hy/acts/164755>

management requires continuous improvement of current laws and normative legal acts in line with both national interests and international standards, including EITI requirements.

The study of legislative changes implemented during the reporting period aims to assess the content and direction of reforms carried out in the sector's normative legal framework, highlighting those changes that have had a significant impact on the legal regime of subsoil use, mechanisms of state control, accountability to stakeholders, and the application of environmental requirements. The presented analysis is based not only on the substantive evaluation of norms but also on the practical consequences of their legal regulation namely, how the changes have affected or may affect the activities of economic operators, the exercise of powers by state bodies, and the risk management system in the sector.

This chapter consolidates the changes made to existing laws and sub-legislative acts, emphasizing the provisions that, during the reporting year, have been recognized as essential for the sector due to their regulatory, defining, or controlling nature. Accordingly, the main changes recorded in the sector's legal framework, their objectives, and scope of impact are presented, aimed at ensuring the lawful, responsible, and transparent implementation of subsoil use processes.

1. Law of the Republic of Armenia “On Amendments and Additions to the Subsoil Code of the Republic of Armenia” (HO-151-N)

The Republic of Armenia is obliged to consistently ensure the implementation of international treaties and principles it has ratified, which relate to environmental protection, including the field of subsoil use. These obligations stem from a number of international conventions, agreements, and initiatives.

Within the context of fulfilling these international obligations, the Law of the Republic of Armenia “On Environmental Impact Assessment and Expertise” (HO-110-N, June 21, 2014) was adopted, which was presented in a new edition on May 3, 2023, as part of a legislative amendment package. The same package also included the Law of the Republic of Armenia “On Amendments and Supplements to the Subsoil Code of the Republic of Armenia” (HO-151-N).

As a result of the amendments introduced by Law HO-151-N, the relevant provisions of the Subsoil Code of the Republic of Armenia (hereinafter referred to as the Code) have been brought into full compliance with the regulations established by the new edition of the Law “On Environmental Impact Assessment and Expertise” adopted on May 3, 2023. Thus, normative harmonization of the two laws has been ensured, as well as the legal basis for the mandatory, uniform, and continuous application of EIA requirements in subsoil use processes.

The terminology used in the legislation has been harmonized and systemically adjusted. In particular, the concept of “preliminary environmental impact assessment application” has been removed from the Code, while the definition of “environmental management plan” has been formulated identically to the wording in Clause 23, Part 1, Article 4 of the Law “On Environmental Impact Assessment and Expertise.” At the same time, previously used concepts related to the preliminary environmental impact assessment application have been replaced with references to the “package of documents submitted for expertise” as defined by Article 17 of the EIA Law.

In various articles of the Code, the term “field of environmental protection” has been replaced with “environmental sector.” This change has ensured the consistency of terminology and legal language throughout the legislative system. As a result of these changes, the uniformity of defined concepts has been guaranteed to ensure unambiguous legal application in the field of subsoil use.

The amendment to Article 17 of the Code clarified the legal basis and procedure for conducting environmental impact expertise within the powers of the state administrative authority in the environmental sector related to subsoil use. This change ensured the legal clarity of EIA procedures and a unified approach to applying expertise at all stages of subsoil use.

The amendments also clarified administrative procedures and timelines. Articles 40 and 51 of the Subsoil Code revised the procedures for reviewing applications and issuing conclusions. Articles 36 and 39 of the Code clearly stipulate that subsoil use is prohibited without a program agreed with the competent authority or without obtaining a positive state environmental impact expert conclusion.

This amendment established that a positive EIA conclusion is an integral prerequisite for granting the right to subsoil use. Consequently, any activity without undergoing the environmental impact assessment process and obtaining a positive conclusion has been excluded. At the same time, it was stipulated that types of planned activities such as reconstruction, expansion, technical or technological re-equipment, re-profiling, conservation, relocation, suspension, closure, demolition, or design modification are subject to a decision on the necessity of environmental impact assessment and expertise in accordance with the procedure approved by the Government of the Republic of Armenia.

In such cases, the authorized body conducting the expertise determines whether the activity is subject to environmental impact assessment and expertise based on the nature, scope, and potential environmental impact of the activity. This addition ensures that EIA requirements apply not only to new activities but also to any significant changes to existing projects, thereby establishing a basis for continuous legal oversight of environmental protection.

Article 30 of the Code has been supplemented with a new Clause 9, according to which, if the positive conclusion of the state expertise loses its validity or is declared invalid in cases defined by the EIA Law, the right to subsoil use is subject to termination. This provision ensures the controllability of the legal effect of EIA conclusions, which guarantees the systemic and continuous implementation of environmental responsibility.

Article 48.1 and certain provisions of Article 51 of the Code have been repealed, eliminating previously existing regulations that did not comply with the new legislation. This step ensured the structural integrity of the Code and eliminated legal redundancies.

The amendments introduced by Law HO-151-N aim to ensure the normative harmonization of the Code and the Law “On Environmental Impact Assessment and Expertise,” clarify administrative procedures, strengthen the mandatory legal force of EIA conclusions, and guarantee the comprehensive and continuous application of environmental protection requirements in subsoil use processes.

2. The Development Strategy of the Mining Sector and the Corresponding Action Plan (up to 2035)

Until 2023, Armenia did not have a clear policy regulating the field of subsoil use. The document titled “The Development Strategy of the Mining Sector and the Corresponding Action Plan (up to 2035)”, approved by the Government of the Republic of Armenia under Decision No. 730-L dated May 11, 2023, represents the first comprehensive policy document in the subsoil use sector of Armenia. It defines the long-term vision, objectives, and priorities for the development of the sector.

The main goal of the Strategy is the sustainable, responsible, and efficient management and development of the mining sector, based on the principles of economic, environmental, and social balance. It is aimed at:

- Responsible and efficient use of subsoil resources,
- Prevention and mitigation of environmental and social risks,
- Ensuring public interests and environmental protection,
- Improving the investment climate and enhancing transparency in sector governance.

The core objective of the Strategy is to establish a sustainable, responsible, and competitive mining industry that will contribute to the country’s economic growth, promote the formation of high value-added production, and ensure Armenia’s transition from a “raw material-based natural resources” model to an “environmental protection and data-driven economy” model, grounded in innovative technologies, efficient management, and environmental responsibility. The Strategy also highlights Armenia’s existing membership in the Extractive Industries Transparency Initiative (EITI) and its further development as an essential prerequisite for reforms.

At the same time, it should be noted that there are differing positions and assessments regarding the goals and expected outcomes defined by the strategy, including analyses and statements published by civil society representatives, which raise questions related to the feasibility of the strategy and its environmental and social impacts.

As a priority direction, the Strategy emphasizes the digitalization of the mining sector, aiming to ensure efficient, transparent, and targeted use of Armenia’s mining potential by creating a unified geological digital information repository.

Digitalization measures include:

- Digitization of all information available in the national geological fund,

- Creation of an electronic platform for submitting reports on the movement of mineral reserves,
- Introduction of a unified internal platform in the subsoil use sector based on the “one-stop-shop” principle.

The availability of digital databases will also enable the integration of sectoral spatial data into the layers of the national geoportal of the RA Cadastre Committee, ensuring interoperability between state bodies. These changes aim to improve management efficiency, decision-making quality, and the level of public oversight.

The first goal of the Strategy also includes the implementation of the process of joining the international CRIRSCO structure, which will lay the foundation for harmonizing and aligning the national system of mineral resource reporting with accountability standards accepted by international financial institutions and stock exchanges.

Compliance with international reporting standards will contribute to:

- Improving the quality of geological survey results,
- Strengthening accountability in report preparation,
- Expanding investment opportunities and increasing investor confidence.

Membership in CRIRSCO is aimed at enhancing Armenia’s international reputation in the mining sector and expanding its recognition in financial markets.

The Strategy also stipulates the establishment of a Geological Service, which is planned to be formed as a single state body. It should incorporate structural and sectoral subdivisions operating under the authority of the body coordinating subsoil use and protection.

According to the Strategy, these activities are planned to be implemented through the state budget and other permissible financial sources (international donors, grant programs, etc.). This approach will enable the discovery of new deposits, expansion of mineral resource exploration volumes, and promotion of the sector’s long-term development.

The Strategy also provides for the enhancement of the technical capabilities and international compliance level of the sectoral laboratory “Analytic” CJSC. It is planned to modernize and upgrade the existing laboratory, replace equipment with technology meeting modern standards, and ensure compliance with the ISO/IEC 17025 international standard.

The development of laboratory capacities will contribute to obtaining reliable and verifiable data on the quality of mineral resources, strengthening state oversight functions, and improving the accuracy of royalty calculations and control over the content of exported mineral concentrates and alloys.

In addition to the above reforms, the Strategy envisages:

- Improving responsible management of environmental protection and mine closure phases in the subsoil use sector,
- Developing mechanisms for community participation and public oversight,
- Rehabilitation of mining areas,
- Encouraging the application of “green” technologies to reduce emissions and environmental risks.

Thus, the document approved by RA Government Decision No. 730-L, “The Development Strategy of the Mining Sector and the Corresponding Action Plan (up to 2035)”, shapes Armenia’s transition to a sustainable, responsible, and data-driven development model for the mining sector, combining legislative, institutional, environmental, and technological reforms aimed at strengthening environmental responsibility, economic efficiency, and public trust.

3. Amendments to the RA Government Decision No. 437-N of 22.03.2012 ‘On Approving Model Forms of Subsoil Use Contracts’ (RA Government Decision No. 994-N, dated 27.06.2024)

By RA Government Decision No. 994-N dated June 27, 2024, significant amendments and supplements were introduced to the model forms of contracts approved by RA Government Decision No. 437-N of March 22, 2012. These changes aimed to modernize subsoil use contracts and align legal formulations and environmental protection requirements with the new legislative regulations.

The decision was supplemented with a new Annex No. 3 “Subsoil Use Contract for Geological Exploration”, which did not previously exist. This annex regulates the conditions for conducting geological exploration of subsoil, the obligations of the parties, and accountability requirements between applicants seeking consent for geological exploration works and the authorized body. The introduction of this annex has provided a clear legal basis for granting and implementing subsoil use rights for geological exploration activities.

Changes were also made to the existing model contracts (Annexes No. 1 and No. 2). Several terms were aligned with the new legal formulations in the environmental sector; the word “permit” was replaced with “subsoil use right” to ensure consistency with the unified language of the law; definitions of environmental and reclamation fees were updated to clarify their calculation and usage conditions. Certain contractual clauses were declared invalid as they fell outside the authority of the authorized body or contradicted current legislation. Provisions that were practically unused or had lost relevance were also removed.

It was established that the amount refunded from the reclamation fund cannot exceed the actual payments made by the economic operator, ensuring risk management and accountable use of state funds. Basic regulations were aligned with the requirements set by RA Government Decision No. 1733-N of 2021. The name of the authorized body was clarified: the term “Ministry of Energy and Natural Resources” was replaced with “Authorized Body in the Field of Subsoil Use and Protection of the Republic of Armenia,” ensuring compliance of legal documents with the current structure of public administration.

It was stipulated that subsoil use contracts remain in force until the expiration of the term specified therein and are amended only when the subsoil use right is extended or modified in accordance with the procedure established by law. This provision secures the legal stability of contracts and the predictability of mutual obligations of the parties.

The amendments aimed to modernize the model forms of contracts and clarify environmental and financial mechanisms, which will enhance transparency, legality, and practical applicability of contractual regulations in the subsoil use sector. Furthermore, defining the form of the contract for geological exploration works has been an important step toward eliminating issues arising from the previous lack of such a legal basis and practical mechanisms.

Thus, these changes enable the establishment of a complete and predictable process for the legal formulation of geological exploration activities, based on clarified contractual grounds and procedures supervised by the authorized body.

4. RA Government Decision No. 477-N of April 4, 2024 ‘On Establishing the Procedure for Granting Consent for Geological Exploration of Subsoil’

By RA Government Decision No. 477-N dated April 4, 2024, the previously effective Decision No. 1192-N of August 19, 2004 was declared invalid, as its legal basis (empowering norm) was no longer in force. The new decision established a clear and regulated procedure through which economic operators can apply for consent to conduct geological exploration of subsoil.

The decision stipulates that the geological exploration program submitted for obtaining consent, together with the documents specified in Part 3 of Article 36 of the Subsoil Code, is subject to environmental impact assessment expertise. The subsoil use right may be granted exclusively when a positive state expert conclusion on the EIA is available.

In addition, the grounds and timelines for accepting, returning, or rejecting applications, as well as the procedure for granting consent, have been clarified.

As a result of these changes, a unified, transparent, and predictable legal framework has been established for the processes of granting consent for geological exploration of subsoil, monitoring, and fulfilling contractual obligations.

Thus, defining the form of the contract for geological exploration works and the procedure for requesting and granting consent is aimed at eliminating practical issues previously encountered, as well as creating a complete and predictable legal basis for interaction between state authorities and economic operators.:

5. Order No. 05-N of January 27, 2025 by the Minister of Territorial Administration and Infrastructure of the Republic of Armenia ‘On Amending Order No. 249-N of December 30, 2011 of the Minister of Energy and Natural Resources of the Republic of Armenia.’

By Order No. 05-N of January 27, 2025, the Minister of Territorial Administration and Infrastructure of the Republic of Armenia introduced a completely new edition of Annex 3 to Order No. 249-N of December 30, 2011 by the Minister of Energy and Natural Resources of the Republic of Armenia. This revision redefines the requirements for mine closure plans.

The purpose of the amendment is to align the provisions of the order with recent changes in the RA Subsoil Code and the Law on Environmental Impact Assessment and Expertise, as well as to strengthen the legal foundations of environmental, financial, and social responsibility during the mine closure phase. It also aims to clarify mechanisms for state oversight and continuous monitoring, ensuring process efficiency and compliance with international standards.

6. During the reporting period, **Order No. 06-N of August 11, 2021 by the Minister of Territorial Administration and Infrastructure of the Republic of Armenia** was supplemented with several instructions, including the instruction on the application of classification for iron ore deposits. This instruction introduces an entirely new regulation for the study, assessment, and classification of iron ore reserves. For the first time, it defines the industrial types of iron ore deposits, the structure of exploration stages, sampling and laboratory control requirements, as well as a unified methodology for processing geological data. With the adoption of this new annex, a systematic and comprehensive approach has been introduced to ensure the reliability of reserve assessment results and the uniformity of state expertise.

«Law of the Republic of Armenia ‘On Environmental Impact Assessment and Expertise

The Law of the Republic of Armenia “On Environmental Impact Assessment and Expertise” (hereinafter referred to as the Law) continues to be one of the main regulatory legal acts in the mining sector because it defines the procedural and substantive requirements for assessing and examining the potential environmental and health impacts of proposed activities as well as for decision-making. At the same time, the Law serves as the primary mechanism for implementing Armenia’s international environmental obligations aimed at ensuring sustainable development, reducing risks, and increasing transparency in the sector.

Although this topic was addressed in the EITI 2021-2022 report presenting the process of adopting the new edition of the Law and the logic behind the reforms, it is also necessary in the current report to outline the legislative developments of recent years given their ongoing and significant importance for the mining sector.

On May 3, 2023, the Law was adopted in a new edition which revised the entire structure of the EIA and expertise process, the criteria for submission and evaluation of documents, and the mandatory components of reports. The category system was unified: the previous classes A, B, and C were replaced with two categories A and B, as a result of which certain activities were moved to a higher-risk category. This entails stricter expertise and a more detailed assessment process. Consequently, the thresholds set for categories A and B have been revised which may lead to longer assessment requirements for certain projects.

The Law also clarified several key concepts such as “environment,” “proposed activity,” “interested public,” and “environmental management plan,” expanding their definitions to include climate factors, environmental soils, and other characteristics important for the qualitative assessment of mining projects.

One of the significant institutions introduced by the new edition is Strategic Environmental Assessment (SEA) which functions as a preventive tool to evaluate the potential environmental impacts of policies, strategies, and state programs before the specific project stage. Although the concept of SEA existed as early as 2014, the necessary secondary legislation for its practical application was adopted only in recent years, and it is now considered an important mechanism particularly during the development of strategic programs in the subsoil use sector. However, as noted in the previous report, the practical application of SEA during the adoption of sectoral strategies has not yet been established.

The Law also redefined the institution of public participation. The previously required four public hearings have been reduced to two while simultaneously regulating the substantive requirements for hearings, their presentation, documentation, and mechanisms for submitting opinions by the public including through electronic communication. The timeframes for public participation have been extended, and the principle has been enshrined in law that the process cannot continue if the hearings result in a negative outcome.

The regulation of the validity period of expert conclusions has also changed. Previously a positive conclusion expired if the project was not implemented within one year, now this period has been extended to two years allowing subsoil users to resolve administrative and land-related obstacles.

The procedure for terminating subsoil use rights has also been revised. Under the relevant amendment, if the positive expert conclusion loses its validity, the subsoil use right also terminates, eliminating the previous legal inconsistency where the right to operate continued despite the expiration of the conclusion.

The outcome of these changes is a more clarified, regulated, and integrated approach to environmental policy creating the necessary legal basis for proper assessment of mining projects, expanded public participation, and strengthened mechanisms for environmental protection.

In line with the significant amendments introduced to the Law “On Environmental Impact Assessment and Expertise” during the reporting period, a number of secondary legal acts have been adopted. The most important provisions of these acts are presented below.

By RA Government Decision No. 2343-N dated December 28, 2023, the RA Government Decision No. 1325-N of November 19, 2014 was presented in a new edition, which completely restructured the regulation of public notification, public hearings, and participation of interested stakeholders in the EIA and SEA processes. The decision clearly defines the organization process for the first public hearing by the local self-government body and the second public hearing by the expert center, the content of notifications and mandatory publication methods, as well as the timeframes for submitting and discussing opinions, comments, and proposals from the interested public.

New and precise timeframes have been established for organizing public hearings: 21 to 25 working days for the first hearing and 15 to 25 working days for the second hearing. Mandatory procedures for preparing, publishing, and maintaining minutes have also been introduced. The decision reinforces the principle that disagreement by one or several communities is considered general disagreement with the proposed activity, emphasizing the key role of community participation during the expertise and decision-making stages.

It should be noted that, according to the civil society constituency of the MSG, the mentioned regulation is not sufficient to ensure broad public awareness and participation, and there are cases where, although everything is carried out formally, residents are not well informed.

RA Government Decision No. 2294-N of December 21, 2023 “On Approving the Procedure for Strategic Environmental Assessment and Requirements for the Strategic Environmental Assessment Report” strengthens principles of environmental transparency and risk management at the strategic level by defining a unified methodology for SEA and mandatory accountability requirements. The decision clarifies the scope of SEA application: all strategic-level foundational documents, including their amendments, which may affect specially protected natural areas, forested territories, or cultural heritage monuments, must undergo SEA. This ensures that environmental considerations are integrated during the development of state policies.

The decision establishes SEA implementation in three consecutive stages: scoping, report preparation, and integration of results into the foundational document. This phased approach eliminates previous methodological uncertainties and sets a unified procedure for assessing strategic impacts. The SEA report becomes not only the result of professional analysis but also a tool for ensuring public opinion, as it must include public comments, suggestions, and justifications for their acceptance or rejection. If necessary, transboundary consultations are also envisaged in line with international obligations.

The decision also introduces a mandatory system for monitoring and post-project analysis. To monitor the actual impacts of SEA results, the initiator is required to conduct environmental monitoring and publish its results by the first ten days of March each year. In case of unforeseen impacts, the decision provides for the development and publication of additional measures, significantly increasing transparency and accountability in the implementation of strategic documents.

RA Government Decision No. 1143-N of July 25, 2024 “On Approving the Procedure for Environmental Impact Assessment” represents an important reform in the environmental management system, as for the first time it clearly defines the preparatory stages of the assessment process in a comprehensive and unified manner, ensuring the quality of project documentation and EIA report preparation. The mandatory review of alternatives to the proposed activity, including the zero option, is also significant, as it introduces a systematic approach to reducing environmental risks and making more substantiated decisions.

The procedure sets clear timeframes for information exchange between the initiator and the authorized body, five and ten working days respectively, which improves predictability and efficiency of the process by addressing previous uncertainties. In addition, the mandatory system for monitoring and post-project analysis, along with the requirement for their publication, strengthens continuous control over the impacts of activities and the level of accountability. This is particularly important for projects implemented in environmentally and culturally sensitive areas.

The entirety of these changes aims to make the EIA process more transparent, accessible, and understandable for the public, as well as to ensure early identification and management of environmental risks in line with international best practices and the principles of open public policy.

By Order No. 468-N of December 20, 2023, the Minister of Environment declared invalid the Order No. 347-N of November 18, 2014, as the forms of technical assignment and foundational document defined by that order no longer comply with the updated requirements of the Law “On Environmental Impact Assessment and Expertise” and the new secondary legal acts adopted by the Government during 2023-2024. In particular, the newly established procedures for SEA, EIA, public participation, and expertise have changed both the structure and content requirements of documents, rendering the forms established in 2014 inconsistent with current regulations and inapplicable. Therefore, the order has been fully replaced by new legal acts regulating the sector.

By Order No. 438-N of October 29, 2024, the Minister of Environment of the Republic of Armenia approved the new Environmental Impact Assessment (EIA) Guideline, which systematically presents the entire assessment process including stages, methodology, assessment tools, and requirements for the content of reports. The Guideline is consistent with international best practices and is aimed at increasing the transparency, predictability, and professional quality of the EIA process. It includes mechanisms for classifying proposed activities, mandatory study of alternative solutions including the zero option, as well as analysis of multi-component and cumulative impacts. Clear content requirements are established for reports, from the description of baseline data to forecasting environmental and socio-economic impacts, risk assessment, development of an environmental management plan, and monitoring program. The Guideline also requires inclusion of public participation results in the report, presenting comments from stakeholders and justifications for their acceptance or rejection.

Previous regulations were changed because they no longer complied with the requirements established by the amendments to the Law on Environmental Impact Assessment and Expertise in 2023-2024, which made a complete revision of the EIA methodology necessary. The previous regulation did not ensure a clear structure of assessment stages, comprehensive and cumulative impact analysis, or integrated assessment of environmental and social components. The new Guideline eliminates these methodological gaps by introducing comprehensive analysis of alternative solutions, unified criteria for impact assessment, updated methodology for assessing environmental and human health risks, and detailed requirements for reports for categories A and B. These changes are aimed at ensuring transparent, efficient, and internationally compliant implementation of the EIA process, increasing the level of responsibility and accountability in the sector.

The new Guideline, by completely transforming the assessment mechanism, creates a uniform, applicable, and more effective environmental assessment system that ensures a balanced framework for state policy, public interests, and environmental safety requirements.

Annex No. 1 of Order No. 438-N of the Minister of Environment of the Republic of Armenia approved the SEA Guideline, which defines the complete procedure for strategic environmental assessment with the aim of identifying and mitigating potential environmental impacts at an early stage and improving the quality of decision-making. The Guideline presents the structure and methodology for ecological assessment of foundational documents related to sectoral and territorial development programs, including policies in energy, urban development, transport, agriculture, industrial policy, recreation, forestry and water management, and other strategic areas. SEA is considered a preventive environmental tool designed to ensure decisions that comply with sustainable development goals, prevent harmful environmental impacts at the initial stage of conceptual programs, and incorporate public interests into strategic planning processes.

The Guideline establishes an SEA process consisting of three stages: scoping, preparation of the SEA report, and integration of results into the foundational document. During the scoping stage, necessary baseline data are collected, available information is assessed, alternative options including the zero option are identified, predicted impacts are characterized, and the strategy’s link to other policy documents is analyzed. The Guideline also requires the assessment of potential impacts using uniform criteria including the nature, scale, duration, probability, and risk level of the impact, as well as its effect on specially protected natural areas, forest lands, cultural heritage, and public health.

The structure of the SEA report is presented with mandatory components including a summary description of the foundational document, impact forecasts, mitigation measures, comparison of alternative options, international and

national legal framework, data characterizing the area subject to impact, and a monitoring and post-project analysis program. The report must be prepared by a licensed organization and is subject to state expertise within 80 working days.

The Guideline also presents the toolkit for SEA implementation, which includes analysis of environmental legislation, expert assessments, checklists, SWOT analysis, mapping and GIS systems, decision trees, modeling, scenario development, cost-benefit analysis, and multi-criteria analysis. This toolkit allows for a comprehensive assessment of the potential environmental impacts of policies and selection of the most viable and environmentally sustainable options.

An important element of the Guideline is the approaches aimed at developing public participation. It defines formats for public engagement, mechanisms for organizing public hearings, requirements for information accessibility, and specifies that the SEA report must include the complete results of public discussions and the changes made based on them. Stakeholder mapping and analysis conducted during the scoping stage ensure targeted and effective organization of public participation.

The Guideline also provides for the development of impact mitigation measures including policy changes, preliminary technical solutions, a combination of sanitary and environmental measures, and requirements for monitoring implementation. Monitoring results are summarized in an annual program and published for public access.

At the same time, the new Guideline addresses previously existing methodological shortcomings. Previous regulations did not ensure comprehensive, cumulative, and integrated assessment of the impacts of strategic documents, lacked mandatory requirements for studying alternative scenarios, and had non-systematic public participation mechanisms. The new approach introduces uniform assessment criteria, clear methodology for impact analysis, a system for harmonizing strategies, programs, and policies, as well as integrated assessment of environmental and health risks.

As a result, a complete toolkit for environmental assessment at the strategic level has been established, which increases the environmental responsibility, predictability, and compliance of state programs and policies with international standards, particularly with the requirements of the SEA Protocol.

By RA Government Decision No. 643-N dated May 2, 2024, a unified procedure has been established for conducting expertise of foundational documents as well as SEA and EIA reports, issuing state expert conclusions, making changes or additions to them, and declaring a positive conclusion invalid. The decision regulates the functions of the authorized body and the expert center, the composition of the document package submitted for expertise, the stages and timeframes of the expert process (SEA and Category A up to 80 working days, Category B up to 40 working days with the possibility of extension), as well as the procedures for involving sectoral state administration bodies and local self-government bodies. The procedure also defines the rights and obligations of the initiator related to preparation for expertise, obtaining consultations, submission of a revised package, and participation in public hearings.

The new regulation strengthens the methodological integrity of expertise procedures by establishing clear mechanisms for obtaining opinions from state bodies, involving professional and expert conclusions, and collecting clarifying information. At the same time, the procedure defines the cases in which the submitted package is suspended, returned for revision, or considered by law as having received a negative conclusion, which ensures legal predictability and procedural clarity of the process.

The decision declares invalid the previously effective Government Decisions No. 399-N and No. 428-N and introduces a new unified regulation defining the legal status of the state expert conclusion. The procedure clarifies the grounds on which a positive state expert conclusion is declared invalid, such as violations recorded as a result of administrative offenses that were not eliminated within the timeframe established by law, new requirements arising from legislative changes, newly discovered or previously unknown facts or impacts related to the environment, under which continuation of the activity would contradict international or national legal norms. A positive conclusion is also declared invalid when it is revealed that the documents or data submitted for expertise were falsified.

The adoption of the procedure aims to strengthen the legal basis of expertise, standardize the mechanisms of the process, increase the legality and validity of expert conclusions, and ensure a high level of responsibility and accountability of state bodies, the expert center, and initiators. Thus, the entire mechanism for expertise, modification of conclusions,

and declaring them invalid is presented as a uniform, legally stable, and controllable system aimed at making effective and lawful decisions in the field of environmental protection.

Observations have been submitted by various stakeholders, including civil society representatives, regarding the Law of the Republic of Armenia “On Environmental Impact Assessment and Expertise” and the secondary legislation adopted on its basis. These observations mainly relate to the insufficient depth of health impact assessments, the process of conducting public hearings, the provision of public awareness for participation, and the deficiencies identified during the EIA procedure.

In 2025, the Ministry of Environment initiated a process to amend the aforementioned law. According to the minutes of the MSG meeting held on October 30, 2025²⁸, civil society representatives are also expected to participate in this process. Considering that the law is currently undergoing amendments, the reforms resulting from this process will be addressed in the 2025-2026 EITI Report.

By the amendments to the **RA Code on Administrative Offenses (HO-152-N, May 3, 2023), Article 94.1** was adopted in a completely new edition, which clearly defines all cases of violations related to failure to submit for expertise or violation of expertise procedures for activities subject to environmental impact assessment and expertise under the procedure established by law. The new regulation significantly increased the amount of fines, which is aimed at ensuring that any activity with environmental impact begins only after obtaining a positive expert conclusion.

The article also introduced a phased liability model. Initially, a warning is applied, and if the violations are not eliminated within one month after the warning, a fine is imposed.

In addition, Chapter 5 of the Law established new regulations on Strategic Environmental Assessment (SEA), which include procedural requirements for SEA, its scope of application, and the types of foundational documents subject to SEA.

On Making Amendments to the Law of the Republic of Armenia ‘On the Budgetary System of the Republic of Armenia’ (HO-52-N)²⁹

The Law HO-52-N “On Making Amendments to the Law of the Republic of Armenia on the Budgetary System of the Republic of Armenia,” adopted on March 4, 2022 (entered into force on January 1, 2023), was aimed at promoting the sustainable and continuous development of communities, including affected settlements, by increasing their budgetary capacities.

According to this Law, the state budget expenditures provide for allocating shares from royalties to the budgets of affected communities. Two percent of the royalties paid by royalty payers to the state budget is to be transferred to the budgets of affected communities as a non-refundable allocation. It should be noted that the distribution of these funds is carried out through a two-tier system:

- 50% of the community share of royalties is distributed equally among the affected settlements of the community.
- The remaining 50% is distributed equally among all communities of the Republic of Armenia that include affected settlements as defined by Article 1.2, Part 19.1 of the Law “On the Budgetary System of the Republic of Armenia,” from other royalty payers, excluding those communities that include the affected settlements mentioned at the beginning of Part 19.1.

Definition of an Affected Settlement

For the purposes of the Law, an “affected settlement” is considered to be a settlement within a community that is adjacent to the area allocated by the mining act of the royalty-paying organization. Community allocations must be directed toward the implementation of socio-economic development programs, giving priority to development programs for affected settlements.

²⁸ <https://www.eiti.am/hy/agenda-protocols-other-related-documents>

²⁹ <https://www.arlis.am/documentview.aspx?docid=75497>

Programs for Spending Community Allocations

The programs are developed by the head of the community, taking into account the programmatic documents for the development of the respective region or community. The approval of the programs or their amendments is carried out in coordination with the authorized body for territorial administration, and they must reflect the priorities set by the Government of the Republic of Armenia.

Basis for Determining the Amount of Allocations

When determining the amount of allocations, the basis is the available data on the actual royalties paid during the third year preceding the upcoming budget year. Thus, the programs for spending community allocations (hereinafter referred to as Programs) will be implemented under the 2024 budget. For the Programs to be implemented in 2024, the basis for determining the amount of allocations is the available data on the actual royalties paid during 2021. According to the data of the Ministry of Territorial Administration and Infrastructure, in 2021 royalties amounting to 52.56 billion AMD were paid, of which 2 percent, or 1.05 billion AMD, will be distributed to communities. In 2022 royalties amounting to 81.73 billion AMD were paid, of which 2 percent will be distributed for the Programs in 2025.

Law on Making Amendments to the Law on Local Self-Government (HO-53-N)³⁰

The Law on Making Amendments to the Law on Local Self-Government provides for ensuring transparency in the process of distributing royalties. Community heads are obliged to submit a report on the spending of community allocations. The report must be published separately on the official website of the community with the possibility of downloading. Community heads are responsible for preparing and submitting to the council for approval the programs for spending community allocations.

Implementation of Programs in 2024

Programs funded by community allocations will be implemented in 2024 in six communities of Armenia: Kajaran, Kapan, Meghri, Alaverdi, Vardenis, and Tsaghkadzor.

Adoption of Secondary Legal Acts

For the application of the Law HO-52-N of March 11, 2022, several secondary legal acts have been adopted:

1. RA Government Decision No. 1358-N of September 1, 2022 on establishing the procedure for approving programs for spending community allocations.
2. RA Government Decision No. 1370-N of September 1, 2022 on approving the directions and priorities of measures for spending allocations.
3. RA Government Decision No. 1198-N of August 4, 2022 on approving the format of the report.
4. Order No. 16-N of September 26, 2022 by the Minister of Territorial Administration and Infrastructure on defining the list of affected settlements.

All these secondary legal acts entered into force on January 1, 2023.

3.1.4. State Administration Bodies and Local Self-government Bodies With Authority in the Field of Subsoil use and Their Powers

During the reporting period, the state bodies responsible for regulating, supervising, and administering subsoil use, as well as local self-government bodies with defined powers in this sector, are the following:

1. The Ministry of Territorial Administration and Infrastructure of the Republic of Armenia (MTAI)
2. The Ministry of Environment of the Republic of Armenia (MoE)
3. The Ministry of Internal Affairs of the Republic of Armenia (MoIA)
4. The Inspection Body for Environmental Protection and Subsoil of the Republic of Armenia (EPIB)

³⁰ <https://www.arlis.am/documentview.aspx?docID=73271>

5. Ministry of Health of the Republic of Armenia (MoH)
6. The State Revenue Committee of the Republic of Armenia (SRC)
7. “Environmental Impact Expert Center” SNCO
8. “National Center for Technical Safety” SNCO
9. “Republican Geological Fund” SNCO
10. “Hydrometeorology and Monitoring Center” SNCO
11. Local self-government bodies (LSGB)

The scope of powers and functions implemented in the sector by the competent bodies presented in this report have been detailed in previous EITI reports.

The functions of the Ministry of Emergency Situations of the Republic of Armenia were transferred to the Ministry of Internal Affairs on June 30, 2023.

Given the importance and strategic significance of the subsoil use sector for the Republic of Armenia, state and local self-government bodies have allocated a special role within their functions by introducing policies, conducting regular supervision, and ensuring quality and sustainability standards.

Inspectorates, serving the purposes defined by their charters, ensure compliance with safety and legislative requirements in the fields of environmental protection and subsoil use in cases and under procedures established by law.³¹

Through state non-commercial organizations established by the Government of the Republic of Armenia, state bodies carry out forecasting, prevention, mitigation, or elimination of possible harmful impacts on the environment and human health resulting from the implementation of foundational documents and proposed activities³²:

The Ministry of Internal Affairs of the Republic of Armenia, as the authorized body in the sector and the state administration body responsible for developing state policy in the field of technical safety, is restricted in performing supervisory actions over the activities of private organizations. This limitation hinders the ability to fully and properly address existing sectoral issues, develop an appropriate strategy, and draft legal acts aimed at preventing technogenic accidents, including industrial incidents. Based on this justification, in September 2025, the Ministry of Internal Affairs initiated and submitted for public discussion a legislative amendment package, which, if adopted, will particularly affect the subsoil use sector. Under these amendments, the Ministry of Internal Affairs will be assigned full functions for licensing private organizations and monitoring their activities following the dissolution of the “National Center for Technical Safety” SNCO. In addition, technical safety expertise will become a licensed activity instead of being subject to accreditation.³³ If these changes are adopted, they will be presented in more detail in the next EITI report.

The study of state and local self-government bodies with competence in the subsoil use sector and their functions within each EITI reporting period clearly shows that the actions of responsible bodies in the sector are continuously evolving and adapting to new sectoral challenges. In the processes of regulation, supervision, and ensuring safety, the importance of interagency cooperation, systematic approaches, and legal clarity is increasingly emphasized. The reforms initiated by these bodies aim to improve sector governance and the effectiveness of preventive mechanisms. It is expected that the ongoing changes will contribute to the sustainable, transparent, and safe development of the sector.

3.1.5 Privileges Granted by the State to Mining Companies

During the reporting period of 2023-2024, no cases of granting tax privileges, tax holidays, or direct or indirect financial incentives in the mining sector were recorded. The RA Tax Code did not undergo changes during the reporting period that would provide separate privileges or special tax regimes for economic operators in the sector.

³¹ <https://www.ecoinspect.am/hy>

³² <https://www.arlis.am/hy/acts/93148>

³³ <https://www.e-draft.am/ru/projects/9154/justification>

At the same time, several extra-budgetary payments have remained in force during the reporting period, which are not credited to the state or community budgets but are mandatory for subsoil users. These payments relate to ensuring environmental obligations and reducing risks:

Payments for replenishing the reclamation (restoration) fund

Subsoil users continue to make payments for the formation of mandatory reserves within the nature and environmental protection fund (reclamation fund). These funds are intended for the restoration of disturbed lands and works related to mine closure during the operation of the deposit. The regulations in force during 2023-2024 have not changed, and the system continues to operate in accordance with the procedure established by the Government.

Payments for implementing monitoring

Companies have continued to make payments to ensure environmental and safety monitoring in extraction areas and adjacent settlements. Monitoring payments include:

- Control of mineral extraction sites
- Inspections of the maintenance and safety of industrial waste dumps
- Risk assessment to prevent potential harm to public health and safety

These payments are also not included in the state or community budgets and are carried out under special procedures established by law.

3.2. Regulations Related to Issuance of Permits, Conclusion of Contracts, and Termination of Subsoil Use Rights (Requirements 2.2, 2.3, 2.4)

In previous EITI reports (see Armenia EITI reports for 2018-2022), the procedures for granting subsoil use permits and concluding contracts, their stages, and the issues arising during practical implementation were presented in detail. During the reporting period of 2023-2024, no significant changes were made to these procedures.

At the same time, it should be noted that by RA Government Decision No. 994-N of June 27, 2024, amendments and supplements were made to the model forms of contracts approved by RA Government Decision No. 437-N of March 22, 2012. These changes were aimed at modernizing the contractual forms, clarifying legal formulations, and aligning environmental protection requirements with new legislative regulations.

Thus, the changes relate exclusively to the improvement of the model forms of contracts, while no changes were made to the procedures for granting subsoil use permits and concluding contracts.

This subsection provides a summary of the processes for granting permits, concluding contracts, and terminating subsoil use rights in the context of the requirements of the EITI Standard.

Issuance of Subsoil Use Permits

The procedure for granting subsoil use rights is defined by the RA Subsoil Code, and their issuance is carried out by the authorized body, the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia.

Permit for Mineral Extraction

To obtain the right for extraction, the application must be submitted with the mandatory package of documents defined by law, which includes:

1. State registration data of the applicant
2. Expected timelines for the operation of the deposit
3. Approved list of minerals
4. Mineral extraction project in compliance with the minimum requirements set by the Code and the authorized body for extraction projects
5. Mine closure plan with a complete structure (including physical closure, financial guarantees for implementing the closure plan, reclamation, social mitigation, and safety monitoring components)

6. Information on beneficial owners
7. Documents regarding the applicant's financial and technical capacities
8. Financial proposals and guarantees
9. Waste management plan for subsoil use and financial guarantees
10. Receipt of the state fee established for conducting environmental impact expertise

The composition of these documents and their legal significance are aligned with the comments presented in the relevant sections of previous EITI reports (see EITI 2019-2022).

Subsoil Use Right for Geological Exploration

The documents required for obtaining the right for geological exploration are:

1. Identification data of the applicant
2. Timelines for the proposed works
3. Minerals subject to exploration
4. Exploration program in compliance with the minimum requirements established by law
5. Information on beneficial owners
6. Information on financial and technical capacities and resources
7. List of submitted documents

During 2023-2024, out of 15 applications submitted for geological exploration, 4 were approved and 11 were rejected due to violations of requirements established by the Code or because of site overload, or the applicant failed to submit a revised program after receiving comments. This pattern corresponds to the approach recorded in previous reporting periods. No applications were submitted during the reporting period regarding extraction activities.

Legal Grounds for Subsoil Use Rights

The right to subsoil use may arise exclusively as a result of the combination of the following documents:

1. An extraction project or exploration program that has undergone expertise
2. A subsoil use permit
3. A mining act
4. A subsoil use contract

Without positive conclusions from environmental impact or technical safety expertise, the implementation of subsoil use is prohibited by the Code.

Procedure for Concluding a Subsoil Use Agreement

The subsoil use permit and the mining allocation act are administrative legal acts, whereas the subsoil use agreement is of a civil-law nature and is concluded between the authorized body and a private entity.

The agreement stipulates:

- the rights and obligations of the subsoil user,
- the terms for exploitation and exploration,
- the procedure for calculating and paying fees,
- mandatory contributions to the environmental protection fund,
- monitoring obligations,
- implementation of measures aimed at the socio-economic development of communities and their timelines.

Previous reports (see: EITI 2020-2022) presented legal interpretations of the structure of these agreements.

Renunciation and Termination of Subsoil Use Rights

The issuance of a certificate for renunciation of subsoil use rights is carried out in accordance with Articles 45 and 58 of the RA Subsoil Code. During the reporting year, no renunciation certificate was issued.

The grounds for termination, suspension, or warning of the right are defined in Article 30 of the Code, with a detailed analysis provided on pages 86-89 of the EITI 2019 report.

In 2023, an amendment was made to Article 30 of the RA Subsoil Code, expanding the grounds for termination of subsoil use rights. Specifically, it was established that the subsoil use right shall terminate in cases where, under the RA Law “On Environmental Impact Assessment and Expertise,” the positive expert conclusion loses its validity or is declared invalid.

Prior to this amendment, the absence of legislative regulation created legal uncertainties: in cases where the positive expert conclusion was declared invalid, the authorized body lacked a legal basis to terminate the subsoil use right. The new amendment aims to eliminate this gap, ensuring legislative clarity, predictability in administration, and full application of environmental protection requirements in the subsoil use process.

3.2.1. State Policy in the Field of Publication of Subsoil Use Agreements

According to Article 9 of the Republic of Armenia’s Subsoil Code, the state ensures transparency in activities within the subsoil use sector. The authorized body is obliged to publish on its official website the key data related to subsoil use, including mineral extraction agreements, their annexes, and any amendments to those agreements. This approach is consistent both legislatively and institutionally and has been confirmed in previous EITI reports (see Armenia’s EITI reports for 2019-2022).

Within the framework of implementing Requirement 2.3 of the EITI Standard, the Ministry of Territorial Administration and Infrastructure (MTAI) continuously maintains a publicly accessible and functional registry that includes comprehensive and up-to-date information on all licensed legal entities³⁴. Specifically, it publishes data on applications submitted for licenses, numbers and terms of issued and extended permits, details of relevant subsoil use agreements and their amendments, characteristics of deposits, and indicators of reserves and production. The scope of published data fully complies with EITI Standard Requirement 2.3, as noted in previous reporting years.

Based on Requirement 2.4 of the EITI Standard, the MTAI website provides public access to subsoil use agreements in both metallic and non-metallic mining sectors, including their annexes and amendments. Additionally, information on termination or renunciation of extraction rights is published³⁵. At the same time, it is noted that some of the published data still do not fully meet the “open data” principle due to differences in technical formats; however, this does not hinder full access to information regarding the current status and amendments of agreements or issued permits.

Since the transfer of subsoil use rights to another entity is subject to mandatory consent by the authorized body, any transfers carried out without such consent have no legal effect. As recorded in previous reports, no cases of general rights transfer were registered in 2023-2024.

As part of the routine reporting process, all subsoil users holding permits for metallic mineral extraction (except companies declared bankrupt) are required to submit annual public reports electronically. State bodies, including the State Revenue Committee, the Ministry of Environment of the RA, and communities (through MTAI), submit their reports via the online system at reports.eiti.am. After validation by the Independent Administrator, the data are published, ensuring the reports are open and comparable. The same regulations and mechanisms were described in previous years’ reports.

Special privileges granted to subsoil users are not defined by RA legislation; they may only be provided through individual decisions of the RA Government, which is fully consistent with the approach presented in previous reporting years (see EITI reports for 2020-2022).

The issue of clarifying the scope of publication for exploration agreements under Requirement 2.4 of the EITI 2023 Standard was discussed at the meeting of Armenia’s MSG on April 27, 2022, where it was noted that exploration agreements do not generate significant financial flows, while complete information on exploration permits is already published under the procedure established by the 2018 amendments to the Subsoil Code.

³⁴ <https://mtad.am/pages/extractive-industries-transparency-initiative>

³⁵ <https://mtad.am/pages/extractive-industries-transparency-initiative?tab=3>

3.2.2. Amendments to Subsoil Use Agreements During the Reporting Year

In 2023, one subsoil use right was granted for the extraction of metallic minerals to “Georaid” Closed Joint-Stock Company, for the purpose of conducting extraction at the Mutsk gold deposit in Syunik region. Details are presented below:

- On March 31, 2023, the Company (hereinafter referred to as “the Company”) was granted the Mutsk gold deposit in Syunik region of the Republic of Armenia for the purpose of mineral extraction under subsoil use contract No. P-707 for a term of 19.2 years.
- The Company was allocated reserves of 2,736.9 thousand tons of gold ore under categories C1+C2, which include: gold reserves - 3,605.0 kg, silver reserves - 5,730.8 kg.
- The average ore content was set as follows: gold - 1.32 g/t, silver - 2.1 g/t.
- The subsoil use agreement stipulates an annual extraction volume of 150.0 thousand tons of marketable ore.
- The area limited by the mining allocation act covers 65.0 hectares.

The contract consists of the main text and annexes N1-N5, which form its integral part:

- Annex N1 establishes the subsoil user’s financial proposals and payment obligations,
- Annex N2 sets out obligations under the mine closure plan,
- Annex N3 defines commitments undertaken in the field of community socio-economic development,
- Annex N4 contains the environmental management plan,
- Annex N5 specifies the financial guarantees required for implementing measures under the subsoil waste management and/or processing plans.

The amount and term of execution for implementation of the commitments undertaken in the field of socio-economic development of the Mutsk settlement of the Sisian community of the Syunik region of the Republic of Armenia are presented below:

N	Name of obligations	Term of execution	Investment amount, thousand drams
1.	Community cultural and educational events	Every year	200.00
2.	Implementation of community sub-projects	Every year	1,000.00
3.	Financial support	Every year	500.00
4.	Donation of medical equipment and medicines	Every year	300.00
5.	Participation in the repair of community roads	As needed	Equipment provision

During the reporting period, amendments were made to four subsoil use agreements granted for the extraction of metallic minerals, which mainly relate to the extension of subsoil use rights, revision of reserves and production

indicators, expansion of the scope of obligations of subsoil users, renaming, as well as other data modifications. The description of changes made to the relevant agreements is presented below:

“GPM Gold” LLC

According to the amendments made on February 2, 2023, to subsoil use agreement No. PV-189 of “GPM Gold” LLC (hereinafter referred to as “the Company”), the subsoil area allocated to the subsoil user was expanded, and the validity period of the subsoil use right was extended for 20 years, until October 18, 2042.

The quantity of ore allocated to the subsoil user and the annual production indicators were changed as follows: for open-pit mining, 1,750.0 thousand tons of marketable ore per year; for underground mining, 400.0 thousand tons of marketable ore per year.

The reserves and average contents of useful minerals in the ore were revised as follows: for open-pit mining (categories C1+C2), 4,511.3 thousand tons of ore (Au - 14,896.89 kg, average content 3.33 g/t; Ag - 17.22 t, average content 3.82 g/t; Se - 5.1 t, average content 1.13 g/t; Te - 28.37 t, average content 6.29 g/t); for underground mining (categories C1+C2), 6,035.1 thousand tons of ore (Au - 32,876.11 kg, average content 5.45 g/t; Ag - 28.64 t, average content 4.75 g/t; Se - 14.18 t, average content 2.45 g/t; Te - 90.57 t, average content 15.0 g/t).

The quantities of main and associated useful minerals were revised as follows: Au - 14,896.89 kg, Ag - 17.22 t, Se - 5.1 t, Te - 28.37 t.

In addition, the scope of the Company’s obligations was expanded: annexes N1, N2, N3, N4, and N5, which form an integral part of the agreement, were replaced with new annexes N1, N2, N3, N4, and N5.

By the subsequent amendment made on December 30, 2024, throughout the entire text of the agreement and its annexes, the name “Geo Pro Mining Gold” LLC was replaced with “GPM Gold” LLC due to the company’s renaming.

The changes in the company's socio-economic liabilities are presented below:

N	Name of obligations	Term of execution	Investment amount, thousand drams
1.	Participation in socio-economic development programs for the Sotk community and nearby settlements	Every five years	5,000.00
2.	Organizing medical examinations for residents of Sotq community	Every year	1,500.00
3.	Organization of soil, air and surface water quality monitoring in the territory of Sotk community	Every year	2,000.00
4.	Organization of drinking water quality testing in Sotk community	Every year	500.00
5.	Financial support for the education of 2-3 young people from Geghamasar and Vardenis communities	Every academic year	1,200.00
6.	Participation in the repair work of rural inter-community roads	As needed	Provision of construction equipment and gravel

“Teghut” CJSC

According to the amendments made on August 14, 2023, to subsoil use agreement No. PV-376 of “Teghut” CJSC (hereinafter referred to as “the Company”), the validity period of the subsoil use right was extended by 13 years, until July 1, 2036 (previously until February 8, 2026).

The subsoil area was expanded, and the ore reserves and contents were revised, setting them at 100,619.88 thousand tons or 91,029.223 thousand tons of marketable ore under categories B+C1+C2. The average ore contents were set as follows: Cu - 0.32%, Mo - 0.011%.

The boundaries of the mining allocation were changed and defined with new coordinates under the WGS-84 (ARMREF 02) system, and the restricted area now covers 151.44 hectares.

At the same time, the scope of the Company’s obligations was expanded: Annex N2, which forms an integral part of the agreement, was replaced with new Annexes N2, N3, N4, and N5, which define obligations related to mine closure, community socio-economic development, environmental management, and waste management.

The amount and term of execution for implementation of the commitments undertaken in the field of socio-economic development of the Shnogh and Teghut settlements of the Alaverdi community of the Lori region of the Republic of Armenia are presented below.

N	Name of obligations	Term of execution	Investment amount, thousand drams
1.	Community cultural and educational events	Every year	3,500.00
2.	Implementation of community sub-projects	Every year	10,000.00
3.	Financial support	Every year	140,000.00
4.	Donation of medical equipment and medicines	Every year	2,000.00
5.	Participation in the repair of community roads	As needed	Equipment provision

“Meghradzor Gold” LLC

According to the amendment made on August 29, 2023, to subsoil use agreement No. PV-057 of “Meghradzor Gold” LLC (hereinafter referred to as “the Company”), the validity period of the subsoil use right was extended until May 1, 2040.

The agreement was supplemented with a new table that specifies the average contents of useful minerals in the ore by ore bodies. The Company’s obligations were expanded by adding new Annexes N2, N3, N4, and N5 to the agreement.

As a result of the amendment, the quantity of ore allocated to the Company was also revised, setting 475,710 tons of marketable ore for underground mining under categories C1+C2, calculated as of January 1, 2021.

At the same time, it was established that from the total 585,880 tons of ore planned under the project, the remaining 110,170 tons will be allocated to the Company after the revaluation of reserves.

The table of the size and term of execution for implementation of commitments undertaken in the field of socio-economic development of Meghradzor settlements of Tsaghkadzor community of Kotayk region of the Republic of Armenia is presented below:

N	Name of obligations	Term of execution	Investment amount, thousand drams	Total investment amount during further operation, thousand drams
1.	Maintenance of the community kindergarten by paying the community budget	Every year	5400,0	91,800.00
2.	Cleaning and maintenance of community sewers by paying to the community budget	Once every 2 years	2500,0	20,000.00
3.	The contribution of the "Armat" center to the community	One time	4500,0	4,500.00
4.	Funding the "Armat" Center in the Community	Every year	1000,0	17,000.00
5.	Sanitation and improvement of the community area	Every year	1200,0	20,400.00
6.	Financing of social and cultural events and educational programs	Every year	1100,0	18,700.00
7.	Investment in small businesses in the community and encouragement of their development, for the 3 years preceding the end of the mine operation	Every year	5000,0	15,000.00
TOTAL				187,400.00

“Kapan Mining and Processing Plant” Closed Joint-Stock Company

According to the amendment made on November 16, 2023, to subsoil use agreement No. PV-057 of “Kapan Ore Processing Plant” Closed Joint-Stock Company, the company name was changed: the name “Chaarat Kapan” CJSC in the agreement was replaced with “Kapan Ore Processing Plant” CJSC.

3.2.3. Disclosure of Exploration Agreements Based on Materiality and Practicality Considerations

During the reporting period, 4 rights were granted for geological exploration of subsoil for the purpose of extracting metallic minerals.

1. “NRM (Natural Resource Management)” CJSC was granted geological exploration permit No. EHT-29/408 on November 8, 2024, for a term of three years, to carry out geological exploration works in the adjacent area of the Dastakert copper-molybdenum deposit in Syunik region of the Republic of Armenia (49.032 hectares).
2. “Mendia Resources” LLC was granted geological exploration permit No. EHT-29/370 on April 10, 2023, for a term of three years, to carry out geological exploration works in the Vardenis polymetallic occurrence area in Vayots Dzor region of the Republic of Armenia (84.0 hectares).
3. “Hayasa Resources Corp” LLC was granted geological exploration permit No. EHT-29/371 on July 18, 2022, for a term of three years, to carry out geological exploration works in the gold-polymetallic occurrence areas of Hankakutak and adjacent sites in Lori region of the Republic of Armenia (3,392 hectares).
4. “Sakhael” LLC was granted geological exploration permit No. EHT-29/392 on January 30, 2023, for a term of two years and nine months, to carry out geological exploration works in the Gizhget hydrothermal altered rock zone in Syunik region of the Republic of Armenia (800 hectares).

The data on activities related to geological exploration of subsoil for metallic mineral extraction are published on the official website of the Ministry of Territorial Administration and Infrastructure (MTAI)³⁶. This means that the MTAI also maintains a publicly accessible registry for these permits.

According to the information presented on the website, as of December 1, 2025, the number of geological exploration permits for metallic mineral extraction in the Republic of Armenia is seven. It should be noted that no geological exploration permits were issued in 2019 and 2020, three permits were issued in 2021, four in 2022, three in 2023, and one in 2024.

The analysis shows that the process of conducting geological exploration in the country has somewhat stabilized; however, its scope remains limited to the final stage of exploration geological prospecting works, which are mainly aimed at clarifying and increasing the reserves of useful minerals in existing deposits.

Under these conditions, the formation of a new mineral resource base for future generations and the replenishment of the country’s mineral reserves are not ensured. Therefore, the need to establish a Geological Service becomes particularly important, as it would enable the systematic implementation of the entire chain of geological studies from preliminary prospecting to reserve assessment ensure state oversight and unified data management, and create a foundation for the sustainable development of future mineral resource policy.

3.3. Disclosure of Beneficial Ownership and State Participation (Requirements 2.5, 2.6, 4.2, 4.5)

3.3.1. Legal Regulations Concerning the Identification of Beneficial Owners.

During 2023-2024, no significant structural changes were made in the legal framework for beneficial ownership disclosure in the Republic of Armenia, and the same normative and institutional framework presented in the previous EITI report continues to apply.³⁷

At the same time, during the reporting period, work continued on improving the institution of beneficial ownership disclosure. In particular, by Law No. HO-374-N of December 17, 2023, an amendment was made to the Law “On State Registration of Legal Entities, Separate Subdivisions of Legal Entities, Institutions, and State Accounting of Individual Entrepreneurs,” stipulating that legal entities for which there are no entries in the unified state register may apply to the agency of the Ministry of Justice to have their state registration recognized. If the registration is recognized, the legal entity is considered registered from the date reflected in the information system as the initial registration. This amendment is aimed at improving data completeness and ensuring legal clarity of the beneficial ownership register.

³⁶ <https://mtad.am/pages/extractive-industries-transparency-initiative?tab=2>

³⁷ <https://www.eiti.am/hy/annual-reports/2024>

Publicly available data on beneficial owners continues to be accessible on the official website of the State Register of Legal Entities of the RA Ministry of Justice³⁸, where the protection of personal data is guaranteed in accordance with the requirements of the Law “On Personal Data Protection.”

Within the framework of ongoing discussions with the participation of stakeholders, work during 2023-2024 was mainly focused on ensuring more effective validation, control, and applicability of the currently available data. In particular, the possibility of integrating beneficial ownership data into the process of granting subsoil use permits is being discussed at the MTAI, the details of which will be presented in subsequent reports.

At the same time, during the reporting period, targeted activities were carried out aimed at capacity development, directed toward strengthening the competencies of both the specialists of state authorized bodies and the affected communities and subsoil users. Within this framework, mechanisms for calculating, distributing, and effectively using royalty allocations made in favor of communities were discussed, as well as public oversight tools related to them, based on the data made publicly available within the EITI framework.

Simultaneously, special attention was given to assessing the possibilities of meeting the new requirements of the 2023 EITI Standard. With the involvement of international partners, expert discussions and educational workshops were conducted on the use of beneficial ownership data, anti-corruption mechanisms, transparency of the investment environment, and strengthening corporate governance. These activities were implemented with the participation of the EITI International Secretariat and the Open Ownership organization, as a result of which Armenia’s status as a leading partner country was reaffirmed³⁹.

The above measures contributed not only to data collection and publication, but also to the development of a culture of data analysis, practical application, and the use of data in policy-making processes.

The Ministry of Territorial Administration and Infrastructure has developed and circulated a legislative initiative, which was also discussed during the international workshop held in Yerevan on November 17-18, 2025, summarizing the five-year results of the Opening Extractives program, with the participation of representatives of Armenia’s mining community, including members of the MSG business constituency.

The main purpose of the discussion was to increase the effectiveness of using beneficial ownership data in licensing and legal compliance processes. According to information provided by the Ministry, the draft is currently in the revision stage, after which it will again be circulated among the relevant stakeholders.

Declarations on beneficial ownership submitted by metallic ore mining companies are presented below.

Table 3.3.1.1

Declarations on beneficial ownership provided by metal ore mining companies

Link to the declaration	Name of the metallic ore mining company
https://www.e-register.am/en/companies/1267440	“Meghradzor Gold” LLC
https://www.e-register.am/am/companies/1267456	“Paramount Gold Mining” CJSC

³⁸ <https://www.e-register.am/am/>

³⁹ <https://www.eiti.am/hy/%D5%86%D5%B8%D6%80%D5%B8%D6%82%D5%A9%D5%B5%D5%B8%D6%82%D5%B6%D5%B6%D5%A5%D6%80/2024/07/11/eiti-international-secretariat-and-open-ownership-joint-mission-in-yerevan-on-july-8-11-2024/154/>

Link to the declaration	Name of the metallic ore mining company
https://www.e-register.am/am/companies/1267708	“Sagamar” CJSC
https://www.e-register.am/am/companies/1272746	“Ler-Ex” LLC
https://www.e-register.am/am/companies/1266888	“Akhtala Mining And Processing Combine” CJSC
https://www.e-register.am/am/companies/1127476	“Fortune Resources” LLC
https://www.e-register.am/am/companies/1495478	“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)
https://www.e-register.am/am/companies/1237707	"Mego-Gold" LLC
https://www.e-register.am/am/companies/1266780	"Geopromining Gold" LLC
https://www.e-register.am/am/companies/1267169	"Multi Group Concern" LLC
https://www.e-register.am/am/companies/1272761	"Zangezur Copper-Molybdenum Combine" CJSC
https://www.e-register.am/am/companies/1267799	"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)
https://www.e-register.am/am/companies/1272536	"Lydian Armenia" CJSC
https://www.e-register.am/am/companies/1266829	"Lichkvaz" CJSC
https://www.e-register.am/am/companies/1269083	"Agarak Copper-Molybdenum Combine" CJSC
https://www.e-register.am/am/companies/1267633	"Assat" LLC
https://www.e-register.am/am/companies/1232638	"Vaykgold" LLC
https://www.e-register.am/am/companies/1272552	"Teghut" CJSC

Link to the declaration	Name of the metallic ore mining company
https://www.e-register.am/am/companies/1237755	"Marjan Mining Company" LLC
https://www.e-register.am/am/companies/1267399	"Active Lernagorts" LLC
https://www.e-register.am/am/companies/1267427	"At-Metals" LLC
https://www.e-register.am/am/companies/1195647	"Baktek Eco" LLC
https://www.e-register.am/am/companies/1267410	"Geghi Gold" LLC
https://www.e-register.am/am/companies/1267820	"Gharagulyanner" CJSC
https://www.e-register.am/am/companies/1301436	"Georaid" CJSC

Source: Electronic Registry of the RA ⁴⁰

3.3.2. State Participation in Mining Companies

By Decision No. 81-A of the Government of the Republic of Armenia dated January 18, 2024, "On Accepting Shares as a Donation," the Republic of Armenia became a shareholder of "Lydian Armenia" Closed Joint-Stock Company by receiving shares equivalent to 12.5 percent (12,503 shares) of the company's total shares. As a result of this decision, the state acquired participation in the mentioned mining company for the first time, thus becoming a minority shareholder and obtaining corresponding management and oversight rights.

Regulatory Gaps and Transparency Challenges

In Armenia, state involvement in metallic mining companies is not defined by any special legal regulation; in this sector, the state acts as an ordinary participant without special status or additional powers.

The calculation and distribution of dividends received by companies with state participation are carried out under general legal procedures, following the provisions of the Civil Code of the Republic of Armenia, as well as the requirements stipulated in the Law "On Privatization of State Property."

EITI Requirements

The provisions of the EITI Standard 2.6, 4.5, and 6.2, which apply to state-owned enterprises and quasi-fiscal transactions, are not applicable in the Republic of Armenia. The reason is that these companies are not considered state-owned enterprises under the EITI definition, and their products are not regarded as state property.

⁴⁰ <https://www.e-register.am/am/search>

3.4. Summary Overview of National Energy Transition Commitments, Policies, and Plans Related to the Extractive Industry (EITI 2023 Standard Requirement 2.1)

EITI 2023 Standard Requirement 2.1 stipulates that implementing countries should provide a brief description of national energy transition commitments, policies, and plans that may affect the extractive industry. Armenia views the energy transition as a means to address climate challenges, enhance energy security, ensure competitiveness, and reduce environmental impact.

Sectoral policies on energy efficiency and renewable energy in Armenia are based on several key legal and strategic documents. The country is a party to the Paris Agreement and has committed to defining and implementing nationally determined contributions (NDCs) aimed at reducing greenhouse gas emissions and adapting to the impacts of climate change. In addition, Armenia is engaged in international frameworks such as the EAEU technical regulation on energy efficiency and the CEPA agreement, which establish obligations for energy efficiency in line with EU standards.:

The main strategic documents guiding Armenia's energy transition process are as follows:

1. RA Nationally Determined Contributions (NDC) for 2021-2030⁴¹, where Armenia has set national targets for emission reduction and a 2050 benchmark of a maximum of 2.07 tCO₂eq per capita. This document defines priority sectors, including energy, industry, agriculture, water resources, forestry, and waste management.
2. Long-Term Low Emission Development Strategy (LT-LEDS, 2023)⁴², which presents forward-looking scenarios and policies to place Armenia's economy on a low-carbon pathway. The strategy also includes investment requirements, technical solutions for emission reduction, and potential financing directions.
3. The Fourth National Communication on Climate Change of the Republic of Armenia (2020)⁴³, which summarizes sectoral emission data, forecasts, and adaptation assessments, creating a continuous basis for policy development.
4. Draft Law "On Climate Change" of the Republic of Armenia⁴⁴, which establishes a comprehensive legal framework for climate mitigation and adaptation management and defines the responsibilities of state bodies and economic operators.

During the reporting period, no quantitative mandatory reduction requirements, carbon-pricing mechanisms, or specific regulatory acts were introduced in the mining sector. Therefore, the directions outlined in strategic documents are presented as a policy framework rather than already implemented regulations.

In the context of the energy transition, expanding renewable energy production is also a priority for Armenia. In recent years, investment activity in solar energy has increased, a liberal electricity market has been established, and large- and small-capacity solar plants have been introduced. It is expected that in the coming years, the first wind power plants will also be launched, contributing to the diversification of the energy balance. The growing share of renewable energy creates new opportunities for extractive companies to shift toward cleaner and more sustainable electricity consumption.

The Energy Saving and Renewable Energy Program for 2022-2030⁴⁵ regulates the directions of policies pursued in this field, the definition of goals and targets, as well as the main actions and measures planned to achieve the established targets.

⁴¹ <https://www.arlis.am/hy/acts/151985>

⁴² <https://www.arlis.am/hy/acts/188021>

⁴³ <http://env.am/storage/files/fnc-eng.pdf>

⁴⁴ <https://www.e-draft.am/projects/7726>

⁴⁵ <https://www.arlis.am/hy/acts/161408>

The energy transition process affects the mining industry in several ways, particularly in terms of reducing carbon intensity, promoting the use of renewable energy, conserving water and land resources, reducing environmental impacts, and meeting requirements for the introduction of electric equipment and vehicles.

In this context, it is advisable to encourage the integration of renewable energy sources during new licensing and project phases, implement emission accounting and monitoring processes, and use low-carbon technologies. The EITI Standard also promotes the inclusion of carbon taxation and damage accounting

Experience and Programs of “Zangezur Copper-Molybdenum Combine” CJSC⁴⁶

“Zangezur Copper-Molybdenum Combine” CJSC continuously improves its approach to energy efficiency by implementing initiatives that promote energy saving. These include modernization of equipment, enhancement of production process efficiency, and introduction of advanced systems for real-time energy consumption monitoring and control.

In 2024, the main focus of activities was on finding new solutions to reduce energy consumption, expanding electricity procurement from network suppliers offering lower tariffs, and improving overall operational efficiency. One of the primary directions established was the further development of the Energy Monitoring System, strengthening internal accountability at the level of workshops and production sites.

As one of the largest electricity consumers in Armenia, the company does not currently use renewable energy; however, steps have already been taken toward diversifying energy sources. To enhance energy stability, plans include diversifying electricity procurement by increasing supply volumes from Armenia’s liberal electricity market while maintaining stable supply from the Armenian Nuclear Power Plant.

In 2025, two major initiatives in the field of renewable energy are planned to be launched introducing solar and wind power plants to meet internal energy needs. These projects are expected to reduce overall consumption, improve energy efficiency, and decrease carbon emissions.

At the same time, the company is actively developing a long-term Climate Change Strategy.

It is advisable for EITI Armenia to adopt a similar approach by leveraging the professional potential of MSG members to align and implement new provisions. Companies should be encouraged to reduce their environmental impact by introducing cleaner technologies, such as modern energy-efficient equipment, electric transport, or adding solar panels to improve energy efficiency.

In addition, the EITI 2023 Standard requires implementing countries to present summary information on their national energy transition commitments, policies, and plans related to the extractive industry.

It is recommended to publish on the EITI website the above-mentioned documents that are relevant to the energy transition in the mining sector and the planned actions.

3.5 Summary Overview of Greenhouse Gas Emission Commitments, Policies, and Plans Related to the Extractive Industry (EITI 2023 Standard Requirement 3.4)

In recent years, Armenia has demonstrated steady progress in integrating climate change mitigation and adaptation principles into national and sectoral strategies. Nevertheless, climate objectives are still not fully defined, and climate-related issues in strategic documents are often viewed not as a core component but rather as an additional direction. At the same time, sectoral policies are gradually placing greater emphasis on climate risks and the need for their effective management.

⁴⁶ [Sustainability report ZCMC 2024](#)

In this context, Armenia has initiated the “On Climate” law, which sets clear provisions for regulating greenhouse gas emissions. The regulatory toolkit ensuring the implementation of climate policy includes:

1. Greenhouse gas emissions permits.
2. Carbon pricing instruments:
 - a) Carbon tax or environmental tax for harmful emissions;
 - b) Emissions trading system;
 - c) Emissions exchange mechanisms;
 - d) Results-based financing.
3. Carbon border adjustment mechanism.
4. Implementation of incentivizing and supporting sectoral programs.

Also noteworthy are the programs of “Zangezur Copper-Molybdenum Combine” CJSC⁴⁷ in the context of carbon emissions offsetting:

- The company is currently implementing a carbon offset initiative that includes reforestation and greening projects.
- To construct a large solar power plant, the company has held several consultations with stakeholders to adapt the project to regional conditions. During the reporting period, solar power plants and solar water heaters were installed in Syunik Province. Such initiatives are planned to continue in 2025-2026 as well.

It should be noted that these initiatives require alignment with international standards in the context of carbon-emissions offsetting. In particular, the installation of solar power plants by the company was carried out for household use rather than for industrial purposes.

The company is assessing opportunities to enter national and international carbon markets as a means of offsetting emissions and strengthening its climate strategy. At the same time, it is monitoring the development of carbon pricing mechanisms in Armenia, which may play an important role in shaping the state approach to emissions reduction in the future.

⁴⁷ [Sustainability report ZCMC 2024](#)

4. EXTRACTION, PRODUCTION AND REALIZATION IN THE METAL MINING INDUSTRY

4. EXTRACTION, PRODUCTION AND REALIZATION IN THE METAL MINING INDUSTRY

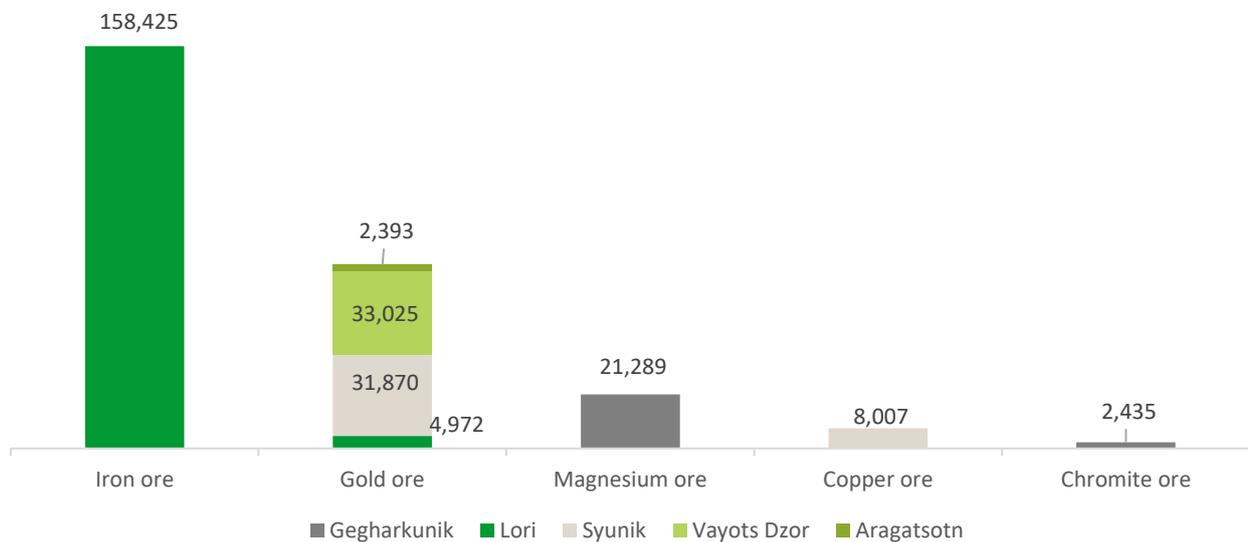
4.1. Exploration of Mineral Reserves in the Mining Sector (Requirement 3.1)

Under this requirement of the Standard, EITI member states are obliged to disclose data on any significant exploration activities carried out in the mining sector.

According to information received from the Ministry of Territorial Administration and Infrastructure, no new deposits of metallic minerals were confirmed in 2023-2024. Therefore, the data on confirmed metallic ore reserves within the territory of the Republic of Armenia, as presented in the 2022 report, remain unchanged.

Chart 4.1.1

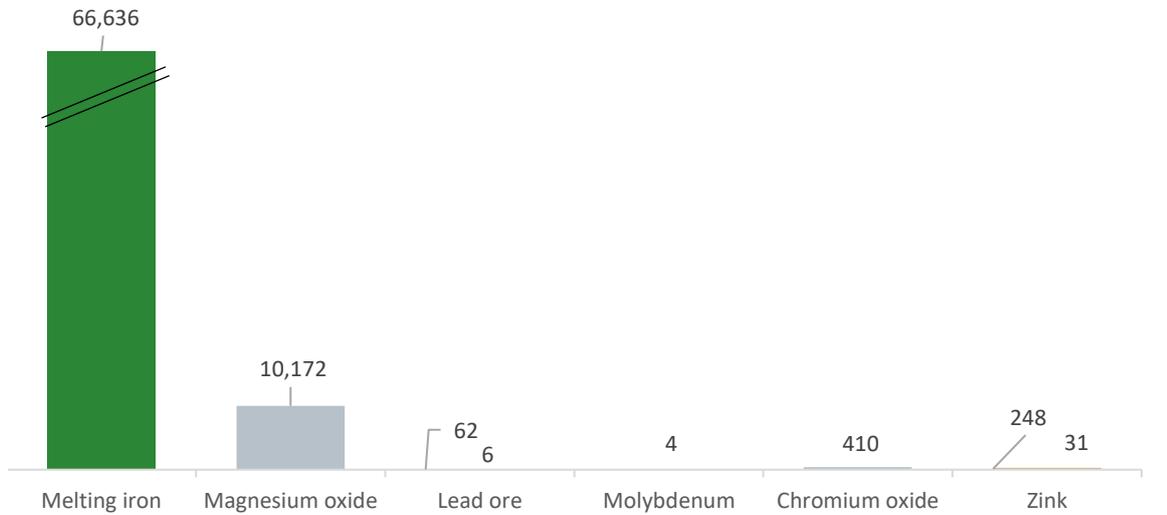
2010 - 2024. Approved quantity of metal ore by region, thousand tons



Source: Information provided by MTAI

Chart 4.1.2

2010 - 2024. Amount of proven reserves of metallic minerals by region, thousand tons



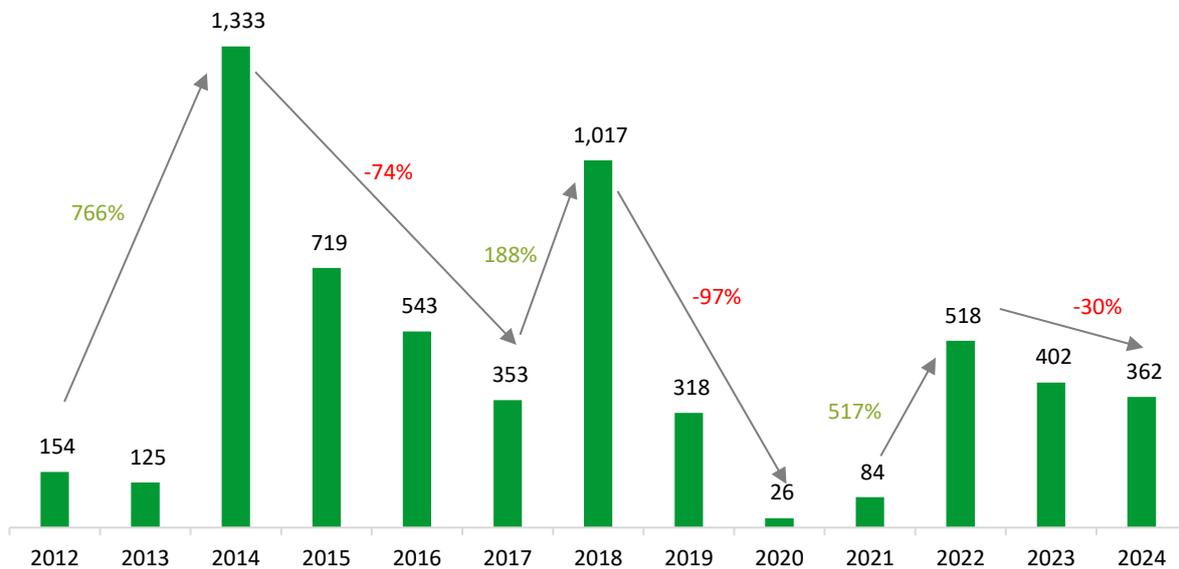
Source: Information provided by MTAI

Geological Studies

Subsurface studies through geological work play a crucial role in discovering new deposits. Investments are made in this direction every year, and their value for the period 2012-2024 is presented in the chart below.

Chart 4.1.3

Volume of geological surveys in 2012 - 2024, million AMD



Source: Statistical Committee of the RA ⁴⁸

⁴⁸ [eco_book_2024_3 \(armstat.am\)](#)

The total value of geological work during the specified period amounted to 5,954 million AMD. The significant increase in 2022 was mainly due to the resumption of exploration activities at the Amulsar mine. Since 2022, the volume of activities has begun to gradually decrease—by 22% in 2023 and by 10% in 2024. The volume of geological exploration carried out during 2010-2021, as well as the annual changes and their underlying reasons, are presented in the 2020-2021 EITI Report⁴⁹.

The volume of geological studies carried out in 2023 and 2024, broken down by sectors and work stages, is presented in the Table below.

Table 4.1.1

Volume of geological studies in 2023 by fields and work stages, thousand AMD⁵⁰

Field	Total	By stages				
		Prospecting	Prospecting and evaluation	Preliminary exploration	Detailed exploration	Other works
Metallic	316,219	258,874	15,345	-	-	42,000
Non-metallic	86,007	-	-	1355	84,652	-
Hydrogeological	-	-	-	-	-	-
Other works	-	-	-	-	-	-
Total	402,226	258,874	15,345	1,355	84,652	42,000

Source: Statistical Committee of the Republic of Armenia⁵¹

⁴⁹ <https://www.eiti.am/en/annual-reports/2022>

⁵⁰ **Prospecting:** The purpose of this stage is to establish a sufficient geological basis for forecasting mineral resources. As a result of this phase, structures, formations, and areas favorable for mineral discovery are identified; geological maps at scales of 1:1,500,000 to 1:50,000 are produced; and mineral resources belonging to P2 and P3 categories are assessed.

Exploration-Evaluation: At this stage, a geological study of the area is conducted, and mineral occurrences are identified. The outcome of this phase is a comprehensive assessment of the geological structure of the site, prospective areas, and P1 and P2 category resources.

Preliminary Exploration: This stage involves evaluating the industrial (economic) value of the deposit. Its outcome is a techno-economic assessment of the deposit, including the evaluation of reserves and resources belonging to C1, C2, and P1 categories.

Detailed Exploration: At this stage, studies are carried out on the geological structure of the deposit, the qualitative and technological properties of minerals, as well as the hydrogeological and engineering-geological conditions of the area. The result is data enabling deposit development and a techno-economic study of mineral reserves categorized under A, B, C1, and C2.

⁵¹ [eco_book_2024_3 \(armstat.am\)](https://armstat.am/eco_book_2024_3)

Table 4.1.2
Volume of geological studies in 2024 by fields and work stages, thousand AMD

Field	Total	By stages				
		Prospecting	Prospecting and evaluation	Preliminary exploration	Detailed exploration	Other works
Metallic	353,880	353,880	-	-	-	-
Non-metallic	8,249	-	-	-	8,249	-
Hydrogeological and engineering-geological	-	-	-	-	-	-
Other works	-	-	-	-	-	-
Total	362,129	353,880	-	-	8,249	-

Source: Statistical Committee of the RA

According to the reports submitted to the Statistical Committee of the Republic of Armenia, the total monetary value of geological works in 2024 amounted to 362,129 thousand AMD. Compared to 2023, there was a 9.9% decrease, which relates only to studies of precious metals and non-metals. In 2024, only prospecting and detailed exploration activities were carried out, whereas in 2022 and 2023, prospecting-evaluation and preliminary exploration works were also implemented. The main reason for this change is essentially attributable to the permits granted in 2022 to four companies for conducting geological studies.

4.2. Extraction and Production in the Metallic Mining Sector (Requirement 3.2)

As of December 31, 2024, the State Cadastre of Mineral Deposits and Occurrences of the Republic of Armenia (maintained by the Republican Geological Fund) recorded 998 deposits and geographically distinct sections of deposits (45 metallic, 834 solid non-metallic, 29 solid non-metallic approved by the Scientific and Technical Council (STC), and 21 solid non-metallic with off-balance reserves, 45 underground freshwater deposits, and 24 underground carbonated mineral water deposits) and 578 occurrences (129 metallic, 449 non-metallic).

According to current data, as of December 31, 2024, compared to 2022 and 2023, the number of deposits increased by 35 and 19, respectively. The number of occurrences has not changed.

The confirmed 45 metallic mineral deposits are as follows:

- 26 gold and gold-polymetallic,
- 7 copper-molybdenum,
- 4 copper,
- 3 iron,
- 2 polymetallic,
- 1 molybdenum,
- 1 magnesium-silicate rocks and chromites,
- 1 nepheline syenites.

No changes occurred in the list of metallic mineral deposits and sections in 2024 and the subsequent period.

Table 4.2.1
Mineral deposits operated by subsoil users in 2024

No.	Company Name	Name of Deposit (Site)	Mineral
1	“Meghradzor Gold” LLC	Meghradzor gold deposit, Kotayk Province, RA	Gold
2	“Sagamar” CJSC	Armanis gold-polymetallic deposit, Lori Province, RA	Gold
3	“Georaid” CJSC	Mutsq gold mine, Syunik Province, RA	Gold, Silver
4	“Akhtala Mining and Processing Combine” CJSC	Shamlugh copper deposit, Lori Province, RA	Copper
5	“Fortune Resources” LLC	Hrazdan iron deposit, Kotayk Province, RA	Iron
6	“Kapan Mining and Processing Combine” CJSC (formerly “Chaarat Kapan” CJSC)	Shahumyan gold-polymetallic deposit, Syunik Province, RA	Gold, Silver, Copper, Zinc, Lead
7	“Geopromining Gold” LLC	Sotk gold deposit, Gegharkunik Province, RA	Gold
8	“Multi Group Concern” LLC	Megharti gold deposit, ore bodies No. 8 and 5, Lori Province, RA	Gold
9	“Zangezour Copper-Molybdenum Combine” CJSC	Kajaran copper-molybdenum deposit, Syunik Province, RA	Molybdenum, Copper
10	“Vardani Zartonk” LLC	Sofi-Bina gold-polymetallic deposit, Vayots Dzor Province, RA	Gold
11	“Lydian Armenia” CJSC	Amulsar gold-bearing quartzite deposit - “Tigranes”, “Artavazdes”, and “Erato” sites, Vayots Dzor Province, RA	Gold-bearing quartzites
12	“Lichkvaz” CJSC	Lichkvaz-Tei gold deposit, Syunik Province, RA	Gold, Silver, Copper

No.	Company Name	Name of Deposit (Site)	Mineral
13	“Agarak Copper-Molybdenum Combine” CJSC	Agarak copper-molybdenum deposit, Syunik Province, RA	Copper, Molybdenum
14	“Assat” LLC	Karaberd gold deposit, Central site, Lori Province, RA	Gold, Silver
15	“Teghut” CJSC	Teghut copper-molybdenum deposit, Lori Province, RA	Copper, Molybdenum
16	“Active Lernagorts” LLC	Aygedzor copper-molybdenum deposit, Central site, Syunik Province, RA	Copper, Molybdenum
17	“At-Metals” LLC	Meghrasar gold deposit, Syunik Province, RA	Gold
18	“Baktek Eco” LLC	Arjut gold deposit, Lori Province, RA	Gold, Silver, Copper
19	“Geghi Gold” LLC	Voskevor gold-polymetallic deposit, Syunik Province, RA	Gold
20	“Gharagulyanner” CJSC	Upper Vardanidzor gold-polymetallic deposit, Central site, Syunik Province, RA	Gold
21	“Mego-Gold” LLC	Tukhmanuk gold deposit, Central site, Aragatsotn Province, RA	Gold
22	“Vaykgold” LLC	Azatek gold-polymetallic deposit, Vayots Dzor Province, RA	Gold
23	“Paramount Gold Mining” CJSC	Meghradzor gold deposit, Lusajur site, Kotayk Province, RA	Gold, Silver, Copper, Zinc, Lead
24	“Marjan Mining Company” LLC	Marjan gold-polymetallic deposit, Syunik Province, RA	Gold, Silver, Copper, Zinc, Lead

Source: Information provided by MTAI

In 2024, extraction in the metallic ore industry primarily related to copper-molybdenum ore. Ten subsoil users carried out extraction, as presented in Table 4.2.2. “Gharagulyanner” CJSC did not conduct extraction in 2023 and 2024, whereas in 2021 it extracted small volumes. “Aktiv Lernagorts” LLC has not engaged in extraction for the past four years, with its last extraction of 1,605 tons occurring in 2020. As a result, the list of extracting companies has somewhat decreased over the past five years.

It is also important to highlight the high concentrations of payable gold and silver present in mines containing copper and copper-molybdenum ore.

Table 4.2.2

Main products extracted in the metal mining sector in 2023 and 2024

N	Ore type	Volume		Company
		2023	2024	
1	Copper-molybdenum ore	21,997,494 wmt	14,285,532 wmt	"Zangezur Copper-Molybdenum Combine" CJSC
2	Copper-molybdenum ore	4,133,797 t	7,005,580 t	"Teghut" CJSC
3	Copper-molybdenum ore	4,532,500 t	3,583,000 t	"Agarak Copper-Molybdenum Combine" CJSC
4	Copper ore	305,151 wmt	323,695 wmt	"Akhtala Mining And Processing Combine" CJSC
5	Copper and gold ore	174,175 dmt	187,363 dmt	"Lichkvaz" CJSC
6	Gold ore	564,242 t	352,162 t	"Geopromining Gold" LLC
7	Gold-bearing ore	552,602 t	647,516 t	"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)
8	Gold-bearing ore	39,465 t	35,640 t	"Meghradzor Gold" LLC
9	Gold-bearing ore	33,947 t	4,594 t	"Assat" LLC
10	Gold-bearing ore	6 t	243 t	"Baktek Eco" LLC

Source: Reports provided by companies to EITI

According to the publication of the Statistical Committee of Armenia⁵², in 2024 the value of metallic ore extraction amounted to 428,897.3 million AMD, representing 13.7% of total industrial output. Compared to the previous year, the value of metallic extraction decreased by 3.7%. In 2023, the same indicator decreased by 8.3% compared to 2022, amounting to 445,241.0 million AMD.

As in previous years, Syunik Province remains the leader in metallic ore production, accounting for 83.4% of total output in 2024, whereas the previous year this figure was 91.1%. Lori Province ranks second with 15.3%, and Gegharkunik Province third with 0.7%.

In 2024, ore extraction in Lori Province increased by 184.1% and 103.0% compared to 2022 and 2023, respectively, mainly due to the growth in extraction volumes at the Teghut mine.

The distribution of the value of mining industry output among the regions of Armenia is summarized in the chart and table below.

Table 4.2.3

Leading regions in metal ore production, at current prices, million AMD

Marz	Syunik	Lori	Gegharkunik	Kotayk	Total
2014	168,165	10,695	8,279	1,099	188,238
2015	146,159	54,899	12,855	1,599	215,512
2016	167,184	66,515	14,854	2,547	251,100
2017	236,667	79,088	15,089	1,517	332,361
2018	259,558	7,263	18,886	1,567	287,274
2019	282,574	35,456	23,165	1,750	342,945
2020	300,423	57,838	26,435	2,203	386,899
2021	461,652	92,571	14,198	1,837	570,258
2022	440,179	23,145	20,119	1,889	485,332
2023	405,739	32,392	6,476	634	445,241
2024	357,706	65,764	2,980	2,447	428,897

Source: RA Statistical Office "Main indicators of industrial organizations by two-digit classification of economic activity, by regions and city of Yerevan. Statistical Bulletin for the corresponding years"⁵³

According to data from 2014-2024, the largest increase in metallic ore extraction in Armenia was recorded in 2021, amounting to 47.4%.

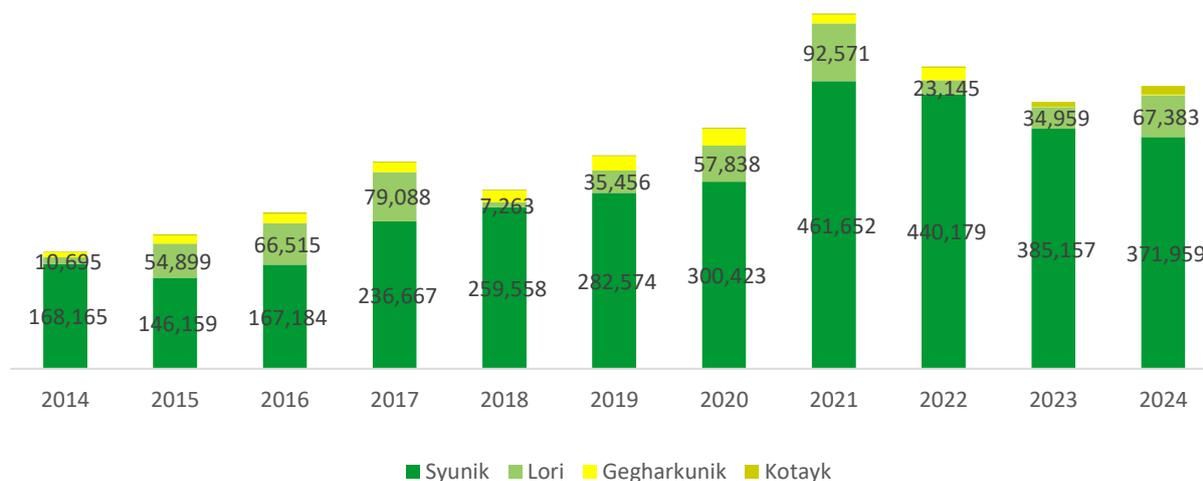
⁵²

https://statbank.armstat.am/pxweb/hy/ArmStatBank/ArmStatBank_3%20Industry.%20Construction.%20trade%20and%20services_32%20Industry_322%20Industry.%20by%20marzes%20and%20Yerevan%20city/IC-ind-marz-03.px/table/tableViewLayout2/?rxid=9ba7b0d1-2ff8-40fa-a309-fae01ea885bb

⁵³ The same

Chart 4.2.1

2014-2024: Volumes of regional output of the mining industry in monetary terms, million AMD



Source: Publication of the RA Mining Commission "Volume of extracted metal ore products of the Republic of Armenia at current prices by regions" for the relevant years

In Armenia, the main product of the metallic ore industry is copper concentrate; however, in addition to copper concentrate, molybdenum, ferromolybdenum, and zinc are also produced. Furthermore, precious metals such as gold ore and silver alloys are manufactured. The main types of mining products, their volumes, and values are summarized in the table below.

Table 4.2.4

Main products produced by the metal ore industry in 2023 and 2024, their volume and value

N	Product type	Unit of measurement	2023		2024		Company
			Volume	Monetary value, million AMD	Volume	Monetary value, million AMD	
1	Copper concentrate	wmt	201,332	43,732	181,920	57,350	"Zangezur Copper-Molybdenum Combine" CJSC
2	Copper concentrate	dmt	50,933	21,461	88,499	38,303	"Teghut" CJSC
3	Copper ores and concentrates	t	51,892	17,628	53,589	34,005	"Agarak Copper-Molybdenum Combine" CJSC
4	Copper ores and concentrates	wmt	9,150	4,244	10,001	4,358	"Akhtala Mining And Processing Combine" CJSC
5	Dore alloy of gold and silver	gram	875,602	20,683	351,162	7,672	"Geopromining Gold" LLC

N	Product type	Unit of measurement	2023		2024		Company
			Volume	Monetary value, million AMD	Volume	Monetary value, million AMD	
6	Ferromolybdenum	t	7,355	39,895	0	0	"Zangezur Copper-Molybdenum Combine" CJSC
7	Molybdenum concentrate	wmt	10,550	23,713	17,494	58,864	"Zangezur Copper-Molybdenum Combine" CJSC
8	Molybdenum concentrate	dmt	179	1,555	243	1,896	"Teghut" CJSC
9	Molybdenum concentrate	t	1269	5,554	955	7,252	"Agarak Copper-Molybdenum Combine" CJSC
10	Fermented molybdenum concentrate	t	744	4,648	228	1,887	"Zangezur Copper-Molybdenum Combine" CJSC
11	Zinc concentrate	dmt	8,162	4,833	10,500	6,525	"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)
12	Precious metal concentrate containing gold	dmt	9,704	21,613	13,396	36,660	"Kapan Mining And Processing Combine" CJSC ((Formerly "Chaarat Kapan" CJSC)
13	Precious metal concentrate containing gold	dmt	6,293	6,476	7,022	1,022	"Kapan Mining And Processing Combine" CJSC ((Formerly "Chaarat Kapan" CJSC)
14	Precious metal concentrate containing gold	dmt	6,396	3,800	6,980	4,302	"Lichkvaz" CJSC
15	Precious metal concentrate containing gold	t	0	0	0	0	"Multi Group Concern" LLC
16	Non-ferrous metal ore	t	33,947	177	4,594	100	"Assat" LLC

N	Product type	Unit of measurement	2023		2024		Company
			Volume	Monetary value, million AMD	Volume	Monetary value, million AMD	
17	Precious metal concentrate containing gold	t	2,419	1,064	1,594	445	"Meghradzor Gold" LLC

Source: Reports provided by companies to EITI

Production of Copper Concentrate

Copper concentrate production holds a leading position in Armenia's mining industry. In 2024, 334,009 tons of copper concentrate were produced, with a total value of 134,016 million AMD. Compared to 2022 and 2023, production volume increased by 6.6%, while the value indicator rose by 53.9%, mainly due to a significant increase in global copper prices in 2024.

The leading company in copper concentrate production is Zangezur Copper-Molybdenum Combine CJSC, which produced 181,920 tons in 2024. In 2023, the Combine produced 201,332 tons, resulting in an 8.8% decrease in production volume compared to the previous year. The combined production volumes of the other three companies account for 45.5% of total production in 2024.

Teghut CJSC significantly increased its copper concentrate production in 2024, rising from 50,933 tons in the previous year to 88,499 tons. The growth in Teghut mine production began in 2023, gradually recovering from the crisis caused by the Russia-Ukraine war, as sanctions imposed on Russia had a considerable impact on the company. According to the declaration of beneficial owners published in the State Register of Legal Entities (March 4, 2025), 49.95% of Teghut CJSC shares remain owned by Russia's VTB Bank CJSC.

Compared to the previous year, the list of companies producing copper concentrate has remained unchanged.

Table 4.2.5

Copper concentrate production by company in 2023

Company name	The company's community of operations	Unit of measurement	Volume	Value, AMD million	Value, USD million
« "Zangezur Copper-Molybdenum Combine" CJSC	RA, Syunik region, Qajaran	wmt	201,332	43,732	111,431
"Teghut" CJSC	RA, Lori region, Teghut	dmt	50,933	21,461	54,684
"Agarak Copper-Molybdenum Combine" CJSC	RA, Syunik region, Agarak	wmt	51,892	17,628	44,916
"Akhtala Mining And Processing Combine" CJSC	RA, Lori region, Akhtala	wmt	9,150	4,244	10,814
Total			313,307	87,066	221,846

Source: Reports provided by companies to EITI

Table 4.2.6

Copper concentrate production by company in 2024

Company name	The company's community of operations	Unit of measurement	Volume	Value, AMD million	Value, USD million
"Zangezur Copper-Molybdenum Combine" CJSC	RA, Syunik region, Qajaran	wmt	181,920	57,350	146,030
"Teghut" CJSC	RA, Lori region, Teghut	dmt	88,499	38,303	97,530
"Agarak Copper-Molybdenum Combine" CJSC	RA, Syunik region, Agarak	wmt	53,589	34,005	86,585
"Akhtala Mining And Processing Combine" CJSC	RA, Lori region, Akhtala	wmt	10,001	4,358	11,098
Total			334,009	134,016	341,243

Source: Reports provided by companies to EITI

Production of Molybdenum Concentrate and Ferromolybdenum

In 2024, the total production volume of molybdenum concentrate and ferromolybdenum amounted to 18,920 tons, reflecting a 5.8% decrease compared to the previous year. The total value of production in 2024 was 69,899 million AMD, whereas in 2023 it was 75,364 million AMD and in 2022, 66,755 million AMD.

Among the companies engaged in molybdenum production, Zangezur Copper-Molybdenum Combine CJSC remains the leader, accounting for 93.7% of total production.

At the same time, in 2024 the Combine did not produce ferromolybdenum, whereas in 2023 it produced 7,355 tons. The suspension of production was mainly due to low market prices for ferromolybdenum, as a result of which the Combine preferred to produce and sell molybdenum concentrate rather than process it into ferromolybdenum for sale.

It should be noted that in 2024, Zangezur Copper-Molybdenum Combine sold ferromolybdenum from the previous year's residual stock, not from current production.

Table 4.2.7

Molybdenum concentrate and ferromolybdenum production by company in 2023 and 2024

Company name	2023		2024	
	Volume, wmt	Value, AMD million	Volume, wmt	Value, AMD million
"Zangezur Copper-Molybdenum Combine" CJSC	11,294	28,361	17,722	60,751
"Teghut" CJSC	179	1,555	243	1,896

Company name	2023		2024	
	Volume, wmt	Value, AMD million	Volume, wmt	Value, AMD million
"Agarak Copper-Molybdenum Combine" CJSC	1,269	5,554	955	7,252
Total	12,742	35,469	18,920	69,899

Source: Reports provided by companies to EITI

Production of Zinc Concentrate

In Armenia, zinc is produced exclusively by Kapan Ore Processing Combine CJSC. In 2023, production volume amounted to 8,162 tons, while in 2024 it increased by 28.6%, reaching 10,500 tons. The production value in 2023 was 4,833 million AMD, and in 2024 it grew by 35.0%, reaching 6,525 million AMD.

Table 4.2.8

Zinc concentrate production by company in 2023 and 2024

Company name	The company's community of operations	2023		2024	
		Volume, wmt	Value, AMD million	Volume, wmt	Value, AMD million
"Kapan Mining And Processing Combine" CJSC	RA, Syunik region, Kapan	8,162	4,833	10,500	6,525
Total		8,162	4,833	10,500	6,525

Source: Reports provided by companies to EITI

Comparison of Information Received from Companies and the Statistical Committee

According to the data provided by companies and the Statistical Committee of Armenia, certain discrepancies have been recorded, mainly due to differences in the units of measurement applied. In the case of copper and molybdenum concentrate, the figures reported by companies are 7% and 9% higher, respectively, than the volumes calculated by the Statistical Committee, since the Committee presents data in tons, whereas several companies used wet and dry measurement units. The only exception is Agarak Copper-Molybdenum Combine CJSC, which reported its data exclusively in tons without further details.

Table 4.2.9
Comparison of information received from mining companies and the Statistical Committee in 2024

Product type	2024	
	Production volume (tons) according to the RA Customs Service	Production volume (tons) by companies
Copper concentrate	312,027	334,009
Molybdenum concentrate	17,066	18,692
Ferromolybdenum	4,499	0
Zinc concentrate	10,501	10,500

Source: Reports provided by companies to EITI and by the RA SC

In 2024, the “Zangezur Copper-Molybdenum Combine” CJSC did not carry out its own production of ferromolybdenum. However, the data reflected in the Statistical Committee of Armenia’s records include the production of ferromolybdenum concentrate, which was carried out by non-extractive companies. In particular, ‘AMP Holding’ LLC, which does not possess a mining license, was engaged in ferromolybdenum production and acquired the concentrate from the “Zangezur Copper-Molybdenum Combine CJSC”.

Production of Precious Metal Concentrates

The table below presents the production of gold and gold-bearing precious-metal concentrate for 2023–2024.

Table 4.2.10
Precious metals production by company in 2023 and 2024

Company name	The company's community of operations	Product type	Unit of measurement	2023		2024	
				Volume	Value AMD million	Volume	Value AMD million
"Geopromining Gold" LLC	RA, Gegharkunik region, Geghamasar	Dore alloy of gold and silver	gram	875,602	20,683	352,162	7,672
“Kapan Mining And Processing Combine” CJSC	RA, Syunik region, Kapan	Precious metal concentrate containing gold	dmt	15,997	28,089	20,418	37,682

Company name	The company's community of operations	Product type	Unit of measurement	2023		2024	
				Volume	Value AMD million	Volume	Value AMD million
(Formerly "Chaarat Kapan" CJSC)							
"Lichkvaz" CJSC	RA, Syunik region, Kapan	Precious metal concentrate containing gold	dmt	6,396	3,800	6,980	4,302
"Meghradzor Gold" LLC	Armenia, Kotayk region, Meghradzor	Precious metal concentrate containing gold	T	2,419	1,064	1,594	445
"Assat" LLC	village of Karaberd	Gold-bearing ores	t	0	0	4,594	100
Total					53,636		50,201

Source: Reports provided by companies to EITI

The production of gold and silver ingots by GeoProMining Gold LLC has shown a continuous downward trend in recent years: in 2024, it amounted to 352,162 grams, whereas in 2023 production was 875,602 grams, and in 2022 it was significantly higher at 2,433,502 grams. This sharp decline is mainly due to restrictions on the operation of the Sotk mine, particularly as a result of the situation following the 2020 war.

As of 2024, the leader in terms of production value is Kapan Ore Processing Combine CJSC, which accounted for 75.1% of the total indicator and demonstrated a 27.6% annual growth. Overall, the value of precious metal production in 2024 decreased by 16.6% compared to 2023, mainly due to operational restrictions at the Sotk mine.

According to Requirement 3.2 of the EITI Standard (2023), implementing countries are obliged to publish production data in a timely manner, including production volumes and values by commodity. Where necessary, data should also be disaggregated by project. In specific cases, an estimate of production from artisanal and small-scale activities (if any) should be disclosed, along with the sources and methods used to calculate production volumes and values.

In addition, implementing countries must disclose the mechanisms that ensure the accuracy and verification of production data and documentation, including any weaknesses related to the comprehensiveness and reliability of publicly available information.

Armenia complies with the requirement to disclose data on production volumes and values: relevant information is published for each reporting period through the public reports of subsoil user companies. The main prerequisite for data accuracy is ensuring their quality, which is addressed in Sections 1.3 and 7.2 of the report.

Further improvement of data quality will be facilitated by the implementation of a systematic electronic disclosure platform, which will enable real-time reconciliation of information submitted by both parties at the moment of reporting.

There is no production resulting from artisanal and small-scale mining in Armenia.

4.3. Sales volumes and exports in the metal mining sector (Requirements 3.3 and 6.3)

4.3.1. Exports in the metal mining sector

According to the Statistical Committee, in 2023–2024 the mining and quarrying industry remained one of the main sectors of Armenia’s GDP, accounting for 3%⁵⁴. The mining sector contributed 34.1% and 54.1% of total exports in 2023 and 2024, respectively⁵⁵. The continued increase in the share of mining sector exports within total exports is driven by the sharp rise in gold export volumes since 2022. In particular, gold exports increased by 210% in 2022 compared with 2021, by 337% in 2023, and by 210% in 2024. The overwhelming majority of these large gold export volumes was ensured by non-extractive companies. At the same time, the export volume of other sector products, specifically concentrates, decreased by 7.2% in 2023 compared with the previous year, while a 1.7% increase was recorded in 2024. The decline in mining exports in 2023 was mainly due to reduced production and uncertainty in global metal markets.

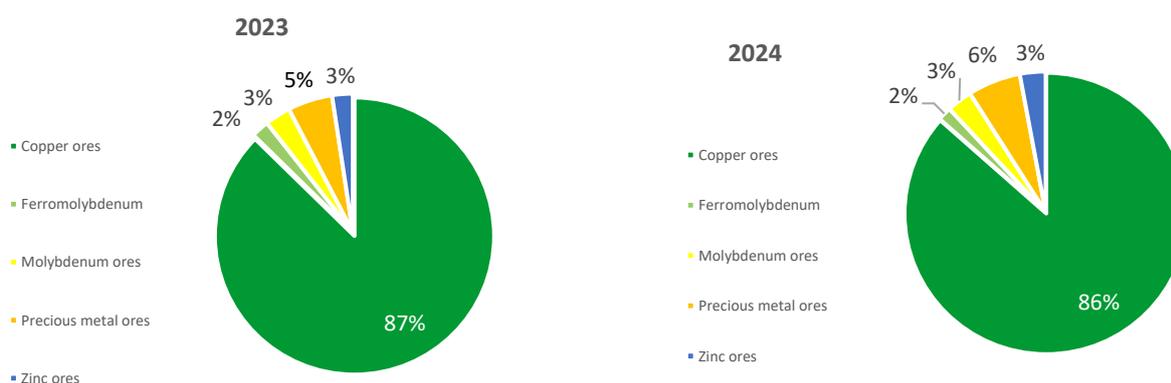
According to Comtrade data, exports of mining products excluding gold amounted to USD 1,108 million in 2024. The value of exported gold reached a historic high of USD 5,605 million in 2024.

In terms of physical volumes, copper concentrate accounted for the largest share of mining exports in 2023–2024, comprising 86.9% of the sector’s exports. The share of precious metal concentrates was 5.6%. Zinc concentrate accounted for 2.7%, molybdenum concentrate for 2.9%, and ferromolybdenum concentrate for 1.8%.

Overall, in 2024, the physical volume of exports excluding gold increased by 5.5% compared with 2023, while the export value excluding gold decreased by 1.7%. The value of gold exports increased by 210%.

Chart 4.3.1.1

Shares of metal products exports in total exports in 2023 and 2024



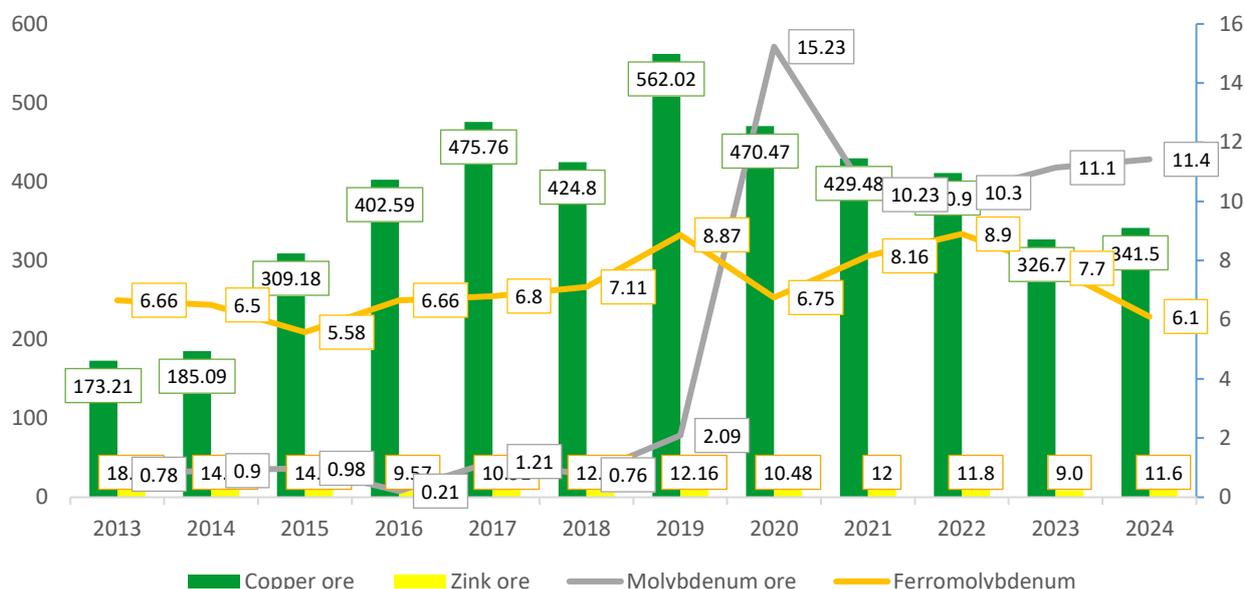
Source: ITC calculations based on UN COMTRADE statistics

⁵⁴ https://statbank.armstat.am/pxweb/hy/ArmStatBank/ArmStatBank_1%20Economy%20and%20finance_15%20National%20Accounts_151%20SNA%202008_1511%20Annual%20data_1511%20Production%20of%20GDP/EF-NA-08AP02.px/table/tableViewLayout1/?rxid=9ba7b0d1-2ff8-40fa-a309-fae01ea885bb

⁵⁵ [UN Comtrade](#)

Chart 4.3.1.2

Export of metal products, thousand tons, 2013-2024



Source: ITC calculations based on UN COMTRADE statistics

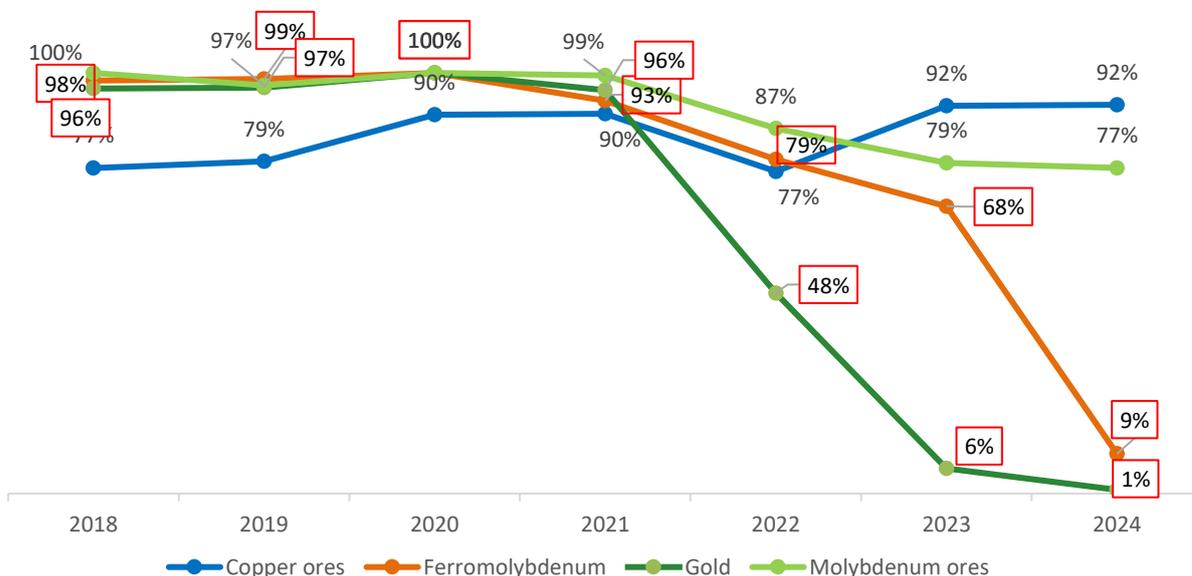
The export volumes of copper concentrate increased year by year, reaching their peak in 2019 at 562 thousand tons. After 2019, a declining trend was observed, while in 2024 a 4.5% increase was recorded compared with 2023. The export volumes of zinc concentrate have not undergone significant changes over the past decade and have remained at a relatively low level. Exports of molybdenum concentrate were minor until 2019, after which a substantial increase was recorded in 2020. Following some decline, export volumes stabilized, remaining around 11 thousand tons in 2023–2024. The export volumes of ferromolybdenum fluctuated within the range of 6–8 thousand tons over the same period, with a slight decrease recorded in 2023–2024.

As part of the analysis, the share attributable to companies producing and extracting metallic products was also examined. In the line graph presented below, the percentage ratio shows the portion of exports for each product type that was carried out by mining companies within total exports. According to the data, the entire export volume (100%) of precious metal concentrates and zinc concentrate was carried out by extractive companies.

It is important to note that the difference between total exports and the exports carried out by mining companies represents the volume exported by non-extractive companies. This implies that these companies either purchased the corresponding products from the domestic market or imported them from other countries for subsequent re-export. This analysis is essential for a comprehensive assessment of the export value chain and the structure of circulation of domestic metallic products.

Chart 4.3.1.3

Share of metallic product exports carried out by extractive companies in total metallic product exports (by physical volumes), 2018–2024



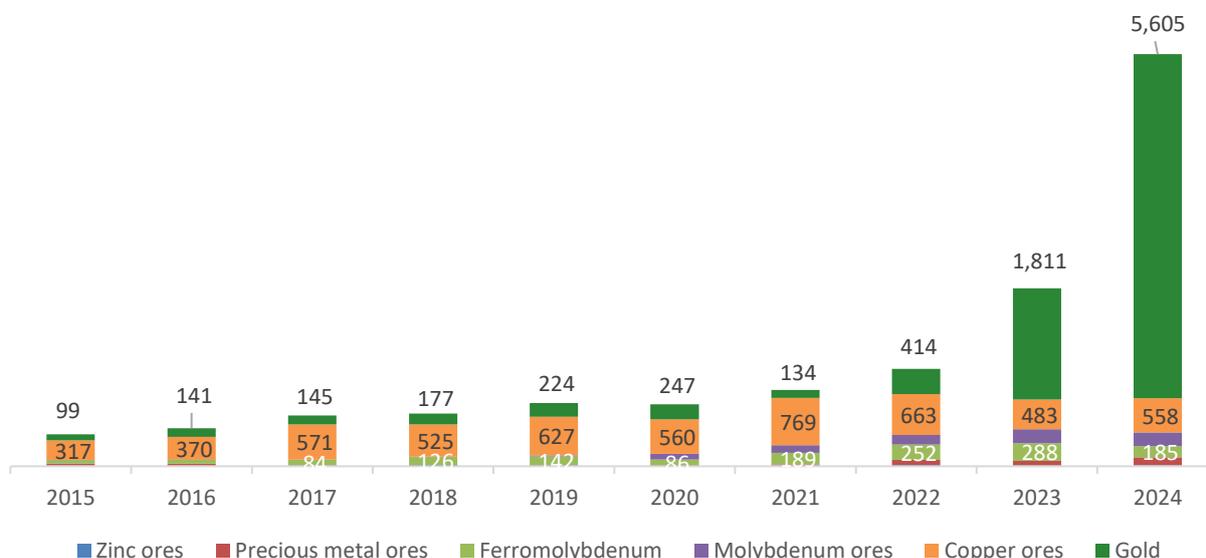
Source: Information provided by the SRC of the RA within the scope of the EITI Report and ITC calculations

The export volume of metallic products produced and exported by extractive companies within total exports has significantly decreased since 2022, with the exception of copper concentrate. In particular, the export share of gold within total exports decreased from 96% to 1%. A similar trend was observed for ferromolybdenum, whose export share fell from 93% in 2021 to 9% in 2024.

The line graph below presents the export values of metals by year. Changes in export values generally follow the variations in export volumes of metals, with deviations mainly driven by fluctuations in metal prices.

Chart 4.3.1.4

Export of metal products, million dollars , 2013-2024



Source: ITC calculations based on UN COMTRADE statistics

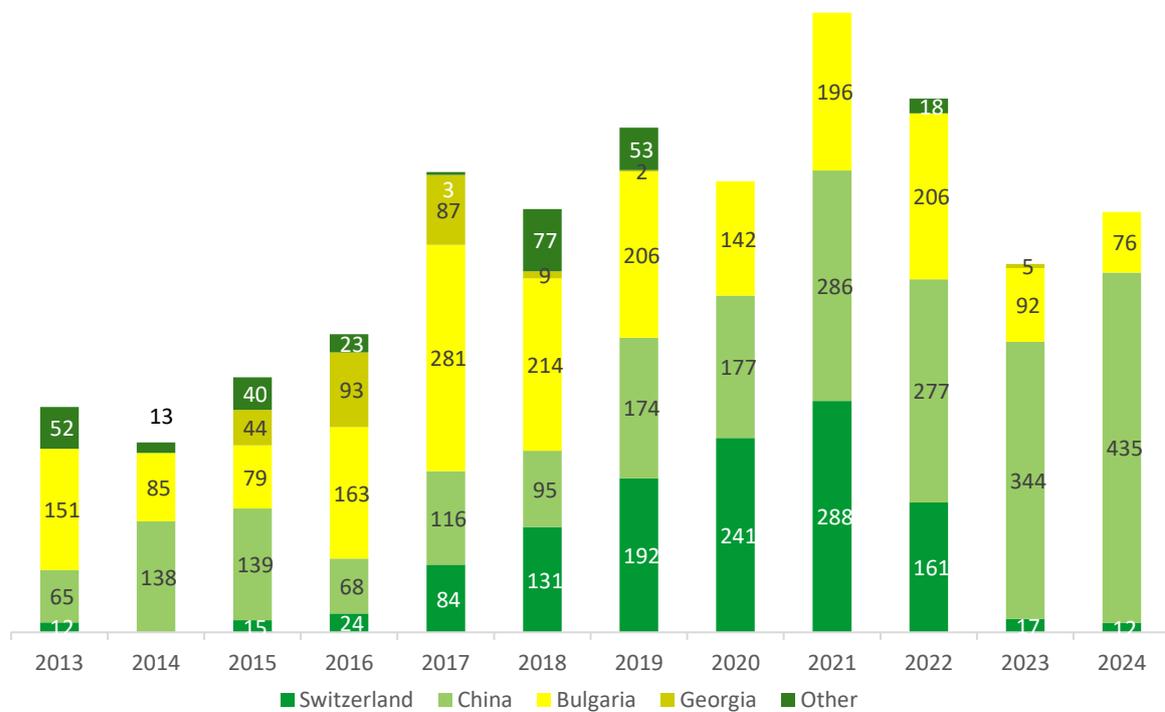
Copper concentrate exports

Exports of copper account for 92.1% of mining exports (excluding gold) and have an impact of around 2% on Armenia’s GDP. The average annual growth rate for 2014-2024 was 8.1%. In 2024, copper concentrate exports increased by 4.5% compared to 2023, while in 2023 they decreased by 20.5% compared to 2022. The historical maximum sale of copper concentrate was recorded in 2021, which was mainly due to high copper prices in that year.

In 2024, the leading country for copper exports from Armenia was China, which accounted for 83.23% of total exports or 434.6 million USD. In 2024, The volume of exports to China amounted to 261.8 thousand tons, which increased compared to 2023 and 2022 by 14.9% and 49.4%, respectively. Significant changes were observed in the structure of copper concentrate export destinations in 2024. The value of exports to Bulgaria and Switzerland decreased compared to 2023 by 17.6% and 27.9%, respectively. Their share was replaced by exports to China, the value of which increased by 26.3%.

Chart 4.3.1.5

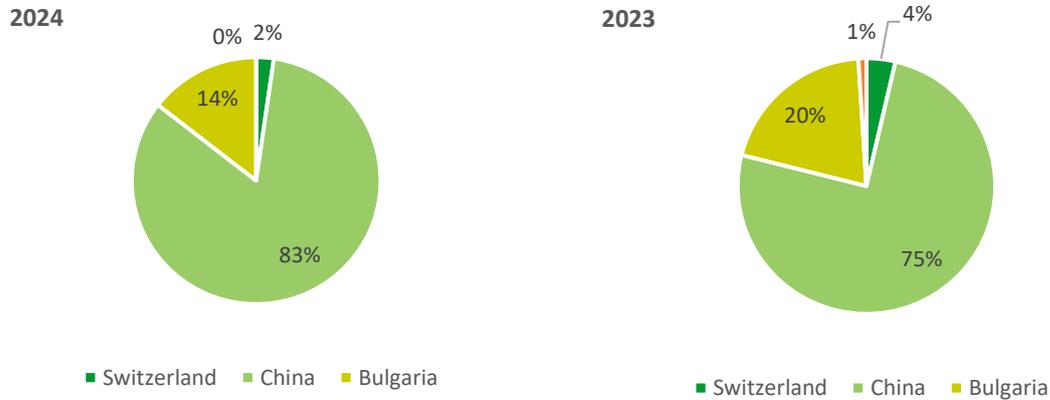
Distribution of copper concentrate exports by country, 2013-2024, million dollars



Source: ITC calculations based on UN COMTRADE statistics

Chart 4.3.1.6

Copper concentrate export distribution by country in 2023-2024



Source: ITC calculations based on UN COMTRADE statistics

Table 4.3.1.1

Copper concentrate export distribution by company, volume, dollar value and export country in 2023

Region of origin	Company name	Export country	2023		
			Volume	Volume AMD million	Volume USD million
Lori region	“Akhtala Mining And Processing Combine” CJSC	Bulgaria	9,150 wmt	4,832	12,312
	“Teghut” CJSC	Switzerland, China, Russia	38,617 dmt	20,264	51,633
Syunik region	"Agarak Copper-Molybdenum Combine" CJSC	China	50,968 t	27,809	70,859
	"Zangezur Copper-Molybdenum Combine" CJSC	China, Bulgaria	203,367 wmt	125,154	318,896
Total				178,059	453,700

Source: Reports provided by companies to EITI

Table 4.3.1.2
Copper concentrate export distribution by company, volume, dollar value and export country in 2024

Region of origin	Company name	Export country	2024		
			Volume	Volume AMD million	Volume USD million
Lori region	“Akhtala Mining And Processing Combine” CJSC	Bulgaria	9,825 wmt	5,408	13,771
	“Teghut” CJSC	Switzerland, China, Russia	73,165 dmt	45,438	115,697
Syunik region	"Agarak Copper-Molybdenum Combine" CJSC	China	53,589 t	34,005	86,585
	“Zangezur Copper-Molybdenum Combine” CJSC	China, Bulgaria	182,116 wmt	125,265	318,959
Total				210,115	535,011

Source: Reports provided by companies to EITI

The largest export volumes and values belong to Zangezur Copper-Molybdenum Combine CJSC, which dominates both in terms of quantity and value, exporting 182,116 tons of products mainly to China and Bulgaria.

Teghut CJSC has an export volume of 73,165 tons, directed to three countries: Switzerland, China, and the Russian Federation.

At the same time, the export volumes of Agarak Copper-Molybdenum Combine CJSC and Akhtala Ore Processing Combine CJSC are relatively small and mainly directed to China and Bulgaria.

Overall, the export value amounted to 210,115 million AMD, equivalent to 535,011 thousand USD.

Copper concentrate, in addition to copper, also contains payable quantities of precious metals gold and silver. Below is a summary of the export volumes of copper concentrate producers by the final metal content.

Table 4.3.1.2
Final content of metals considered payable in exported copper concentrate in 2024

Region of origin	Company name	Metal type	2023		2024	
			Volume	Concentrate volume	Volume	Concentrate volume
Lori region	"Akhtala Mining And Processing Combine" CJSC	copper	1,716 dmt	9,150 wmt	1,843 wmt	9,825 wmt
	"Teghut" CJSC	copper	11,667 dmt	54,396 dmt	3,204 t	15,445 dmt
Syunik region	"Agarak Copper-Molybdenum Combine" CJSC	copper	11,519 t	50,968 t	10,807 t	53,589 t
	"Agarak Copper-Molybdenum Combine" CJSC	copper	40,948 t	222,906 wmt	36,815 t	182,116 wmt
		gold	241 kg		189 kg	
		silver	3,711 kg		3,138 kg	
	"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	copper	1,872 t	11,013 wmt	2,516 t	14,802 wmt
		gold	738 kg		992 kg	
silver		13,469 kg	17,925 kg			

Source: Reports provided by companies to EITI

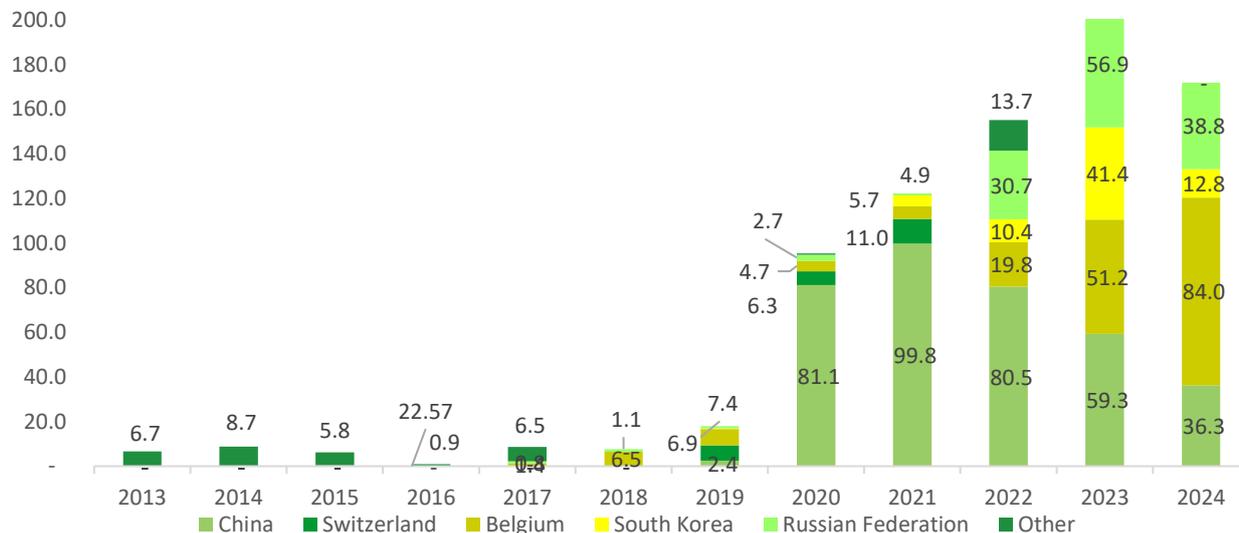
Export of Molybdenum Concentrate and Ferromolybdenum

In 2024, molybdenum and ferromolybdenum concentrates were exported from Armenia in volumes of 11.4 and 6.1 thousand tons, respectively. Within the total mining exports, molybdenum and ferromolybdenum accounted for 3.1% and 1.6%, respectively. Compared to 2023, molybdenum export volumes in 2024 increased by 2.6%, maintaining an almost stable level, whereas ferromolybdenum export volumes decreased by 21.19%, mainly due to a decline in market prices for ferromolybdenum.

Below is the distribution of export values for molybdenum concentrate and ferromolybdenum by country, in USD.

Chart 4.3.1.7

Distribution of molybdenum concentrate exports by country, million USD, 2013-2024



Source: ITC calculations based on UN COMTRADE statistics

In 2024, the main destination for molybdenum concentrate exports changed: whereas in the previous year the primary markets were China and the Russian Federation, in 2024 the leading export destination became Belgium. The export volume to Belgium increased by 64.0% compared to 2023, reaching USD 84.0 million.

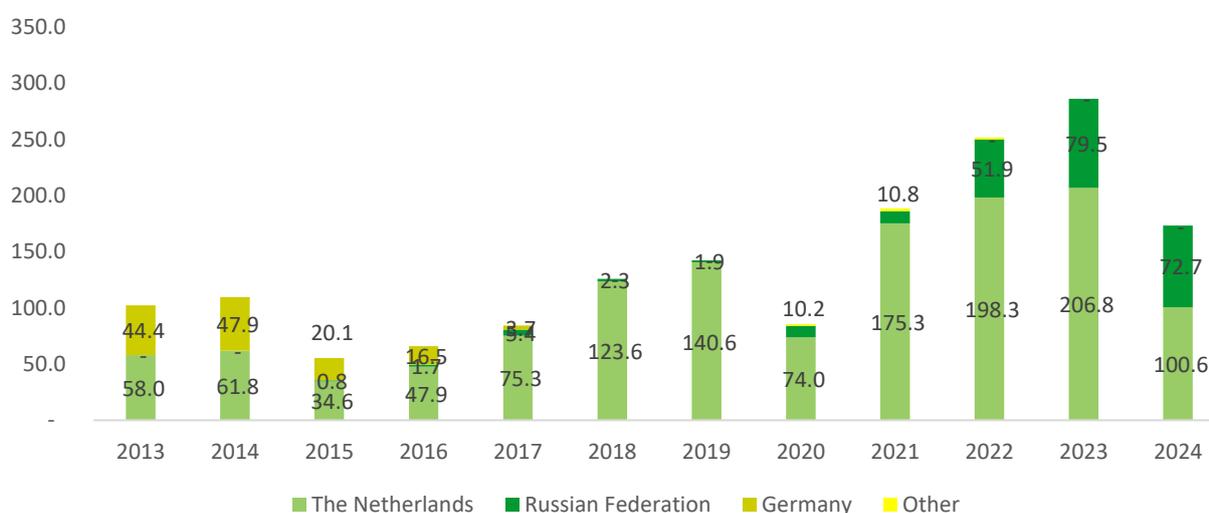
At the same time, export volumes to China and the Russian Federation decreased compared to 2023 by 38.7% and 31.8%, respectively.

The largest decline was recorded for South Korea 69.1%, resulting in a decrease in export value to USD 12.8 million, down from USD 41.4 million in the previous year.

As a result, in 2024 the total export value of molybdenum concentrate decreased by 17.6%, amounting to USD 171.9 million.

Chart 4.3.1.8

Distribution of ferromolybdenum exports by country, million USD, 2013-2024



Source: ITC calculations based on UN COMTRADE statistics

The main destination for ferromolybdenum exports has been the Netherlands, which has remained Armenia's leading market for ferromolybdenum exports from 2013 to 2024. In 2024, exports to the Netherlands decreased by 51.3%, amounting to USD 100.6 million, which represents 58.0% of total ferromolybdenum exports. This decline is primarily due to the reduction in ferromolybdenum production in 2024, which resulted in a shift in the sales structure replacing ferromolybdenum volumes with increased sales of molybdenum concentrate.

Until 2024, Zangezur Copper-Molybdenum Combine CJSC exported ferromolybdenum through local non-extracting companies by commissioning them to process molybdenum concentrate and subsequently export the resulting ferromolybdenum concentrate. In 2024, Zangezur Copper-Molybdenum Combine CJSC no longer placed such orders and instead increased the export of molybdenum concentrate. As a result, in 2024 all ferromolybdenum exports were carried out exclusively by non-extracting companies.

Export volumes to the Russian Federation remained almost unchanged compared to the previous year. Overall, the export value of ferromolybdenum in 2024 decreased by 39.5%, amounting to USD 173.3 million.

The destinations for molybdenum concentrate exports were the Russian Federation, Belgium, Chile, South Korea, Thailand, China, and Georgia, while the destinations for ferromolybdenum exports were Russia, the Netherlands, and Poland.

Table 4.3.1.3

Distribution of molybdenum concentrate and ferromolybdenum exports by company, volume, value in 2023

Region of origin	Company name	Product name	Export country	Volume	Value, million AMD	Value, million USD
Syunik region	"Zangezur Copper-Molybdenum Combine" CJSC	Fermented molybdenum concentrate	Russian Federation	1,344 wmt	13,021	33,178
	"Zangezur Copper-Molybdenum Combine" CJSC	Molybdenum concentrate	China, Belgium, Korea, Greece	8,042 wmt	59,109	150,611
	"Zangezur Copper-Molybdenum Combine" CJSC	Ferromolybdenum	Netherlands, Russia, Poland	7,180 t	105,502	268,822
Total					177,631	452,610

Source: Reports provided by companies to EITI

Table 4.3.1.4

Distribution of molybdenum concentrate and ferromolybdenum exports by company, volume, value in 2024

Region of origin	Company name	Product name	Export country	Volume	Value, million AMD	Value, million USD
Syunik region	"Zangezur Copper-Molybdenum Combine" CJSC	Fermented molybdenum concentrate	Russian Federation	1,169 wmt	13,628	34,701

Region of origin	Company name	Product name	Export country	Volume	Value, million AMD	Value, million USD
	"Zangezur Copper-Molybdenum Combine" CJSC	Molybdenum concentrate	China, Belgium, Korea, Chile, Thailand, Georgia	8,270 wmt	56,550	143,991
	"Zangezur Copper-Molybdenum Combine" CJSC	Ferromolybdenum	Netherlands, Russia, Poland	1,124 t	13,116	33,398
Total					83,294	212,090

Source: Reports provided by companies to EITI

Molybdenum concentrate and ferromolybdenum do not contain other payable products.

Table 4.3.1.5

Final content of molybdenum considered payable in exported molybdenum concentrate and ferromolybdenum in 2023-2024

Company name	Metal type	2023		2024	
		Volume	Concentrate volume	Volume	Concentrate volume
"Teghut" CJSC	molybdenum concentrate	-	-	28 t	75 dmt
"Zangezur Copper-Molybdenum Combine" CJSC	calcined molybdenum concentrate	783 t	1,344 wmt	-	-
"Zangezur Copper-Molybdenum Combine" CJSC	molybdenum concentrate	3,543 t	8,042 wmt	3,624 wmt	8,270 wmt
"Zangezur Copper-Molybdenum Combine" CJSC	Ferromolybdenum	4,836 t	7,180 t	780 t	1,169 t

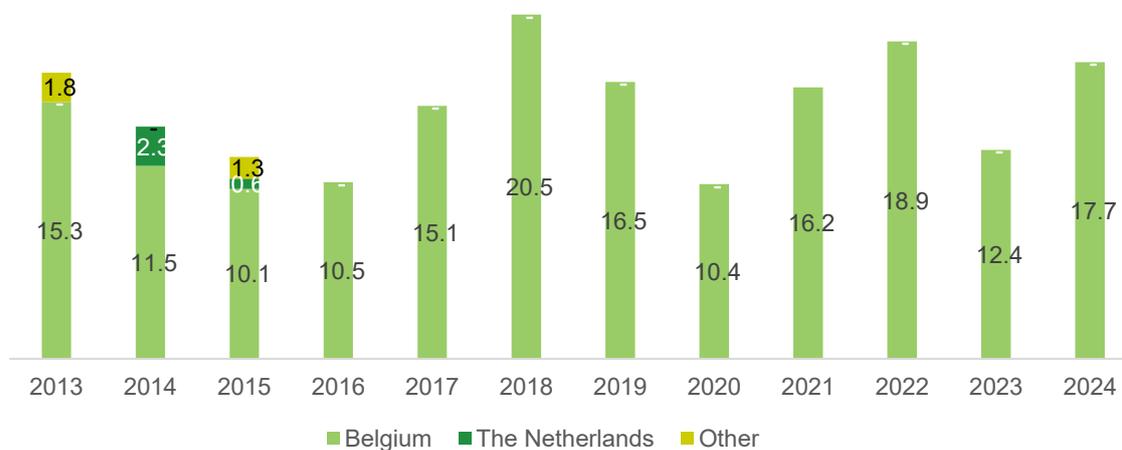
Source: Reports provided by companies to EITI

Export of Zinc Concentrate

In 2024, zinc concentrate exports accounted for 3.1% of the total mining export volumes. The total export value amounted to USD 17.7 million, which represents a 42.0% increase compared to the previous year.

Chart 4.3.1.9

Zinc concentrate exports by country, million USD, 2013-2024



Source: ITC calculations based on UN COMTRADE statistics

Since 2018, zinc concentrate has been exported only to Belgium; prior to that, it was exported to South Korea, the Netherlands, and so on.

Table 4.3.1.6

Zinc concentrate export distribution by company, volume, dollar value and export country in 2023

Region of origin	Company name	Export country	Volume	Value AMD million	Value USD million
Syunik region	“Kapan Mining And Processing Combine” CJSC	Belgium	8,950	4,910	12,511

Source: Reports provided by companies to EITI

Table 4.3.1.7

Zinc concentrate export distribution by company, volume, dollar value and export country in 2024

Region of origin	Company name	Export country	Volume	Value AMD million	Value USD million
Syunik region	“Kapan Mining And Processing Combine” CJSC	Belgium	11,604	6,923	17,627

Source: Reports provided by companies to EITI

Zinc extraction and export are carried out exclusively by “Kapan Mining and Processing Plant” CJSC.

In addition to zinc, zinc concentrate also contains payable quantities of precious metals gold and silver.

Below are the export volumes of the zinc concentrate producing company, based on the final metal content.

Table 4.3.1.8

Final content of metals considered payable in zinc concentrate exported in 2023 and 2024

Region of origin	Company name	Metal type	2023		2024	
			Volume	Concentrate volume	Volume	Concentrate volume
Syunik region	“Kapan Mining And Processing Combine” CJSC	zinc	5,012.00 t	8,950 wmt	6,576.18 t	11,604 wmt
		gold	98.45 kg		117.67 kg	
		silver	1,745.25 kg		2,126.4 kg	

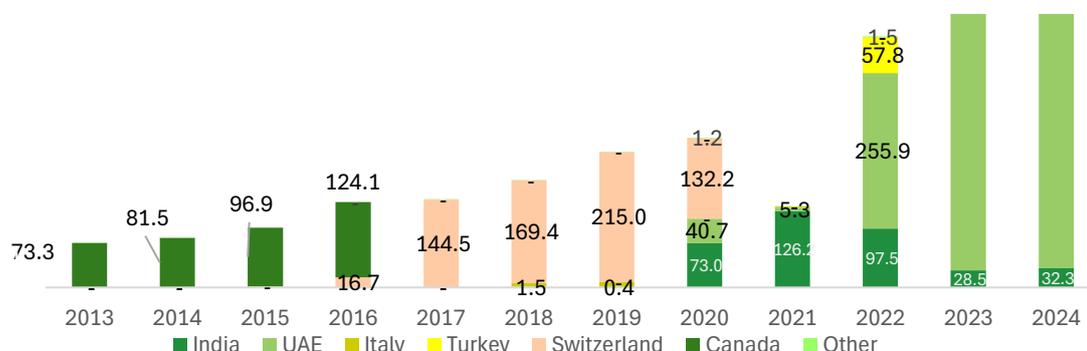
Source: Reports provided by companies to EITI

Export of precious metal products

According to UN Comtrade data, in 2024 the total value of precious metal exports increased by about 202% compared to 2023, reaching USD 4,021.3 million, which represents a tripling of the export value. The main reason for this significant growth is the substantial rise in re-exports, especially over the past two years following the start of the Russia-Ukraine war.

Chart 4.3.1.10

Exports of unwrought and semi-wrought gold and gold-containing precious metal concentrates by country, 2013-2024, million USD



Source: ITC calculations based on UN COMTRADE statistics

During 2023-2024, the value of precious metal exports from Armenia remained almost unchanged, while the United Arab Emirates continued to be the leading destination, accounting for 99.1% of total precious metal exports. Exports to the UAE have grown significantly in recent years, mainly due to the factor of re-exports. India ranks second, having been the leader in 2021. However, in the following years, the export value to India declined, whereas in 2024 the export value of unprocessed and semi-processed gold and gold-containing precious metal concentrate to India increased by 13.4% compared to 2023. The third export destination is Italy, with a relatively insignificant figure of USD 2.5 million.

The source of the above data is UN Comtrade statistics, where export data are presented by country, and information on exporting companies is absent. Similarly, the Statistical Committee of Armenia does not provide company-level export data; such figures are obtained from customs authorities as aggregated indicators. The data submitted by reporting companies do not include information on the export of gold and gold-containing precious metal concentrate, which means that in 2024 the exporting companies were not mining companies.

Table 4.3.1.9

Distribution of gold alloy and gold-bearing precious metal concentrate exports by company, volume, monetary value and country of export in 2023

Region of origin	Company name	Product name	Export country	Volume	Value AMD million	Value USD million
Gegharkunik region	"Geopromining Gold" LLC	Dore alloy of gold and silver	Switzerland	1,475 kg	23,538	59,975
Kotayk region	"Meghradzor Gold" LLC	Precious metal concentrate containing gold	Switzerland	928 t	4,344	11,069
Syunik region	"Kapan Mining And Processing Combine" CJSC	Precious metal concentrate containing gold	Georgia	11,013 wmt	21,832	55,628

Region of origin	Company name	Product name	Export country	Volume	Value AMD million	Value USD million
Syunik region	"Lichkvaz" CJSC	Precious metal concentrate containing gold	Malaysia	6,692 dmt	7,575	19,302
Lori region	"Assat" LLC	Dore alloy of gold and silver	Czech Republic	846 gram	20	51
Total					57,309	146,024

Source: Reports provided by companies to EITI

Table 4.3.1.10

Distribution of gold alloy and gold-bearing precious metal concentrate exports by company, volume, monetary value and country of export in 2024

Region of origin	Company name	Product name	Export country	Volume	Value AMD million	Value USD million
Gegharkunik region	"Geopromining Gold" LLC	Dore alloy of gold and silver	Switzerland	471 kg	11,054	28,146
Kotayk region	"Meghradzor Gold" LLC	Precious metal concentrate containing gold	Switzerland, China	1,842 t	2,119	5,396
Syunik region	"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	Precious metal concentrate containing gold	Georgia	14,802 wmt	36,420	92,735
Syunik region	"Lichkvaz" CJSC	Precious metal concentrate containing gold	Malaysia	6,980 dmt	4,302	10,954

Region of origin	Company name	Product name	Export country	Volume	Value AMD million	Value USD million
Lori region	"Baktek Eco" LLC	Precious metal concentrate containing gold	India	243 t	2,692	6,855
Total					56,586	144,085

Source: Reports provided by companies to EITI

In 2024, the leading company in precious metal exports was “Kapan Mining and Processing Plant” CJSC, accounting for 64.4% of total export value, with its main product being gold-containing precious metal concentrate and its primary export destination being Georgia. The second place was held by “GeoProMining Gold” LLC, exporting gold-containing precious metal concentrate, which made up 19.5% of total exports, with Switzerland as the main destination. Companies with comparatively smaller export values included “Lichkvaz” CJSC to Malaysia, “Meghradzor Gold” LLC to Switzerland and China, and “Bactec-Eco” LLC to India.

Gold alloy and gold-containing precious metal concentrate, in addition to gold, also contain payable quantities of precious metals such as silver, zinc, lead, and copper.

Below are the export volumes of companies producing gold alloy and gold-containing precious metal concentrate, based on the final metal content.

Table 4.3.1.11

Final content of metals considered payable in exported gold alloy and gold-bearing precious metal concentrate in 2023

Region of origin	Company name	Metal type	Unit of measurement	Volume of metal	Volume of concentrate
Syunik region	"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	copper	t	1,872	11,013 wmt
		gold	kg	738	
		silver	kg	12,368	
Gegharkunik region	"Geopromining Gold" LLC	gold	kg	974	1,475 kg
		silver	kg	501	
Syunik region	"Lichkvaz" CJSC	copper	t	441	6,992 dmt
		gold	kg	257	
		silver	kg	2,829	
Kotayk region	"Meghradzor Gold" LLC	gold	kg	26	928 t

Region of origin	Company name	Metal type	Unit of measurement	Volume of metal	Volume of concentrate
		silver	kg	30	
Lori region	"Assat" LLC	gold	kg	1	846 g
		silver	kg	-	

Source: Reports provided by companies to EITI

Table 4.3.1.12

Final content of metals considered payable in exported gold alloy and gold-bearing precious metal concentrate in 2024

Region of origin	Company name	Metal type	Unit of measurement	Volume of metal	Volume of concentrate
Syunik region	"Kapan Mining And Processing Combine" CJSC	copper	t	2,516	14,802 wmt
		gold	kg	992	
		silver	kg	17,925	
Gegharkunik region	"Geopromining Gold" LLC	gold	kg	326	-
		silver	kg	145	
Syunik region	"Lichkvaz" CJSC	copper	t	285	6,980 dmt
		gold	kg	311	
		silver	kg	2,224	
Kotayk region	"Meghradzor Gold" LLC	gold	kg	94	1,842 t
		silver	kg	-	
Lori region	"Baktek Eco" LLC	gold	kg	85	243 t
		silver	kg	119	

Source: Reports provided by companies to EITI

Comparison of Information from Subsoil-Using Companies and UN COMTRADE Statistics

According to the table below, there is a difference in monetary terms between the volumes of products exported from Armenia based on the information received from companies and the data from COMTRADE. The discrepancies for all product types are due to time differences between the declaration of exports by companies and the actual export, as well as exchange rate fluctuations. The differences in molybdenum ferromolybdenum and gold products are also explained by exports carried out by non-mining companies, which are recorded in COMTRADE. In particular, the significant difference in gold products is due to the substantial increase in re-exports during the given period.

Table 4.3.1.13

Comparison of 2023 and 2024 export data for the metals sector from mining companies and UN Comtrade

Product type	2023		2024	
	Total export value by metal ore mining companies, million USD	Total export value according to UN Comtrade, million USD	Total export value by metal ore mining companies, million USD	Total export value according to UN Comtrade, million USD
Copper concentrate	454	483	535	558
Zinc concentrate	13	12	18	18
Molybdenum concentrate	184	230	154	221
Ferromolybdenum concentrate	269	287	33	184
Unwrought and semi-wrought gold and concentrates of precious metals containing gold	146	1811	167	5605

Source: mining companies and UN COMTRADE statistics

4.3.2. Domestic Sales in the Metallic Mining Sector

In 2024, metallic products worth AMD 9,892.3 million were sold in the domestic market. The sale of copper ore and concentrate continues to account for the dominant share of the market. Among companies, the leader in domestic sales by value is “Teghut” CJSC, which holds 98.5% of the market in terms of sales value.

Below is the distribution of domestic sales in 2024 by company.

Table 4.3.2.1

Companies that sold in the domestic market in 2024, the volume and monetary value of metal products sold

Company	Product type	Unit of measurement for volume	Volume	The amount of metals	Total sales value, million AMD	Purchasing organization
"Teghut" CJSC	Molybdenum concentrate	dmt	180	molybdenum - 71 t	1,338	"Metal Line" LLC, "Aram et" LLC
"Teghut" CJSC	Copper ore concentrate	dmt	15,445	copper - 3204 dmt	8,407	"Akhtala Mining And Processing Combine" CJSC, "Aisis" LLC, "Neosystem" LLC

Company	Product type	Unit of measurement for volume	Volume	The amount of metals	Total sales value, million AMD	Purchasing organization
"Meghradzor Gold" LLC	alloy of gold and silver	t	248	gold - 12668.4 grams	135	"Assat-M" LLC
"Lichkvaz" CJSC	Copper ore concentrate	dmt	0	copper - 0 tons	0	"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)
				gold - 0 grams		
				silver - 0 grams		
"Assat" LLC	Ore of unknown metals	t	0	gold - 0 grams	0	"Assat-M" LLC
"Zangezur Copper-Molybdenum Combine" CJSC	Molybdenum concentrate	wmt	10,205	Molybdenum - 4,416 tons	70,853	AMP Holding LLC, Aramet LLC, Hexagon TS CJSC, Makur Yerkat Gortsaran CJSC
Total					9,892.35	

Source: Reports provided by companies to EITI

4.4. International Prices in the Mining Sector

This section examines data from the Statistical Committee on mining production⁵⁶, as well as information published by the World Bank regarding international prices⁵⁷. The trends in mining production volumes in Armenia and changes in prices on international markets have been analyzed and compared.

Copper Concentrate Production and International Prices

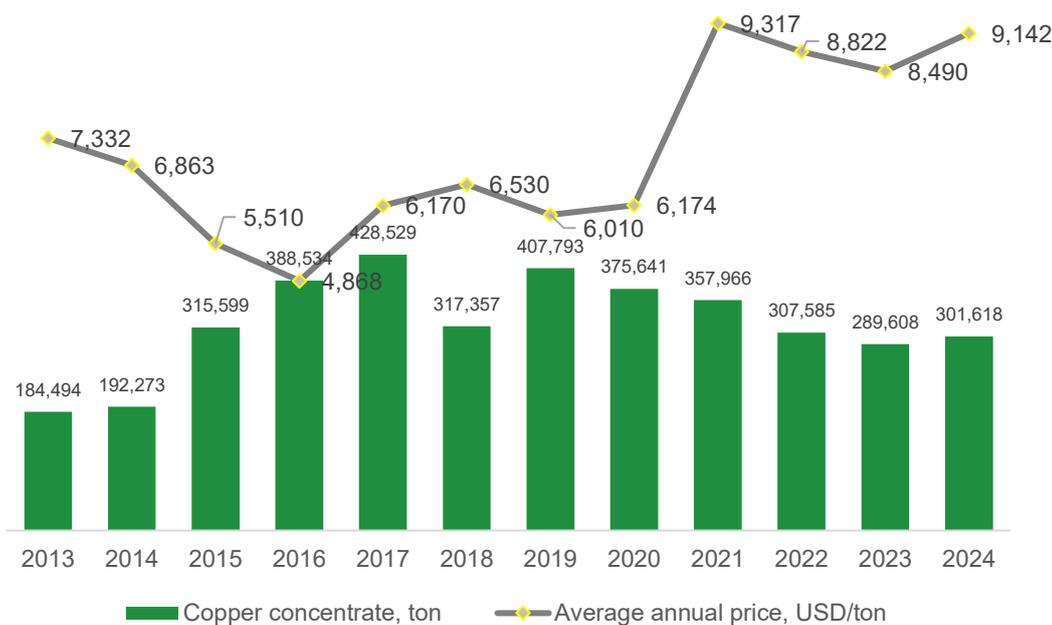
⁵⁶ <https://www.armstat.am/am/?module=publications&mid=8&id=2754>

⁵⁷ World Bank Commodity Price Data (The Pink Sheet)

According to the Statistical Committee of Armenia, the production volume of copper concentrate in 2024 amounted to 301,618 tons. According to the World Bank, in 2024 the average price of copper concentrate was USD 9,142 per ton, returning to the 2021 level after two years of steady decline. The 2021 figure was, in fact, the highest average price of the last decade.

Chart 4.4.1

Copper concentrate production and international copper price, 2013-2024



Source: Statistical Committee of the Republic of Armenia and World Bank database⁵⁸

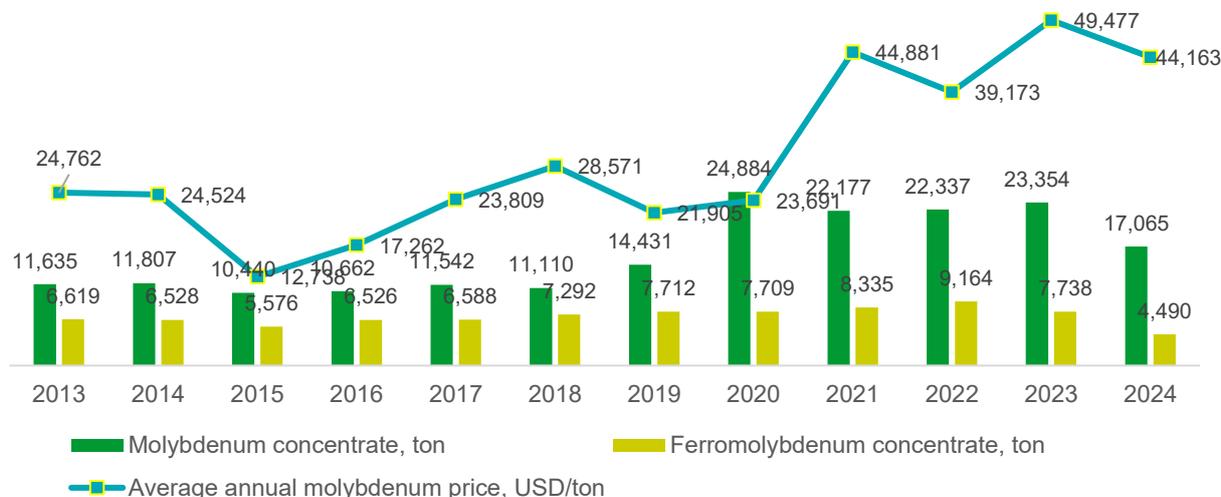
During the specified period, the average annual increase in international copper prices was 2.0%. According to World Bank data, in 2024 the average annual price of copper concentrate rose by 7.7%. At the same time, in 2024 the production volumes of copper concentrate in the Republic of Armenia also increased by 7.7% compared to the previous year. From 2019 to 2023, copper concentrate volumes showed a continuous downward trend; however, recovery was recorded in 2024. Under conditions of high international prices, the increase in production volumes was mainly ensured by all producing companies, except for “Zangezur Copper-Molybdenum Combine” CJSC, whose production decreased by 9.6% in 2024. Meanwhile, “Teghut” CJSC registered a significant production increase of 73.7% in 2024, whereas in previous years it had shown a continuous downward trend. This indicates the company’s restart and restoration of operational capacities.

Production of Molybdenum Concentrate and Ferromolybdenum and International Prices

Chart 4.4.2

Production of molybdenum concentrate and ferromolybdenum and international molybdenum price, 2013-2024

⁵⁸ [Commodity Markets \(worldbank.org\)](https://www.worldbank.org/commoditymarkets)



Source: Statistical Committee of the Republic of Armenia and Tradingeconomics website ⁵⁹, The annual average value was calculated based on monthly average figures.

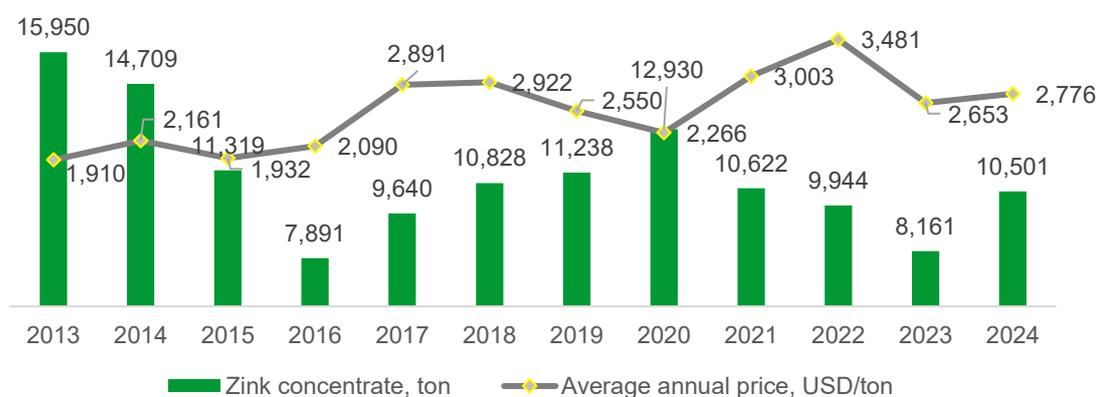
After the sharp 72.45% increase in molybdenum concentrate production volumes in 2020, production in Armenia remained at a high level until 2023. In 2024, production volume decreased by 26.9% compared to the previous year, while ferromolybdenum production fell by 41.9%.

According to Tradingeconomics data, since 2015 the average annual price per ton of molybdenum has grown at an average rate of 13.2%. The highest average price during the observed period was recorded in 2023, whereas in 2024 the average price of molybdenum decreased by 10.7%.

Production of Zinc Concentrate and International Prices

Chart 4.4.3

Zinc concentrate production and international price, 2013-2024



⁵⁹ [Molybdenum - Price - Chart - Historical Data - News \(tradingeconomics.com\)](https://tradingeconomics.com/molybdenum-price-chart-historical-data-news)

Source: Statistical Committee of the Republic of Armenia ⁶⁰ and World Bank database ⁶¹

After 2020, zinc production volumes continued to decline until 2023. In 2024, compared to the previous year, production volumes increased by 28.7%, reaching 10,501 tons. At the same time, the upward trend in international prices continued, with a 4.6% increase recorded in 2024. Since 2016, the average annual growth rate of zinc prices has been 3.2%. Zinc concentrate is produced as a by-product of copper-polymetallic ore. There is no clear correlation between zinc production volumes and international prices; however, over the past three years, a positive correlation trend has been observed.

International Gold Prices

Since the Statistical Committee of Armenia does not publish data on the production of precious metals, only the changes in international gold prices (USD per troy ounce) for the period 2013-2024 are presented.

Chart 4.4.4

International gold price, 2013-2024, dollars/troy ounce



Source: World Bank database ⁶²

Since 2015, the value of gold has been steadily increasing, reaching a record growth in 2024, which amounted to 22.9% compared to the previous year.

⁶⁰ <https://www.armstat.am/am/?module=publications&mid=8&id=2754>

⁶¹ <https://data.worldbank.org/en/research/commodity-markets> World Bank Commodity Price Data (The Pink Sheet)

⁶² <https://data.worldbank.org/en/research/commodity-markets> World Bank Commodity Price Data (The Pink Sheet)

5. REVENUES FROM THE METAL MINING SECTOR AND THEIR DISTRIBUTION

5.1. Revenues from Subsoil-Using Companies to the State Budget (Requirement 4.1 and 6.3)

According to Requirement 4 of the EITI Standard, payments made by subsoil-using companies and government revenues from extractive industries must be comprehensively disclosed. In accordance with MSG's decision⁶³, within the scope of this report, both parties disclose the relevant taxes and payments without applying a materiality threshold.

The taxes and payments made by subsoil-using companies to the state budget are as follows:

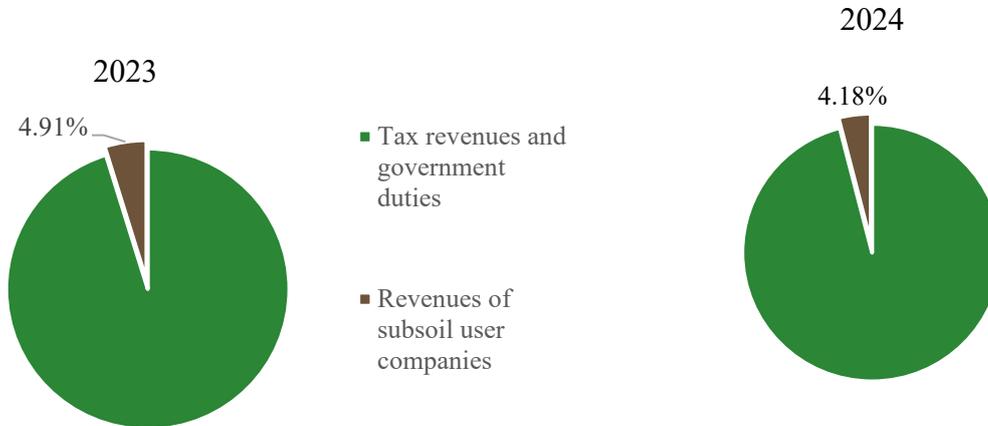
State Revenue Committee	Ministry of Environment
<ul style="list-style-type: none"> • Profit tax • Income tax • Value added tax • Excise tax • Royalty • Nature use fees • Environmental tax • Customs duties and fees • Duties 	<ul style="list-style-type: none"> • Monitoring fee • Environmental impact assessment fee • Fines and penalties imposed by the Environmental Protection and Mineral Resources Inspection Authority • Payment for replenishing the Environmental Protection Fund

According to information provided by state bodies (SRC, MoE), in 2023 the taxes and payments payable to the state budget by subsoil-using companies decreased compared to the previous year, amounting to AMD 111.6 billion, which represents 5.02% of total revenues. In 2024, a further decline was recorded, accounting for 4.18% of total revenues.

⁶³ [MSG_meeting_minute_28_03_2024_arm.pdf\(eiti.am\)](#)

Chart 5.1.1

Share of taxes paid to the state budget by subsoil-using companies in the state budget's tax revenues in 2023, 2024



Source: Reports provided by the Ministry of Finance of the Republic of Armenia (budget indicators) and the State Revenue Committee for the EITI report ⁶⁴

Table 5.1.1

Share of taxes and payments calculated by subsoil use companies to the state budget in the total state budget tax revenues in 2023 (million AMD)

Name of tax or fee	Total calculated amount	Share of total taxes and payments paid by companies to the state budget	Share in state budget revenues
Royalty	61,944	55%	2.72%
Profit tax	24,922	22%	1.10%
Income tax	15,362	14%	0.68%
VAT	4,186	4%	0.18%
Customs duties and fees	1,340	1%	0.06%
Other	3,859	3%	0.17%

⁶⁴ https://minfin.am/hy/page/petakan_byujei_hashvetvutyun/

Name of tax or fee	Total calculated amount	Share of total taxes and payments paid by companies to the state budget	Share in state budget revenues
Total	111,613	100%	4.91%
Total state budget tax revenues	2,273,871	-	-

Source: Reports submitted by state bodies (State Revenue Committee, Ministry of Environment) within the framework of the EITI (adjusted as a result of the reconciliation)

Table 5.1.2

Share of taxes and payments calculated by subsoil use companies to the state budget in the total state budget tax revenues in 2024 (million AMD)

Name of tax or fee	Total calculated amount	Share of total taxes and payments paid by companies to the state budget	Share in state budget revenues
Royalty	53,012	53%	2.22%
Profit tax	24,332	24%	1.02%
Income tax	15,928	16%	0.67%
VAT	4,387	4%	0.18%
Customs duties and fees	1,218	1%	0.05%
Other	1,146	1%	0.05%
Total	100,023	100%	4.18%
Total state budget tax revenues	2,390,895	-	-

Source: Reports submitted by state bodies (State Revenue Committee, Ministry of Environment) within the framework of the EITI (adjusted as a result of the reconciliation)

In 2023 and 2024, the largest share of taxes paid by subsoil-using companies to the state budget was royalties, which accounted for the highest proportion of state budget revenues 2.72% and 2.22%, respectively. The share of profit tax

amounted to 1.10% and 1.02% for 2023 and 2024, respectively. The share of other taxes and payments in state budget revenues did not exceed 1%.

The leading company in terms of calculated taxes and payments to the state budget was “Zangezur Copper-Molybdenum Combine” CJSC. In 2023, its share of calculated taxes and payments among subsoil-using companies was 78.7%, totaling AMD 87.8 billion, which represented 3.86% of state budget revenues. In 2024, the indicator for “Zangezur Copper-Molybdenum Combine” CJSC decreased to 65.8%, or AMD 65.9 billion of the total calculated taxes and payments by subsoil-using companies.

“Agarak Copper-Molybdenum Combine” CJSC ranked second in 2023 in terms of calculated amounts to the state budget, accounting for 6.17% of all calculated payments from subsoil-using companies, or AMD 6.9 billion. In 2024, the second position was held by “Kapan Mining and Processing Plant” CJSC with a share of 9.1%, amounting to AMD 9.1 billion.

In terms of the total calculated taxes and payments to the state budget, the third positions in 2023 and 2024 were held by “GeoProMining Gold” LLC and “Teghut” CJSC, with shares of 5.72% and 8.9%, respectively.

The taxes and payments made by all subsoil-using companies to the state budget in 2023 and 2024 are summarized in the table below.

Table 5.1.3

Taxes and payments calculated by subsoil use companies to the state budget in 2023, 2024, thousand AMD

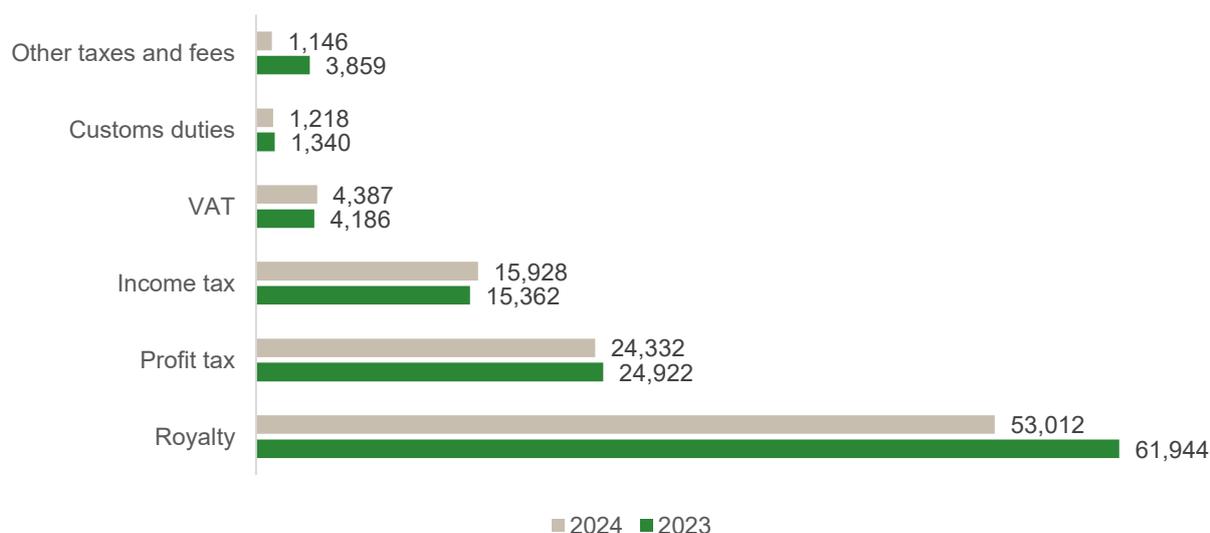
Company	2023	2024
“Agarak Copper-Molybdenum Combine” CJSC	6,892,208	8,493,868
“Akhtala Mining And Processing Combine” CJSC	620,765	743,166
“Active Lernagorts” LLC	11,484	19,130
“Assat” LLC	151,475	384,479
“At-Metals” LLC	13,559	14,110
“Baktek Eco” LLC	342,352	376,943
“Geghi Gold” LLC	14,964	13,762
“Geopromining Gold” LLC	6,388,055	2,325,396
“Georaid” CJSC	12,154	10,725
“Zangezur Copper-Molybdenum Combine” CJSC	87,812,134	65,887,290
“Teghut” CJSC	4,036,750	8,928,002
“Ler-Ex” LLC	434,261	
“Lydian Armenia” CJSC	426,131	248,663
“Lichkvaz” CJSC	1,228,976	2,526,651

Company	2023	2024
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	2,854,182	9,127,622
“Gharagulyanner” CJSC	10,419	10,361
“Marjan Mining Company” LLC	10,290	10,290
“Mego-Gold” LLC	11,299	11,321
“Meghradzor Gold” LLC	195,557	576,225
“Multi Group Concern” LLC	52,934	224,175
“Paramount Gold Mining” CJSC	11,543	10,892
“GMN Gold Mining” LLC (Formerly “Vardani Zartonk” LLC)	288	10,309
“Sagamar” CJSC	74,912	65,116
“Vaykgold” LLC	1,744	2,199
“Fortune Resources” LLC	4,791	2,303
Total	111,613,228	100,023,000

Source: Reports submitted by state bodies within the framework of the EITI (adjusted as a result of the reconciliation)

Chart 5.1.2

Taxes and payments calculated by subsoil use companies to the state budget in 2023, 2024 (million AMD)



Source: Reports submitted by the State Revenue Committee and the Ministry of Environment within the framework of the EITI (adjusted as a result of the reconciliation)

In the reporting years 2023 and 2024, the largest share of taxes paid by subsoil-using companies to the state budget was royalties. In 2023, they accounted for 55% of all payments made by subsoil-using companies, and in 2024 52%. The second largest tax type was profit tax, with shares of 22% and 24% in 2023 and 2024, respectively. The third largest tax type was income tax, which accounted for 14% in 2023 and 16% in 2024.

In 2024, compared to 2023, the following taxes and payments by subsoil-using companies to the state budget recorded an increase:

- Income tax (by 3.68% or AMD 566 million)
- VAT (by 4.8% or AMD 201 million)

The following taxes and payments recorded a decrease compared to 2023:

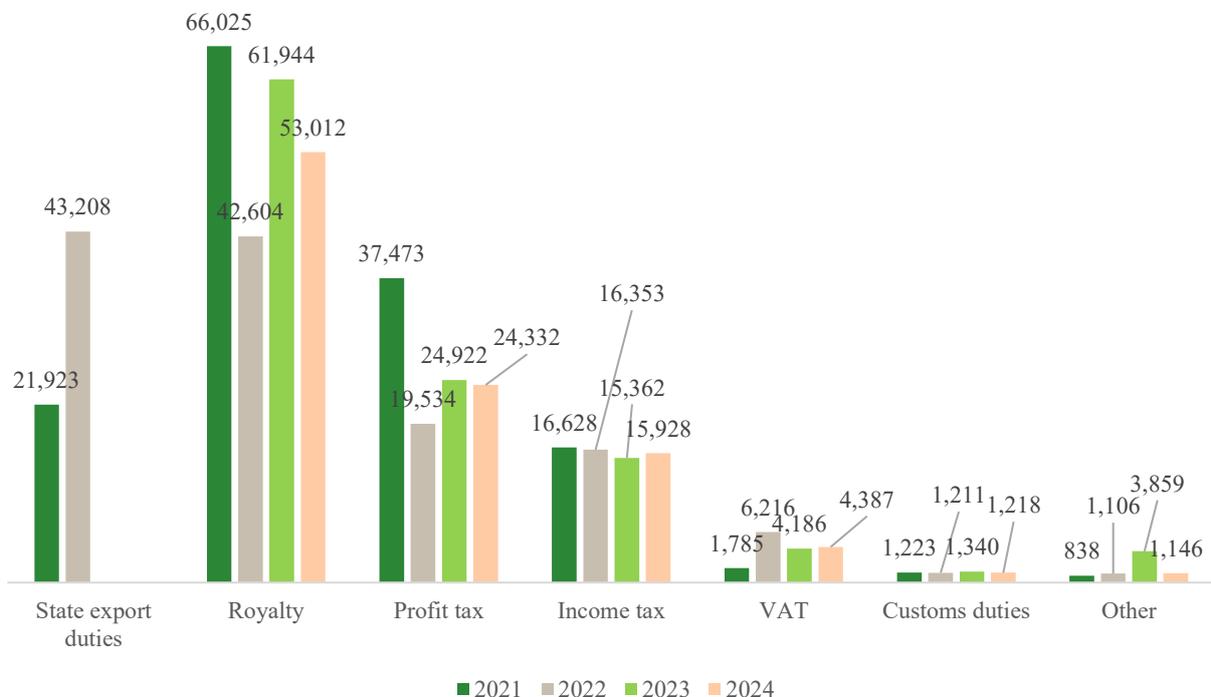
- Other (by 70.3% or AMD 2,713 million)
- Customs duties and fees (by 9.1% or AMD 122 million)
- Profit tax (by 2.36% or AMD 590 million)
- Royalties (by 14.41% or AMD 8,932 million)

Overall, in 2023, taxes and payments made by subsoil-using companies to the state budget decreased by 14.2%, or AMD 18,619 million, compared to the previous year. In 2024, this indicator decreased by 8.97%, or AMD 10,011 million.

Below is the dynamics of taxes paid by subsoil-using companies to the state budget for 2021-2024.

Chart 5.1.3

Taxes paid to the state budget by mining companies in 2021-2024 (million AMD)



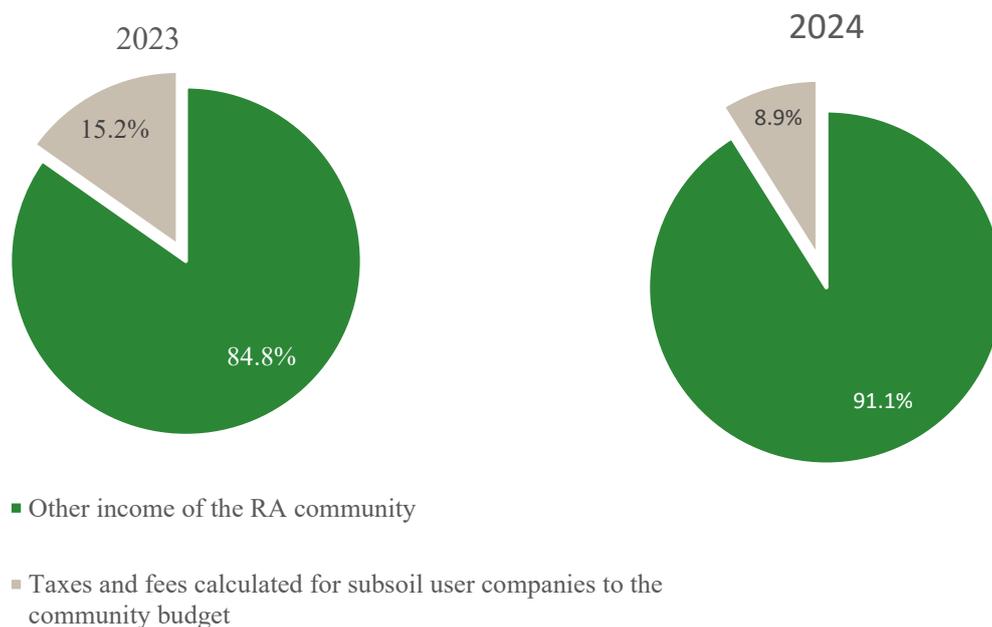
Source: Reports submitted by the State Revenue Committee and the Ministry of Environment within the framework of the EITI (adjusted as a result of the comparison), 2020-2021, 2022 EITI Report ⁶⁵

5.2. Revenues from Subsoil-Using Companies to Community Budgets (Requirement 4.6)

In 2023 and 2024, the taxes and payments calculated by subsoil-using companies accounted for 15.2% (AMD 3.5 billion) and 8.9% (AMD 2.6 billion) of the total revenues of community budgets, respectively.

Chart 5.2.1

Taxes and payments calculated by subsoil use companies to community budgets in 2023, 2024



Source: Reports submitted by the RA MTAI within the framework of the EITI (adjusted as a result of the reconciliation)

In 2023, the majority of payments made by subsoil-using companies to community budgets were related to socio-economic development, amounting to AMD 2.068 billion or 58.3% of total taxes and payments. This indicator increased by AMD 453 million or 28% compared to 2022. In 2024, payments related to socio-economic development to community budgets decreased by 51%, totaling AMD 1.014 billion. Consequently, the share of socio-economic development payments in community budget contributions fell to 39.1% in 2024.

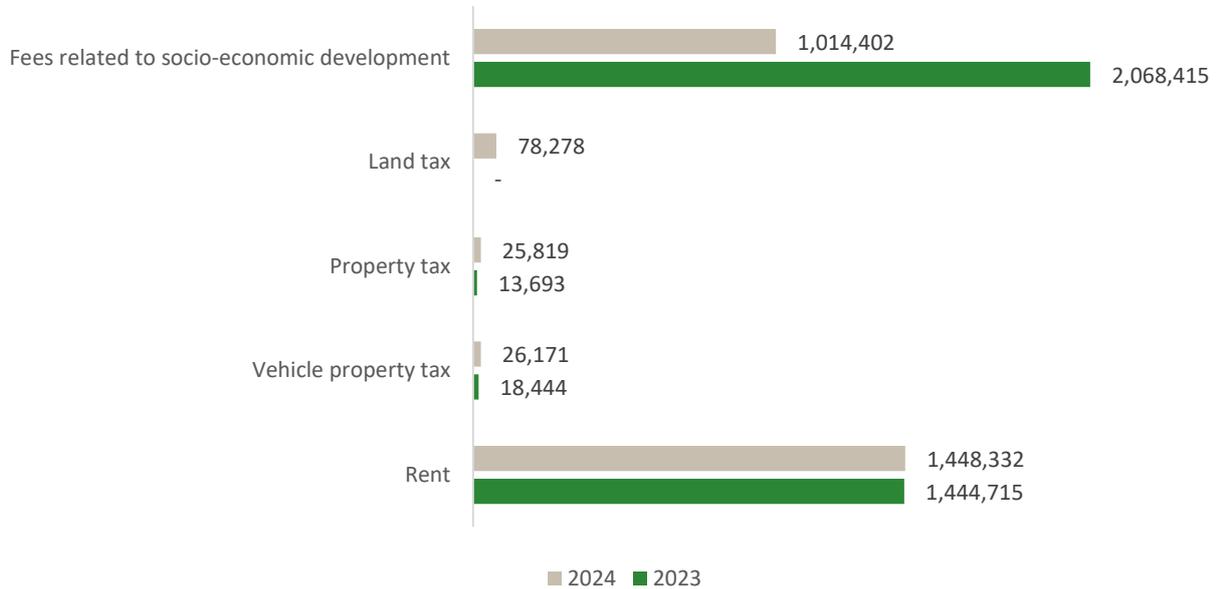
In 2024, the largest share was accounted for by lease payments 55.85%. In 2023, the second largest payment was lease fees, amounting to AMD 1.445 billion, which represented 40.75% of the total payments made by subsoil-using companies to community budgets, compared to 45% in 2022. Other payments to community budgets from subsoil-using companies did not exceed 1% in 2023. In 2024, other payments accounted for 5%, mainly due to payments related to differences in cadastral values of land plots at the time of changing their designated purpose, amounting to AMD 78.2 million.

The following chart presents the amounts of taxes and payments calculated by subsoil-using companies to community budgets in 2023 and 2024, broken down by payment type.

⁶⁵ <https://www.eiti.am/hy/2022/>

Chart 5.2.2

Taxes and payments calculated by subsoil use companies towards community budgets, thousand AMD

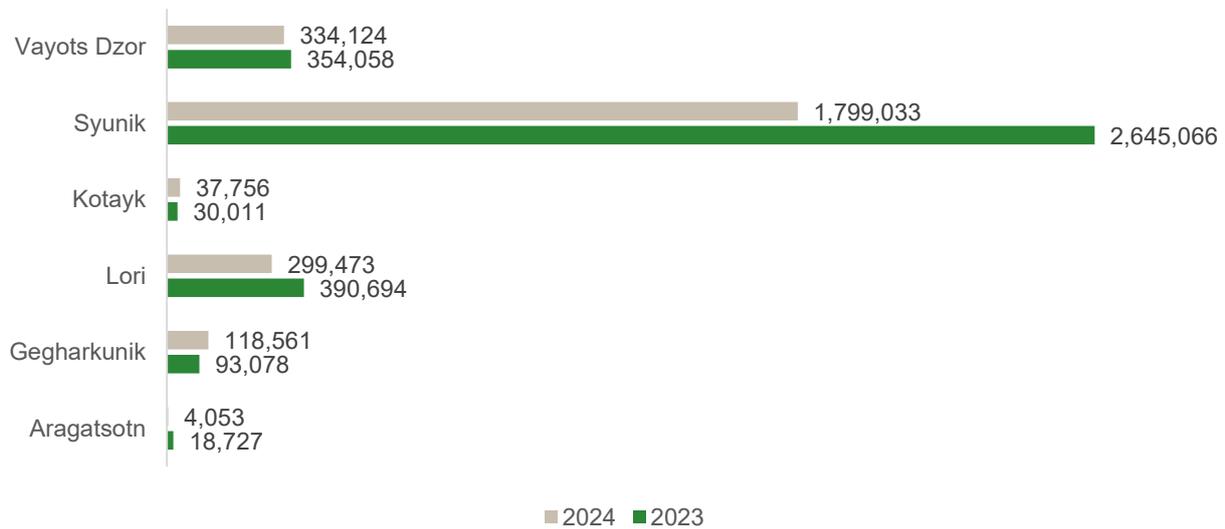


Source: Reports submitted by the RA MTAI within the framework of the EITI (adjusted as a result of the reconciliation)

Below is the revenue paid by subsoil-using companies to community budgets, broken down by regions.

Chart 5.2.3

Revenues paid to community budgets by subsoil use companies in 2023, 2024 by regions (thousands of AMD)



Source: Reports submitted by the RA MTAI within the framework of the EITI (adjusted as a result of the reconciliation)

In 2023 and 2024, the largest amount of payments by subsoil-using companies to community budgets was made in Syunik region: AMD 2.64 billion in 2023 and AMD 1.8 billion in 2024. Within Syunik, the leading community in terms of payments was Kapan, accounting for 56.4% and 58.2% of Syunik’s payments in 2023 and 2024, respectively.

The second largest share of payments to community budgets was in Vayots Dzor, where the leading community was Jermuk, with AMD 214 million and AMD 191 million. The third position was held by Lori region, where AMD 391 million was paid in 2023 and AMD 299 million in 2024.

The table below presents the total community budgets and the taxes and payments calculated by subsoil-using companies.

Table 5.2.1

Share of taxes and fees calculated by subsoil-using companies in 2023 and 2024 in community budgets (thousand AMD)

Community	Estimated payments of the subsoil user company in 2023	Real revenues of community in 2023	Share in community revenues	Estimated payments of the subsoil user company in 2024	Real revenues of community in 2024	Share in community revenues
Alaverdi	357,026	2,651,491	13.5%	277,620	4,297,719	6.5%
Aparan	18,727	1,147,771	1.6%	4,053	2,913,842	0.1%
Berd	68	479,035	0.01%	68	425,640	0.01%
Tsaghkadzor	30,011	1,101,790	2.7%	37,756	1,242,690	3.0%
kapan	1,492,492	5,923,529	25.2%	1,047,454	6,131,456	17.1%
Meghri	81,911	875,931	9.4%	90,132	1,057,156	8.5%
Jermuk	214,321	690,225	31.1%	191,468	790,403	24.2%
Sisian	112,209	2,445,205	4.6%	108,315	2,564,250	4.2%
Stepanavan	1,704	1,104,426	0.2%	6,188	1,549,621	0.4%
Vayk	139,737	778,421	18.0%	142,657	1,202,935	11.9%
Vardenis	93,078	2,768,684	3.4%	118,561	4,387,664	2.7%
Pambak	31,897	688,625	4.6%	15,597	769,539	2.0%
Kajaran	958,454	2,655,499	36.1%	553,131	1,855,893	29.8%
Total	3,531,635	23,310,632	15.2%	2,593,001	29,188,808	8.9%

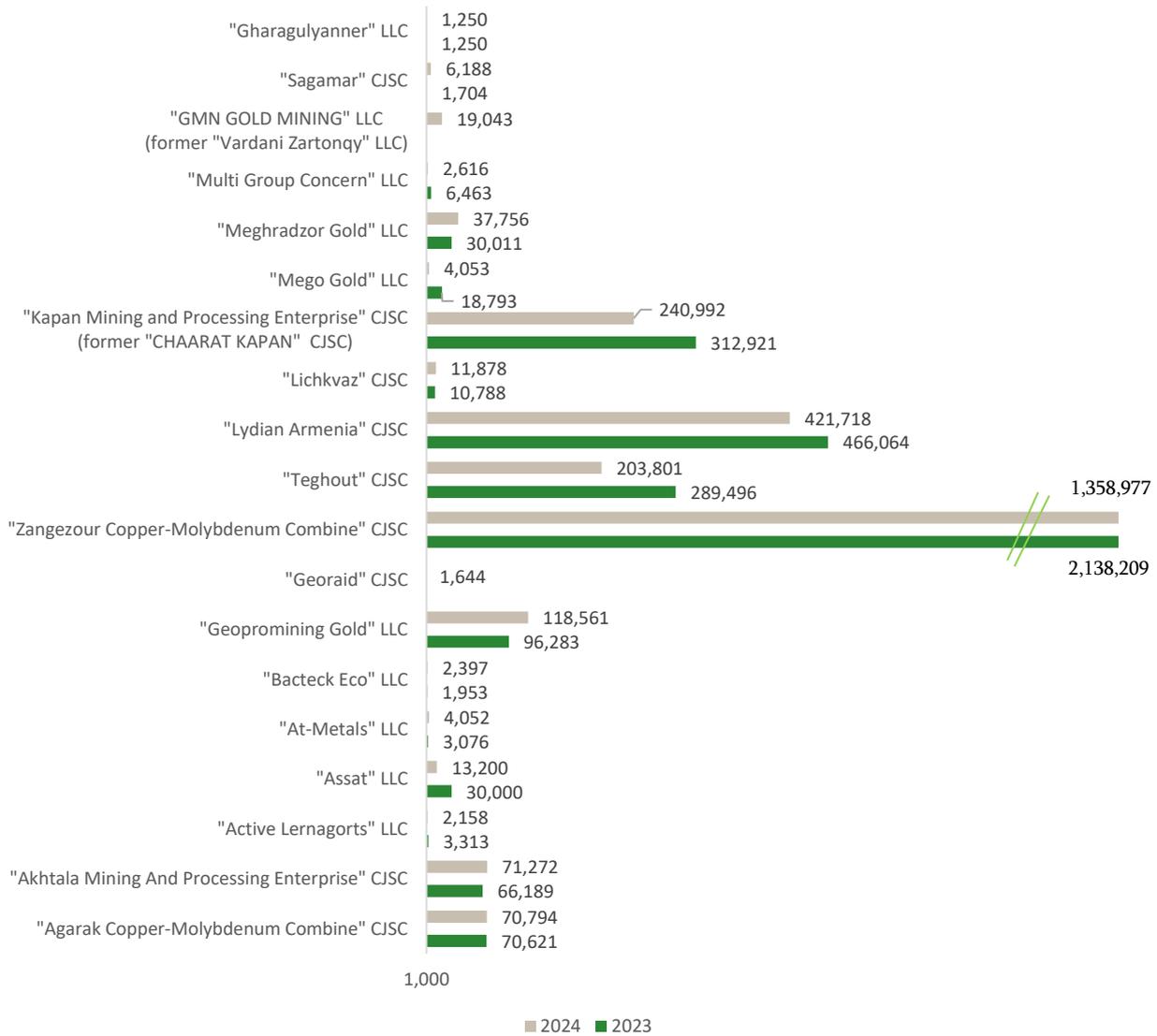
Source: Reports submitted by the RA MTAI within the framework of the EITI (adjusted as a result of the reconciliation)

The following chart presents community budget revenues by subsoil-using companies.

The comparison of 2023-2024 shows that in several cases, the taxes calculated by major subsoil-using companies for community budgets have decreased. The most significant change was recorded for “Zangezur Copper-Molybdenum Combine” CJSC, whose payments dropped from AMD 2.13 billion in 2023 to AMD 1.4 billion in 2024, or by 36%. Despite this decrease, the company remains the largest contributor to community budgets.

Chart 5.2.4

Taxes and payments calculated by large mining companies to community budgets in 2023, 2024 (thousand AMD)



Source: Reports submitted by the RA MTAI within the framework of the EITI (adjusted as a result of the reconciliation)

5.3 Revenue Distribution and Expenditure Management (Requirements 5.1, 5.2, 5.3)

To provide stakeholders with information on revenues credited to state and local government budgets, the EITI requires disclosure of data related to revenue distribution. In addition, it encourages presenting supplementary information on revenue management and expenditures, including a description of all revenues from the extractive sector that are allocated to special programs or specific geographic areas.

A certain portion of the environmental tax paid by subsoil-using companies is allocated to communities in accordance with the RA Law “On the Targeted Use of Environmental Tax Paid by Companies.” Under the provisions of this law, these funds are considered earmarked revenues and may be used exclusively for implementing environmental and healthcare programs within the territory of the respective community.

The list of beneficiary communities, as well as the amounts to be allocated to their administrative and fund budgets, are determined annually by the Law on the State Budget for that year. These allocations are presented as separate lines in the budgets of the respective communities, ensuring their transparency and targeted nature.

Description of the process for providing subsidies to affected communities for environmental program implementation

Within the framework of providing subsidies to affected communities for environmental and healthcare programs, the tasks and measures to be carried out by the authorized bodies, as well as their implementation timelines, are defined by the decision of the Prime Minister of the Republic of Armenia on launching the budgetary process for the planned year.

The program includes measures aimed at addressing environmental issues and protecting the environment within the administrative boundaries of the community land, water, and air areas caused by the activities of subsoil-using companies, as well as measures aimed at preserving the health of the community population affected by such activities. It also defines the priorities for implementing program activities and the proportions of their financing.

According to Article 3 of the RA Law “On the Targeted Use of Environmental Tax Paid by Companies,” the draft environmental program is developed by the community leader in accordance with the procedure established by law, based on the local development (socio-economic development) or environmental protection action plans or other approved programmatic or strategic documents of the respective region or community.

According to the RA Government Decision of July 15, 2021, “On Defining Criteria for Selecting Other Companies under the RA Law ‘On the Targeted Use of Environmental Tax Paid by Companies,’” companies are included in the above list considering the harmful impact on communities and/or settlements caused by emissions of harmful substances into the atmosphere from stationary sources, discharges of harmful substances and/or compounds into water resources, and placement and storage of mining, production, and/or consumption waste in specially designated areas by the companies and/or their subsidiaries, branches, or other structural units.

Other companies are included in the list if, under the RA Tax Code, the total amount of environmental tax calculated for at least one of the following emissions of harmful substances into the atmosphere from stationary sources, discharges of harmful substances and/or compounds into water resources, and placement and storage of mining, production, and/or consumption waste in specially designated areas was not less than AMD 2,000,000 during the two years preceding the given year.

The decision came into force on January 1, 2023.⁶⁶

Table 5.3.1

Amounts calculated and allocated from the state budget available to communities in accordance with the RA Law "On the Targeted Use of Environmental Taxes Paid by Companies" for 2023, (thousands of AMD)

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
Kotayk region		19,621.2	18,941.6	97%

⁶⁶ [Legislation: National Assembly of RA](#)

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
Charentsavan	Total Charentsavan	4,718.1	4,038.5	86%
	<i>Environmental events, including</i>	4,718.1		
	Planting and care of ornamental trees (spherical acacia)	4,718.1		
	<i>Health events</i>	-		
Hrazdan	Total Hrazdan	14,903.1	14,903.1	100%
	<i>Environmental events, including</i>	14,903.1		
	Replacement of windows in kindergarten No. 9	14,903.1		
	<i>Health events</i>	-		
Syunik region		187,571.0	186,620.7	99%
	Total Kapan	134,579.1	134,279.4	100%
Kapan	<i>Environmental events, including</i>	134,579.1		
	From the bridge adjacent to Kapan Medical Center CJSC in Kapan to the bridge adjacent to Syunik Regional Administration, including cleaning of the Vachagan Riverbed, restoration and repair of concrete platforms and river retaining walls	120,779.1		
	Design and estimate works	13,800.0		
	<i>Health events</i>	-		
	Total Meghri	52,991.9	52,341.3	99%
Meghri	<i>Environmental events, including</i>	52,991.9		
	Installation of solar photovoltaic stations in the administrative buildings of Meghri and Agarak settlements of the Meghri community municipality, in the "Arevik Art School of Meghri Community" NGO, in the branches of the "Meghri Community Kindergarten" NGO in Lehvaz and Vardanidzor settlements, and in the "Agarak Kindergarten" NGO	52,991.9		

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
	<i>Health events</i>	-		
Lori region		96,054.0	5,469.5	6%
	Total Shnogh	90,500.0	-	
Shnogh	<i>Environmental events, including</i>	90,500.0		
	Construction of an irrigation water pipeline	90,500.0		
	<i>Health events</i>	-		
Total Spitak		5,554.0	5,469.5	98%
Spitak	<i>Environmental events, including</i>	5,554.0		
	Procurement of energy-saving LED lighting for the needs of the Spitak community	5,554.0		
	<i>Health events</i>	-		
Armavir region		28,000.0	22,928.2	82%
	Total Metsamor	28,000.0	22,928.2	82%
Metsamor	<i>Environmental measures, including</i>	28,000.0		
	Restoration, expansion and improvement of the green areas of the Metsamor city park	18,000.0		
	Construction of an irrigation network in the park of the city of Metsamor	3,000.0		
	Provide lighting in the park of Metsamor with electric poles and energy-saving LED lights	6,000.0		
	Design and estimate works	1,000.0		
	<i>Health events</i>	-		
Ararat region		144,426.4	126,311.1	87%
	Total Ararat	144,426.4	126,311.1	87%
Ararat	<i>Environmental events, including</i>	130,186.4		

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
	Cleaning of an artesian deep well, construction of a new water line and installation of a pump in the Ararat settlement	39,424.0		
	Design and estimate works for cleaning an artesian deep well, constructing a new water line, and installing a pump in the Ararat settlement	700.0		
	Construction of an irrigation network in the planned areas of Ararat settlement	16,500.0		
	Design and estimate works for the construction of an irrigation network in the planned sections of the Ararat settlement	600.0		
	Purchase of LED luminaires to improve the external lighting system of the Ararat settlement	21,426.0		
	Design and estimate work for the purchase of LED luminaires to improve the external lighting system of the Ararat settlement	1,350.0		
	Installation of photovoltaic plants	27,000.0		
	Design and calculation works for the installation of photovoltaic stations	3,000.0		
	Design and estimate works for the construction of a wastewater treatment plant in Ararat community	20,186.4		
	Health events	14,240.0		
	Supply and re-equipment of community medical facilities with medical equipment (blood analyzer, 3 part DIFF, cholesterol, triglycerides, glucose and lactate determination mobile device, multi-line ECG (EGG BTL-08 MT Plus, BTL), otoscope, surgical electrocoagulator, surgical instrument set, gastroduodenoscope)	14,240.0		
Yerevan		126,701.3	126,697.3	100%
	Total Yerevan	126,701.3	126,697.3	100%

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
Yerevan	<i>Environmental events, including</i>	126,701.3		
	Construction of a water treatment plant on the river	119,701.3		
	Design and estimate works	7,000.0		
	<i>Health events</i>	-		
Total		602,373.8	486,968.4	81%

Source: Source: Ministry of Finance of the RA website, State Budget 2023

Table 5.3.2

Amounts calculated and allocated from the state budget available to communities in accordance with the RA Law "On the Targeted Use of Environmental Taxes Paid by Companies" for 2024, (thousands of AMD)

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
Shirak region		9,274.7	1,515.9	16%
Gyumri	Total Gyumri	9,274.7	1,515.9	16%
	<i>Environmental events</i>	0.0		
	<i>Health events</i>	9,274.7		
	Construction of a sports field	9,274.7		
Syunik region		161,918.9	161,918.9	100%
	Total Kapan	161,918.9	161,918.9	100%
Kapan	<i>Environmental events, including</i>	161,918.9		
	Cleaning of the Vachagan Riverbed, restoration and repair of concrete platforms and river retaining walls, from the bridge adjacent to the Syunik Regional Administration to the intersection with the Voghji River	161,918.9		
	<i>Health events</i>	0.0		

Lori region		31,161.0	31,157.1	100%
	Total Alaverdi	29,001.0	29,001.0	100%
Alaverdi	<i>Environmental events, including</i>	0.0		
	<i>Health events</i>	29,001.0		
	Construction of sports grounds/recreation areas in Alaverdi, Akhtala and Teghut settlements of Alaverdi community	28,151.0		
	Design and estimate works	850.0		
Total Stepanavan		2,160.0	2,156.1	100%
Stepanavan	<i>Environmental events, including</i>	2,160.0		
	Purchase of energy-saving LED lighting for the needs of the Stepanavan community	2,160.0		
	<i>Health events</i>	0.0		
Ararat region		120,271.9	76,660.6	64%
	Total Ararat	120,271.9	76,660.6	64%
Ararat	<i>Environmental events, including</i>	120,271.9		
	Renovation of the artesian deep well of Banavan, Ararat city, and construction of an irrigation water line	19,400.0	17,759.0	92%
	Design and estimate works for the renovation of the artesian deep well of Banavan, Ararat city, and the construction of an irrigation water line	600.0		0%
	Construction and reconstruction of the Ararat community's outdoor lighting system with solar and LED lights	28,650.0	20,100.1	70%
	Design and estimate works for the construction and reconstruction of the outdoor lighting system in Ararat community	1,350.0		0%
	Construction of the Banavan Wastewater Treatment Plant in Ararat City	70,271.9	38,801.5	55%
	<i>Health events</i>	0.0		
	Total		322,626.6	271,252.5

Source: Website of the Ministry of Finance of the Republic of Armenia, State Budget 2024.

Table 5.3.3

The proportions of the distribution of the amount of the environmental tax among the communities adversely affected by the activities of mining companies specified in Article 1 of the RA Law "On the Targeted Use of the Environmental Tax Paid by Companies", 2023, 2024

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
Environmental taxes for the discharge of harmful substances and (or) compounds into water resources		
Lori region		
"Akhtala Mining And Processing Combine" CJSC	65%	Akhtala
	7%	Shnogh
"Multi Group Concern" LLC	83%	Odzun
	17.5%	Lori berd
"Sagamar" CJSC	100%	Stepanavan
"Assat" LLC	100%	Pambak
"Baktek Eco" LLC	100%	Pambak
"Teghut" CJSC	100%	Shnogh
Syunik region		
"Zangezur Copper-Molybdenum Combine" CJSC	60%	Kajaran
	40%	Kapan
"Ler-Ex" LLC	100%	Kajaran
"At-Metals" LLC	72%	Kajaran
	28%	Meghri

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
"Agarak Copper-Molybdenum Combine" CJSC	100%	Meghri
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	100%	Kapan
"Gharagulyanner" CJSC	100%	Meghri
"Lichkvaz" CJSC	100%	Meghri
"Geghi Gold" LLC	100%	Sisian
"Marjan Mining Company" LLC	100%	Sisian
"Active Lernagorts" LLC	100%	Meghri
"Lydian Armenia" CJSC	37%	Sisian
Gegharkunik region		
"Geopromining Gold" LLC	100%	Vardenis
Tavush region		
"Akhtala Mining And Processing Combine" CJSC	28%	Noyemberyan
Kotayk region		
"Fortune Resources" LLC	100%	Hrazdan
"Paramount Gold Mining" CJSC	100%	Tsaghkadzor
"Meghradzor Gold" LLC	100%	Tsaghkadzor
Vayots Dzor region		
"Lydian Armenia" CJSC	16%	Vayk
	47%	Jermuk
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	100%	Vayk

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
"Vaykgold" LLC	100%	Vayk
Aragatsotn region		
"Mego-Gold" LLC	100%	Aaparan
Environmental taxes for emissions of harmful substances into the atmosphere		
Lori region		
"Teghut" CJSC	100%	Shnogh
"Akhtala Mining And Processing Combine" CJSC	100%	Akhtala
"Multi Group Concern" LLC	82.5%	Odzun
	17.5%	Lori berd
"Sagamar" CJSC	100%	Stepanavan
"Assat" LLC	100%	Pambak
"Baktek Eco" LLC	100%	Pambak
Syunik region		
"Zangezur Copper-Molybdenum Combine" CJSC	100%	Kajaran
"Ler-Ex" LLC	100%	Kajaran
"At-Metals" LLC	72%	Kajaran
	28%	Meghri
"Agarak Copper-Molybdenum Combine" CJSC	100%	Meghri
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	100%	Kapan
"Gharagulyanner" CJSC	100%	Meghri

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
"Lichkvaz" CJSC	100%	Meghri
"Geghi Gold" LLC	100%	Sisian
"Marjan Mining Company" LLC	100%	Sisian
"Active Lernagorts" LLC	100%	Meghri
"Lydian Armenia" CJSC	37%	Sisian
Ararat region		
"Geopromining Gold" LLC	15%	Ararat
Gegharkunik region		
"Geopromining Gold" LLC	85%	Vardenis
Kotayk region		
"Fortune Resources" LLC	100%	Hrazdan
"Paramount Gold Mining" CJSC	100%	Tsaghkadzor
"Meghradzor Gold" LLC	100%	Tsaghkadzor
Vayots Dzor region		
"Lydian Armenia" CJSC	16%	Vayk
	47%	Jermuk
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	100%	Vayk
"Vaykgold" LLC	100%	Vayk
Aragatsotn region		
"Mego-Gold" LLC	100%	Aparan
Environmental taxes for placement or storage of subsoil use, production and (or) consumption waste in specially designated places		
Lori region		

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
“Akhtala Mining And Processing Combine” CJSC	100%	Akhtala
"Multi Group Concern" LLC	82.5%	Odzun
	17.5%	Lori berd
“Sagamar” CJSC	100%	Stepanavan
“Assat” LLC	100%	Pambak
“Baktek Eco” LLC	100%	Pambak
“Teghut” CJSC	100%	Shnogh
Syunik region		
“Zangezur Copper-Molybdenum Combine” CJSC	30%	Kajaran
	70%	Kapan
“Ler-Ex” LLC	100%	Kajaran
“At-Metals” LLC	72%	Kajaran
	28%	Megri
“Agarak Copper-Molybdenum Combine” CJSC	100%	Megri
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	100%	Kapan
“Gharagulyanner” CJSC	100%	Megri
"Lichkvaz" CJSC	100%	Megri
“Geghi Gold” LLC	100%	Sisian
“Marjan Mining Company” LLC	100%	Sisian
“Active Lernagorts” LLC	100%	Meghri
“Lydian Armenia” CJSC	37%	Sisian

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
Ararat region		
“Geopromining Gold” LLC	100%	Ararat
Kotayk region		
“Meghradzor Gold” LLC	100%	Tsaghkadzor
"Paramount Gold Mining" CJSC	100%	Tsaghkadzor
“Fortune Resources” LLC	100%	Hrazdan
Vayots Dzor region		
“Lydian Armenia” CJSC	16%	Vayk
	47%	Jermuk
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	100%	Vayk
"Vaykgold" LLC	100%	Vayk
Aragatsotn region		
“Mego-Gold” LLC	100%	Aparan

Source: Information provided by the Ministry of Environment and Natural Resources as part of the preparation of the EITI report

According to the Law of the Republic of Armenia “On the Targeted Use of Environmental Tax Paid by Companies”⁶⁷, the program is published by the community leader. The specific forms of publication were defined as a result of the legislative reforms of May 27, 2020, according to which the programs are published annually by the community leader on the community municipality’s official website and/or on the relevant regional administration’s website, as presented by the community leader.

⁶⁷ <https://www.arlis.am/DocumentView.aspx?docid=143046>

Table 5.3.4

Links to publications of environmental programs of communities in accordance with the RA Law "On the Targeted Use of Environmental Taxes Paid by Companies", 2023-2024.

Community	Program 2023	Program 2024	Link
RA Lori region			
Stepanavan community	No program was implemented for 2023.	Stepanavan community's 2024 program for environmental protection and restoration of public health	https://stepanavan.am/Pages/DocFlow/Def.aspx?a=v&g=c2191bba-6db0-48db-83c0-55013332374f
Alaverdi community	No environmental programs were implemented in 2023, and the funds were returned.	Alaverdi community's 2024 program for environmental protection and preservation of public health	https://alaverdi.am/Pages/DocFlow/Def.aspx?a=v&g=0690837c-4bcd-49e1-a351-0fbff79d97a5
Spitak community	Spitak community's 2023 program for environmental protection and restoration of public health	No program was implemented for 2024.	https://spitak.am/Pages/DocFlow/Def.aspx?a=v&g=8248019f-6030-4b08-8e06-331005d7c54b
RA Syunik region			
Meghri community	Environmental program implemented in Meghri community in 2023	No program was implemented for 2024.	https://meghri.am/Pages/DocFlow/Def.aspx?a=v&g=caa77c8d-f590-4381-8c40-82361b1b26b9
Kapan community	Kapan community's 2023 program for environmental protection and preservation of public health	Kapan community's 2024 program for environmental protection and preservation of public health	https://kapan.am/Pages/DocFlow/Def.aspx?a=v&g=af68d2b4-99be-4102-b038-9ed51053dfe9 https://kapan.am/Pages/DocFlow/Def.aspx?a=v&g=87c9dfcb-080d-4549-9dbf-d2d52109d2f8

Community	Program 2023	Program 2024	Link
RA Shirak region			
Gyumri community	<i>No program was implemented for 2023.</i>	<i>No program was implemented for 2024.</i>	
RA Kotayk region			
Charentsavan community	<i>Environmental program implemented in 2023</i>	<i>No program was implemented for 2024.</i>	https://charentsavan.am/Pages/DocFlow/Def.aspx?nt=1&a=v&g=90e2f5ab-29c0-4690-854e-42559f32c2bd
Hrazdan community	<i>Environmental program implemented in 2023</i>	<i>No program was implemented for 2024.</i>	https://hrazdan.am/Pages/DocFlow/Def.aspx?a=v&g=12c5042e-c4ae-470c-896c-5d9dea34b0c1 https://hrazdan.am/Pages/DocFlow/Def.aspx?a=v&g=12c5042e-c4ae-470c-896c-5d9dea34b0c1
RA Ararat region			
Ararat community	<i>Environmental program implemented in 2023</i>	<i>Environmental program implemented in 2024</i>	https://araratcity.am/Pages/DocFlow/Def.aspx?a=v&g=5e3e2069-7617-447f-97c6-a7184cf0a8e9 https://araratcity.am/Pages/DocFlow/Def.aspx?a=v&g=2c8e2e39-2ef3-4b16-aa3a-a2de13b43267
RA Armavir region			
Metsamor community	<i>Environmental program implemented in 2023</i>	<i>No program was implemented for 2024.</i>	https://mecamorecity.am/Pages/DocFlow/Def.aspx?nt=1&a=v&g=6543fc85-4de7-4456-b59e-b9e0ef205a22

Source: Information provided by MTAI

6. SOCIO-ECONOMIC AND ENVIRONMENTAL IMPACT OF THE MINING SECTOR

6. SOCIO-ECONOMIC AND ENVIRONMENTAL IMPACT OF THE MINING SECTOR

6.1. The Role of the Mining Sector in the Economy of the Republic of Armenia (Requirement 6.3)

Mining in Armenia

According to the data published by the Statistical Committee of the Republic of Armenia, the mining industry and quarrying continue to maintain their significant role in the structure of Armenia's economy, although during 2023-2024 the sector's share in GDP declined, remaining at around 3%. Specifically, in 2023 the sector's volume amounted to AMD 288 billion, and in 2024 to AMD 301 billion, which ensured a share of 3.03% and 2.95% in GDP, respectively.

As noted in last year's report, in 2021 the sector reached the highest indicator of the observed period 5.53%, mainly due to the sharp increase in prices recorded in international commodity markets. The downward trend observed in 2022 continued in 2023-2024, though at a more moderate pace, maintaining a relatively stable average level of around 3%.

At the same time, it should be noted that during the same period Armenia's GDP continued to grow, reaching AMD 9.5 trillion in 2023 and AMD 10.2 trillion in 2024. The nominal expansion of the economy resulted in a slight decrease in the relative share of mining in GDP, despite the sector's nominal growth in 2024.

Comparison of data for 2014–2024 shows that the sector has maintained an average share of 3.2% in the long term.

Despite the relatively small share of mining in GDP, the sector's tax contribution has remained significant. According to SRC data, in 2023 five mining companies, and in 2024 three, were included in the list of the 100 largest taxpayers. Taxes paid by these companies accounted for 9% and 12% of the total tax revenues of all companies on the list, respectively.

Export data show an opposite trend. In 2023 and 2024, the share of mining exports in total exports continued to decline, amounting to 9% and 7%, respectively. For comparison, in 2022 ore exports accounted for 17% of total exports, while in 2021 it was 31%. Although the proportion of ore exports in markets is decreasing, the overall exported volumes have not undergone significant fluctuations.

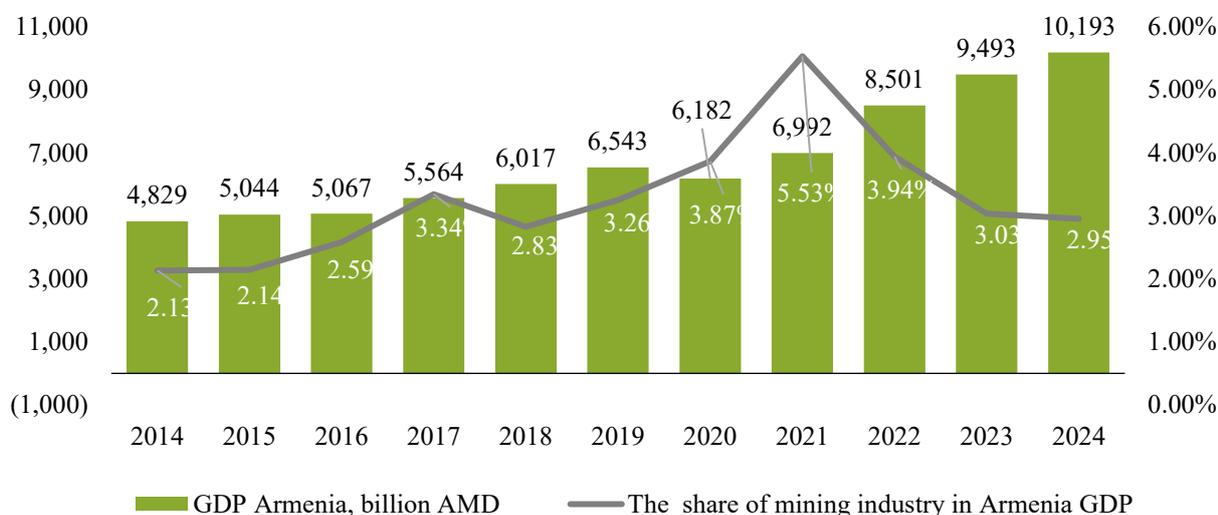
At the same time, an important shift has been recorded in the export structure: the share of natural and precious stones and metals has grown significantly from 18% in 2022 to 38% in 2023 and reaching 61% in 2024.

Overall, as shown by the latest information published by the Statistical Committee of the Republic of Armenia, and as highlighted in the previous report, mining continues to remain an important branch of the economy; however, its share has become more sensitive in recent years to both external market conditions and domestic production dynamics.

According to the information published by the Statistical Committee, among the 20 sectors included in the GDP structure, mining and quarrying continued to maintain a relatively lower middle ranking in 2023 and 2024, occupying approximately the 12th-13th position.

Chart 6.1.1

Share of the mining industry in Armenia's GDP, 2014-2024 ⁶⁸



Source: RA SC, national accounts ⁶⁹

In 2023, Armenia's GDP amounted to AMD 9,493 billion, increasing by AMD 992 billion or about 11.7% compared to the previous year. During the same year, the mining sector recorded a nominal decline of about 14%, or AMD 47 billion.

In 2024, GDP continued to grow, reaching AMD 10,193 billion, which is an increase of AMD 700 billion or 7.4% compared to the previous year. In the mining sector, a modest growth was registered in 2024 around 4.5%, or AMD 13 billion.

Chart 6.1.2

Annual dynamics of the mining and quarrying sector compared with GDP dynamics, 2015–2024



⁶⁸ <https://www.armstat.am/am/?nid=202>

⁶⁹ The same

Source: RA SC , national accounts ⁷⁰

The continuous nature of the fluctuations noted in the previous report persisted during 2023-2024. Despite the stable growth of GDP, the mining and quarrying sector once again demonstrated unstable development, driven by both volatility in international markets and internal production constraints. As previously mentioned, the sharp decline in 2018 was due to the suspension of operations by “Teghut” CJSC. The company resumed its activities in 2021. In 2021, the sector recorded its highest indicator AMD 386.8 billion. In 2022 and 2023, the sector experienced a sharp decline, registering AMD 334.7 billion and AMD 287.6 billion, respectively. However, in 2024, positive developments were observed, with a growth of 4.5% (reaching AMD 300.5 billion). These fluctuations clearly demonstrate the sector’s instability resulting from changes in the international market.

For comparison, during the same years, leading sectors continued to strengthen their positions: trade grew to AMD 1.42 trillion, manufacturing to AMD 1.04 trillion, real estate to nearly AMD 980 billion, and the financial sector to AMD 930 billion.

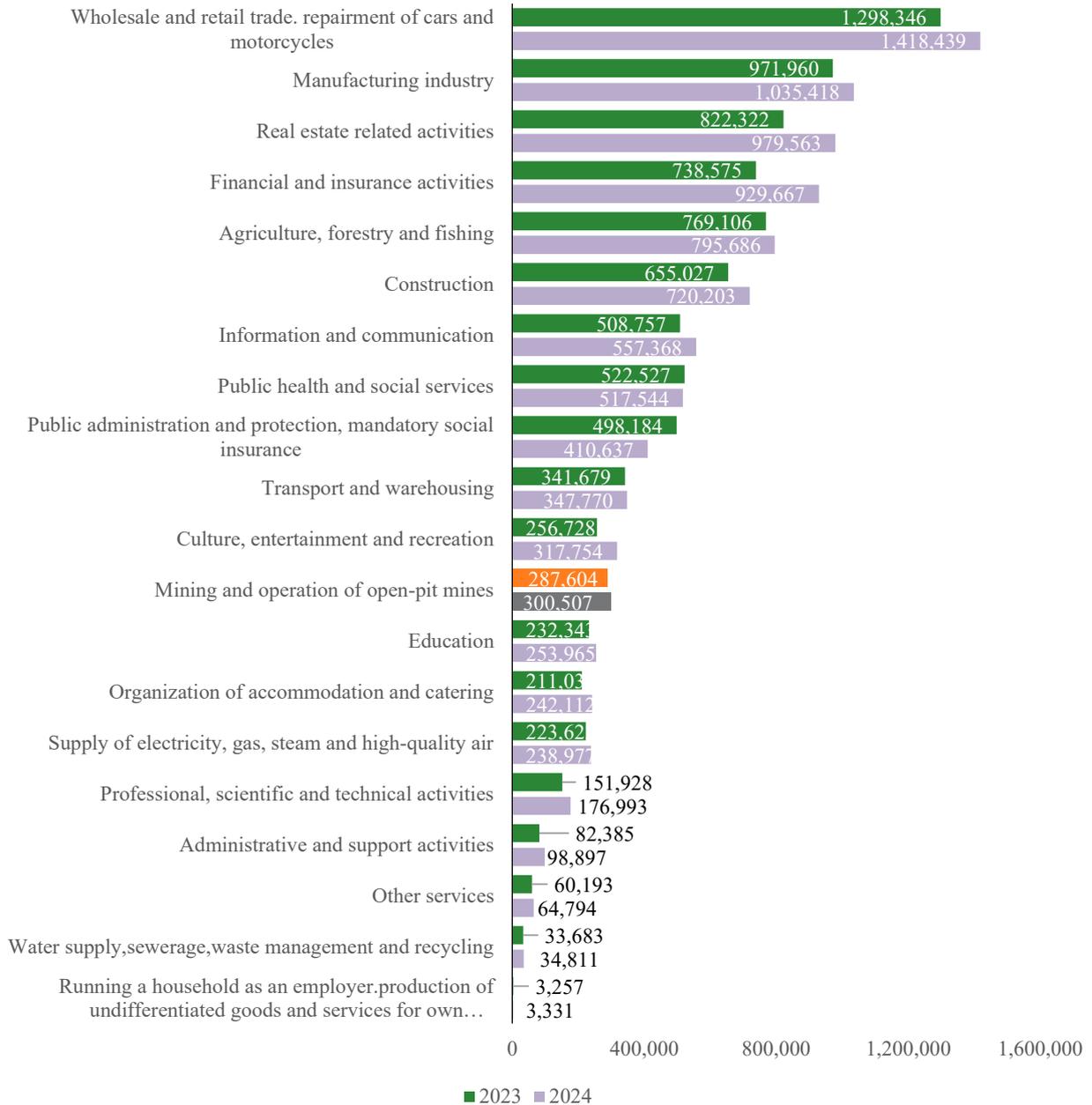
To enhance the competitiveness and role of the sector, targeted and consistent measures are necessary, particularly under conditions requiring stability in international markets and production processes.

Below is the share of the mining and quarrying sector in Armenia’s GDP during 2023-2024, compared to leading sectors.

⁷⁰ The same

Chart 6.1.3

Value added of the mining and open pit mining sector in GDP at current prices compared to other sectors of the Armenian economy as of 2023-2024, million AMD

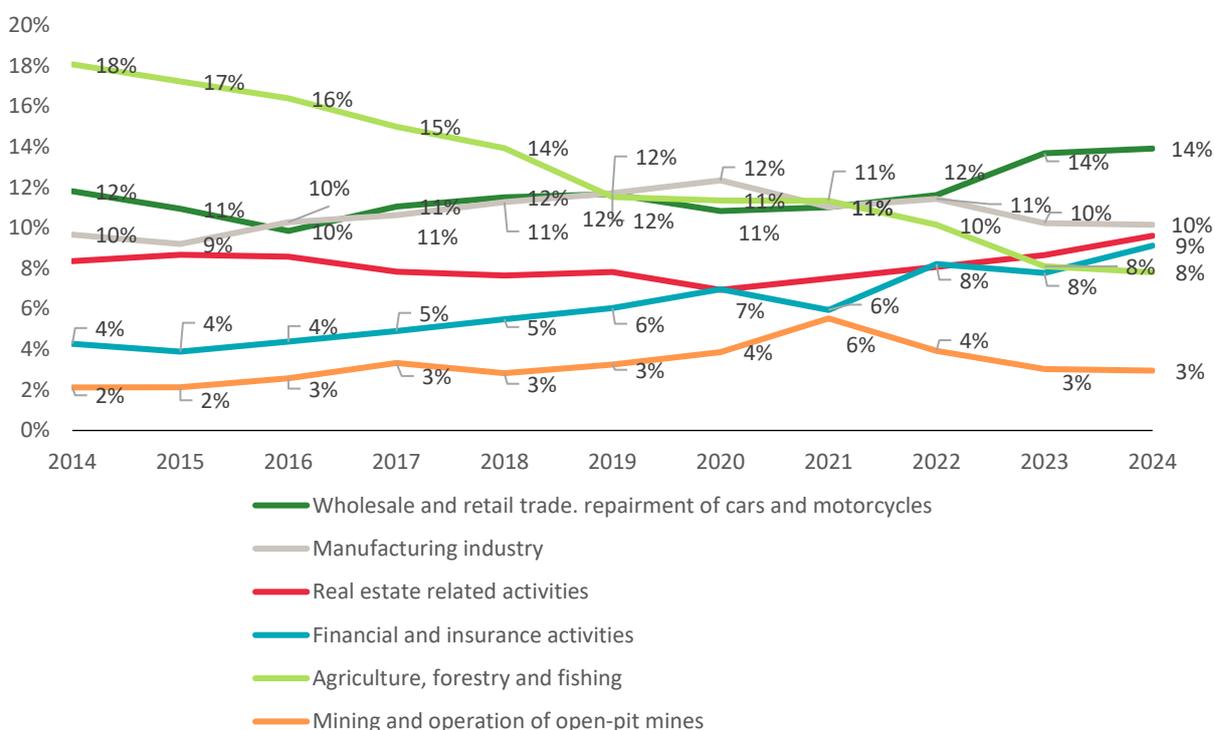


Source: RA Statistical Yearbook of Armenia for the relevant years ⁷¹

⁷¹ <https://www.armstat.am/am/?nid=202>

Chart 6.1.4

Share of mining and quarrying in GDP compared to the 5 largest economic sectors, 2014-2024



Source: RA Statistical Yearbook of Armenia for the relevant years

Artisanal and Small-Scale Mining in the Mining Sector

As recorded in previous reports, no informal or artisanal activity is observed in the mining sector, and this assessment remains unchanged for 2023-2024. The judicial acts and administrative decisions reviewed once again did not indicate any such activity.

The existing legal framework, control mechanisms, and the significant scale of the sector within Armenia’s economy continue to serve as the main deterrent factors. Data published by the Environmental and Subsoil Inspection Body also did not record any cases of informal extraction, and the review of court cases related to metallic mining did not reveal such precedents.

Spatial Distribution of the Sector Based on Company Activities

The spatial distribution of companies engaged in metallic mining did not undergo significant structural changes during 2023-2024. Syunik region remains the leader with the largest concentration of the sector: in 2023, 11 companies operated there, while in 2024 the number decreased to 10. “Ler-Ex” LLC is absent from the previous year’s list.

Lori region is the second main center: in 2023, six companies operated there, and this number remained unchanged in 2024.

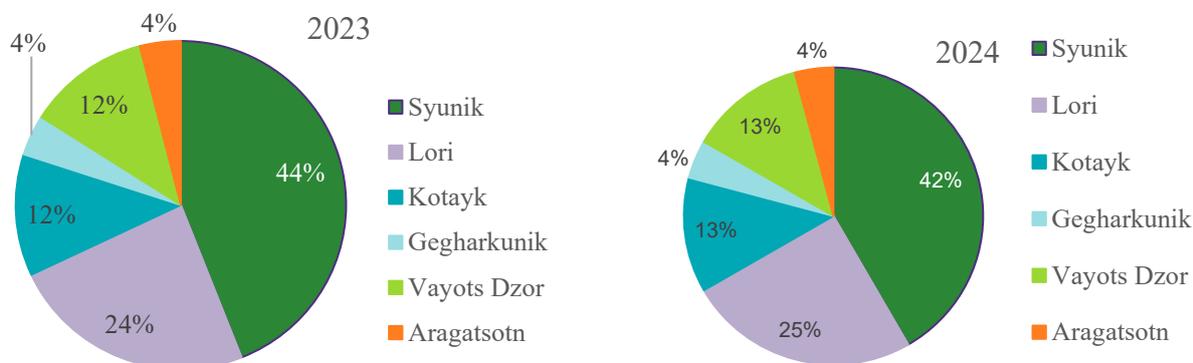
In Kotayk region, three companies operated during both reporting years.

No changes were recorded in Gegharkunik, Aragatsotn, and Vayots Dzor: in these regions, the number of operating companies remained the same in 2023 and 2024 one in Gegharkunik and Aragatsotn, and three in Vayots Dzor.

Overall, 25 companies operated in the sector in 2023, and 24 in 2024. However, the geographical and spatial distribution structure of companies did not undergo significant changes.

Chart 6.1.5

Distribution of mining companies by regions of Armenia



Source: Information provided by mining companies for the EITI report

Employment in the Metallic Mining Sector (Including Gender Distribution)

In 2023 and 2024, employment indicators in the mining and quarrying sector declined slightly. According to 2023 data, 10.8 thousand people were employed in the sector, while in 2024 the figure was 10.7 thousand, which in both years accounted for 1% of total employment. Referring to previous years, the sector’s share has not undergone significant changes.

Employment in the metallic ore mining sector amounted to 8.9 thousand people in 2023 and 8.8 thousand in 2024.

In 2023 and 2024, the share of metallic ore mining in the total employment of the mining and quarrying sector remained almost at the same level 82.44% and 82.31%, respectively. In 2024, the share of metallic ore mining in total employment decreased slightly by 0.01%.

Table 6.1.1

Employment in the Republic of Armenia, 2014–2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Metal ore mining sector in total employment, %	0.62%	0.78%	0.74%	0.77%	0.74%	0.85%	0.87%	0.84%	0.82%	0.76%	0.75%
Share of metal extraction in employment in mining and quarrying, %	87.78%	89.98%	89.14%	88.84%	86.95%	83.83%	81.01%	80.39%	82.20%	82.44%	82.31%
Total employment, thousand people	1,133.50	1,072.60	1,006.20	1,011.70	1,048.50	1,077.40	1,052.40	1,088.30	1,134.80	1,174.40	1,176.10

Source: Relevant yearbooks published by the RA SC

Chart 6.1.6

Employment in the metal industry sector during 2017-2024, thousand people



Source: Relevant yearbooks published by the RA SC ⁷²

Table 6.1.2

Share of the mining sector in total employment compared to the 10 largest sectors of the Armenian economy as of 2023-2024

Sector	Employment in 2023, thousand people	Employment in 2024, thousand people	Sector's share in the total	
			2023 %	2024 %
Agriculture, forestry and fishing	225.4	206.8	19%	17.60%
Wholesale and retail trade, repair of cars and motorcycles	145.7	157.8	12%	13.40%
Education	121.7	124.1	10%	10.60%

⁷² <https://armstat.am/file/doc/99546313.pdf>

Sector	Employment in 2023, thousand people	Employment in 2024, thousand people	Sector's share in the total	
			2023 %	2024 %
Manufacturing industry	121.5	113.9	10%	9.70%
Construction	118.4	115.7	10%	9.80%
Public administration and defense, compulsory social security	90.9	96	8%	8.20%
Healthcare and social services for the population	54.7	50.9	5%	4.30%
Transportation and warehousing	51.2	53.7	4%	4.60%
Information and connection	44.9	43.8	4%	3.70%
Accommodation and catering	39.1	45.9	3%	3.90%
Mining industry and open pit mining	10.2	12.1	1%	1%

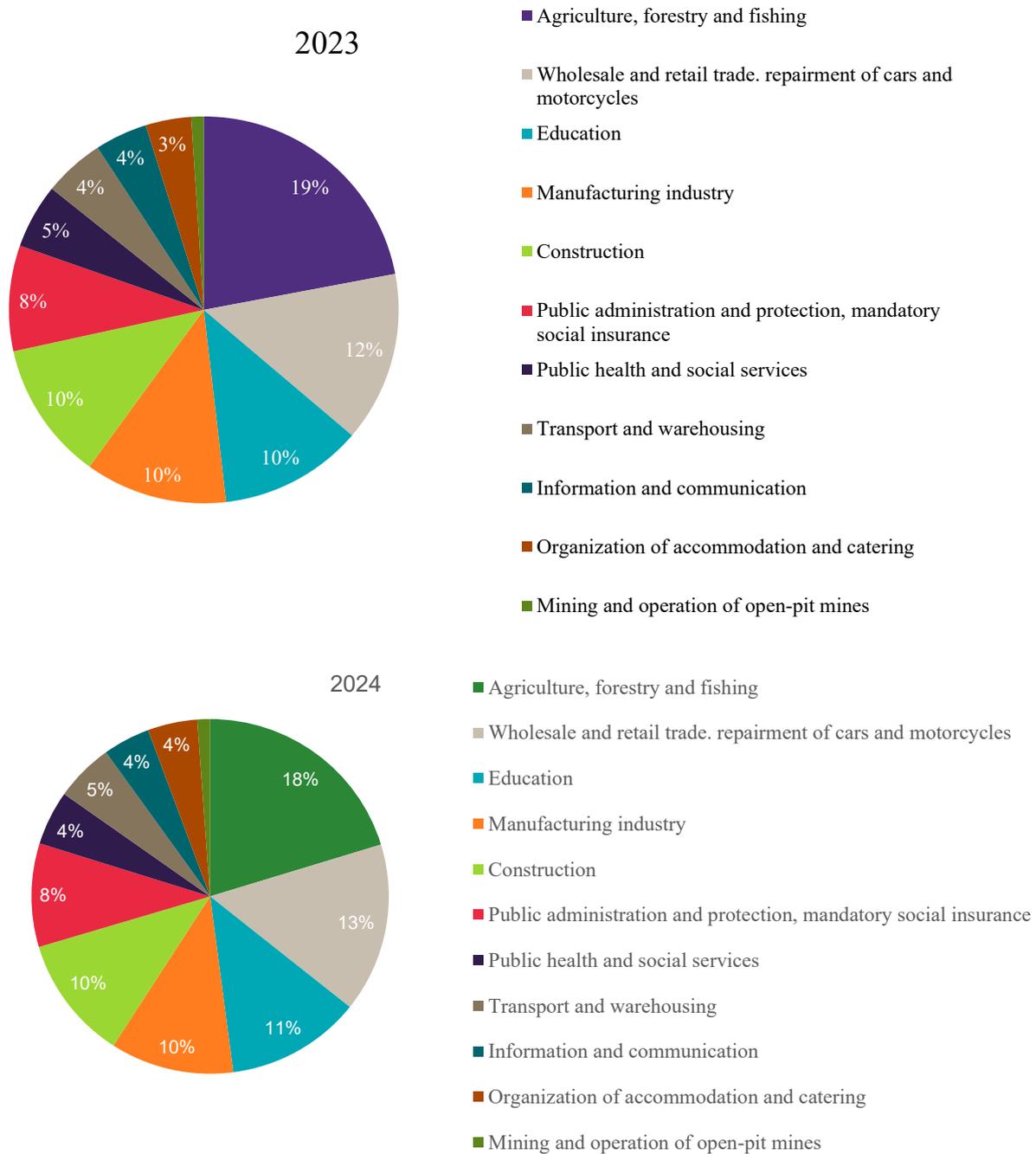
Source: Relevant yearbooks published by the SC of the RA

In line with previous trends, employment in the mining industry amounted to 10.2 thousand people in 2023, which is equivalent to about 1% of total employment. In 2024, although the share in overall employment remained the same, the number of employees in this sector increased, reaching 12.1 thousand. This confirms that the sector continues to maintain its relatively small but stable position in the labor market without significant fluctuations.

Compared to major sectors of the economy, the share of the mining industry remains relatively limited.

Chart 6.1.7

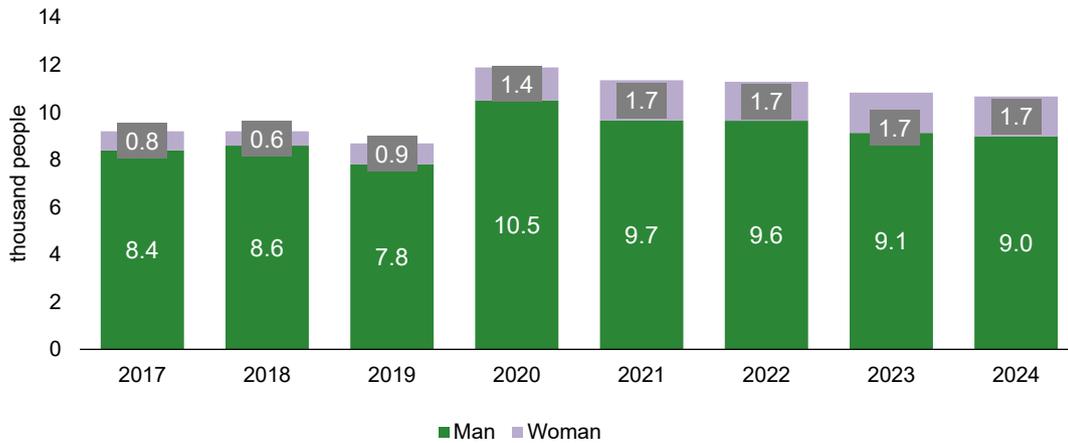
Share of the mining sector in total employment compared to the 10 largest sectors of the Armenian economy as of 2023 and 2024



Source: Relevant yearbooks published by the SC of the RA

Chart 6.1.8

Gender structure of employment in the mining sector, 2017-2024



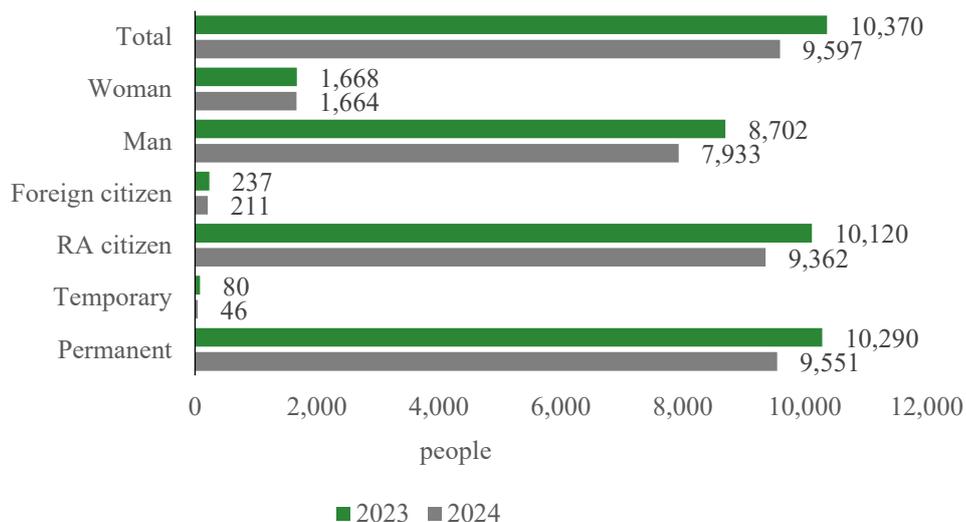
Source: Relevant yearbooks published by the SC of the RA

As in previous years, men continued to dominate employment in the mining sector in 2023. Previous reports indicated that since 2018, the share of women had shown some growth, reaching its peak in 2020 (1.4 thousand or about 11.8%), which exceeded the 2017 indicator. However, this trend did not persist in subsequent years: in 2021, the number of women decreased to 0.8 thousand, and in 2022 it remained at the same level.

According to 2023 data, 10.2 thousand people were employed in the sector, of which men accounted for 10.1 thousand (99%) and women only 0.1 thousand (1%). This situation clearly demonstrates that the issue of gender balance in the sector remains relevant.

Chart 6.1.9

Distribution of employees in the metal mining sector by gender, citizenship and contract term in 2023 and 2024



Source: EITI report by mining companies

As in the preparation of the previous report, the same methodology was applied during the reporting year to classify employees in the mining sector, taking into account gender, citizenship, and types of employment contracts.

In 2023, the majority of employees in the sector were men, about 84%, while women accounted for around 16%. In 2024, the share of men remained at approximately 83%, and women at around 17%.

The share of Armenian citizens in the sector continued to dominate, about 98% in 2023 and about 98% in 2024, while the share of foreign citizens was approximately 2% in both years. From the perspective of employment contracts, employees with indefinite contracts prevailed, around 99% in 2023 and about 99% in 2024, while the share of employees with fixed-term contracts was approximately 1% and 0.5%, respectively. Overall, the distribution of employment by gender, citizenship, and contract duration in the sector has remained quite stable.

The chart below summarizes the top 10 companies and their share of jobs provided in relation to the total jobs created in the sector. During the two years studied, 2023 and 2024, about 97% of jobs in the metallic mining sector were provided by the following companies:

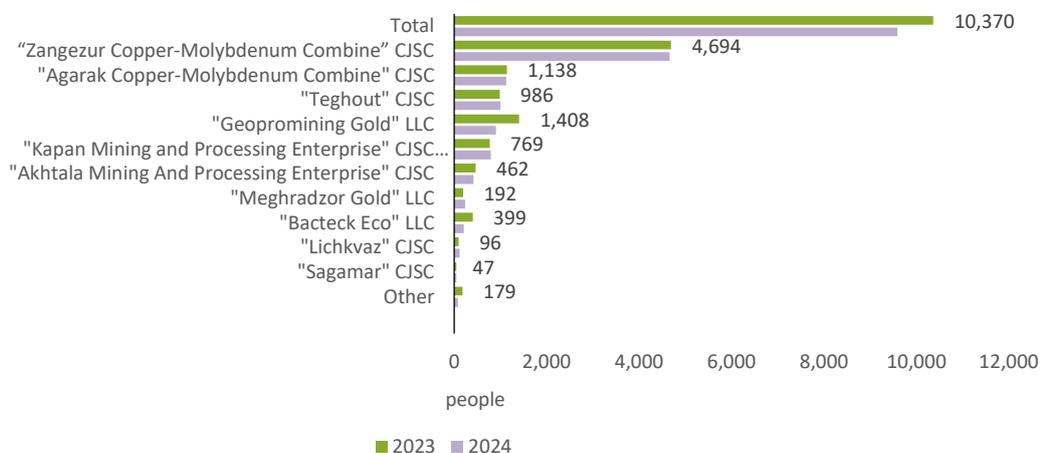
- Zangezur Copper Molybdenum Combine CJSC 4,694 (2023) and 4,667 (2024)
- GeoProMining Gold LLC 1,408 (2023) and 901 (2024)
- Agarak Copper Molybdenum Combine CJSC 1,138 (2023) and 1,129 (2024)
- Teghut CJSC 986 (2023) and 1,001 (2024)
- Kapan Ore Processing Combine CJSC 769 (2023) and 792 (2024)
- Akhtala Ore Processing Combine CJSC 462 (2023) and 418 (2024)
- Meghradzor Gold LLC 192 (2023) and 235 (2024)
- Bactec Eco LLC 399 (2023) and 210 (2024)
- Lichkvaz CJSC 96 (2023) and 116 (2024)
- Sagamar CJSC 47 (2023) and 47 (2024)

Jobs in other companies amounted to 179 (2023) and 81 (2024).

The jobs provided by these leading companies account for about 99% of the total jobs created in the sector, highlighting their importance and contribution to the overall employment picture in the mining industry.

Chart 6.1.10

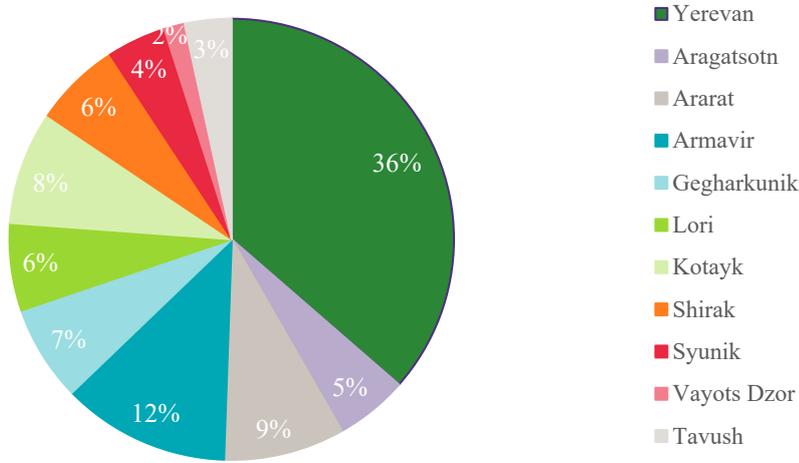
Employment in leading mining companies in 2023 and 2024



Source: EITI report by mining companies

Chart 6.1.11

Percentage distribution of employed people in all sectors in 2023 by regions and the capital



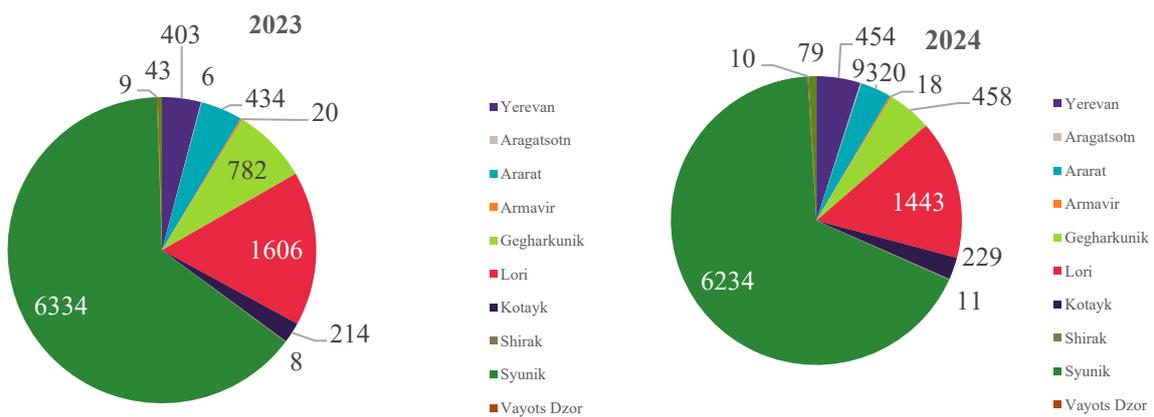
Source: RA SC 2024 publication "Regions of the Republic of Armenia and the City of Yerevan in Numbers"

In 2023, the distribution of Armenia’s labor market shows that the capital Yerevan continues to remain the economic center with about 36% of total employment, which amounts to 426.7 thousand people out of 1,174.4 thousand employed across the country. In Ararat, the share was 9% (103.2 thousand), in Armavir 12% (143 thousand), in Aragatsotn 5% (62.8 thousand), in Gegharkunik 7% (82.7 thousand), in Lori 6% (75.4 thousand), in Kotayk 8% (97.4 thousand), in Shirak 6% (74.3 thousand), in Syunik 4% (51 thousand), in Vayots Dzor 2% (18 thousand), and in Tavush 3% (40 thousand).

Below is the analysis and the chart that illustrates the percentage distribution of employment in the metallic mining sector by regions and the capital.

Chart 6.1.12

Percentage distribution of people employed in the metal mining industry in 2023 and 2024 by regions and the capital



Source: EITI report by mining companies

As shown by the previous year’s data, in 2023-2024 the distribution of employment in the metallic mining sector across regions continued to fluctuate, influenced by local economic and investment conditions. Yerevan remains one of the economic centers, but the largest workforce is concentrated in Syunik, highlighting the significant role of this region in the sector.

During 2023-2024, the number of employees in Yerevan increased by about 12%, indicating the continued strengthening of the capital’s economic influence. Employment in Lori slightly decreased by about 10%, while Gegharkunik recorded a significant decline of around 40%, repeating the trends of the previous year. Employment in Ararat also decreased considerably, whereas Kotayk and Shirak saw slight growth. Tavush experienced a notable increase, more than doubling, while changes in Vayots Dzor were minimal.

The participation of foreign nationals in the sector remained small, only a few percent. Overall, the employment pattern across regions is similar to the previous year’s trends, with changes mainly driven by local economic, investment, and social factors. Syunik continues to be the main center of the sector, providing the largest workforce.

6.2. Social and Environmental Expenditures by Companies (Requirement 6.1)

Social and Economic and Environmental Expenditures and Allocations by Subsoil-Using Companies are carried out on three main grounds:

- In accordance with the requirements of the current legislation
- Within the framework of obligations undertaken under subsoil use contracts
- Through voluntary initiatives

Allocations defined by law relate to environmental payments, including royalties. Detailed information on these payments and expenditures is presented in Section 5.3 of this report.

Payments made within the framework of contractual obligations are allocations aimed at the socio-economic development of affected communities, while voluntary donations may be made either under a contract or without a contract. This information is available in the public EITI reports of subsoil-using companies.

Regarding allocations related to socio-economic development, certain changes were implemented during 2023-2024, which are presented in the table below. As of 2022, the social obligations outlined in subsoil users’ contracts are presented in that year’s report.⁷³

In both 2023 and 2024, 13 subsoil-using companies undertook obligations aimed at the socio-economic development of communities. The fulfillment of these obligations included both financial (non-material) and non-financial (in-kind) contributions. Contractual obligations may be set for different periods: annual, three years, five years, or other. The list of companies that undertook obligations under subsoil use contracts, the amount of obligations, and the fulfillment of these obligations during 2023-2024, according to reports submitted by companies and communities, is presented below.

Table 6.2.1

Social obligations defined by the 2023-2024 Agreement

Company name	Subsoil use agreement number, year	Contractual obligation related to socio-economic development	Changes 2023-2024	Description
“Lichkvaz” CJSC	PV-293, 22 November 2012	Not available	Not modified	-

⁷³ EITI 2020-2021report, page 114, https://eiti.org/sites/default/files/2023-02/2020-2021_EITI_Report_Armenia%20%28EN%29.pdf

Company name	Subsoil use agreement number, year	Contractual obligation related to socio-economic development	Changes 2023-2024	Description
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	PV-183, 27 November 2012	Not available	Not modified	-
"Marjan Mining Company" LLC	PV-398, 07 March 2013	Not available	Not modified	-
"Paramount Gold Mining" CJSC	PV-089, 12 June 2012	Not available	Not modified	-
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	PV-239, 27 September 2012	Not available	Not modified	-
"Fortune Resources" LLC	PV-169, October 20, 2012	Not available	Not modified	-
"Multi Group Concern" LLC	PV-213, October 20, 2012	Not available	Not modified	-
"Active Lernagorts" LLC	PV-425, December 28, 2012	Not available	Not modified	-
"Zangezur Copper-Molybdenum Combine" CJSC	PV-232, 27 November 2012	Not available	Not modified	-
"Mego-Gold" LLC	PV-184, December 28, 2012	Not available	Not modified	-
"Ler-Ex" LLC	PV-094, August 16, 2012	Not available	Not modified	-
"Akhtala Mining And Processing Combine" CJSC	PV-103, October 20, 2012	Not available	Not modified	-
"Agarak Copper-Molybdenum Combine" CJSC	PV-311, 05 April 2013	Available	Not modified	-
"Assat" LLC	PV-366, 06 June 2013	Available	Not modified	-

Company name	Subsoil use agreement number, year	Contractual obligation related to socio-economic development	Changes 2023-2024	Description
“At-Metals” LLC	PV-514, January 16, 2015	Available	Not modified	-
“Baktek Eco” LLC	PV-515, August 22, 2014	Available	Not modified	-
“Geghi Gold” LLC	PV-544, July 22, 2016	Available	Not modified	-
“Geopromining Gold” LLC	PV-189, October 20, 2012	Available	Modified	Financial support for the education of 2-3 young people from Vardenis communities, Participation in the repair of rural and inter-community roads, Organization of medical examinations of Sotk community residents, Participation in socio-economic development programs for Sotk community and nearby settlements, Organization of soil, air and surface water quality monitoring in the territory of Sotk community, Organization of testing of drinking water quality in Sotk village.
“Teghut” CJSC	PV-376, July 20, 2013	Available	Modified on August 14, 2023	The agreement envisages the donation of medical equipment and medicines, financial support, implementation of community sub-projects, community cultural and educational events, and participation in the repair of community roads.
“Lydian Armenia” CJSC	PV-245, September 26, 2012	Available	Not modified	-
“Gharagulyanner” CJSC	PV-547, October 25, 2016	Available	Not modified	-
“Meghradzor Gold” LLC	PV-057, August 22, 2012	Available	Modified on August 29, 2023	According to the agreement, it is planned to clean and regulate community drains, paying for the community budget, maintain the community kindergarten, paying for the community budget, improve the sanitary cleaning of the community area, invest in the "Armath" center in the community, finance the "Armath" center in the community, invest in small businesses in the community and encourage their development for

Company name	Subsoil use agreement number, year	Contractual obligation related to socio-economic development	Changes 2023-2024	Description
				the 3 years preceding the end of the mine operation, finance social cultural events, educational programs
“Sagamar” CJSC	PV-093, October 20, 2012	Available	Not modified	-
"Vaykgold" LLC	PV-371, November 30, 2012	Available	Not modified	-
“Georaid” CJSC	P-707 31 March 2023	Available	Not modified	-

Source: MTAI EITI public reports ⁷⁴

As in the previous year, in the public EITI reports submitted by subsoil-using companies, the section “Subsoil User’s Socio-Economic Contribution to the Community” presents the obligations defined by the subsoil use contract aimed at the socio-economic development of communities. Specifically, it includes the name of the obligation, the amount of investment in the case of a financial obligation, and in the case of a non-financial obligation, the product or service (program) and its estimated value, as well as the community to which the obligation was directed.

Out of 25 subsoil-using companies, 13 have contractual obligations related to socio-economic development. During 2023-2024, changes were made to the socio-economic development obligations in subsoil use contracts for 3 companies. All changes occurred in 2023. It should be noted that the largest subsoil-using company, Zangezour Copper Molybdenum Combine CJSC, does not have contractual obligations but continues to be the company providing the largest donations to the community.

Table 6.2.2

Financial and non-financial socio-economic commitments and donations made by companies in 2023, thousand AMD

Company name	Charitable contributions made to the community by the subsoil user	Payments for the socio-economic obligations of communities defined by the mining contract	Charitable contributions made to individuals by a subsoil user	Charitable contributions made to non-commercial legal entities by a subsoil user
“Agarak Copper-Molybdenum Combine” CJSC	41,486	39,640	35,971	1,750

⁷⁴ <https://mtad.am/pages/extractive-industries-transparency-initiative>

Company name	Charitable contributions made to the community by the subsoil user	Payments for the socio-economic obligations of communities defined by the mining contract	Charitable contributions made to individuals by a subsoil user	Charitable contributions made to non-commercial legal entities by a subsoil user
“Akhtala Mining And Processing Combine” CJSC	70,000	-	1,200	-
“Assat” LLC	38,680	1,000	-	-
“At-Metals” LLC	-	3,000	-	-
“Baktek Eco” LLC	350	650	2,250	-
“Geghi Gold” LLC	-	650	-	-
“Geopromining Gold” LLC	20,417	25,000	10,430	23,500
“Zangezur Copper-Molybdenum Combine” CJSC	576,027	-	5,442	8,456,238
“Teghut” CJSC	5,993	240,000	-	-
“Lichkvaz” CJSC	20,705	-	1,143	300
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	58,000	-	31,205	130,597
“Gharagulyanne r” CJSC	-	1,250	-	-
“Meghradzor Gold” LLC	-	4,950	-	-

Company name	Charitable contributions made to the community by the subsoil user	Payments for the socio-economic obligations of communities defined by the mining contract	Charitable contributions made to individuals by a subsoil user	Charitable contributions made to non-commercial legal entities by a subsoil user
“Multi Group Concern” LLC	-	-	-	35,909
“Sagamar” CJSC	541	2,533	-	-
“Paramount Gold Mining” CJSC	-	-	-	-
“Ler-Ex” LLC	-	-	-	-
“Fortune Resources” LLC	-	-	-	-
“Mego-Gold” LLC	-	-	-	-
““GMN Gold Mining” LLC (Formerly “Vardani Zartonk” LLC)”	-	-	-	-
“Lydian Armenia” CJSC	-	-	-	-
“Vaykgold” LLC	-	-	-	-
“Marjan Mining Company” LLC	-	-	-	-
“Active Lernagorts” LLC	-	-	-	-
“Georaid” CJSC	-	-	-	-
Total	832,199	318,673	87,642	8,648,294

Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

In 2023, out of 25 subsoil-using companies, 15 companies made payments related to socio-economic obligations and donations, totaling AMD 9.9 billion. Donations provided to non-commercial organizations have the largest share,

accounting for 87%. The largest share of payments belongs to Zangezur Copper Molybdenum Combine CJSC, whose donations amounted to AMD 9.04 billion, or 91% of total payments. Payments by other companies did not exceed 2%.

Table 6.2.3

Financial and non-financial socio-economic commitments and donations made by companies in 2024, thousand AMD

Company name	Charitable contributions made to the community by the subsoil user	Payments for the socio-economic obligations of communities defined by the mining contract	Charitable contributions made to individuals by a subsoil user	Charitable contributions made to non-commercial legal entities by a subsoil user
“Agarak Copper-Molybdenum Combine” CJSC	21,422	38,640	21,502	-
“Akhtala Mining And Processing Combine” CJSC	60,000	-	2,550	-
“Assat” LLC	12,000	1,000	-	10,648
“At-Metals” LLC	-	4,000	-	-
“Baktek Eco” LLC	350	650	-	-
“Geghi Gold” LLC	-	650	-	-
“Geopromining Gold” LLC	13,527	50,000	7,044	19,757
“Zangezur Copper-Molybdenum Combine” CJSC	726,458	-	7,048	7,146,993
“Teghut” CJSC	5,649	155,000	4,625	5,400
“Lydian Armenia” CJSC	-	-	76,500	-
“Lichkvaz” CJSC	19,496	-	4,049	-

Company name	Charitable contributions made to the community by the subsoil user	Payments for the socio-economic obligations of communities defined by the mining contract	Charitable contributions made to individuals by a subsoil user	Charitable contributions made to non-commercial legal entities by a subsoil user
"Kapan Mining And Processing Combine" CJSC				
(Formerly "Chaarat Kapan" CJSC)"	40,000	-	35,366	129,637
"Gharagulyanne r" CJSC	-	1,250	-	-
"Meghradzor Gold" LLC	-	6,750	-	-
"Multi Group Concern" LLC	-	-	-	43,145
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)"	200	-	-	-
"Sagamar" CJSC	498	2,533	-	-
"Paramount Gold Mining" CJSC	-	-	-	-
"Ler-Ex" LLC	-	-	-	-
"Fortune Resources" LLC	-	-	-	-
"Mego-Gold" LLC	-	-	-	-
"Vaykgold" LLC	-	-	-	-
"Marjan Mining Company" LLC	-	-	-	-

Company name	Charitable contributions made to the community by the subsoil user	Payments for the socio-economic obligations of communities defined by the mining contract	Charitable contributions made to individuals by a subsoil user	Charitable contributions made to non-commercial legal entities by a subsoil user
“Active Lernagorts” LLC	-	-	-	-
“Georaid” CJSC	-	-	-	-
Total	899,600	260,473	158,683	7,355,580

Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

In 2024, out of 24 subsoil-using companies, 17 companies made payments related to socio-economic obligations and donations, totaling AMD 8.7 billion. Donations provided to non-commercial organizations have the largest share, accounting for 85%. The largest share of payments belongs to Zangezur Copper Molybdenum Combine CJSC, whose donations amounted to AMD 7.9 billion, or 91% of total payments. Payments by other companies did not exceed 2%.

6.2.1. Socio-Economic Development Obligations Defined by Subsoil Use Contracts of Subsoil-Using Companies

A summary analysis of the mandatory payments made by subsoil-using companies during the observed period is presented below.

Table 6.2.1.1

2023. Fulfillment of socio-economic development obligations set forth in the subsoil use contract by subsoil use companies, thousand AMD

Company name	Subsoil use agreement number, year	Defined by mining contract		Actually done
		Annual	Other term	
“Agarak Copper-Molybdenum Combine” CJSC	PV-311 April 05, 2013	40,640	-	39,640
“Assat” LLC	P-366	800	200	1,000
	June 06, 2013			
“At-Metals” LLC	P-514	8,100	-	3,000
	January 16, 2015			
“Baktek Eco” LLC	P-515 August 22, 2014	650	-	650
“Geghi Gold” LLC	P-544	650	-	650
	July 22, 2016			
“Geopromining Gold” LLC	PV-189	4,000	6,200	25,000
	October 20, 2012			

Company name	Subsoil use agreement number, year	Defined by mining contract		Actually done
		Annual	Other term	
"Georaid" CJSC	P-707	2,000	-	-
	March 31, 2023			
"Teghut" CJSC	PV-376 20 February 2013	155,500	-	240,000
"Lydian Armenia" CJSC	PV-245	61,500	-	-
	September 26, 2012			
"Gharagulyanner" CJSC	P-547	1,000	250	1,250
	October 25, 2016			
"Meghradzor Gold" LLC	PV-057	13,700	7,000	4,950
	August 22, 2012			
"Sagamar" CJSC	PV-093	1,000	5,000	2,533
	October 20, 2012			
"Vaykgold" LLC	P-371	3,000	-	-
	November 30, 2012			
Total		292,540	18,650	318,673

Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

Table 6.2.1.2

2024. Fulfillment of socio-economic development obligations set forth in the subsoil use contract by subsoil use companies, thousand AMD

Company name	Subsoil use agreement number, year	Defined by mining contract		Actually done
		Annual	Other term	
"Agarak Copper-Molybdenum Combine" CJSC	PV-311	40,640	-	38,640
	05 April 2013			
"Assat" LLC	P-366	800	200	1,000
	06 June 2013			
"At-Metals" LLC	p-514	8,100	-	4,000
	January 16, 2015			
"Baktek Eco" LLC	p-515	650	-	650
	August 22, 2014			
"Geghi Gold" LLC	P-544	650	-	650
	July 22, 2016			
"Geopromining Gold" LLC	PV-189	4,000	6,200	50,000
	October 20, 2012			
"Georaid" CJSC	P-707	2,000	-	-
	February 20, 2013			
"Teghut" CJSC	PV-376	155,500	-	155,000
	February 20, 2013			
"Lydian Armenia" CJSC	PV-245	61,500	-	-

Company name	Subsoil use agreement number, year	Defined by mining contract		Actually done
		Annual	Other term	
	September 26, 2012			
“Gharagulyanner” CJSC	P-547	1,000	250	1,250
	October 25, 2016			
“Meghradzor Gold” LLC	PV-057	13,700	7,000	6,750
	August 22, 2012			
“Sagamar” CJSC	PV-093	1,000	5,000	2,533
	October 20, 2012			
"Vaykgold" LLC	P-371	3,000	-	-
	November 30, 2012			
Total		292,540	18,650	260,473

Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

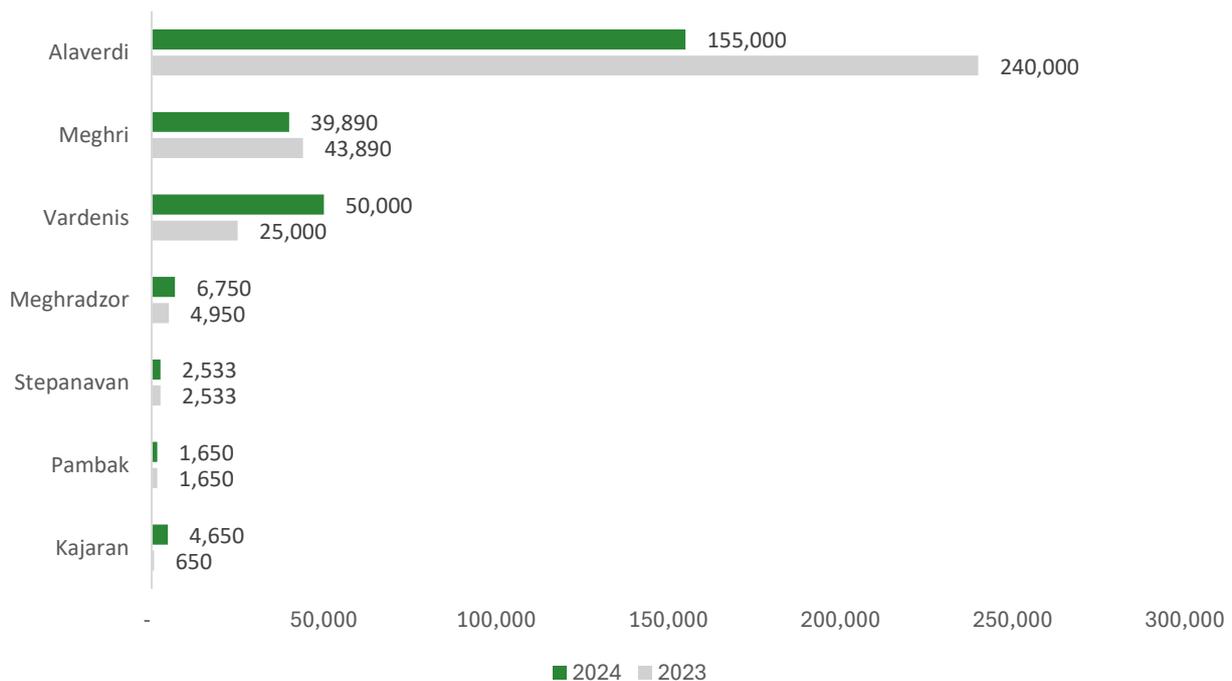
According to the reports submitted by subsoil-using companies, the total amount of mandatory payments made to communities under subsoil use contracts amounted to AMD 311.2 million for both 2023 and 2024. The largest payments in 2023 and 2024 were made by Teghut CJSC, amounting to approximately AMD 240 million and AMD 155 million, respectively.

At the same time, 7 companies in 2023 and 8 companies in 2024 either did not fulfill or only partially fulfilled their obligations under subsoil use contracts.

In terms of the distribution of mandatory payments, the leading position was held by the Alaverdi community of Lori region, which accounted for 75% of the total mandatory payments made in 2023 and 60% in 2024.

Chart 6.2.1.1

2023-2024: Fulfillment of socio-economic development obligations set forth in the subsoil use contract by subsoil use companies, by communities, thousand AMD



Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

6.2.2. Donations, Contributions, or Other Forms of Gratuitous Transfers Made by Subsoil-Using Companies to Communities

Table 6.2.2.1

Charitable contributions made to the community by subsoil-using companies during 2023, thousand AMD

Company	Community	Goal	Donation amount, thousand AMD
“Agarak Copper-Molybdenum Combine” CJSC	Meghri	Charitable donations made to Meghri	24,000
“Agarak Copper-Molybdenum Combine” CJSC	Meghri	Charitable donations made to Meghri	17,486
“Akhtala Mining And Processing Combine” CJSC	Akhtala	Charitable donation to the community	70,000
“Assat” LLC	Pambak	Washing machine	9,680
“Assat” LLC	Pambak	Donation to the Pambak community	29,000
“Baktek Eco” LLC	Pambak	Donation to the Pambak community	350
“Geopromining Gold” LLC	Ararat	Donation	20,417
“Zangezur Copper-Molybdenum Combine” CJSC	Kajaran	Ammoniacal nitrate, metal pipe, fencing mesh, fruit	4,886
“Zangezur Copper-Molybdenum Combine” CJSC	Kajaran	Community garbage collection, city renovations, cultural events	56,379
“Zangezur Copper-Molybdenum Combine” CJSC	Kapan	Financing of street lighting and cooling in Kapan city	2,500
“Zangezur Copper-Molybdenum Combine” CJSC	Kapan	Community renovation works, asphalt paving	349,216
“Zangezur Copper-Molybdenum Combine” CJSC	Kapan, Kajaran	Passenger transportation for community residents	163,046
“Teghut” CJSC	Alaverdi	New Year's gifts	2,565
“Teghut” CJSC	Alaverdi	Transportation	3,428
“Lichkvaz” CJSC	Meghri	Machinery, building materials, etc.	11,859
“Lichkvaz” CJSC	Meghri	Material /financial/ assistance	8,846

Company	Community	Goal	Donation amount, thousand AMD
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	Kapan	For construction works of the NUH and Technology at 16 Lernagortsneri	58,000
“Sagamar” CJSC	Stepanavan	New Year and Christmas gifts	295
“Sagamar” CJSC	Pambak	New Year and Christmas gifts	165
“Sagamar” CJSC	Gyulagarak	New Year and Christmas gifts	80
Total			832,199

Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

Table 6.2.2.2

Charitable contributions made to the community by subsoil-using companies during 2024, thousand AMD

Company	Community	Goal	Donation amount, thousand AMD
“Agarak Copper-Molybdenum Combine” CJSC	Agarak	Replacement of roofs in the city of Agarak	21,422
“Akhtala Mining And Processing Combine” CJSC	Alaverdi	Donation/ Agreement N 01/2023	60,000
“Assat” LLC	Pambak	Donation to the Pambak community	12,000
“Baktek Eco” LLC	Pambak	Donation to the Pambak community	350
“Geopromining Gold” LLC	Vardenis	4 athletes plane tickets to Budapest	3,527
“Geopromining Gold” LLC	Ararat	Donation	10,000
“Zangezour Copper-Molybdenum Combine” CJSC	Kajaran	Providing firewood to Artsakh residents	18,400
“Zangezour Copper-Molybdenum Combine” CJSC	Kajaran	Providing street lighting	1,798
“Zangezour Copper-Molybdenum Combine” CJSC	Kajaran	Festive decoration of the city	76,879
“Zangezour Copper-Molybdenum Combine” CJSC	Kajaran	Assistance with technical equipment and products	5,047

Company	Community	Goal	Donation amount, thousand AMD
“Zangezur Copper-Molybdenum Combine” CJSC	Kapan	Stadium renovation, rural community house renovation	125,720
“Zangezur Copper-Molybdenum Combine” CJSC	Kapan	Construction work assistance	241,591
“Zangezur Copper-Molybdenum Combine” CJSC	Kapan, Kajaran	Christmas gifts for community children	43,727
“Zangezur Copper-Molybdenum Combine” CJSC	Kapan, Kajaran	Passenger transportation for community residents	213,296
“Teghut” CJSC	Alaverdi	Donation to the Alaverdi community	1,049
“Teghut” CJSC	Alaverdi	Donation to the community	4,600
“Lichkvaz” CJSC	Meghrh	Preparation of a tablet	925
“Lichkvaz” CJSC	Meghrh	The financial resources were transferred to the Avetis Charitable Foundation, which made a non-financial investment in the Meghri community in accordance with the tripartite agreements.	18,571
“Lichkvaz” CJSC	Meghrh	Preparation of a tablet	925
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	Kapan	Memorandum of Understanding on Socio-Economic Cooperation with the Municipality	40,000
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	Vayk	Donation	200
“Sagamar” CJSC	Stepanavan	New Year and Christmas gifts	402
“Sagamar” CJSC	Gyulagarak	New Year and Christmas gifts	96
Total			899,600

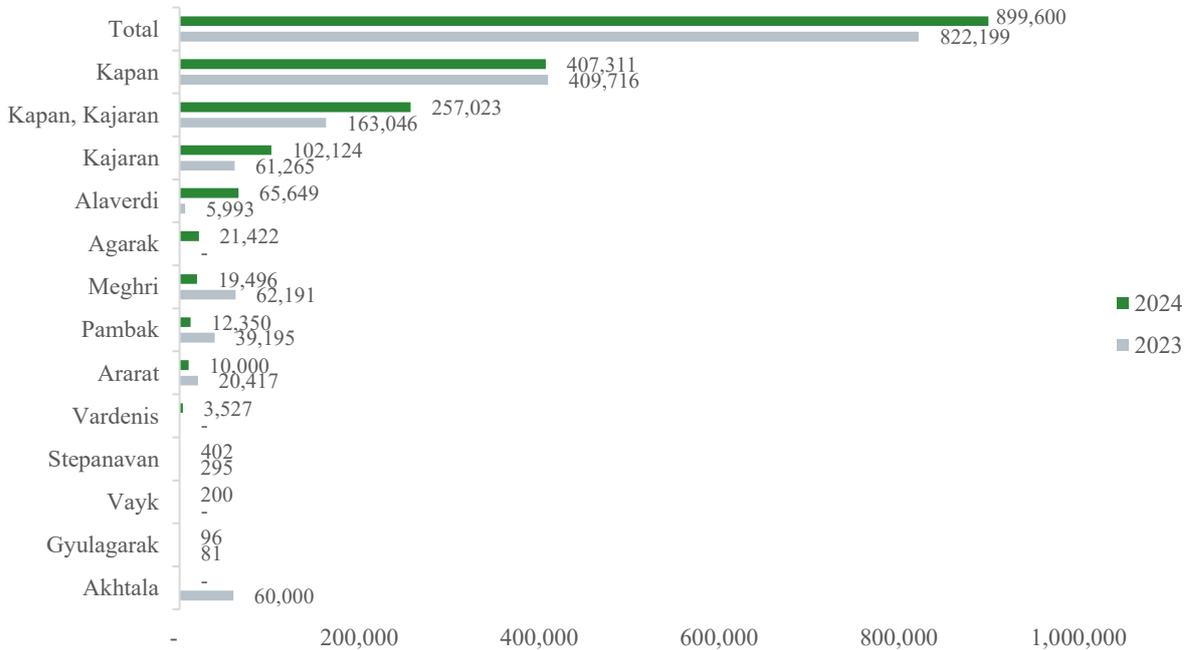
Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

In 2023, the total amount of voluntary payments was AMD 832 million, and in 2024 it reached AMD 899 million. As in 2023, in 2024 the leading location in terms of territorial distribution was the city of Kapan. The leading company in terms of donation volume for both years was Zangezur Copper Molybdenum Combine CJSC.

It is noteworthy that some of the companies that made voluntary payments did not fulfill or only partially fulfilled their annual obligations under subsoil use contracts aimed at the socio-economic development of communities. The list of companies is provided in Table 6.2.2.3.

Chart 6.2.2.1

Revenues of community budgets from donations, endowments or other forms of gratuitous alienation by subsoil-using companies in 2023-2024, classified by leading communities, thousand AMD



Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

Table 6.2.2.3

Donations and contributions to communities in lieu of annual obligations not fulfilled by subsoil use companies under subsoil use contracts during 2023-2024, thousand AMD

Company name	Amount of obligation specified in the subsoil use contract	Unfulfilled obligation under a subsoil use contract		Donation to the community	
		2023	2024	2023	2024
“Agarak Copper-Molybdenum Combine” CJSC	40,640	1,000	2,000	41,486	21,422
“At-Metals” LLC	8,100	5,100	4,100	-	-
“Georaid” CJSC	2,000	2,000	2,000	-	-
“Teghut” CJSC	155,500	-	500	5,993	5,649
“Lydian Armenia” CJSC	61,500	61,500	61,500	-	-
“Meghradzor Gold” LLC	20,700	15,750	13,950	-	-
“Sagamar” CJSC	6,000	3,467	3,467	541	498
“Vaykgold” LLC	3,000	3,000	3,000	-	-
Total	297,440	91,817	90,517	48,020	27,569

Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

In 2023-2024, subsoil-using companies attached great importance to the development of affected communities by implementing diverse programs that included fulfilling socio-economic obligations, improving education, healthcare, and infrastructure, as well as providing community support.

Within the framework of fulfilling contractual socio-economic obligations directed to communities, Teghut CJSC made significant contributions for the implementation of community subprojects in Alaverdi, with funding amounting to approximately AMD 240 million in 2023 and AMD 155 million in 2024.

In Meghri community, Agarak Copper-Molybdenum Combine CJSC fulfilled major obligations aimed at socio-economic development, amounting to about AMD 39 million in 2023 and AMD 38 million in 2024.

Socio-economic donations. In addition to mandatory payments defined by subsoil use contracts, companies also made donations to communities to address socio-economic needs, totaling AMD 832 million in 2023 and AMD 899 million in 2024. According to 2023 data, the leading company in terms of donations was Zangezur Copper Molybdenum Combine CJSC with AMD 576 million or 69%. The second largest donation was made by Akhtala Ore Processing Combine CJSC with AMD 70 million or 8%. In 2024, the picture remained almost the same, with Zangezur Copper Molybdenum Combine CJSC (81%) and Akhtala Ore Processing Combine CJSC (7%) occupying the top positions.

Infrastructure improvements. Companies also paid great attention to infrastructure development. Zangezur Copper Molybdenum Combine CJSC made significant investments in Kapan and Kajaran communities during 2023-2024 for road construction, street lighting, renovation of public buildings, festive city decorations, and other infrastructure improvements. For example, in 2023, AMD 349.2 million was allocated in Kapan for road asphaltting and repair works, AMD 2.5 million for street lighting, and AMD 56.4 million in Kajaran for waste management and city renovation works. In 2024, AMD 241.6 million was invested in Kapan for construction support and stadium renovation, while AMD 76.9 million was allocated in Kajaran for festive city decorations. Additionally, AMD 163 million and AMD 213.3 million were allocated in 2023-2024 for passenger transportation services for residents of Kapan and Kajaran, respectively.

Community support. Teghut CJSC provided financial assistance in Shnogh and Alaverdi communities during 2023-2024 for the implementation of community subprojects, transportation services, and other essential areas, amounting to AMD 240 million and AMD 155 million respectively, totaling AMD 395 million.

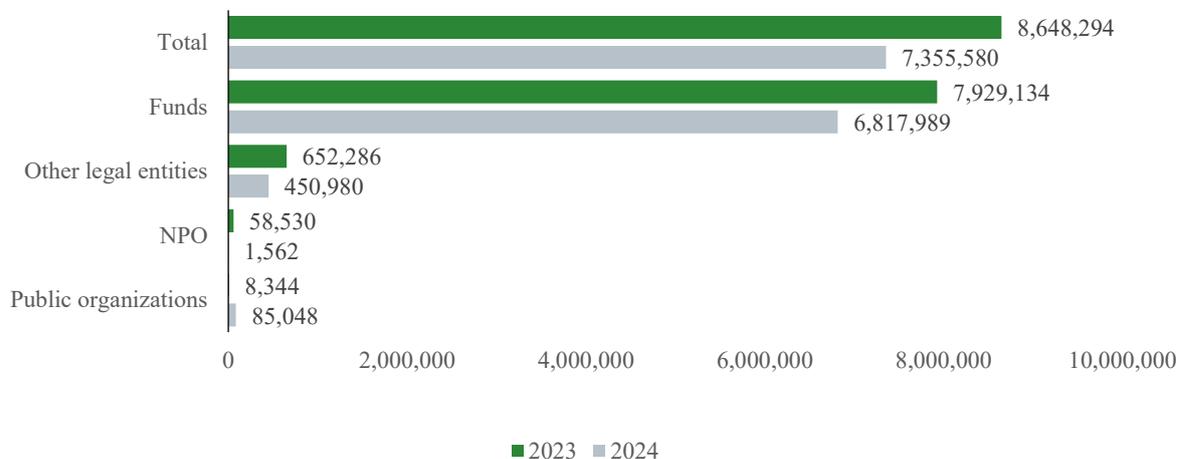
Overall, the programs implemented by subsoil-using companies in 2023-2024 had a comprehensive impact on the socio-economic development of communities, contributing to improvements in education, healthcare, infrastructure, as well as providing practical support in social and cultural life. :

6.2.3. Financial and Non-Financial Donations, Contributions, or Other Forms of Gratuitous Transfers Made by Subsoil-Using Companies to Non-Commercial Legal Entities

During 2023 and 2024, six subsoil-using companies made donations, contributions, or other forms of gratuitous transfers to non-commercial legal entities and individuals. In 2023, total donations to foundations, legal entities, and individuals amounted to AMD 8.735 billion, of which AMD 8.648 billion was allocated to legal entities and AMD 12 million to individuals. The classification of recipient organizations by legal status was based on the information provided in the reports submitted by subsoil-using companies.

Chart 6.2.3.1

Donations made by subsoil using companies in 2023-2024 by direction, thousand AMD



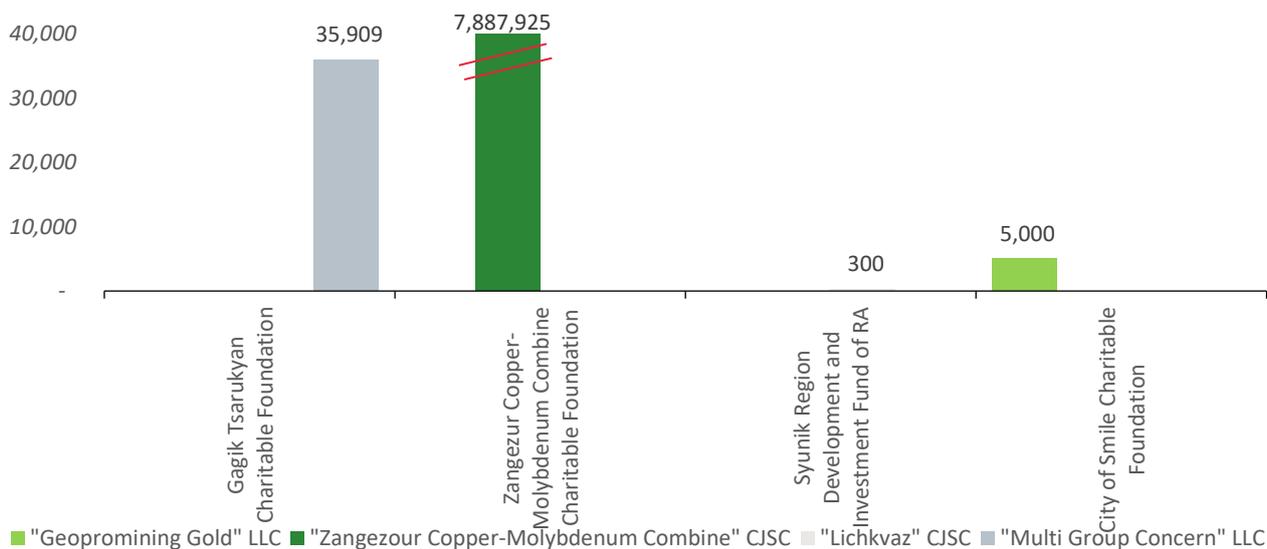
Source: Information provided by mining companies for the EITI report

Donations Made to Foundations

In 2023, the total amount of donations made by subsoil user companies to foundations amounted to AMD 7.929 billion (around 92% of total donations), while in 2024 it was AMD 6.817 billion. In 2023, 4 subsoil user companies made donations to foundations, and in 2024 5. The chart below presents the donations of subsoil user companies to foundations.

Chart 6.2.3.2

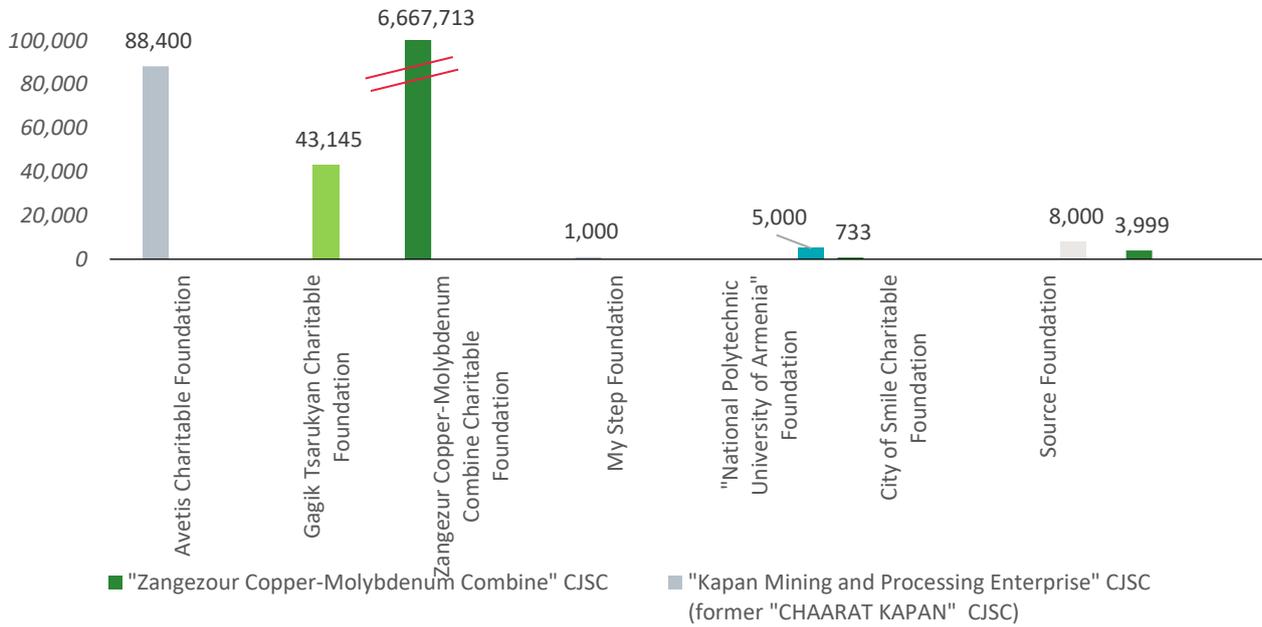
Donations made to foundations by mineral-using companies in 2023, thousand AMD



Source: Information provided by mining companies for the EITI report

Chart 6.2.3.3

Donations made to foundations by mineral-using companies in 2024, thousand AMD



Source: Information provided by mining companies for the EITI report

Table 6.2.3.1

Donations, donations or other gratuitous alienations made by subsoil-using companies to foundations in 2023-2024, thousand AMD

Company	Fund	Donation amount according to the report submitted by the mining company	Donation amount according to the report submitted by the Fund	Link to the report submitted by the Fund	Comments on the audit
2023					
“Geopromining Gold” LLC	City of Smiles	5,000	Not reflected	https://cityofsmile.org/reports/?lang=hy	Not available
“Zangezur Copper-Molybdenum Combine” CJSC	Zangezur Copper and Molybdenum Plant Charitable Foundation	7,887,925	Not reflected	Not available	Not available
“Lichkvaz” CJSC	Syunik Region Development and Investment Fund of the Republic of Armenia	300	Not reflected	Not available	Not available
“Multi Group Concern” LLC	Gagik Tsarukyan Charitable Fund	35,909	Not reflected	Not available	Not available
Total		7,929,134			
2024					
”Geopromining Gold” LLC	City of Smiles	8,000	Not reflected	https://cityofsmile.org/reports/?lang=hy	Not available
“Zangezur Copper-Molybdenum Combine” CJSC	Zangezur Copper and Molybdenum Plant Charitable Fund	6,667,713	Not reflected	Not available	Not available

Company	Fund	Donation amount according to the report submitted by the mining company	Donation amount according to the report submitted by the Fund	Link to the report submitted by the Fund	Comments on the audit
	National Polytechnic University of Armenia Fund	732	Not reflected	Not available	Not available
	Source of support for children with disabilities and their families	3,999	Not reflected	Not available	Not available
“Teghut” CJSC	My Step Charity Fund	5,000	Not reflected	https://mystep.foundation/hy/2024/04/29/report-2023/	Not available
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	Avetis Charitable Fund	88,400	Not reflected	Not available	Not available
	My Step Charity Fund	1,000	Not reflected	https://mystep.foundation/hy/2024/04/29/report-2023/	Not available

Company	Fund	Donation amount according to the report submitted by the mining company	Donation amount according to the report submitted by the Fund	Link to the report submitted by the Fund	Comments on the audit
"Multi Group Concern" LLC	Gagik Tsarukyan Charitable Fund	43,145	Not reflected	Not available	Not available
Total		6,817,989			

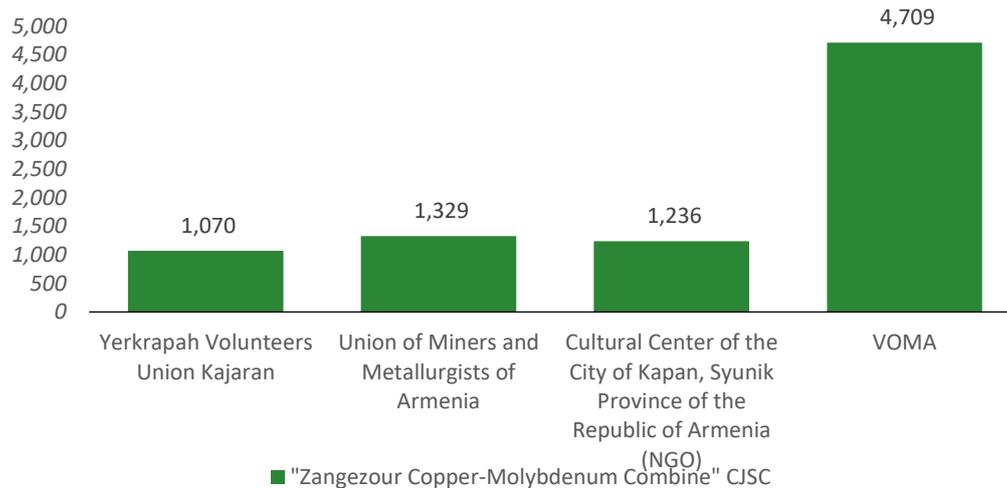
Source: Reports provided by companies to EITI

Donations Made to Public Organizations

In 2023, donations made by subsoil user companies to public organizations amounted to AMD 8.3 million. In 2024, the donations totaled AMD 85 million. The donations were made by 3 companies. Below are the donations made to these public organizations.

Chart 6.2.3.3

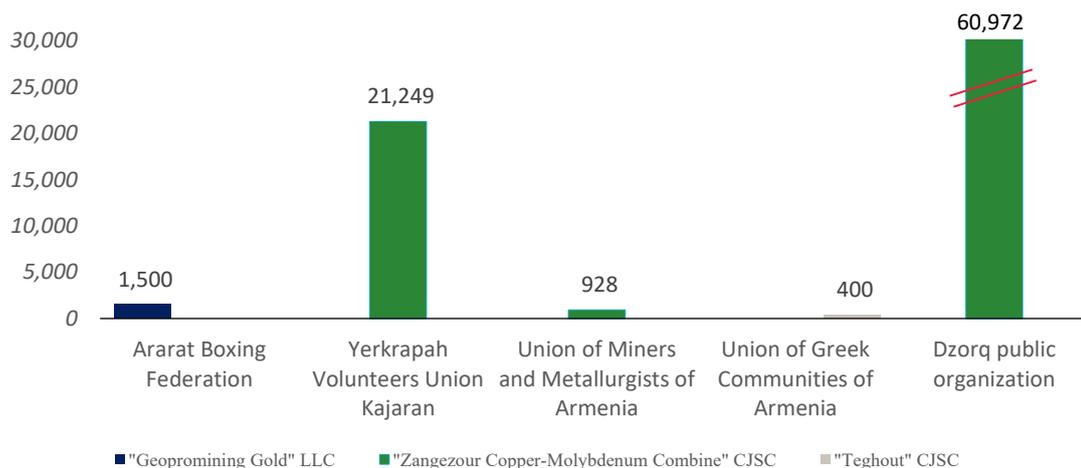
Financial and non-financial donations made by mineral-using companies to public organizations in 2023, thousand AMD ⁷⁵



Source: Information provided by mining companies for the EITI report

Chart 6.2.3.4

Financial and non-financial donations made by mineral exploitation companies to public organizations in 2024, thousand AMD ⁷⁶



⁷⁵ The chart only considers those non-governmental organizations whose financial and non-financial donations exceed 1 million AMD.

⁷⁶ The chart only considers those non-governmental organizations whose financial and non-financial donations exceed 1 million AMD.

Source: Information provided by mining companies for the EITI report

Table 6.2.3.2

Donations provided to NGOs by subsoil-using companies made in 2023-2024, thousand AMD ⁷⁷

Company	NGO	Socio-economic contribution, according to a report submitted by the mining company	Socio-economic contribution, according to the report submitted by the NGO	Difference	Link to the report submitted by the NGO	Comments on the audit
2023						
"Zangezur Copper-Molybdenum Combine" CJSC	Yerkrapah Volunteer Union Kajaran Regional Branch	1,070	Not reflected	-	Not available	Not available
	Union of Miners and Metallurgists of Armenia	1,329	Not reflected	-	Not available	Not available
	Cultural Center NGO of Kapan city, Syunik region, RA	1,236	Not reflected	-	Not available	Not available
	The Art of Survival Military Patriotic	4,709	Not reflected	-	Not available	Not available
2024						
"Geopromining Gold" LLC	Ararat Region Boxing Federation	1,500	Not reflected	-	Not available	Not available
"Zangezur Copper-Molybdenum Combine" CJSC	Kajaran Regional Branch of the Youth Union	21,249	Not reflected	-	Not available	Not available
	Union of Miners and Metallurgists of Armenia	928	Not reflected	-	Not available	Not available
	Dzork NGO	60,972	Not reflected	-	Not available	Not available
"Teghut" CJSC	Union of Greek Communities of Armenia NGO	400	Not reflected	-	Not available	Not available

Source: Information provided by mining companies for the EITI report

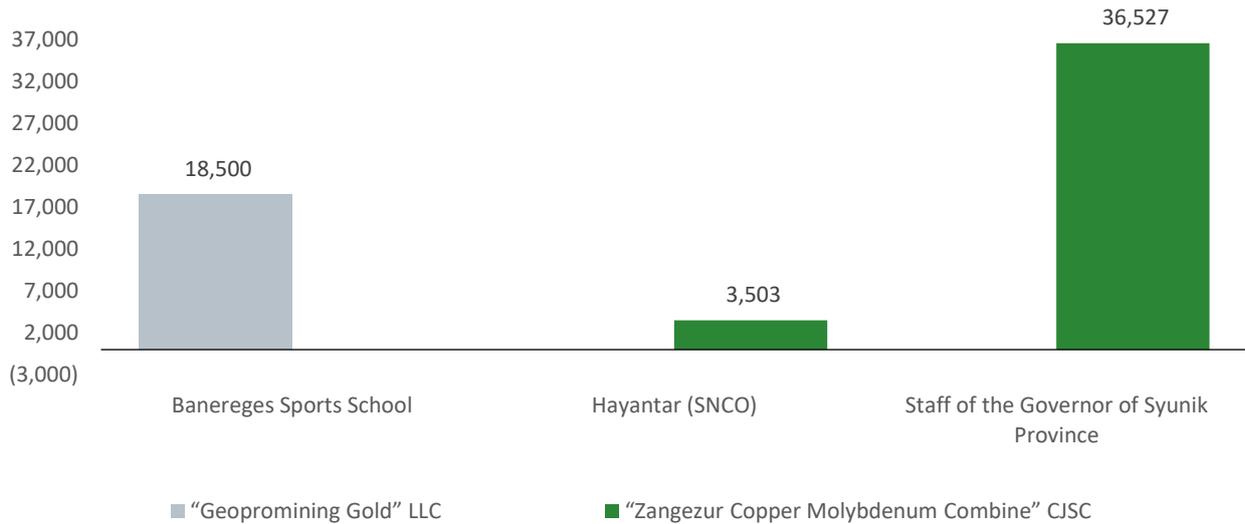
Donations Made to State and Community Non-Commercial Organizations

⁷⁷ Reports provided by companies to EITI

In 2023, donations made by subsoil user companies to state and community non-commercial organizations amounted to AMD 58 million, while in 2024 AMD 1.5 million. Below are the donations made to state and community non-commercial organizations.

Chart 6.2.3.4

Financial and non-financial donations made by mineral-using companies to state and community non-profit organizations in 2023, thousand AMD ⁷⁸



Source: Information provided by mining companies for the EITI report

Chart 6.2.3.5

Financial and non-financial donations made by mineral-using companies to state and community non-profit organizations in 2024, thousand AMD ⁷⁹



Source: Information provided by mining companies for the EITI report

⁷⁸ Reports provided by companies to EITI

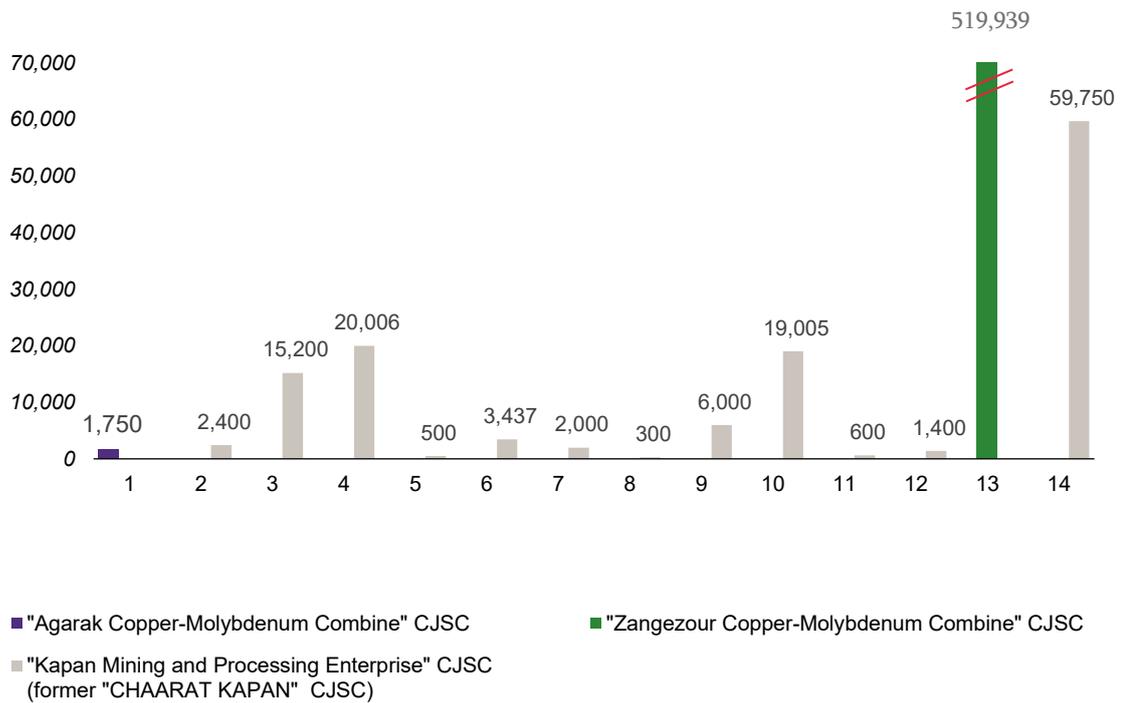
⁷⁹ Reports provided by companies to EITI

Donations Made to Other Organizations

In 2023-2024, subsoil user companies also made donations to persons of other organizational and legal types – state administrative institutions, trade unions, commercial organizations, etc. The total value of donations amounted to AMD 652 million in 2023 and AMD 450 million in 2024. The chart below includes the donations to organizations and the list of persons of other organizational and legal types.

Chart 6.2.3.6

Financial and non-financial donations made by mineral-using companies to other non-profit organizations in 2023, thousand AMD⁸⁰



Source: Information provided by mining companies for the EITI report

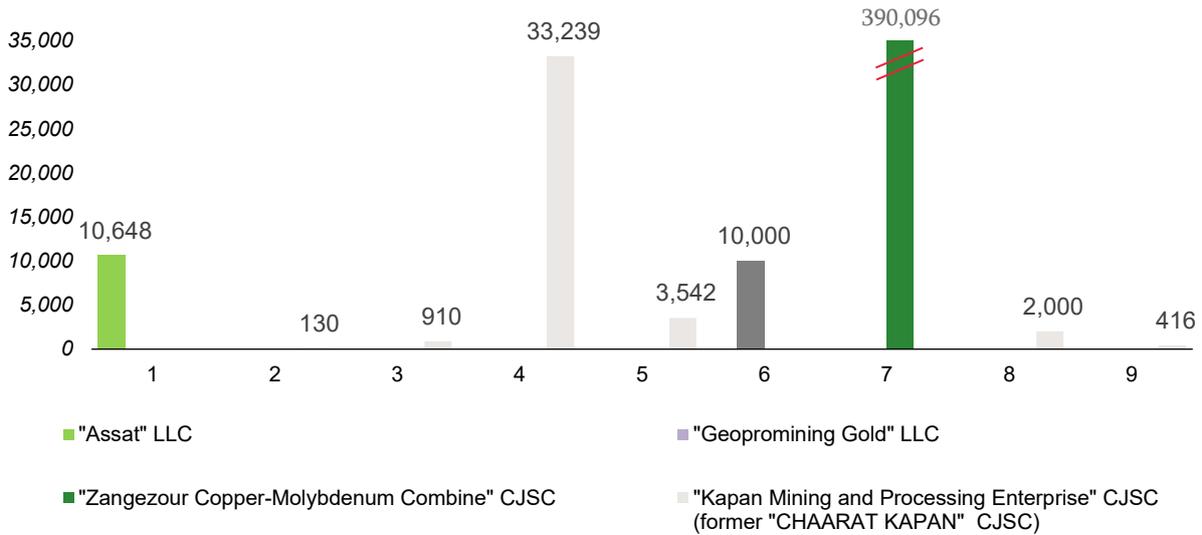
- 1 Agarak Mining and Processing Combine OJSC Trade Union Organization
- 2 Azatamart Committee
- 3 Arman Hakobyan, Sole Proprietor
- 4 Builder Max LLC
- 5 Gittun NGO
- 6 Kapan Freight and Passenger Motor Transport OJSC

⁸⁰ Reports provided by companies to EITI

- 7 Kapan Medical Center
- 8 Haldi Consult LLC
- 9 Hrant Kalashyan, Sole Proprietor
- 10 Mher Sargsyan, Sole Proprietor
- 11 Shin-Comfort LLC
- 12 Quality Work LLC
- 13 Defense Sector
- 14 Vilashin LLC

Chart 6.2.3.7

Financial and non-financial donations made by mineral-using companies to other non-profit organizations in 2024, thousand AMD⁸¹



Source: Information provided by mining companies for the EITI report

- 1 Astghik
- 2 Liana Arzumanyan, SE
- 3 Kapan Freight and Passenger Motor Transport OJSC
- 4 Kapan Norogshin LLC
- 5 Karen-Garik LLC

⁸¹ Reports provided by companies to EITI

6 Jannaproject Institute LLC

7 Defense Sector

8 Syunyats Ashkharh LLC

9 Vazgen Poghosyan, SE

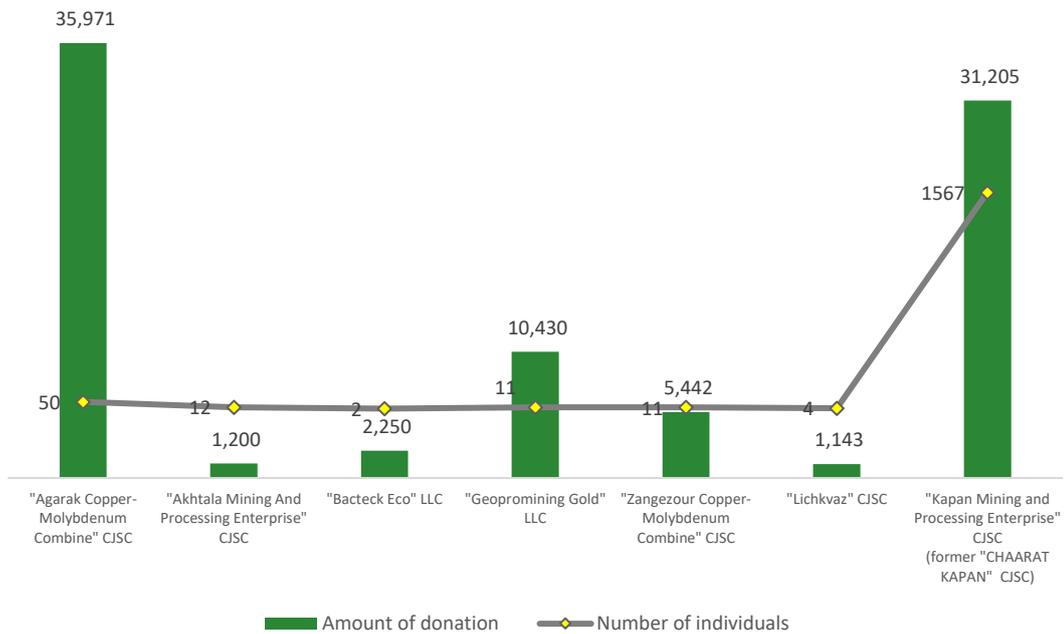
Donations Made to Individuals

In 2023 and 2024, subsoil user companies made donations amounting to AMD 87.6 million and AMD 158.7 million, respectively. In 2023, the number of individuals who received donations was 1,657, while in 2024 803. In 2023, “Kapan Mining and Processing Combine” CJSC made donations to 1,567 individuals, which accounted for 94.6% of all individuals, while in 2024 this figure was 62.3%.

Below is the total amount of donations made by subsoil user companies to individuals in 2023 and 2024, as well as the number of individuals.

Chart 6.2.3.8

Donations made by mineral exploitation companies to individuals in 2023 and their number, thousand AMD⁸²

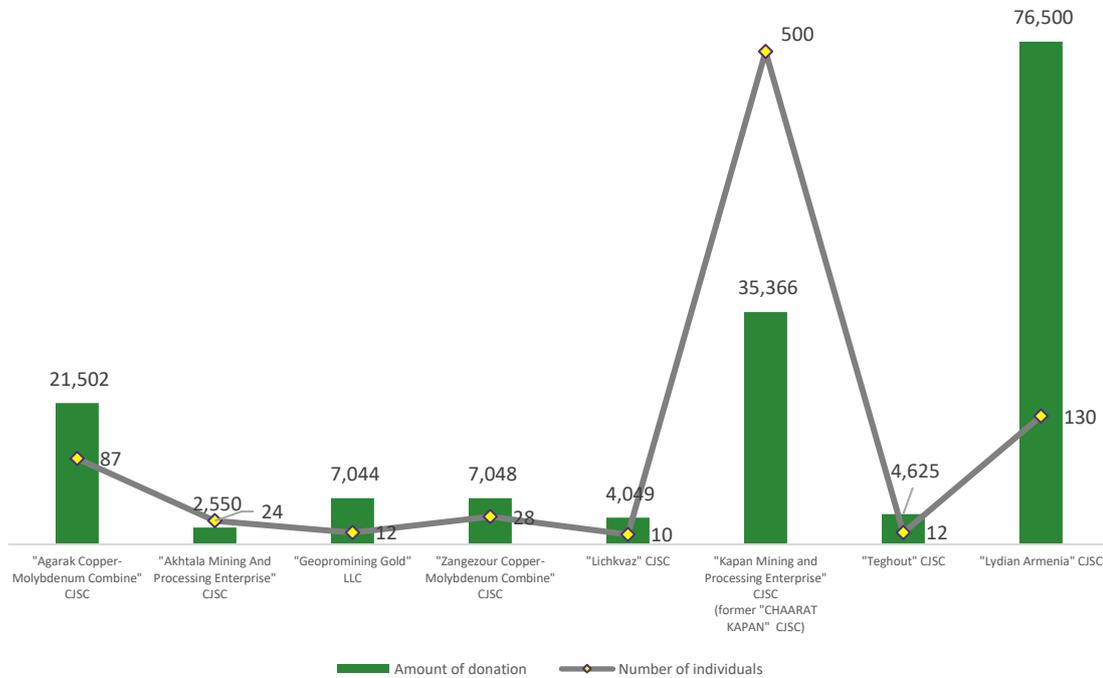


Source: Information provided by mining companies for the EITI report

⁸² Reports provided by companies to EITI

Chart 6.2.3.9

Donations made by mineral exploitation companies to individuals in 2024 and their number, thousand AMD ⁸³



Source: Information provided by mining companies for the EITI report

6.2.4. Allocations to Communities from Royalties Paid by Subsoil User Companies

According to the amendment to the Law of the Republic of Armenia “On the Budgetary System” (HO-52-N) dated March 4, 2022, starting from January 1, 2023,⁸⁴ allocations to affected communities from royalties paid by subsoil user companies have come into effect.

In the state budget expenditures, community shares are allocated in an amount equal to 2% of the royalties paid by each company during the reporting year. The community share of each royalty payer is distributed through a two-tier system of community budgets: 50% of the community share is distributed equally among the affected settlements of the community, while the remaining 50% is distributed equally among all communities of the Republic of Armenia that include affected settlements as defined by Article 1.2, Part 19.1 of the Law “On the Budgetary System of the Republic of Armenia,” from other royalty payers, excluding those communities that include the affected settlements mentioned at the beginning of Part 19.1. Community shares are targeted funds and are used for implementing the community’s socio-economic development programs, giving priority to the affected settlement. When determining the size of community shares, the available data on the actual royalties paid in the third year preceding the upcoming budget year are used as the basis.

According to the regulations defined by law, implementation of community-share programs began in 2024, and the programs implemented were based on royalties paid in 2021. In 2021, companies paid AMD 52,560 million to the state budget of the Republic of Armenia, 2% of which amounted to AMD 1,051 million.

⁸³ Reports provided by companies to EITI

⁸⁴ <https://www.arlis.am/hy/acts/160940>

In 2024, a total of AMD 1,051 million was allocated from the state budget for the implementation of socio-economic development programs in the six consolidated communities of Armenia that include affected settlements (Tsaghkadzor, Vardenis, Alaverdi, Kapan, Kajaran, Meghri), for the purpose of implementing community-share programs.

The draft program for the use of community-share funds, as well as amendments thereto, is developed by the head of the community based on the development or other programmatic or strategic documents of the respective region or community, giving priority to the development programs of the affected settlement. The directions of the measures included in the program and their priorities are defined by the Government of the Republic of Armenia.

Below is the calculation of community shares for 2024.

Table 6.2.4.1

Calculation of contributions to communities from royalties paid by subsoil use companies for 2024, thousand AMD

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (SRC data)	Amount of royalties allocated to the affected settlement	Amount of royalties allocated to the community that includes affected settlements	Total amount of royalties allocated to communities that include affected settlements
Syunik region							
1	“Zangezur Copper-Molybdenum Combine” CJSC	Kajaran	Kajaran	25,151,219	16,767	39,156	190,063.70
		Kajarants			16,767		
		Lernadzor			16,767		
		Nerkin Giratagh			16,767		
		Kavchut			16,767		
		Andokavan			16,767		
		Katnarat			16,767		
		Nor Astghaberd			16,767		
		Geghi			16,767		
		Kapan	Kapan	1,467,409	16,767	39,156	251,092.8
		Artsvanik			16,767		
		Syunik			16,767		
		Achanan			16,767		
		Sevakar			16,767		
		Chapni			16,767		
2	“Agarak Copper-Molybdenum Combine” CJSC	Agarak	Meghri	1,467,409	2,935	78,979	93652,9
		Neghri			2,935		
		Karchevan			2,935		

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (SRC data)	Amount of royalties allocated to the affected settlement	Amount of royalties allocated to the community that includes affected settlements	Total amount of royalties allocated to communities that include affected settlements
		Kuris			2,935		
		Gudemnis			2,935		
3	"Kapan Mining And Processing Combine" CJSC	Geghanush	Kapan	3,529,924	8,825	76,032	-
		Kapan			8,825		
		Syunik			8,825		
		Achanan			8,825		
Lori region							
1	"Teghut" CJSC	Shnogh	Alaverdi	9,429,116	47,146	67,605	
		Teghut			47,146		
2	"Akhtala Mining And Processing Combine" CJSC	Shamlugh	Alaverdi	364,444	1,822	80,554	246,094.9
		Chochkan			1,822		
Gegharkunik region							
1	"Geopromining Gold" LLC	Sotk	Vardenis	12,141,397	30,353	63,730	185,144.2
		Kutakan			30,353		
		Kakhakn			30,353		

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (SRC data)	Amount of royalties allocated to the affected settlement	Amount of royalties allocated to the community that includes affected settlements	Total amount of royalties allocated to communities that include affected settlements
		Tretuq			30,353		
Kotayk region							
1	"Meghradzor Gold" LLC	Meghradzor	Tsaghkadzor	477,169	1,193	80,393	85,165.1
		Artavaz			1,193		
		Marmarik			1,193		
		Aghavnadzor			1,193		
Total				52,560,677	525,607	525,607	1,051,213.50

Source: Information provided by the MTAI as part of the EITI report

The directions of measures envisaged by the community allocation spending program were approved by the Government of the Republic of Armenia under Decision No. 1370-N dated September 1, 2022⁸⁵, according to which the following 9 spending directions were defined:

1. Agriculture
2. Education and Science
3. Healthcare
4. Social Security
5. Culture, Sports, and Youth Employment
6. Urban Development
7. Water Supply and Sewerage
8. Transport and Road Construction
9. Tourism

Below are the programs developed by communities for measures under the above 9 spending directions.

Table 6.2.4.3

Royalties community contribution spending plans for 2024

N	Community including affected settlements	Project direction	Period	Link
1	Kajaran	1. Development and expansion of community agriculture 2. Improvement of the urban environment	01/09/2023 - 01/12/2024	https://kajaran.am/Pages/DocFlow/Def.aspx?a=v&g=56839f9f-ae6a-45df-9549-732b41d1b554
2	Kapan	Improving drinking water supply	30/03/2024 - 31/12/2024	https://kapan.am/Pages/DocFlow/Def.aspx?a=v&g=f10e120e-e17a-4fe9-b5eb-bf7df8959609
3	Meghri	“Renovation of the Meghri city stadium”	01/07/2024- 31/12/2024	https://meghri.am/Pages/DocFlow/Def.aspx?a=v&g=0526ec44-76f7-4cba-8d29-ba0f9d7faf44
4	Alaverdi	Improvement of the road network and ensuring traffic safety	01/01/2024- 31/12/2024	https://alaverdi.am/Pages/DocFlow/Def.aspx?a=v&g=43834613-d1f6-45bf-85d2-4c67f1fd1865
5	Vardenis	“Renovation of the drinking water intake for the settlements of Tsovak, Lusakunk, Vanevan and Torfavan of the Vardenis community; construction of the external irrigation network for the settlement of Kutakan and the internal irrigation network for the settlement of Sotk; asphaltting of road sections in the settlements of	03/01/2024- 28/02/2025	https://vardenis.am/Pages/DocFlow/Def.aspx?a=v&g=c6031314-70df-4f38-a858-84c7ac758eae

⁸⁵ <https://www.arlis.am/hy/acts/168150>

N	Community including affected settlements	Project direction	Period	Link
		Kakhakn, Tretuk and Sotk; procurement of an all-terrain vehicle”		
6	Tsaghkadzor	“Capital renovation of the Samvel Muradyan Sports and Cultural Center of the Meghradzor settlement, procurement of equipment, and improvement and landscaping of the courtyard area”	-	https://tsakhkadzor-kotayk.am/upload/DocFlow/4CDPReports/We252191122089126_999.PDF

Source: Official websites of communities

6.3. Impact of Metallic Mining Activities on the Environment (Requirement 6.4)

In 2023, the EITI Standard significantly strengthened disclosures related to environmental and social impacts by introducing new and improved provisions that enhance public access to relevant information and promote public discussions on these issues. In particular, Requirement 6.4 of the EITI Standard encourages reporting countries to present information on the management and monitoring of the environmental impact of extractive industries.

In this regard, the RA Subsoil Code remains unchanged: the subsoil user is obliged to carry out environmental impact monitoring and ensure comprehensive presentation of its results.

According to Article 59 of the RA Subsoil Code, in the case of metallic minerals, the results of monitoring must be submitted to the Environmental Monitoring Center (EMC) through quarterly reports and, after the end of each year, by February 20, through a consolidated annual report. Monitoring indicators are formed based on geological studies, extraction work programs, as well as the initial application and report of the Environmental Impact Assessment (EIA), as defined by the relevant decision of the RA Government.

The monitoring program must mandatorily include all major components of the environment: soil, atmospheric air, surface and groundwater, flora and fauna. Laboratory studies of samples, as well as measurements carried out by automated measurement systems, are performed in accredited laboratories, and the results are published on the official websites of the authorized body or the subsoil user. The approach presented in the previous report continues to apply during 2023-2024, emphasizing that the responsibility lies entirely with the subsoil user, and no separate fee is set for monitoring.

The authorized body summarizes the received quarterly and annual data and publishes them on its website within 10 working days. Below is a table listing the companies that submitted relevant monitoring reports in 2023-2024.

Although the 2023 EITI Standard does not require companies to prepare full ESG (Environmental, Social, and Governance) reports, it does require certain disclosures and encourages the publication of other information related to ESG issues. Companies must disclose information on gender-disaggregated employment, environmental and social impact assessments, and are encouraged to disclose greenhouse gas emissions in accordance with international norms. However, so far, only “Zangezur Copper Molybdenum Combine” CJSC has submitted sustainability reports since 2021, prepared in accordance with the Global Reporting Initiative (GRI) sustainability reporting standards and the Sustainability Accounting Standards Board (SASB) principles and approaches.

It is expected that legislative changes and requirements will compel subsoil user companies to take steps to provide information related to sustainable development, particularly on environmental issues and greenhouse gas emissions, to the relevant authorities and disclose it within the EITI reporting framework in compliance with the Standard’s requirements.

It should also be noted that Article 29, Clause 3 of the draft “Climate Law” stipulates that, for the purpose of greenhouse gas emissions inventory and cadastre maintenance, data must be provided to the authorized body by:

- State administration bodies,
- Local self-government bodies,
- Legal entities emitting greenhouse gases and individual entrepreneurs engaged in business activities.

Of the 25 companies reporting under EITI in 2023, only 11 submitted environmental monitoring reports (compared to 8 in the previous year, showing an increase). In 2024, out of 23 reporting organizations, 9 submitted reports.

In 2024, unlike in 2023, “Lydian Armenia” CJSC, “Meghradzor Gold” LLC, and “Bactec Eco” LLC did not submit reports. At the same time, not all companies in the list ensure the completeness of both quarterly and annual reports. For both reporting years, only “Zangezur Copper Molybdenum Combine” CJSC, “Teghut” CJSC, “Lichkvaz” CJSC, and “Kapan Mining and Processing Combine” CJSC submitted full quarterly and annual reports.

Other companies provided either only annual reports or certain quarterly reports, creating a partial and incomplete information field.

Table 6.3.1

Environmental monitoring reports by subsoil users for 2023 and 2024

2023					
Company	First quarter	Second quarter	Third quarter	Fourth quarter	Annual report
“Agarak Copper-Molybdenum Combine” CJSC	Presented	Presented	Presented	Presented	Presented
“Lydian Armenia” CJSC	Presented	Presented	Presented	Presented	Presented
“Meghradzor Gold” LLC					Presented
“Baktek Eco” LLC			Presented		
“Akhtala Mining And Processing Combine” CJSC	Presented	Presented	Presented		
“Geopromining Gold” LLC					Presented
“Zangezur Copper-Molybdenum Combine” CJSC	Presented	Presented	Presented	Presented	Presented
“Teghut” CJSC	Presented	Presented	Presented	Presented	Presented
“Lichkvaz” CJSC	Presented	Presented	Presented	Presented	Presented
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	Presented	Presented	Presented	Presented	Presented

“Sagamar” CJSC					Presented
2024					
Company	First quarter	Second quarter	Third quarter	Fourth quarter	Annual report
“Agarak Copper-Molybdenum Combine” CJSC	Presented	Presented	Presented	Presented	Presented
“Active Lernagorts” LLC					Presented
“Lydian Armenia” CJSC					
“Meghradzor Gold” LLC					
“Baktek Eco” LLC					
“Akhtala Mining And Processing Combine” CJSC	Presented	Presented	Presented	Presented	
“Geopromining Gold” LLC					Presented
“Zangezour Copper-Molybdenum Combine” CJSC	Presented	Presented	Presented	Presented	Presented
“Teghut” CJSC	Presented	Presented	Presented	Presented	Presented
“Lichkvaz” CJSC	Presented	Presented	Presented	Presented	Presented
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	Presented	Presented	Presented	Presented	Presented
“Sagamar” CJSC		Presented			Presented

Source: MNP website

As noted in the previous report, ensuring transparency in the “Environmental Impact Assessment and Expert Review” processes remains a challenge. According to Part 5 of Article 19 of the Law, the state expert conclusion shall be provided to the initiator within two working days and shall be published on the official website of the competent authority within seven working days. According to Part 2 of Article 16 of the Law, during the assessment process, a public hearing shall be held in the affected settlement not earlier than the 21st working day and not later than the 25th working day following the notification. According to Part 7 of Article 28 of the Law, during the expertise stage, public hearings shall be held not earlier than the 15th day following the notification.

However, as in the previous year, during this reporting period, not all expert conclusions and project documents of subsoil use projects were fully posted on the website. According to the study, several documents are still missing, which limits the consistency and transparency of the processes.

Below are the documents and EIA expert conclusions that are actually published on the EMC website. In the table, the updates made since the previous report are highlighted.

Table 6.3.2

Availability of EIA expert opinions and design documents on the Ministry of Environmental Protection website ⁸⁶, as of November 2025

N	Company name	EIA expert examination opinion	Publication date
1	"Agarak Copper-Molybdenum Combine" CJSC	Environmental Impact Assessment Report on the Expansion of the Agarak Copper-Molybdenum Mine and the Re-equipment of the Agarak Copper-Molybdenum Plant, Issued under Permit No. SHATV-29/311	24.06.2020
2	"Akhtala Mining And Processing Combine" CJSC	Tailings storage report in the mined area of the Akhtala enrichment plant open pit	14.11.2017
		Positive conclusion on the environmental impact assessment report for the reclamation works of the "Nahatak" tailings dam	22.07.2021
3	"Active Lernagorts" LLC	Not published	-
4	"Assat" LLC	Not published	-
5	"At-Metals" LLC	Regarding the working project for the extraction of the Meghrasar gold mine	18.11.2014
		Positive conclusion on the application for a preliminary environmental impact assessment of geological exploration works to be carried out in the Taghamir gold discovery area in 2020-2023	15.03.2021
		Positive conclusion on the application for a preliminary environmental impact assessment of the Tashtuni gold extraction plant redevelopment project	22.07.2021
		Positive conclusion on the environmental impact assessment report for the extraction of Meghrasar gold mine in Syunik region /extension of the extraction permit period/	08.09.2022

⁸⁶ <https://armmonitoring.am/#home>

N	Company name	EIA expert examination opinion	Publication date
6	“Baktek Eco” LLC	Report on the construction and operation of the Arjut gold ore processing plant working project	06.08.2014
		Arjut gold mine development project report	19.09.2015
7	“Geghi Gold” LLC	Preliminary assessment application for extension of the right to geological exploration of the subsoil for the purpose of mineral extraction in the Geghi River Basin mineral field	28.12.2015
8	“Geopromining Gold” LLC	Preliminary assessment application for geological exploration works in the Vardenis polymetallic deposit area for 2017-2019	04.10.2017
		Positive conclusion on the environmental impact assessment report for the productivity increase works at the Ararat gold extraction plant.	02.02.2022
		Positive conclusion on the environmental impact assessment report for the open-pit and underground mining operations at the Sotq gold mine in Gegharkunik region.	26.09.2022
		Negative conclusion on the application for a preliminary environmental impact assessment of the geological study to be conducted at the Tsovak pumice sands mine in Gegharkunik region	27.03.2024
9	“Zangezur Copper-Molybdenum Combine” CJSC	Regarding the request for a report on the amendment to the project for the extraction of the reserves of the Kajaran copper-molybdenum mine.	16.12.2016
		Positive conclusion on the application for a preliminary environmental impact assessment of the planned afforestation and reforestation works in Kapan community.	04.05.2021
		Positive conclusion on the environmental impact assessment report of the change in the mining project of the Kajaran copper-molybdenum mine in Syunik region of "Zangezur PMC" CJSC (construction of a diesel truck assembly station, renewal of the diesel truck fleet, installation of a new explosives warehouse, installation of emergency and maintenance basins for dykes No. 1, 2 and 4)	11.05.2023

N	Company name	EIA expert examination opinion	Publication date
		Positive conclusion on the environmental impact assessment of the design documents of the change in the mining project of the Kajaran copper-molybdenum mine in Syunik region of "Zangezur PMC" CJSC (construction of the automated railway system for transporting the Sorun mountain massif (SARD-1200) and change of the final contour of the open pit)	11.09.2023
		Positive conclusion on the environmental impact assessment report submitted by "Zangezur Copper-Molybdenum Combine" CJSC on the relocation of the 110 kV "Agarak" overhead line in Syunik region from the territory of "ZPMK" CJSC and the construction of the 220 kV overhead line	19.07.2024
		Environmental Impact Assessment Report on the Design Documents for the Construction of New Pipelines at Ducer Crossings No. 1, 2 and 4 of the Artsvanik Tailings Facility	07.05.2025
		Environmental Impact Assessment Report of the "Reconstruction of the Circular Water Supply System" Project Documents of "ZCMC" CJSC	16.05.2025
		Environmental Impact Assessment Report of the Design Passports for the Construction of the Production Warehouse of "ZCMC" CJSC	16.05.2025
10	"Teghut" CJSC	Positive conclusion on the environmental impact assessment report on the storage of waste from products that have lost their consumer properties	15.06.2021
		Positive conclusion on the environmental impact assessment report for the storage/disposal of waste generated at the "Teghut" CJSC ore processing plant	21.01.2022
		Positive conclusion on the Environmental Impact Assessment Report of the Mineral Extraction Project for the Extension and Expansion of the Teghut Copper-Molybdenum Mine in Lori Region of "Teghut" CJSC	11.05.2023

N	Company name	EIA expert examination opinion	Publication date
11	“Ler-Ex” LLC	Application for a preliminary assessment of geological exploration works at the Hanganar copper-molybdenum mine during 2015-2017	15.12.2015
12	“Lydian Armenia” CJSC	Positive conclusion on the Environmental Impact Assessment Report of the Amended Project for the Amulsar Gold-Bearing Quartzite Mine.	29.04.2016
13	“Lichkvaz” CJSC	Positive conclusion on the environmental impact assessment report submitted by “Lichkvaz” CJSC for the construction of a mining processing plant in Meghri community, Syunik region	16.08.2023
14	“Gharagulyanner” CJSC	Not published	-
15	“Marjan Mining Company” LLC	Not published	-
16	"Mego-Gold" LLC	On the amended working plan for the development of the Tuxhmanuk gold mine (central site)	11.12.2014
17	“Meghradzor Gold” LLC	Regarding the working project of the Meghradzor gold extraction plant	22.04.2014
		Negative conclusion on the environmental impact assessment report for the extraction of the Meghradzor gold mine in Kotayk region.	27.07.2022
18	“Multi Group Concern” LLC	Ertich Quartzite Mine Mining Report	13.04.2018
		Positive conclusion on the application for a preliminary environmental impact assessment for the construction of a hotel complex planned at 5/1, 5/2, and 5/5 Abovyan Street, Yerevan	18.04.2018
		Positive opinion on the Environmental Impact Assessment Report of the extraction activities of the "Multi Group Stone" travertine site of the Ararat travertine and clay mine in Ararat region, submitted by "Multi Group Stone" CJSC	13.03.2023
		Positive conclusion on the application for a preliminary environmental impact assessment of 5 multi-apartment residential buildings being constructed at 10 and 13	16.05.2023

N	Company name	EIA expert examination opinion	Publication date
		Zoravar Andranik St., Abovyan community, submitted by "Multi Group Concern" LLC	
		Positive conclusion on the application for a preliminary environmental impact assessment of 5 multi-apartment residential buildings under construction at 11, 17, 18, 19, 20, 23, 24 Zoravar Andranik Streets, Abovyan community, submitted by "Multi Group Concern" LLC	16.05.2023
19	"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	Report on the elimination of the consequences of the collapse of the protective structure in the Shahumyan gold-polymetallic mine area	22.01.2019
		Shahumyan Gold-Polymetallic Mine Underground Development Technical Project (Amendment) Report	18.11.2019
		Positive conclusion on the environmental impact assessment report of the measures to eliminate the consequences of the collapse (Recultivation) that occurred in 2020 in the area defined by the mountain allocation act No. LV-183 (Kapan community, former Shahumyan settlement)	03.09.2024
		Positive conclusion on the Environmental Impact Assessment Report for the Amended Project of the Geghanush Tailings Dam in Syunik Region, submitted for examination by "Kapan Mining And Processing Combine" CJSC	03.09.2024
20	"Paramount Gold Mining" CJSC	Not published	-
21	"Sagamar" CJSC	Armanis gold-polymetallic mine expansion working plan	22.05.2015
		On geological exploration works in the Yellow and Black River basins	26.03.2018
		Negative conclusion regarding the application for a preliminary environmental impact assessment of geological exploration works for the purpose of mineral extraction in the "Chknagh-Armanis" section of the Stepanavan mineral field in Lori region	06.02.2024
22	"Vaykgold" LLC	Not published	-

N	Company name	EIA expert examination opinion	Publication date
23	"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	Not published	-
24	"Fortune Resources" LLC	Not published	-
25	"Georaid" CJSC	Environmental Impact Assessment Report for the Extraction of the Mutsk Gold Mine in Syunik Region	21.02.2023
		Application for a preliminary environmental impact assessment of the geological survey works to be carried out in the Mutsk gold-polymetallic mine area of Syunik region of the Republic of Armenia during 2017-2019	23.05.2017
		Application for a preliminary environmental impact assessment of geological exploration works to be carried out on the northeastern slope of Mount Salvard in Syunik region during 2018-2021	20.11.2018

Source: Conclusions - Ministry of Environment (env.am)

The assessment and monitoring of the impacts of extractive activities are carried out in accordance with Requirement 6.4 of the 2023 EITI Standard, which provides for a comprehensive analysis of social and environmental impacts. The assessment should cover the impact on community living conditions, employment, and social infrastructure, the assurance of gender equality, stakeholder engagement mechanisms, as well as measures to ensure health, safety, and working conditions (HSEC). Regarding the environment, the assessment evaluates the impact of natural resource use, risks of emissions and pollution, as well as biodiversity conservation measures.

As noted in the previous report, in Armenia, environmental impact assessment is carried out through the EIA process by the Ministry of Environment, and EIA-related data are published on the Ministry's website.

No significant changes have been recorded in terms of social and gender impact assessments; compliance continues to depend on companies' voluntary approaches. As in the previous year, during this period, the most advanced example of ESG practice development remains "Zangezour Copper Molybdenum Combine" CJSC, whose annual reports are published and accessible to the public⁸⁷.

⁸⁷ <http://www.zcmc.am/arm/sustainability/>

C 7. RECONCILIATION PROCESS

7. RECONCILIATION PROCESS

7.1. Methodology and Scope of the Reconciliation Process (Requirements 4.1, 4.8)

According to Requirement 4 of the EITI Standard and based on RA Government Decision No. 666-N dated June 8, 2018, the State Revenue Committee, the Ministry of Environment, the communities (whose data are submitted through the Ministry of Territorial Administration and Infrastructure), as well as all companies legally entitled to extract metallic ore must submit public reports. Reports are submitted in the prescribed format and within the established deadlines.⁸⁸

EITI public reports are submitted through the EITI online reporting platform.⁸⁹ The deadline for submitting public reports for the 2023 reporting year by the obligated state bodies and companies was August 1, 2024. For the 2024 reporting year, subsoil users and state bodies submitted their reports by August 1, 2025.

The Independent Administrator reviews the submitted reports and reconciles the data provided by companies and state bodies. As a result, the reconciliation report includes an analysis of revenue flows, comparison of amounts, identified discrepancies, and unreconciled amounts, if any. The Administrator also provides recommendations to make the data reconciliation process and information collection more efficient.

For the purpose of data reconciliation, the MSG sets materiality thresholds for companies and revenue streams. By the MSG decision dated September 16, 2025⁹⁰, these materiality thresholds were established.

According to RA Government Decision No. 666-N dated June 8, 2018, to ensure the accuracy of submitted data, reports provided by state bodies must be signed by the head of the state body, while company reports must be signed by the company's director or chief accountant. To confirm the reliability of the information provided, the Administrator sent written inquiries to state bodies and companies regarding certain revenue streams and received written confirmations. Additionally, to obtain necessary supplementary information and clarify discrepancies, if any, contact was established with reporting companies and state bodies. The Administrator also presented recommendations related to improving data reconciliation and collection processes.

Within the reconciliation framework, financial data are presented both in AMD and USD. The USD exchange rate was calculated based on the average of the monthly exchange rates published by the Central Bank of Armenia for the 12 months of 2023 and 2024.⁹¹

7.1.1. Determining the List of Companies Subject to Reconciliation

For some companies, public reports for that year were submitted unilaterally only by the reporting state bodies since, according to the law, these companies were no longer considered subsoil users and therefore had no obligation to submit public reports. Companies that appealed the termination of subsoil use before August 16, 2020, and for which, as of August 1, 2025, the claim was accepted into judicial proceedings, were considered subsoil users and, consequently, submitted public reports.

All subsoil users engaged in metallic mineral extraction are required to report EITI data, except for companies declared bankrupt. By decision of the Multi-Stakeholder Group (MSG), for the financial years 2023 and 2024, companies subject to reconciliation are those that, during each reporting financial year, paid taxes and payments to

⁸⁸ arlis.am/DocumentView.aspx?DocID=132674

⁸⁹ <https://reports.eiti.am/hy/>

⁹⁰ <https://www.eiti.am/hy/agenda-protocols-other-related-documents>

⁹¹ In 2023, the average annual exchange rate of one US dollar amounted to 392.54 AMD, and in 2024 it amounted to 392.66 AMD, according to the data published by the Central Bank of the Republic of Armenia. <https://www.cba.am/EN/>

the RA state budget amounting to AMD 150 million or more. This materiality threshold was also applied for the years 2016-2022.

When preparing public reports for 2023-2024, the basis for both parties was the data calculated by tax returns (adjusted returns), declarations (adjusted declarations), audit acts (including penalties and fines), as of May 31, 2024, and May 31, 2025, respectively, for the reporting years.

Within the reconciliation framework, the Independent Administrator analyzed data presented in public reports for 25 companies for 2023 and for 24 companies for 2024.

Below are the RA state budget revenue flows for the reporting companies for 2023 and 2024 by company and according to data submitted by state bodies (SRC, Ministry of Environment)⁹² as well as the definition of the materiality threshold applied to companies.

⁹² For the purpose of determining the materiality threshold for companies, revenue flows included the data from the SRC and the MoE, since, according to the decision of the MSG, only revenue flows to the state budget were taken into account. The revenue flows of the MTAI relate to community budgets.

Table 7.1.1.1

Revenue streams by company, 2023

N	Company name	State budget total revenue flows 2023 thousand AMD		State budget total revenue flows 2023 thousand USD		Share in total revenue streams %	Materiality threshold: 150 million AMD and more
		By companies	By state bodies	By companies	By state bodies		
1	“Zangezur Copper-Molybdenum Combine” CJSC	88,483,656	87,729,424	225,413	223,492	78.70%	material
2	“Agarak Copper-Molybdenum Combine” CJSC	7,128,754	6,891,840	18,161	17,557	6.20%	material
3	“Geopromining Gold” LLC	3,898,387	6,384,245	9,931	16,264	5.70%	material
4	“Teghut” CJSC	4,084,410	4,036,666	10,405	10,283	3.60%	material
5	“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	6,137,827	2,854,182	15,636	7,271	2.60%	material
6	“Lichkvaz” CJSC	1,254,249	1,228,972	3,195	3,131	1.10%	material
7	“Akhtala Mining And Processing Combine” CJSC	678,343	615,839	1,728	1,569	0.60%	material
8	“Ler-Ex” LLC	445,954	434,261	1,136	1,106	0.40%	material
9	“Lydian Armenia” CJSC	922,703	426,131	2,351	1,086	0.40%	material

N	Company name	State budget total revenue flows 2023 thousand AMD		State budget total revenue flows 2023 thousand USD		Share in total revenue streams %	Materiality threshold: 150 million AMD and more
		By companies	By state bodies	By companies	By state bodies		
10	“Baktek Eco” LLC	164,896	360,687	420	919	0.30%	material
11	"Meghradzor Gold" LLC	216,383	194,382	551	495	0.20%	material
12	“Assat” LLC	163,261	151,475	416	386	0.10%	material
	Total companies exceeding the materiality threshold	113,578,824	111,308,102	289,343	283,559	99.79%	
13	"Sagamar" CJSC	260,080	74,897	663	191	0.07%	immaterial
14	“Multi Group Concern” LLC	72,683	52,934	185	135	0.05%	immaterial
15	“Geghi Gold” LLC	14,965	14,964	38	38	0.01%	immaterial
16	“At-Metals” LLC	2,891	13,559	7	35	0.01%	immaterial
17	“Georaid” CJSC	11,635	12,154	30	31	0.01%	immaterial
18	"Paramount Gold Mining" CJSC	-	11,543	-	29	0.01%	immaterial

N	Company name	State budget total revenue flows 2023 thousand AMD		State budget total revenue flows 2023 thousand USD		Share in total revenue streams %	Materiality threshold: 150 million AMD and more
		By companies	By state bodies	By companies	By state bodies		
19	“Active Lernagorts” LLC	10,762	11,484	27	29	0.01%	immaterial
20	“Mego-Gold” LLC	1,021	11,299	3	29	0.01%	immaterial
21	“Gharagulyanner” CJSC	10,419	10,419	27	27	0.01%	immaterial
22	“Marjan Mining Company” LLC	-	10,290	-	26	0.01%	immaterial
23	“Fortune Resources” LLC	4,842	4,791	12	12	0.004%	immaterial
24	“Vaykgold” LLC	3,972	1,744	10	4	0.002%	immaterial
25	“GMN Gold Mining” LLC (Formerly “Vardani Zartok” LLC)	-	288	-	1	0.0003%	immaterial
	Total companies not exceeding the materiality threshold	393,270	230,366	1,002	587	0.21%	
	Total revenue streams	113,972,094	111,538,468	290,345	284,145	100.00%	

Source: Public reports provided by the RA State Revenue Committee, the Ministry of Environment and Natural Resources and subsoil use organizations

Table 7.1.1.2

Revenue streams by company, 2024

N	Company name	State budget total revenue flows 2024 thousand AMD		State budget total revenue flows 2024 thousand USD		Share in total revenue streams %	Materiality threshold: 150 million AMD and more
		By companies	By state bodies	By companies	By state bodies		
1	“Zangezur Copper-Molybdenum Combine” CJSC	66,682,760	66,661,432	169,823	169,769	65.80%	material
2	“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	13,489,146	9,248,615	34,353	23,554	9.10%	material
3	“Teghut” CJSC	8,975,744	8,939,596	22,859	22,767	8.80%	material
4	“Agarak Copper-Molybdenum Combine” CJSC	11,051,221	8,481,366	28,145	21,600	8.40%	material
5	“Lichkvaz” CJSC	2,068,219	2,528,950	5,267	6,441	2.50%	material
6	“Geopromining Gold” LLC	2,538,068	2,393,924	6,464	6,097	2.40%	material
7	“Akhtala Mining And Processing Combine” CJSC	1,125,378	748,053	2,866	1,905	0.70%	material
8	“Meghradzor Gold” LLC	614,160	607,232	1,564	1,546	0.60%	material

N	Company name	State budget total revenue flows 2024 thousand AMD		State budget total revenue flows 2024 thousand USD		Share in total revenue streams %	Materiality threshold: 150 million AMD and more
		By companies	By state bodies	By companies	By state bodies		
9	“Lydian Armenia” CJSC	931,119	478,913	2,371	1,220	0.50%	material
10	“Baktek Eco” LLC	143,830	394,846	366	1,006	0.40%	material
11	“Assat” LLC	27,210	384,679	69	980	0.40%	material
12	“Multi Group Concern” LLC	156,421	226,778	398	578	0.20%	material
	Total companies exceeding the materiality threshold	107,803,276	101,094,382	274,546	257,460	99.79%	
13	“Sagamar” CJSC	69,421	68,771	177	175	0.10%	immaterial
14	“GMN Gold Mining” LLC (Formerly “Vardani Zartonk” LLC)	18,092	29,352	46	75	0.03%	immaterial
15	“Active Lernagorts” LLC	5,026	21,289	13	54	0.02%	immaterial
16	“Mego-Gold” LLC	1,565	15,374	4	39	0.02%	immaterial
17	“At-Metals” LLC	14,276	14,162	36	36	0.01%	immaterial
18	“Geghi Gold” LLC	11,782	13,762	30	35	0.01%	immaterial

N	Company name	State budget total revenue flows 2024 thousand AMD		State budget total revenue flows 2024 thousand USD		Share in total revenue streams %	Materiality threshold: 150 million AMD and more
		By companies	By state bodies	By companies	By state bodies		
19	“Georaid” CJSC	380	11,170	1	28	0.01%	immaterial
20	“Paramount Gold Mining” CJSC	-	10,892	-	28	0.01%	immaterial
21	“Gharagulyanner” CJSC	10,361	10,361	26	26	0.01%	immaterial
22	“Marjan Mining Company” LLC	-	10,290	-	26	0.01%	immaterial
23	“Fortune Resources” LLC	-	2,303	-	6	0.002%	immaterial
24	“Vaykgold” LLC	2,504	2,199	6	6	0.002%	immaterial
	Total companies not exceeding the materiality threshold	133,408	209,926	340	535	0.21%	
	Total revenue streams	107,936,683	101,304,308	274,886	257,995	100.00%	

Source: Public reports provided by the RA State Revenue Committee, the Ministry of Environment and Natural Resources and subsoil use organizations

According to preliminary data submitted by state bodies, the state budget revenues for 25 reporting companies in 2023 amounted to AMD 111.5 billion. As a result of applying the materiality threshold, 12 companies recorded revenues of AMD 150 million or more. The revenue flows for these companies totaled AMD 111.3 billion, or 99.8% of total revenues.

The leading company among the reporting entities is “Zangezur Copper Molybdenum Combine” CJSC, with a share of AMD 87.7 billion or 78.7%.

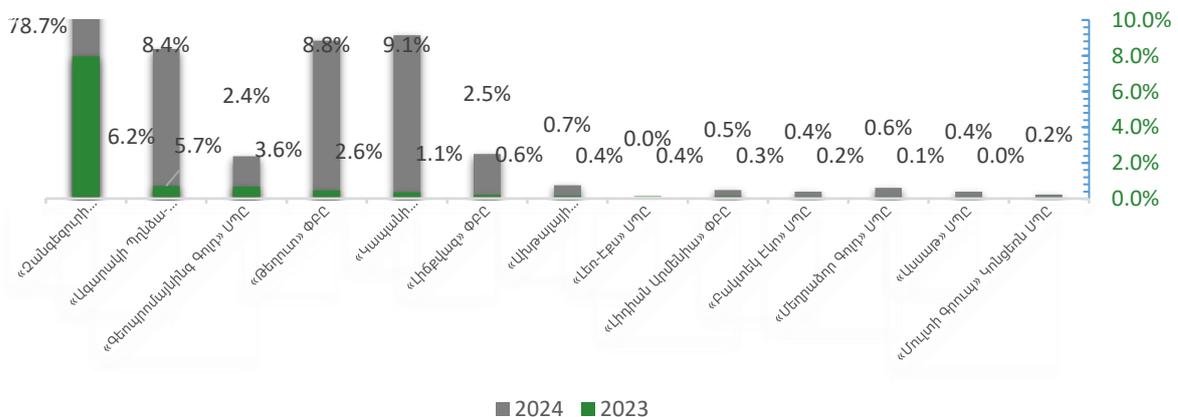
It should be noted that two of the companies subject to reconciliation “Ler-Ex” LLC and “Lydian Armenia” CJSC although they did not carry out ore extraction during 2023, their calculated taxes exceeded the materiality threshold. The excess in “Ler-Ex” LLC was mainly due to calculated VAT and income tax, while in “Lydian Armenia” CJSC it was due to calculated profit tax, income tax, and contributions to the Environmental Protection Fund. The calculated profit tax was not related to the company’s core activity. This circumstance was driven by the preservation of jobs within the companies, which led to tax obligations.

For 2024, according to preliminary data, the state budget revenues for 24 reporting companies amounted to AMD 101.3 billion. As a result of applying the materiality threshold, 12 companies recorded revenues of AMD 150 million or more. The revenue flows for these companies totaled AMD 101 billion, or 99.8% of total revenues.

Two companies subject to reconciliation “Multi Group Concern” LLC and “Lydian Armenia” CJSC although they did not carry out ore extraction during 2024, their calculated taxes exceeded the materiality threshold. In the case of “Multi Group Concern” LLC, this was due to engaging in activities other than metallic ore extraction.

Chart 7.1.1.1

Revenues of companies exceeding the materiality threshold, 2023-2024



Source: Public reports provided by the RA State Revenue Committee and the Ministry of Environment

7.1.2. Determination of Revenue Streams Subject to Reconciliation

The data on state and community revenue streams provided by the State Revenue Committee of Armenia, the communities (information submitted through the Ministry of Territorial Administration and Infrastructure), and the Ministry of Environment have been studied and analyzed within the framework of applying the materiality threshold for revenue streams.

According to the MSG decision dated September 16, 2025, the following five revenue streams were considered subject to reconciliation for 2023 and 2024:⁹³

⁹³ <https://www.eiti.am/hy/agenda-protocols-other-related-documents>

1. Royalties
2. Value Added Tax (VAT)
3. Customs duties and fees
4. Rental payments
5. Obligations related to the socio-economic development of communities as defined by subsoil use contracts

Since 2020, the same revenue streams have been considered reconcilable. According to the MSG, the selection of revenue streams for reconciliation is based on their direct connection to extractive activities and their higher risk of significant and mechanical errors.

Under the MSG decision⁹⁴ in cases where discrepancies are identified in the financial flows reported bilaterally, the Independent Administrator investigated the difference for any financial flow where the discrepancy in both reports amounted to 4% of the financial figure, but not less than AMD 1 million. For this calculation, the basis is the smaller amount reported by either party. In cases of material deviations, the Administrator directly contacted the state bodies or companies that submitted the data to obtain explanations regarding the discrepancies.

Revenue streams to state and community budgets are presented using the accrual method, except for the following streams, which are presented using the cash method, in accordance with the reporting forms defined by RA Government Decision No. 666-N:

Revenue stream
1. Custom duties and fees
2. Environmental impact assessment fee
3. Lease payments
4. Land acquisition
5. Payment of the difference in the cadastral values of land plots at the time of change of purpose

In the reporting form prescribed for the RA SRC, customs duties and fees are presented using both the accrual and cash methods. In the reporting form prescribed for companies, there is no field for presenting data using the accrual method; therefore, the data are submitted only using the cash method. For reconciliation purposes, the Independent Administrator presented bilateral information on customs duties and fees using the cash method.

Below are the revenue streams to the state and community budgets for 2023 and 2024, according to the data submitted by companies and state bodies (SRC, Ministry of Environment, Ministry of Territorial Administration and Infrastructure).

⁹⁴ The same

Table 7.1.2.1

Revenue flows of state and municipal budgets, 2023

Budget revenue code 2001	Budget revenue item	State and community budgets total revenue flows in 2023, thousand AMD		State and community budgets total revenue flows in 2023, thousand USD		Share in total revenue streams %	State body
		By companies	By state bodies	By companies	By state bodies		
1146 714612	Royalty	61,716,683	61,964,448	157,224	157,855	54.33%	SRC
1141 714110	Value added tax	7,520,191	4,186,105	19,158	10,664	3.67%	SRC
	Payments for the socio-economic obligations of communities defined by the mining contract	1,430,583	2,037,915	3,644	5,192	1.79%	MTAI
1415 741520	Lease payments	1,453,359	457,918	3,702	1,167	0.40%	MTAI
1151 715100, 1422 742212, 1145 714511	Custom duties and fees	1,270,184	1,244,948	3,236	3,172	1.09%	SRC
	Total reconcilable revenue streams	73,391,001	69,891,334	186,964	178,049	61.28%	
1112 711200	Profit tax	24,892,033	24,921,545	63,413	63,488	21.85%	SRC

Budget revenue code 2001	Budget revenue item	State and community budgets total revenue flows in 2023, thousand AMD		State and community budgets total revenue flows in 2023, thousand USD		Share in total revenue streams %	State body
		By companies	By state bodies	By companies	By state bodies		
1111 711100	Income tax	15,586,026	15,362,246	39,706	39,135	13.47%	SRC
1145 714523	Environmental taxes	440,135	438,202	1,121	1,116	0.38%	SRC
	Replenishment of environmental protection fund	390,906	451,837	996	1,151	0.40%	MNP
1145 714522	State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals	190,000	210,000	484	535	0.18%	SRC
	Payment of the difference in the cadastral values of land plots at the time of change of purpose	-	-	-	-	0.00%	MTAI
1146 714612	Nature use payments	45,202	53,332	115	136	0.05%	SRC
	Penalties and fines imposed by the Environmental and Subsoil Inspection Authority	30,101	2,474,420	77	6,304	2.17%	MNP

Budget revenue code 2001	Budget revenue item	State and community budgets total revenue flows in 2023, thousand AMD		State and community budgets total revenue flows in 2023, thousand USD		Share in total revenue streams %	State body
		By companies	By state bodies	By companies	By state bodies		
	Monitoring implementation fees	33,968	35,203	87	90	0.03%	MNP
1131 713121 / 1136 713611	Vehicle property tax	48,248	16,152	123	41	0.01%	MTAI
1131 713122	Real estate tax	32,879	7,361	84	19	0.01%	MTAI
1142 714200	Excise tax	193,381	193,381	493	493	0.17%	SRC
	Environmental impact assessment fee	4,558	2,800	12	7	0.00%	MNP
1145 714522	State fee for the issuance of a water use permit	95	-	0	-	0.00%	SRC
	Allocations from the environmental protection fund to the company	-	-	-	-	0.00%	MNP
	Total non-reconcilable revenue streams	41,887,532	44,166,480	106,709	112,515	38.72%	

Budget revenue code 2001	Budget revenue item	State and community budgets total revenue flows in 2023, thousand AMD		State and community budgets total revenue flows in 2023, thousand USD		Share in total revenue streams %	State body
		By companies	By state bodies	By companies	By state bodies		
	Total revenue streams	115,278,533	114,057,814	293,673	290,564	100.00%	

Source: Public reports provided by the RA State Revenue Committee, Ministry of Environment, MTAI and subsoil use organizations

Table 7.1.2.2

Revenue flows of state and municipal budgets, 2024

Budget revenue code 2001	Budget revenue item	State and community budgets total revenue flows in 2024, thousand AMD		State and community budgets total revenue flows in 2024, thousand USD		Share in total revenue streams %	State body
		By companies	By state bodies	By companies	By state bodies		
1146 714612	Royalty	52,361,694	53,028,098	133,351	135,048	51.84%	SRC
1141 714110	Value added tax	10,883,224	4,386,651	27,717	11,172	4.29%	SRC
	Payments for the socio-economic obligations of communities defined by the mining contract	1,332,705	997,252	3,394	2,540	0.97%	MTAI

Budget revenue code 2001	Budget revenue item	State and community budgets total revenue flows in 2024, thousand AMD		State and community budgets total revenue flows in 2024, thousand USD		Share in total revenue streams %	State body
		By companies	By state bodies	By companies	By state bodies		
1415 741520	Lease payments	1,437,094	1,258,348	3,660	3,205	1.23%	MTAI
1151 715100, 1422 742212, 1145 714511	Custom duties and fees	1,134,330	1,095,580	2,889	2,790	1.07%	SRC
	Total reconcilable revenue streams	67,149,047	60,765,929	171,011	154,755	59.40%	
1112 711200	Profit tax	24,688,084	24,332,340	62,874	61,968	23.78%	SRC
1111 711100	Income tax	16,022,714	15,928,311	40,806	40,565	15.57%	SRC
1145 714523	Environmental taxes	568,422	559,977	1,448	1,426	0.55%	SRC
	Replenishment of environmental protection fund	389,394	248,768	992	634	0.24%	MNP
1145 714522	State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals	150,000	210,500	382	536	0.21%	SRC

Budget revenue code 2001	Budget revenue item	State and community budgets total revenue flows in 2024, thousand AMD		State and community budgets total revenue flows in 2024, thousand USD		Share in total revenue streams %	State body
		By companies	By state bodies	By companies	By state bodies		
	Payment of the difference in the cadastral values of land plots at the time of change of purpose	-	78,278	-	199	0.08%	MTAI
1146 714612	Nature use payments	47,257	55,845	120	142	0.05%	SRC
	Penalties and fines imposed by the Environmental and Subsoil Inspection Authority	23,584	30,218	60	77	0.03%	MNP
	Monitoring implementation fees	45,408	28,974	116	74	0.03%	MNP
1131 713121 / 1136 713611	Vehicle property tax	55,352	26,171	141	67	0.03%	MTAI
1131 713122	Real estate tax	43,527	24,336	111	62	0.02%	MTAI
1142 714200	Excise tax	6,294	6,294	16	16	0.01%	SRC
	Environmental impact assessment fee	5,362	5,500	14	14	0.01%	MNP

Budget revenue code 2001	Budget revenue item	State and community budgets total revenue flows in 2024, thousand AMD		State and community budgets total revenue flows in 2024, thousand USD		Share in total revenue streams %	State body
		By companies	By state bodies	By companies	By state bodies		
1145 714522	State fee for the issuance of a water use permit	580	120	1	0	0.00%	SRC
	Allocations from the environmental protection fund to the company	-	-	-	-	0.00%	MNP
	Total non- reconcilable revenue streams	42,045,978	41,535,631	107,080	105,780	40.60%	
	Total revenue streams	109,195,025	102,301,560	278,091	260,535	100.00%	

Source: Public reports provided by the RA State Revenue Committee, Ministry of Environment, MTAI and subsoil use organizations

According to preliminary data submitted by state bodies, the revenues to the state and community budgets from reporting companies in 2023 amounted to AMD 114 billion. The size of the five revenue streams subject to reconciliation was AMD 69.9 billion, or 61.28% of total revenues. The share of non-reconciled revenue streams in total revenue flows amounted to AMD 44.2 billion, or 38.72%.

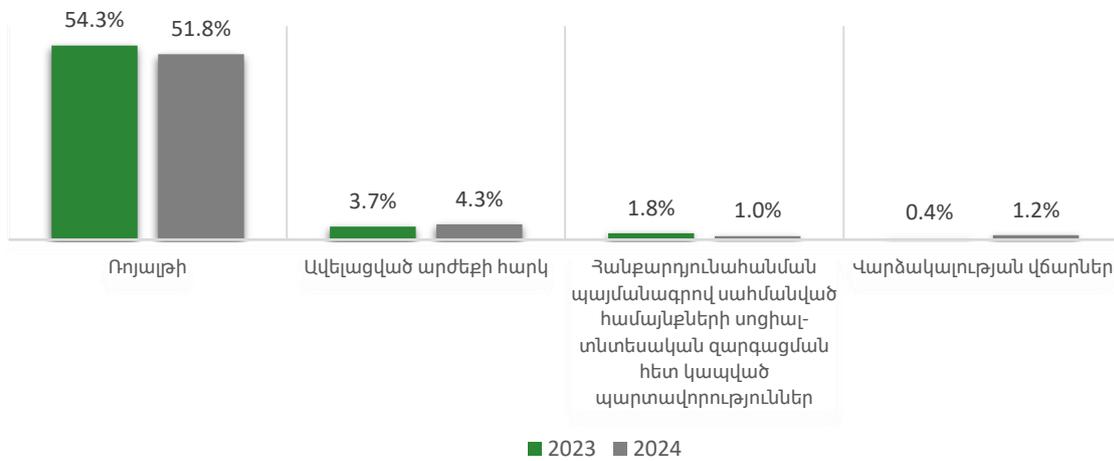
For 2023, royalties had the largest share among the reconciled revenue streams, amounting to AMD 61.9 billion or 89%, while its share in total revenue flows was 54.33%.

For 2024, revenues amounted to AMD 102.3 billion, which is a decrease of 11.5% compared to the previous year. The size of the reconciled revenue streams was AMD 60.8 billion, or 59.4% of total revenues.

For 2024, royalties again had the largest share among the reconciled revenue streams, amounting to AMD 53 billion or 87%, while its share in total revenue flows was 51.84%.

Chart 7.1.2.1

Share of reconcilable revenue streams in total revenues, 2023-2024.



Source: Public reports provided by the RA State Revenue Committee and the Ministry of Environment and Natural Resources and the RA MTAI

According to the preliminary reconciliation carried out by the Independent Administrator, for 2023, the initial discrepancy in total revenue flows for 25 reporting companies amounted to AMD 1.2 billion or 1.06%. The discrepancy in reconciled revenue streams for all companies was AMD 3.5 billion or 4.77%.

For 2024, the initial discrepancy in total revenue flows for 24 reporting companies amounted to AMD 6.9 billion or 6.31%.

The discrepancy in reconciled revenue streams for all companies was AMD 6.4 billion or 9.51%.

Below is the initial discrepancy in total bilateral disclosed revenue flows for all companies for 2023-2024.

Table 7.1.2.3

Initial mismatch of total revenue streams across all companies, 2023-2024.

Budget revenue item	Discrepancy amount <i>thousand AMD</i>		Discrepancy amount <i>thousand USD</i>		Discrepancy %	
	2023	2024	2023	2024	2023	2024
Royalty	-247,765	-666,404	-631	-1,697	0.40%	1.27%
Value added tax	3,334,085	6,496,573	8,494	16,545	44.34%	59.69%
Payments for the socio-economic obligations of communities defined by the mining contract	-607,332	335,453	-1,546	855	42.45%	25.17%
Lease payments	995,441	178,746	2,536	455	68.49%	12.44%
Custom duties and fees	25,236	38,750	64	99	1.99%	3.42%
Total reconcilable revenue streams	3,501,690	6,385,142	10,940	18,281	4.77%	9.51%
Profit tax	-29,512	355,744	-75	906	0.12%	1.44%
Income tax	223,780	94,403	570	240	1.44%	0.59%
Environmental taxes	1,933	8,445	5	22	0.44%	1.49%
Replenishment of environmental protection fund	-60,930	140,626	-155	358	15.59%	36.11%

Budget revenue item	Discrepancy amount <i>thousand AMD</i>		Discrepancy amount <i>thousand USD</i>		Discrepancy %	
	2023	2024	2023	2024	2023	2024
State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals	-20,000	-60,500	-51	-154	10.53%	40.33%
Payment of the difference in the cadastral values of land plots at the time of change of purpose	-	-78,278	-	-199	-	100.00%
Nature use payments	-8,130	-8,588	-21	-22	17.99%	18.17%
Penalties and fines imposed by the Environmental and Subsoil Inspection Authority	-2,444,319	-6,634	-6,227	-17	8120.26%	28.13%
Monitoring implementation fees	-1,235	16,434	-3	42	3.64%	36.19%
Vehicle property tax	32,096	29,181	82	74	66.52%	52.72%
Real estate tax	25,518	19,191	65	49	77.61%	44.09%
Excise tax	-	0	-	0	100.00%	0.00%
Environmental impact assessment fee	1,758	-138	4	0	38.56%	2.57%
State fee for the issuance of a water use permit	95	460	0	1	100.00%	79.31%

Budget revenue item	Discrepancy amount <i>thousand AMD</i>		Discrepancy amount <i>thousand USD</i>		Discrepancy %	
	2023	2024	2023	2024	2023	2024
Allocations from the environmental protection fund to the company	-	-	-	-	-	-
Total non- reconcilable revenue streams	-2,278,948	510,347	5,806)	1,300	5.44%	1.21%
Total revenue streams	1,222,742	6,895,489	5,134	19,581	1.06%	6.31%

Source: Public reports provided by the RA State Revenue Committee and the Ministry of Environment and Natural Resources and the RA MTAI

Table 7.1.2.4

Revenue flows from reconcilable companies by type of reconcilable revenue flows, 2023

Budget revenue item	State and community budgets total revenue flows, thousand AMD		State and community budgets total revenue flows, thousand USD		Share %	Share %
	<i>By companies</i>	<i>By state bodies</i>	<i>By companies</i>	<i>By state bodies</i>	Companies	<i>State bodies</i>
Royalty	61,716,683	61,964,448	157,224	157,807	84%	89%
Value added tax	7,517,396	4,176,520	19,151	10,636	10%	6%
Payments for the socio-economic obligations of communities defined by the mining contract	1,422,150	2,033,915	3,623	5,180	1.9%	2.9%

Budget revenue item	State and community budgets total revenue flows, thousand AMD		State and community budgets total revenue flows, thousand USD		Share %	Share %
	<i>By companies</i>	<i>By state bodies</i>	<i>By companies</i>	<i>By state bodies</i>	Companies	<i>State bodies</i>
Lease payments	1,447,983	437,228	3,689	1,114	2%	1%
Custom duties and fees	1,270,184	1,241,024	3,236	3,161	2%	2%
Total reconcilable revenue streams	73,374,397	69,853,136	186,922	177,897	100%	100%

Source: Public reports provided by the RA State Revenue Committee and the Ministry of Environment and Natural Resources and the RA MTAI

According to the preliminary reconciliation carried out by the Independent Administrator, for 2023, out of 25 reporting companies, 12 were considered subject to reconciliation. For these companies, the total amount of the five revenue streams subject to reconciliation, based on data submitted by state bodies, was AMD 69.8 billion or USD 177.9 million. These revenue streams accounted for 61.2% of total flows.

Table 7.1.2.5

Revenue flows from reconcilable companies by type of reconcilable revenue flows, 2024

Budget revenue item	State and community budgets total revenue flows, thousand AMD		State and community budgets total revenue flows, thousand USD		Share %	Share %
	<i>By companies</i>	<i>By state bodies</i>	<i>By companies</i>	<i>By state bodies</i>	Companies	<i>State bodies</i>
Royalty	52,361,694	53,028,098	133,392	135,048	78%	87%
Value added tax	10,883,051	4,386,007	27,725	11,170	16%	7%

Budget revenue item	State and community budgets total revenue flows, thousand AMD		State and community budgets total revenue flows, thousand USD		Share %	Share %
	<i>By companies</i>	<i>By state bodies</i>	<i>By companies</i>	<i>By state bodies</i>	<i>Companies</i>	<i>State bodies</i>
Payments for the socio-economic obligations of communities defined by the mining contract	1,325,922	988,519	3,378	2,517	2.0%	1.6%
Lease payments	1,415,061	1,231,306	3,605	3,136	2%	2%
Custom duties and fees	1,134,330	1,089,560	2,890	2,775	2%	2%
Total reconcilable revenue streams	67,120,058	60,723,490	170,989	154,646	100%	100%

Source: Public reports provided by the SRC, MoF, MTAI and subsoil-using companies

For 2024, out of 24 reporting companies, 12 were again considered subject to reconciliation. For these companies, the total amount of the five revenue streams subject to reconciliation, based on data submitted by state bodies, was AMD 60.7 billion or USD 154.7 million. These revenue streams accounted for 59.4% of total flows.

Among the reconciled revenue streams, royalties and value-added tax (VAT) had the largest share, accounting for 95% of reconciled revenue streams for 2023-2024.

According to the MSG decision⁹⁵, obligations related to the socio-economic development of communities as defined by mining contracts were reconciled without applying the materiality threshold.

⁹⁵ <https://www.eiti.am/hy/agenda-protocols-other-related-documents>

7.1.3. Other Non-Tax Payments

Within the scope of the 6th EITI Report, two of the five revenue streams subject to reconciliation are considered non-tax payments. These are:

1. Payments related to the socio-economic development of communities as defined by mining contracts
2. Rental payments

The obligations related to socio-economic development arise from contracts concluded between the state and subsoil user companies, the format of which is defined by RA Government Decision No. 437-N dated March 22⁹⁶, 2012. According to Annex 3 of these contracts, the subsoil user undertakes to implement measures aimed at mitigating the socio-economic needs of communities located in the immediate impact zone of the mine.

According to data provided by the Ministry of Territorial Administration and Infrastructure (MTAI), payments related to socio-economic development by reporting companies amounted to AMD 2 billion in 2023, or 1.8% of total revenues, and AMD 997.2 million in 2024, or 0.98% of total revenues.

Rental payments refer to immovable property, vehicles, or land plots owned by communities and leased to subsoil user companies. According to data provided by MTAI, rental payments by reporting companies amounted to AMD 457.9 million in 2023, or 0.4% of total revenues, and AMD 1.3 billion in 2024, or 1.2% of total revenues.

7.1.4. Data Collection

Reporting companies and state bodies submit EITI public reports through the online reporting system⁹⁷.

This mechanism is based on the MSG protocol dated December 6, 2017⁹⁸, under which EITI Armenia, in compliance with Requirement 7.2 of the Standard, adopted the “open data” concept.

In the online reporting system, reporting companies and state bodies register through an authorized person by completing the appropriate form. After the registration process, they receive a confirmation email and an activation link to access the system.

The relevant information and this confirmation email are also sent to the system Administrator. After verifying the information, the registration is confirmed, allowing access to the system. Once registered, reporting companies and state bodies are required to submit public reports for each year by August 1 of the following year, based on the templates defined by RA Government Decision No. 666-N dated June 8, 2018⁹⁹. Completed reports are signed electronically and become accessible in the system after submission.

The Independent Administrator is provided with login credentials to the system within the scope of preparing the report to access public reports. Afterward, the Administrator checks the availability of public reports, and in case of absence or deficiencies in the submitted reports, inquiries are sent through the system or via email to the authorized person of the company or state body. The user responds to the Administrator’s inquiries within 5 working days after receiving the request.

The Administrator also sent written inquiries to companies and state bodies to obtain additional information necessary for preparing the report, beyond the financial and non-financial data included in public reports, as well as to clarify discrepancies identified during the reconciliation process. These entities provided information confirmed by the signature of the head or authorized person. To resolve discrepancies identified during reconciliation, the Administrator contacted companies and state bodies both by phone and email.

⁹⁶ <https://www.arlis.am/DocumentView.aspx?docid=194567>

⁹⁷ [Reports - EITI reports](#)

⁹⁸ [MSG_meeting_minute_12_06_2017.pdf \(eiti.am\)](#)

⁹⁹ <https://www.arlis.am/DocumentView.aspx?docID=132674>

Failure by some companies and state bodies to submit public reports within the prescribed timeframe caused certain challenges in the data collection process for preparing this report. Public reports were not submitted for the following companies:

Company	Reporting Entity	Year
“Fortune Resources” LLC	Company	2024
“GMN Gold Mining” LLC (formerly “Vardani Zartonk” LLC)	Company	2023

The revenue flows for the mentioned companies are considered non-material, as they do not actually carry out ore extraction activities. The failure to submit reports did not have a significant impact on the reconciliation process.

Despite the existing challenges, it was possible to obtain the necessary information for preparing the report with the assistance of the EITI Secretariat, thanks to its properly organized efforts.

7.1.5. Level of Data Disaggregation (Requirement 4.7)

Definition of the term “Program”

According to Requirement 4.7 of the EITI Standard, it is necessary that EITI data be disaggregated by individual project, company, state organization, and revenue flow.

The definition of a program, according to the EITI Standard, is formulated as a combination of operational activities governed by a single contract, license, lease, concession, or other similar legal agreement and serves as the basis for the emergence of payment obligations to the government. However, if several such agreements are substantially interconnected, then the multi-stakeholder group must clearly determine and document which cases are considered a single program.

According to the MSG decision of September 16, 2025¹⁰⁰, within the framework of the 2023-2024 national report, the activity carried out under one subsoil use right/permit is considered as a program.

The accountability system operating in the Republic of Armenia has not changed compared to the previous year, and the requirements for filling in tax calculations still cannot ensure accountability at the program level in the full sense of the above-mentioned Standard requirement.

Thus, the level of accountability currently operating in Armenia still does not allow for separate accountability at the program level in cases where the company carries out other activities in addition to mining operations. For 2023-2024, out of 25 and 24 reporting companies respectively, 24 and 23 carry out only metallic mineral extraction activities.

An exception is “Multi Group Concern” LLC, which, in addition to mining activities, is also engaged in other entrepreneurial activities. The company did not have calculated royalties during the reporting years, which indicates that active mining was not carried out. Nevertheless, the taxes calculated for the company for 2024 exceeded the materiality threshold, as a result of which the company was included in the reconciliation process. However, the impossibility of data disaggregation at the program level did not allow the Consultant to separate the financial data related to mining activities.

¹⁰⁰ eiti.am/hy/agenda-protocols-other-related-documents

7.2. Quality of Data and Quality Assurance (Requirement 4.9)

The processes ensuring the reliability of data provided by companies and state bodies are presented in point 1.3 of this report.

Emphasizing that the analysis and reconciliation of existing EITI data for Armenia for 2023-2024 by the Consultant does not constitute an audit of those data, at the same time the Consultant has taken into account that the MSG, in its decision adopted on 16.09.2025, stipulated that in order to ensure the reliability and accuracy of the data presented in the reports, public reports must be validated by the electronic signature of the company’s director or chief accountant and the senior official of the state body or his deputy.

The signatories of the reports are:

1. Heads of state administration bodies and/or their deputies,
2. The head or chief accountant of the subsoil user company that has received a permit for the extraction of metallic minerals.

The data contained in the EITI report for 2023-2024, as well as the information obtained as a result of the relevant inquiry, which was provided to the Consultant by reporting organizations and state bodies, are considered comprehensive and reliable, based on the above-mentioned decision of the MSG, as well as Government Decision No. 666-N dated 08.06.2018 approved by the heads of state bodies, heads of organizations or chief accountants, or persons authorized by them, and validated by their electronic signature. The above-mentioned persons also bear corresponding responsibility for submitting tax reports to the State Revenue Committee through the electronic system for submitting reports for the purpose of tax control, which also guarantees the accuracy of the data provided to the Consultant and their compliance with the legal basis.

In addition, the reliability of the information received is confirmed by the implementation of external audits by the reporting companies. In 2023 and 2024, the companies that ensured the main share of revenue flows to the state budget among reporting companies underwent external audits.

Below, the tables present the reporting companies that underwent external audits in 2023 and 2024, and, accordingly, their share in state budget revenues among reporting companies.

Table 7.2.1

Reporting companies that underwent external audit, 2023.

N	Company name	State budget total revenue flows in 2023, thousand AMD	Share in total revenue streams %
1	“Zangezur Copper-Molybdenum Combine” CJSC	87,729,424	78.65%
2	“Agarak Copper-Molybdenum Combine” CJSC	6,891,840	6.18%
3	“Geopromining Gold” LLC	6,384,245	5.72%
4	“Teghut” CJSC	4,036,666	3.62%
5	“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	2,854,182	2.56%
6	“Lichkvaz” CJSC	1,228,972	1.10%

N	Company name	State budget total revenue flows in 2023, thousand AMD	Share in total revenue streams %
7	“Lydian Armenia” CJSC	426,131	0.38%
8	“Sagamar” CJSC	74,897	0.07%
	Total companies that have undergone external audits	109,626,357	98.49%
	Total companies	111,308,102	100%

Source: Publicly accessible websites

The share of companies that conducted external audits in 2023 in the total revenue flows to the state budget from reporting companies amounts to 98.49%.

Table 7.2.2

Reporting companies that underwent external audit, 2024.

N	Company name	State budget total revenue flows in 2024, thousand AMD	Share in total revenue streams %
1	“Zangezur Copper-Molybdenum Combine” CJSC	66,661,432	65.80%
2	“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	9,248,615	9.13%
3	“Teghut” CJSC	8,939,596	8.82%
4	“Geopromining Gold” LLC	2,393,924	2.36%
5	“Lydian Armenia” CJSC	478,913	0.47%
6	“Sagamar” CJSC	68,771	0.07%
	Total companies that have undergone external audits	87,791,250	86.66%
	Total companies	101,304,308	100.00%

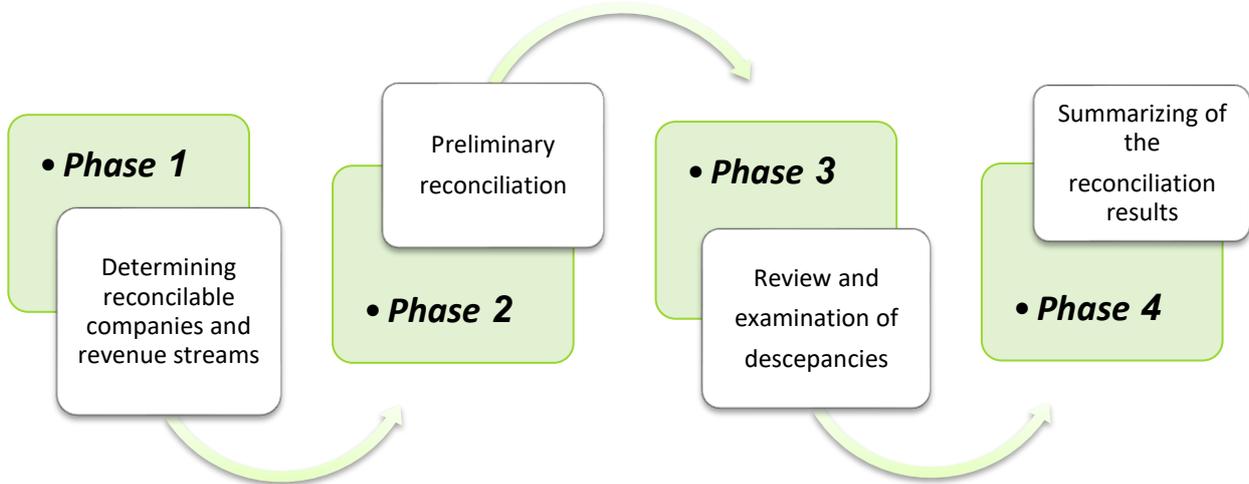
Source: Publicly accessible websites

The share of companies that conducted external audits in 2024 in the total revenue flows to the state budget from reporting companies amounts to 86.66%.

Information about the list of companies that underwent external audits for the reporting year, as well as their public accessibility, is presented in Appendix 1.

7.3. Description and Results of the Reconciliation Process (Requirement 4.1)

The reconciliation process was carried out in the following 4 stages.



Stage 1. Determination of companies and revenue streams for reconciliation

The list of companies and revenue streams for reconciliation was determined in accordance with the procedure established by MSG decision¹⁰¹, according to which a threshold of 150 million AMD or more in calculated taxes to the state budget was applied for the companies subject to reconciliation. According to preliminary data provided by the SRC and the MTAI, for 2023, the revenue flows of 12 out of 25 reporting companies exceeded the established threshold and amounted to AMD 111.3 billion or USD 284.7 million.

For 2024, the revenue flows of 12 out of 24 reporting companies exceeded the established threshold and amounted to AMD 101 billion or USD 258 million.

The list of revenue streams for reconciliation was defined by the MSG based on the selection of revenue stream types instead of applying a threshold, according to which 5 material streams were selected. According to preliminary data provided by the SRC, MTAI, and MTAD, the total amount of these 5 revenue streams for 2023 and 2024 was AMD 69.9 billion or USD 178 million and AMD 60.8 billion or USD 154.8 million, respectively.

Stage 2. Preliminary reconciliation

At this stage, the Consultant compiled a database containing the data submitted by companies and state bodies, disaggregated by individual project, organization, state body, and financial flow by exporting the relevant data from the online platform and bringing them into a format that also complies with the requirements of point 4.7 of the EITI Standard.

For the purpose of final reconciliation, the Consultant defined the level of discrepancies between the data submitted bilaterally by applying the following approach: deviations that constitute 4 percent of the revenue flow but not less than AMD 1 million were considered material. The basis for this calculation was the data submitted by the party with the smaller amount. The reconciliation of socio-economic obligations was carried out without applying a materiality threshold.

¹⁰¹ citi.am/hy/agenda-protocols-other-related-documents

Below are the revenues to the state and community budgets from the companies subject to reconciliation, by reconciled revenue streams.

Table 7.3.1

Revenue flows from companies subject to reconciliation, by reconciled revenue streams, 2023

Budget revenue item	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Discrepancy %
	By companies	By state bodies		
Royalty	61,716,683	61,964,448	(247,765)	61,943,723
Value added tax	7,517,396	4,176,520	3,340,876	4,255,208
Payments for the socio-economic obligations of communities defined by the mining contract	1,422,150	2,033,915	(611,765)	311,240
Lease payments	1,447,983	437,228	1,010,755	1,454,123
Custom duties and fees	1,270,184	1,241,024	29,160	1,326,214
Total reconcilable revenue streams in thousand AMD	73,374,397	69,853,136	3,521,261	69,290,508
Total thousand USD	186,922	177,952	8,970	176,518

Source: Public reports provided by the RA SRC, MTAI, MTAD, and companies

Table 7.3.2

Revenue flows from companies subject to reconciliation, by reconciled revenue streams, 2024

Budget revenue item	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Discrepancy %
	By companies	By state bodies		
Royalty	52,361,694	53,028,098	-666,404	-1.27%
Value added tax	10,883,051	4,386,007	6,497,044	59.70%

Budget revenue item	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Discrepancy %
	By companies	By state bodies		
Payments for the socio-economic obligations of communities defined by the mining contract	1,325,922	988,519	337,403	25.45%
Lease payments	1,415,061	1,231,306	183,755	12.99%
Custom duties and fees	1,134,330	1,089,560	44,770	3.95%
Total reconcilable revenue streams in thousand AMD	67,120,058	60,723,490	6,396,568	9.53%
Total thousand USD	170,937	154,646	16,290	9.53%

Source: Public reports provided by the RA SRC, MTAI, MTAD, and companies.

As a result of the preliminary reconciliation, for 2023, the amount of reconciled revenue flows for the 12 reporting companies was AMD 73.4 billion according to companies and AMD 69.9 billion according to state bodies. The preliminary discrepancy amounted to AMD 3.5 billion or 4.8%. The largest percentage deviation in revenue flow discrepancies was recorded for lease payments, which amounted to 69.8%.

For 2024, the amount of reconciled revenue flows for the 12 reporting companies was AMD 67.1 billion according to companies and AMD 60.7 billion according to state bodies. The preliminary discrepancy amounted to AMD 6.4 billion or 9.5%. The largest percentage deviation in revenue flow discrepancies was recorded for value-added tax, which amounted to 59.7%.

Below are the revenue flows to the RA state and community budgets from the companies subject to reconciliation, by reconciled companies.

Table 7.3.3

Revenue flows from companies subject to reconciliation, by companies, 2023

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
“Zangezur Copper-Molybdenum Combine” CJSC	57,720,655	57,361,708	358,947	914		
Vale added tax	2,395,095	2,395,095	-	-	0.00%	No
Custom duties and fees	918,400	835,825	82,575	210	9.88%	Yes
Royalty	52,655,893	52,655,893	-	-	0.00%	No
Lease payments	660,187	600	659,587	1,680	109931.20%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	1,091,080	1,474,295	(383,215)	(976)	-35.12%	Yes
“Agarak Copper-Molybdenum Combine” CJSC	3,918,469	3,891,736	26,733	68		
Vale added tax	544,187	470,679	73,509	187	15.62%	Yes

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Custom duties and fees	-	50,416	(50,416)	(128)	100.00%	Yes
Royalty	3,302,918	3,302,918	-	-	0.00%	No
Lease payments	31,724	31,724	-	-	0.00%	No
Payments for the socio-economic obligations of communities defined by the mining contract	39,640	36,000	3,640	9	10.11%	Yes
“Geopromining Gold” LLC	1,713,402	1,736,613	(23,211)	(59)		
Vale added tax	504,380	504,380	0	0	0.00%	No
Custom duties and fees	191,807	190,898	909	2	0.48%	No
Royalty	948,335	948,335	-	-	0.00%	No
Lease payments	68,880	68,000	880	2	1.29%	No

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Payments for the socio-economic obligations of communities defined by the mining contract	-	25,000	(25,000)	(64)	100.00%	Yes
“Teghut” CJSC	3,160,487	3,163,051	(2,564)	(7)		
Vale added tax	361,506	360,902	604	2	0.17%	No
Custom duties and fees	114,480	114,480	-	-	0.00%	No
Royalty	2,401,174	2,401,174	0	0	0.00%	No
Lease payments	43,326	43,326	-	-	0.00%	No
Payments for the socio-economic obligations of communities defined by the mining contract	240,000	243,168	(3,168)	(8)	-1.32%	Yes

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	4,706,983	1,623,421	3,083,562	7,855		
Vale added tax	3,257,310	92,849	3,164,461	8,061	3408.18%	Yes
Custom duties and fees	33,721	33,709	11	0	0.03%	No
Royalty	1,302,561	1,302,561	0	0	0.00%	No
Lease payments	113,391	-	113,391	289	100.00%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	-	194,301	(194,301)	(495)	100.00%	yes
“Lichkvaz” CJSC	797,228	808,109	(10,881)	(28)		
Vale added tax	63	63	-	-	0.00%	No

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Custom duties and fees	-	3,705	(3,705)	(9)	100.00%	Yes
Royalty	797,165	797,165	-	-	0.00%	No
Lease payments	-	7,176	(7,176)	(18)	100.00%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	100.00%	No
“Akhtala Mining And Processing Combine” CJSC	266,066	313,072	(47,005)	(120)		
Vale added tax	13,365	8,097	5,267	13	65.05%	Yes
Custom duties and fees	8,020	4,335	3,685	9	85.02%	Yes
Royalty	236,066	236,066	0	0	0.00%	No
Lease payments	8,616	9,574	(958)	(2)	-11.12%	No

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Payments for the socio-economic obligations of communities defined by the mining contract	-	55,000	(55,000)	(140)	100.00%	Yes
“Ler-Ex” LLC	229,313	228,077	1,236	3		
Vale added tax	228,073	228,073	0	0	0.00%	No
Custom duties and fees	-	5	(5)	(0)	100.00%	No
Royalty	-	-	-	-	100.00%	No
Lease payments	1,240	-	1,240	3	100.00%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	100.00%	No
“Lydian Armenia” CJSC	495,173	251,461	243,711	621		

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Vale added tax	4	4	-	-	0.00%	No
Custom duties and fees	-	28	(28)	(0)	100.00%	No
Royalty	-	-	-	-	100.00%	No
Lease payments	495,169	251,429	243,740	621	96.94%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	100.00%	No
“Baktek Eco” LLC	91,012	253,674	(162,662)	(414)		
Vale added tax	88,865	3,089	85,776	219	2776.52%	Yes
Custom duties and fees	-	1,923	(1,923)	(5)	100.00%	Yes
Royalty	-	247,765	(247,765)	(631)	100.00%	Yes

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Lease payments	1,147	897	250	1	27.88%	No
Payments for the socio-economic obligations of communities defined by the mining contract	1,000	-	1,000	3	100.00%	Yes
“Meghradzor Gold” LLC	109,317	106,968	2,349	6		
Vale added tax	758	2,270	(1,512)	(4)	-199.38%	Yes
Custom duties and fees	3,757	5,696	(1,939)	(5)	-51.61%	Yes
Royalty	69,748	69,748	(0)	(0)	0.00%	No
Lease payments	24,303	24,303	-	-	0.00%	No
Payments for the socio-economic obligations of communities defined by the mining contract	10,750	4,950	5,800	15	117.17%	Yes

Company - Revenue Stream	State and community budgets total revenue flows in 2023, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
“Assat” LLC	166,293	115,246	51,047	130		
Vale added tax	123,790	111,019	12,771	33	11.50%	Yes
Custom duties and fees	-	5	(5)	(0)	100.00%	No
Royalty	2,822	2,822	-	-	0.00%	No
Lease payments	-	200	(200)	(1)	100.00%	No
Payments for the socio-economic obligations of communities defined by the mining contract	39,680	1,200	38,480	98	3206.67%	Yes
Total	73,374,397	69,853,136	3,521,261	8,970	4.80%	

Source: Public reports provided by the RA State Revenue Committee and the Ministry of Environment, the RA MTAI

Table 7.3.4

Revenue flows from companies subject to reconciliation, by companies, 2024

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
“Zangezur Copper-Molybdenum Combine” CJSC	38,883,700	38,372,526	511,175	1,302		
Vale added tax	2,869,628	2,869,628	0	0	0.00%	No
Custom duties and fees	787,234	770,716	16,518	42	2.14%	No
Royalty	33,480,120	33,480,120	-	-	0.00%	No
Lease payments	699,137	689,743	9,393	24	1.36%	No
Payments for the socio-economic obligations of communities defined by the mining contract	1,047,582	562,319	485,263	1,236	86.30%	Yes
“Agarak Copper-Molybdenum Combine” CJSC	7,592,182	5,130,610	2,461,572	6,269		
Vale added tax	3,051,225	642,578	2,408,646	6,134	374.84%	Yes

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Custom duties and fees	70,079	22,793	47,286	120	207.46%	Yes
Royalty	4,400,515	4,400,515	-	-	0.00%	No
Lease payments	31,724	31,724	-	-	0.00%	No
Payments for the socio-economic obligations of communities defined by the mining contract	38,640	33,000	5,640	14	17.09%	Yes
“Geopromining Gold” LLC	796,329	795,407	923	2		
Vale added tax	173,658	174,595	(937)	(2)	-0.54%	No
Custom duties and fees	64,646	62,786	1,860	5	2.96%	No
Royalty	440,026	440,026	-	-	0.00%	No
Lease payments	68,000	68,000	-	-	0.00%	No

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Payments for the socio-economic obligations of communities defined by the mining contract	50,000	50,000	-	-	0.00%	No
“Teghut” CJSC	7,300,373	7,264,571	35,803	91		
Vale added tax	225,343	225,343	-	-	0.00%	No
Custom duties and fees	131,662	95,159	36,503	93	38.36%	Yes
Royalty	6,745,042	6,745,042	-	-	0.00%	No
Lease payments	43,326	43,326	-	-	0.00%	No
Payments for the socio-economic obligations of communities defined by the mining contract	155,000	155,700	(700)	(2)	-0.45%	Yes

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	10,098,069	5,975,075	4,122,994	10,500		
Vale added tax	4,412,944	168,975	4,243,969	10,808	2511.60%	Yes
Custom duties and fees	67,006	67,981	(974)	(2)	-1.45%	No
Royalty	5,504,728	5,504,728	-	-	0.00%	No
Lease payments	113,391	113,391	-	-	0.00%	No
Payments for the socio-economic obligations of communities defined by the mining contract	-	120,000	(120,000)	(306)	100.00%	Yes
“Lichkvaz” CJSC	1,163,202	1,633,633	(470,432)	(1,198)		
Vale added tax	2,338	2,533	(195)	(0)	-8.34%	No

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Custom duties and fees	-	3,751	(3,751)	(10)	100.00%	Yes
Royalty	1,160,864	1,615,482	(454,618)	(1,158)	-39.16%	Yes
Lease payments	-	11,867	(11,867)	(30)	100.00%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	100.00%	No
“Akhtala Mining And Processing Combine” CJSC	366,446	421,194	(54,748)	(139)		
Vale added tax	8,066	8,066	-	-	0.00%	No
Custom duties and fees	13,704	8,452	5,252	13	62.13%	Yes
Royalty	335,736	335,736	0	0	0.00%	No
Lease payments	8,940	8,940	-	-	0.00%	No

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Payments for the socio-economic obligations of communities defined by the mining contract	-	60,000	(60,000)	(153)	100.00%	Yes
“Multi Group Concern” LLC	43,318	163,019	(119,701)	(305)		
Vale added tax	38,097	114,694	(76,596)	(195)	-201.05%	Yes
Custom duties and fees	-	45,836	(45,836)	(117)	100.00%	Yes
Royalty	-	-	-	-	100.00%	No
Lease payments	5,221	2,490	2,731	7	109.71%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	100.00%	No
“Lydian Armenia” CJSC	497,318	230,275	267,043	680		

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Vale added tax	77,105	28	77,077	196	278396.54%	Yes
Custom duties and fees	-	18	(18)	(0)	100.00%	No
Royalty	-	-	-	-	100.00%	No
Lease payments	420,213	230,228	189,985	484	82.52%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	100.00%	No
“Baktek Eco” LLC	2,563	214,838	(212,275)	(541)		
Vale added tax	1,563	1,768	(204)	(1)	-13.08%	No
Custom duties and fees	-	227	(227)	(1)	100.00%	No
Royalty	-	210,696	(210,696)	(537)	100.00%	Yes

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
Lease payments	-	1,397	(1,397)	(4)	100.00%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	1,000	750	250	1	33.33%	Yes
“Meghradzor Gold” LLC	358,874	343,124	15,750	40		
Vale added tax	19,969	1,245	18,724	48	1503.97%	Yes
Custom duties and fees	-	11,834	(11,834)	(30)	100.00%	Yes
Royalty	293,295	293,295	-	-	0.00%	No
Lease payments	24,910	30,000	(5,090)	(13)	-20.43%	Yes
Payments for the socio-economic obligations of communities defined by the mining contract	20,700	6,750	13,950	36	206.67%	Yes

Company - Revenue Stream	State and community budgets total revenue flows in 2024, thousand AMD		Initial discrepancy thousands of AMD	Initial discrepancy thousands of USD	Discrepancy %	Reconcilable. (> 4% >= 1 million AMD)
	By companies	By state bodies				
“Assat” LLC	17,683	179,218	(161,536)	(411)		
Vale added tax	3,115	176,555	(173,440)	(442)	-5567.89%	Yes
Custom duties and fees	-	6	(6)	(0)	100.00%	No
Royalty	1,368	2,458	(1,090)	(3)	-79.70%	Yes
Lease payments	200	200	-	-	0.00%	No
Payments for the socio-economic obligations of communities defined by the mining contract	13,000	-	13,000	33	100.00%	Yes
Total	67,120,058	60,723,490	6,396,568	16,290	9.53%	

Source: Public reports provided by the RA State Revenue Committee and the Ministry of Environment, the RA MTAI

Table 7.3.5
Revenue flows from companies subject to reconciliation, by reconciled revenue streams, 2023

Budget revenue item	Initial discrepancy thousands of AMD	Non-compliance exceeding the materiality threshold thousands of AMD	Share %
Royalty	(247,765)	(247,765)	100.00%
Value added tax	3,340,876	3,340,272	99.98%
Payments for the socio-economic obligations of communities defined by the mining contract	(611,765)	(611,765)	100.00%
Custom duties and fees	29,160	28,277	96.97%
Lease payments	1,010,755	1,010,783	100.00%
Total revenue streams in thousand AMD	3,521,261	3,519,802	99.96%
Total revenue streams in thousand USD	8,970	8,967	

Source: Public reports provided by the RA SRC, MTAI, MTAD, and companies

Table 7.3.6
Revenue flows from companies subject to reconciliation, by reconciled revenue streams, 2024

Budget revenue item	Initial discrepancy thousands of AMD	Non-compliance exceeding the materiality threshold thousands of AMD	Share %
Royalty	(666,404)	(666,404)	100.00%
Value added tax	6,497,044	6,498,380	100.02%
Payments for the socio-economic obligations of communities defined by the mining contract	337,403	337,403	100.00%
Custom duties and fees	44,770	27,618	61.69%
Lease payments	183,755	174,362	94.89%
Total revenue streams in thousand AMD	6,396,568	6,371,359	99.6%

Budget revenue item	Initial discrepancy thousands of AMD	Non-compliance exceeding the materiality threshold thousands of AMD	Share %
Total revenue streams in thousand USD	16,290	16,226	

Source: Public reports provided by the RA SRC, MTAI, MNP, and companies

Stage 3. Review and reconciliation of discrepancies

At this stage, the Consultant carried out the examination of material deviations by contacting the companies and state bodies that submitted the data.

Clarifications regarding discrepancies or gaps were obtained from the responsible officials of the company or state body that submitted the data, as a result of which appropriate adjustments were made to the submitted data.

In the reconciliation process for 2023-2024, 12 companies were included, for which the preliminary discrepancy in the bilateral financial data identified amounted to AMD 3.5 billion or 4.8% for 2023, and AMD 6.4 billion or 9.53% for 2024. Applying the materiality threshold for discrepancies, the amount subject to final reconciliation of revenue flows was AMD 3.5 billion or 99.96% of the total deviation for 2023, and AMD 6.4 billion or 99.6% of the total deviation for 2024.

As a result of the review and examination of discrepancies, the following adjustments were made:

Table 7.3.7

Adjustments to reconciled revenue streams by companies and state bodies, 2023-2024

Budget revenue item	Adjustments in 2023, in thousand AMD		Adjustments in 2024, in thousand AMD	
	In company data	In the data of state bodies	In company data	In the data of state bodies
Value added tax	(3,262,188)	-	(6,660,542)	-
Custom duties and fees	56,030	95,469	54,662	122,365
Royalty	227,040	(20,725)	649,863	(16,541)
Lease payments	6,140	986,797	14,980	189,985
Payments for the socio-economic obligations of communities defined by the mining contract	(1,110,910)	(1,723,147)	(1,073,882)	(738,419)
Total adjustments, thousand AMD	(4,083,889)	(661,606)	(7,014,920)	(442,611)

Budget revenue item	Adjustments in 2023, in thousand AMD		Adjustments in 2024, in thousand AMD	
	In company data	In the data of state bodies	In company data	In the data of state bodies
Total adjustments, thousand USD	(10,404)	(1,685)	(17,865)	(1,127)

Source: Reconciliation process of bilaterally submitted data

As a result of the reconciliation, the adjustment of data for 2023 amounts to -AMD 4.75 billion. The adjustment in the companies' data amounts to -AMD 4.08 billion, while in the state bodies' data it is AMD 661.6 million. The largest share in the adjusted data belongs to value-added tax 68.7% or -AMD 3.2 billion.

For 2024, the adjustment of data amounts to -AMD 7.5 billion. The adjustment in the companies' data amounts to -AMD 7.01 billion, while in the state bodies' data it is AMD 442.6 million. The largest share in the adjusted data belongs to value-added tax 89.3% or -AMD 6.6 billion.

Stage 4. Summary of reconciliation results

After the adjustments made during reconciliation, the final discrepancy in the bilaterally disclosed data for 2023 amounts to **AMD 99.98 million or 0.01%**. For 2024, the final discrepancy amounts to **AMD 175.7 million or 0.29%**. As a result of the adjustments, all material differences have been eliminated, and there are no material discrepancies in the final data.

Table 7.3.8

Reconciliation results by revenue stream, 2023

Budget revenue item	According to preliminary reports, in 2023, thousands of AMD			According to adjusted reports, in 2023, thousands of AMD		
	By companies	By state bodies	Discrepancy	By companies	By state bodies	Discrepancy
Royalty	61,716,683	1,964,448	(247,765)	61,943,723	61,943,723	0
Value added tax	7,517,396	4,176,520	3,340,876	4,255,208	4,176,520	78,687
Payments for the socio-economic obligations of communities defined by the mining contract	1,422,150	2,033,915	(611,765)	311,240	310,768	472
Lease payments	1,447,983	437,228	,010,755	1,454,123	1,424,025	30,098
Custom duties and fees	,270,184	1,241,024	29,160	1,326,214	1,336,493	(10,279)

Budget revenue item	According to preliminary reports, in 2023, thousands of AMD			According to adjusted reports, in 2023, thousands of AMD		
	By companies	By state bodies	Discrepancy	By companies	By state bodies	Discrepancy
Total reconcilable streams	3,374,397	69,853,136	3,521,261	69,290,508	69,191,530	98,978
Total thousand USD	186,922	177,952	8,970	176,518	176,266	252

Source: Bilaterally submitted reports and the data reconciliation process

Table 7.3.9

Reconciliation results by revenue stream, 2024

Budget revenue item	According to preliminary reports, in 2024, thousands of AMD			According to adjusted reports, in 2024, thousands of AMD		
	By companies	By state bodies	Discrepancy	By companies	By state bodies	Discrepancy
Royalty	52,361,694	53,028,098	-666,404	53,011,557	53,011,557	0
Value added tax	10,883,051	4,386,007	6,497,044	4,222,509	4,386,007	-163,499
Payments for the socio-economic obligations of communities defined by the mining contract	1,325,922	988,519	337,403	252,040	250,100	1,940
Lease payments	1,415,061	1,231,306	183,755	1,430,041	1,421,291	8,750
Custom duties and fees	1,134,330	1,089,560	44,770	1,188,992	1,211,924	-22,933
Total reconcilable streams	67,120,058	60,723,490	6,396,568	60,105,138	60,280,879	-175,741
Total thousand USD	170,989	154,694	16,295	153,119	153,566	-448

Source: Reconciliation process of bilaterally submitted reports and data

The reasons for adjustments to revenue flows for each company are presented in detail in Appendix 6.

The main reasons for discrepancies recorded in revenue flows are as follows:

Value-Added Tax (VAT)

Only the reports submitted by companies were subject to adjustment.

The main reason for discrepancies was presenting deductible VAT with a positive sign, as well as not including the amounts of VAT on imports from the EAEU in the calculations.

Customs duty, customs fee

Adjustments were required for reports submitted by both companies and customs authorities. The discrepancy was due to the incomplete inclusion of types of customs payments in the calculations.

Lease payments

Adjustments were required for reports submitted by both companies and customs authorities. The main reasons for discrepancies were mechanical errors and presenting the calculated amount instead of the paid amount, as well as the absence of information requested by MTAD regarding lease payments for one community (Ararat).

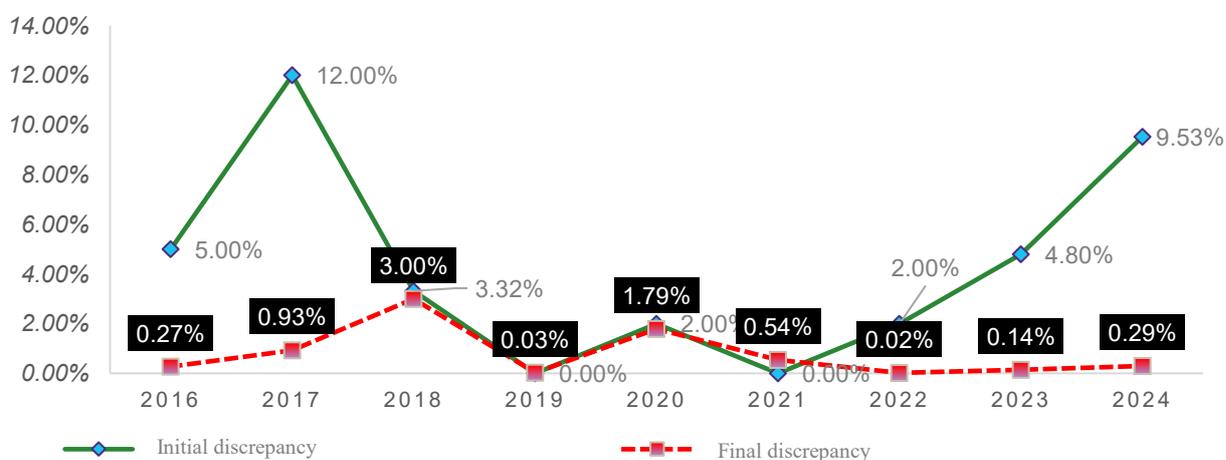
Socio-economic development obligations

The main reason for discrepancies was presenting donation amounts and obligation amounts in opposite fields, as well as obligations that are not entered into the community budget and are not disclosed in public reports by the community. The public report submitted by the local self-government body (through MTAD) contains only the field for filling in socio-economic obligations stipulated by the subsoil use contract, while the corresponding field for payments in the form of donations to the community is missing, and the payments indicated by the local self-government bodies are also filled in the field intended for socio-economic obligations. This implies that corrections made as a result of reconciliation cannot be reflected in the existing reporting format for local self-government bodies. The Consultant’s proposal for solving this issue is included in section 8.3 of the report.

Below is the dynamic of discrepancies in reconciled revenue streams during 2016-2022

Chart 7.3.1

Proportion of revenue flow discrepancies, 2016-2024, %.



Source: EITI 2016-2022 reports and current reporting data¹⁰²

According to the presented data, the dynamic of preliminary discrepancies during 2016-2024 showed an upward trend, with the highest initial deviation recorded in 2017 at 12%, after which it continued to decrease until 2021, then increased again and reached 9.5% in 2024, which, however, after reconciliation, dropped to almost 0.3%.

¹⁰² https://www.eiti.am/hy/search/?q=%D5%A6%D5%A5%D5%AF%D5%B8%D6%82%D5%B5%D6%81&module=annual_reports

8. OBSERVATIONS AND RECOMMENDATIONS REGARDING THE IMPROVEMENT OF THE EITI REPORTING PROCESS

8. OBSERVATIONS AND RECOMMENDATIONS REGARDING THE IMPROVEMENT OF THE EITI REPORTING PROCESS

8.1. Current Status of Recommendations Presented in Previous EITI Reports (Requirement 7.4).

Table 8.1.1

Observations of the Independent Administrator regarding the implementation of recommendations presented in previous EITI reports.

General recommendations

No.	Topic	Recommendation	Status
1	Public reporting format	Maximize automation of reporting formats.	Not implemented
2	Public reporting format submitted by the subsoil user	In questions related to production outputs, specify tonnes as the unit of measurement to ensure consistency of information.	Not implemented
3	Public reporting format submitted by the subsoil user	Considering that since 2021 the real estate tax has replaced building property tax and land tax (Section 11 of the RA Tax Code), we recommend replacing the “Land Tax” field with “Real Estate Tax” and the “Property Tax” field with “Vehicle Property Tax” in public reports.	Not implemented

No.	Topic	Recommendation	Status
4	Annex 5 - reporting format submitted by the Ministry of Territorial Administration and Infrastructure (MTAI)	Considering that since 2021 the real estate tax has replaced building property tax and land tax (Section 11 of the RA Tax Code), we recommend replacing the “Land Tax” field with “Real Estate Tax” and the “Property Tax” field with “Vehicle Property Tax” in public reports.	Not implemented
5	Annex 5 - reporting format submitted by the Ministry of Territorial Administration and Infrastructure (MTAI)	Replace the term “socio-economic investment” with “socio-economic payment”.	Not implemented
6	Annex 5 - reporting format submitted by the Ministry of Territorial Administration and Infrastructure (MTAI)	Add a field for reporting payments made under additional agreements between communities and companies, beyond subsoil use agreements. Also, publish the relevant agreements.	Not implemented
7	Annex 5 - reporting format submitted by the Ministry of Territorial Administration and Infrastructure (MTAI)	Add a field titled “Charitable contributions, donations, or other gratuitous transfers made to the community”, including both financial and non-financial information.	Not implemented

No.	Topic	Recommendation	Status
8	Addressing issues related to the online data collection system	We recommend adding a mandatory field when a report is edited by the Company after being rejected by an independent administrator, containing a brief description of the reasons for corrections identified through reconciliation of public reporting tables.	Not implemented
9	Addressing issues related to the online data collection system	Where possible, add a validation field to verify consistency between aggregated indicators. For example, when entering employment data, the total number by gender should equal the total number of rural and urban employees.	Not implemented
10	Addressing issues related to the online data collection system	We recommend standardizing units of measurement for extraction, export, and domestic sales data to ensure uniformity of information.	Not implemented
11	Addressing issues related to the online data collection system	We recommend presenting numerical data with thousand separators, as displaying figures without separators makes amounts difficult to read.	Not implemented
12	Addressing issues related to the online data collection system	We recommend adding sorting functionality (ascending and descending) and filters to the output tables.	Not implemented

Source: EITI 2020-2022 report.¹⁰³

Recommendations for addressing issues related to the online data collection system

N	Field	Recommendation	Status
1	https://reports.eiti.am/ “Reports” section “Taxes and Payments”	Add reports on the following taxes and payments: 1) Customs duties and customs fees; 2) Duties; 3) Environmental penalties and fines.	Not implemented
2	https://reports.eiti.am/ “Reports” section	Provide a technical option to select “All” for all subcategories, and ensure that displayed figures use thousand separators.	Not implemented
3	https://reports.eiti.am/ Reports” section	Provide expanded forms of abbreviations both in the online version and in downloaded Excel and PDF formats.	Not implemented
4	https://reports.eiti.am/ “Reports” section “Employment”	Add the following information to the “Employment” report: number of employees by registered community, and number of women in managerial positions.	Not implemented
5	https://reports.eiti.am/ New field	Add a “Companies” section where users, by selecting a company, can access general information including: company name, Taxpayer Identification Number (TIN), contract (as a link to the MTAI website), name and location of the operated deposit, information on beneficial owners (with a link to the State Register website), link to the company website (if available), and financial statements (linked as presented in Annex 1 of the EITI Report).	Not implemented

¹⁰³ <https://www.eiti.am/hy/2022/>

8.2. Recommendations Regarding the Formats of Public Reports, the Reconciliation Process, and the Preparation of the EITI Report.

In addition to the recommendations presented by the Consultant in the previous report, the following recommendations are provided for the 2023-2024 report to ensure compliance with the EITI Standard.

Table 8.2.1

Recommendations regarding the formats of public reports, the reconciliation process, and the EITI report.

N	Topic	Observation	Recommendation
1	Decision No. 666-N - Annex 2 (Reporting format submitted by the subsoil user)	In the “Customs duties and customs fees” section of the SRC format, there is a field for assessed amounts, whereas the format intended for subsoil users includes only a payment field and does not contain a field for the assessed amount.	Add a field for the assessed amount in the “Customs duties and customs fees” section.
2	Reconciled revenue streams	Since 2020, the same five revenue streams are reconciled (royalties, value added tax, customs duties and customs fees, rental payments, and community socio-economic development obligations stipulated by subsoil use agreements). In particular, financial donations made to communities often significantly exceed payments under socio-economic obligations, yet the reporting format submitted by the Ministry of Territorial Administration and Infrastructure (MTAI) does not require communities to disclose this information.	Apply a risk-based approach and review companies and revenue streams according to their risk level, enabling more targeted checks. This may include audits of high-risk revenue streams or companies, or the application of other mechanisms agreed with the Independent Administrator. This approach enhances data reliability by focusing resources where they are most needed. It is also recommended to include voluntary payments made by subsoil users to communities among the reconciled revenue streams.

N	Topic	Observation	Recommendation
3	Compliance with the EITI Standard	In addition to quantitative data, the EITI Standard also requires disclosure of qualitative information of material importance. However, to date, subsoil user companies are required to disclose only quantitative information. In particular, companies are encouraged to disclose information on social, gender, and environmental management impacts, as well as greenhouse gas (GHG) emissions, in line with leading disclosure standards.	Develop a reporting format for the disclosure of qualitative information for submission by subsoil user companies in subsequent years.
4	Completion of public reports	The analysis conducted by the Consultant during the reconciliation process shows that a significant portion of errors identified in public reports is due to technical errors made by companies and communities when submitting data through the MTAI.	Organize a capacity-building training on completing public reports in order to prevent similar errors in the future.

8.3. Recommendations on Introducing Project-level Reporting in Armenia (Requirement 7.3).

According to the definition of a project provided by the MSG, if payments are attributed to an individual project, then the total amount of each type of payment must be disaggregated by project. If payments are collected at the entity level rather than for an individual project, then those payments must be disclosed at the entity level, not by project.

During the reporting period of 2023-2024, accountability has in practice continued to be implemented at the project level, since the majority of reporting companies operated within the framework of a single subsoil use project. An exception is “Multi Group Concern” LLC, which was included in the list of companies subject to reconciliation for 2024, despite the fact that the company did not actually carry out extraction during the specified period. In addition to the mining sector, the company also engages in other entrepreneurial activities, and during the reporting years it did not calculate or pay royalties, which indicates that mining activities were not carried out during that period.

Currently, the accountability tools applied in the Republic of Armenia are not structured to ensure data collection and disclosure at the project level. The existing mechanisms for recording and reporting state revenues are based on the legal entity level, as a result of which the separation of payments and revenues by individual projects is practically not feasible. This circumstance is due to the fact that the introduction of project-level accountability will only be possible through a revision of the legislative framework and administrative approaches.

For companies that hold more than one subsoil use right, the formation of project-level information can be ensured exclusively within the companies themselves through the introduction of project-level accounting in their financial and management accounting systems.

At the same time, it should be noted that, as in previous years, no normative or legislative initiatives aimed at transitioning to project-level accountability were implemented during 2023-2024, and compliance with this requirement remains limited within the existing system.

8.4. Recommendations Regarding an Alternative Approach to Data Reconciliation (Requirement 7.3)

Despite the fact that discrepancies between bilaterally disclosed financial flows in the reconciliation process show a decreasing trend, the information submitted is still not completely free from inaccuracies due to mechanical errors. The proposal for an alternative method of reconciliation an automated system was presented in the EITI 2019 report¹⁰⁴. In addition, as a new alternative approach, the Consultant proposes applying a risk-based approach, which is presented in Table 8.2.1. This approach was first applied by Germany in its EITI 2018 report.¹⁰⁵

8.5. Progress Towards Responsible Mining.

Responsible mining is one of the fundamental principles of the EITI, aimed at promoting transparency, accountability, and effective governance in the sector, ensuring the rational use of natural resources and contributing to sustainable socio-economic development. In Armenia, the promotion of responsible mining continues to remain one of the national priorities of the EITI, encompassing environmental, social, and health components.

¹⁰⁴ <https://www.eiti.am/hy/2021/>

¹⁰⁵ [Germany 2018 EITI Report | EITI](#)

The efforts to develop a culture of responsible mining in the Republic of Armenia are based on the roadmap developed by the Multi-Stakeholder Group in 2018. Within this framework, the Government of Armenia adopted the mining sector development strategy approved by Decision No. 730-L of May 11, 2023, which aims to ensure comprehensive reform of the sector by defining conceptual principles, strategic directions, and long-term goals.

During 2023-2024, the Multi-Stakeholder Group's work program¹⁰⁶ included a number of measures aimed at introducing responsible mining practices, in particular:

- holding meetings of the working group supporting the introduction of responsible mining practices,
- developing the working group's activities and action plan,
- submitting recommendations within the framework of implementing the mining sector development strategy's action plan,
- developing proposals for legislative reforms related to the sector, including drafting relevant legal acts.

These measures are intended to promote the policy-making process, strengthen cooperation among stakeholders, and contribute to the practical application of responsible mining principles in the Republic of Armenia. On June 30, 2024, the Armenia EITI Multi-Stakeholder Group approved the performance of Armenia's EITI 2023-2024 work program, according to which these activities have not yet been initiated.

8.6. State Participation

Although, according to Requirements 2.6, 4.5, and 4.6 of the Standard, there are no state-owned mining enterprises in the Republic of Armenia, state participation is nevertheless proposed to be considered within the framework of the Standard. This is due to the fact that the state has participation in two companies operating in the mining sector "Zangezur Copper-Molybdenum Combine" CJSC, which is the largest taxpayer in Armenia, and "Lydian Armenia" CJSC.

The existence of state participation implies a high level of public interest and the need to ensure maximum transparency of actual revenues received from state participation. This is important for improving government efficiency, strengthening public trust, and ensuring predictability of the investment environment in the mining sector. In this context, it is essential that information on all revenues received from companies with state participation be clear, comprehensive, and accessible to both the public and investors interested in the sector.

It should be noted that revenues received from state participation in companies are significant. In particular, from "Zangezur Copper-Molybdenum Combine" CJSC, the Government of Armenia received AMD 33.2 billion in dividends in 2024, and as of 2024, there was still an unpaid dividend amounting to AMD 31 billion. This information was obtained from open sources, specifically the "Hetq"¹⁰⁷ and "Armenpress"¹⁰⁸ news websites. These sources received the information from data published during the RA Government session on December 19, 2024, as well as from the official Facebook page of the RA Prime Minister.

According to the share transfer agreement concluded between "Lydian Armenia" and the Government of the Republic of Armenia, the company was obligated to increase community support by providing 7 million USD annually¹⁰⁹. However, during 2023-2024 the company not only failed to provide the specified support but also did not fulfill the

¹⁰⁶ [MSG work plan - Eiti.am](#)

¹⁰⁷ <https://hetq.am/hy/article/172318>

¹⁰⁸ <https://armenpress.am/hy/article/1207828>

¹⁰⁹ <https://eabr.org/en/press/news/the-government-of-armenia-the-edb-and-lydian-armenia-to-restart-the-amulsar-gold-mine-project>

socio-economic obligations defined by the mining contract. In 2024, the company provided only 76.5 million AMD in donations to individuals.

The EITI public reports do not contain a field for disclosing revenues related to dividends, which would allow for the disclosure of revenues received by the state from dividends exceeding the materiality threshold. The directions of spending of the received dividends are also not disclosed.

During 2023-2024, no significant changes were made in the approaches to disclosing state participation, as a result of which the recommendations formulated in previous years remain relevant. In this regard, the implementation of the following recommendations is considered appropriate:

- Periodic submission of reports on revenues received from companies with state participation to stakeholders and the public, as well as adding a corresponding field in EITI public reports for bilateral disclosure of these revenues,
- Periodic publication of information on tax benefits, state support, and bank loans provided by the government to companies with state participation,
- Development of public oversight mechanisms aimed at ensuring transparency in the processes of forming and using revenues received from state participation,
- Inclusion of revenues received from state participation in the reconciled revenue streams for subsequent years by setting a materiality threshold of AMD 150 million.

C ANNEXES

ANNEX 1. INFORMATION ON THE IMPLEMENTATION OF EXTERNAL AUDIT OF FINANCIAL STATEMENTS IN REPORTING COMPANIES

N	Company name	Availability of external audit report for the reporting year	Link to the publication of the auditor's report	Year	Independent Administrator's Commentary
1	“Meghradzor Gold” LLC	Not available			In its public report, the company stated that it has not undergone an external audit; however, it provided a link that cannot be opened electronically.
2	“Akhtala Mining And Processing Combine” CJSC	Yes	https://akhtalacopper.am/	2024	
3	“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	Yes	https://kapanmpc.am/reports?l=hy-AM	2023,2024	-
4	“Geopromining Gold” LLC	Yes	https://gorcntac.am/pages/report?id=1940 chrome-extension://efaidnbmninnibpcjpcglclefindmkaj/https://gorcntac.am/public/files/d6b47d6eb562ac9b2c99abcd39cf95c4.pdf	2023,2024	-
5	“Zangezur Copper-Molybdenum Combine” CJSC	Yes	https://www.zcmc.am/reports-and-results/	2023,2024	
6	“Agarak Copper-Molybdenum Combine” CJSC	Yes	https://gorcntac.am/pages/report?id=1930 https://azdarar.am/hy/public-announcement/view/559cf457-4a99-492b-ad50-3dce0430269	2023, 2024	
7	“Teghut” CJSC	Yes	chrome-extension://efaidnbmninnibpcjpcglclefindmkaj/https://teghoutmining.am/wp-content/uploads/2025/01/Teghout_Summary-FS-2023_Armenian.pdf	2023,2024	

N	Company name	Availability of external audit report for the reporting year	Link to the publication of the auditor's report	Year	Independent Administrator's Commentary
8	"Lydian Armenia" CJSC	Yes	https://www.lydianarmenia.am/eng/pages/financial-reports/91/	2023,2024	The 2023 and 2024 reports are available in English only.
9	"Sagamar" CJSC	Yes	https://globalmetals.am/en/reports	2023,2024	
10	"Lichkvaz" CJSC	Yes	https://personal-legal-old.azdarar.am/announcements/org/115/01519609/ https://azdarar.am/hy/public-announcement/view/dcdbdf14-23cd-4c68-892c-3c8aecabad06	2023, 2024	
11	"Paramount Gold Mining" CJSC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
12	"Multi Group Concern" LLC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
13	"Ler-Ex" LLC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
14	"Fortune Resources" LLC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
15	"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
16	"Assat" LLC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
17	"Active Lernagorts" LLC	No			It is not possible to determine from the public report submitted by the company

N	Company name	Availability of external audit report for the reporting year	Link to the publication of the auditor's report	Year	Independent Administrator's Commentary
					whether the company is subject to mandatory audit or not.
18	“Marjan Mining Company” LLC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
19	“Vayk Gold” LLC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
20	“At-Metals” LLC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
21	“Baktek Eco” LLC	Not available			The company stated in its public report that it had undergone an external audit, but the reference was not provided.
22	“Geghi Gold” LLC	Not available			The company stated in its public report that it had undergone an external audit, but the reference was not provided.
23	“Gharagulyanner” CJSC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.
24	“Mego Gold” LLC	No			It is not possible to determine from the public report submitted by the company whether the company is subject to mandatory audit or not.

ANNEX 2. INFORMATION ON ADDITIONAL WRITTEN QUESTIONS CARRIED OUT BY THE CONSULTANT ON PUBLIC REPORTING FROM COMPANIES AND STATE BODIES

N Inforamtion	Name of company or state body	Response to inquiry	Manager's signature
1 Proportions of distribution of environmental tax amounts among communities adversely affected by the activities of companies, as defined by the RA Law "On the Targeted Use of Environmental Taxes Paid by Companies" for 2023-2024, by type of environmental tax, subsoil user company, region and community	Ministry of Environment of the Republic of Armenia	Received	Available
2 Amounts available to communities calculated and allocated from the state budget in accordance with the RA Law "On the Targeted Use of Environmental Taxes Paid by Companies" for 2023-2024, by communities			
3 Re-export data for metal products			

ANNEX 3. CONTACT DETAILS OF INSTITUTIONS INVOLVED IN THE PROCESS OF COMPILATION OF THE EITI REPORT

Institution	First name, last name	Organization or state body	Position	Phone number	Email
Government	Karen Gasparyan	Ministry of Territorial Administration and Infrastructure	Head of the Department for Formation of Subsoil Use Rights and Centralized Registry Maintenance of the Subsoil Department, acting as the Head of the Department	010 515 161 +374 93 929 556	karengsprn@rambler.ru
	Armenuhi Mayilyan	Ministry of Territorial Administration and Infrastructure	Chief Specialist of the Geological Expertise Department of the Department of Mines	010 515 154, +374 093 316 230	a.mayilyan@mta.gov.am
	Seda Hakobyan	Ministry of Territorial Administration and Infrastructure	Chief Specialist of the Subsoil Use Policy Development Department of the Subsoil Department	010 511 337, +374 93 004 105	sedahkb@gmail.com
	Anahit Avetisyan	Statistical Committee of the Republic of Armenia	Head of the Industry and Energy Statistics Department	+374 11 523 543, +374 55 777 699	anahit_avetisyan@armstat.am
	Lusine Mkrtchyan	State Revenue Committee of the Republic of Armenia	Deputy Head of the Department for Organization, Monitoring and Control of Tax Administration	010 30 40 06	lusine_mkrtchyan@taxservice.am
	Olga Abovyan	State Revenue Committee of the Republic of Armenia	Head of the Current Tax Revenue Accounting Department	010 30 40 09	olga_abovyan@taxservice.am

Institution	First name, last name	Organization or state body	Position	Phone number	Email
	Armen Minasyan	State Revenue Committee of the Republic of Armenia	Chief Specialist, Revenue Policy and Tax Administration Methodology Division, Revenue Policy and Administration Methodology Department	(011) 800 336	armen.minasyan@minfin.am
	Karen Episkoposyan	Ministry of Environment	Chief Specialist of the Department of Land and Subsoil Policy	011 818 525	karen.yepiskoposyan@env.am
Companies	Karen Vardanyan	“Agarak Copper-Molybdenum Combine” CJSC	Chief Accountant	+374 98 444 003	-
	Mkrtich Petrosyan	“Teghut” CJSC	Chief Accountant	+374 60 602 525	petrosyan@teghoutmining.am
	Tovmas Melikyan	“Zangezur Copper-Molybdenum Combine” CJSC	Chief Accountant	+374 94 001331	-
	Vardan Manasyan	“Akhtala Mining And Processing Combine” CJSC	Chief Accountant	+374 98 199 039	v.manasyan@akhtalacopper.am
	Grigori Simonyan	“Lydian Armenia” CJSC	Deputy Chief Accountant	+374 43 894 047	grigori.simonyan@lydianinternational.co.uk
	Marine Darbinyan	“Lichkvaz” CJSC	Chief Accountant	+374 93 016 070	m.darbinyan@lichkvaz.am
	Hermine Khachatryan	“Kapan Mining And Processing Combine” CJSC	Chief Accountant	+374 94 628 583	hermine.khachatryan@kapanmpc.am
	Levon Kakosyan	“Meghradzor Gold” LLC	Accountant	+374 93 900 141 04344444	meghradzorgold@gmail.com
EITI National and International Secretariat	Hasmik Manukyan	EITI Secretariat	Manager, National Coordinator	+374 94 560 260	hasmik.manukyan@gov.am
	Hannah Sophie Kaas	EITI International Secretariat	Country Manager - Europe	N/A	hskaase@eiti.org

ANNEX 4. EITI MSG

Composition of the MSG (Multi-Stakeholder Group) as of the publication of the 6th report, approved on 10.11.2025.

The fraction	First name, last name	The organization	Position	Since when	Email
Government	Tigran Khachatryan	Government	Deputy Prime Minister, Chairman of the State Council	19.12.2022	tigran.khachatryan@gov.am
	Asatur Vardanyan	Ministry of Territorial Administration and Infrastructure	Deputy Minister	15.04.2025	asatur.vardanyan@gov.am
	Ara Mkrtchyan	Ministry of Environment	Deputy Minister	15.04.2025	ara.mkrтчyan@env.am
	Hamlet Sahakyan	State Revenue Committee	Deputy President	15.04.2025	hamlet_sahakyan@taxservice.am
	Gevorg Kocharyan	Ministry of Justice	Deputy Minister	15.04.2025	gevorg.kocharyan@gov.am
	Arman Poghosyan <i>(alternative member)</i>	Ministry of Finance	Deputy Minister	16.07.2018	arman.poghosyan@minfin.am
Companies	Vardan Jhanyan	“ZPMK” CJSC <i>(Zangezur Copper and Molybdenum Combine CJSC)</i>	First Deputy General Director	30.09.2024	vardan.jhanyan@zcmc.am
	Armen Stepanyan	“NRM” CJSC	Director for Sustainable Development	12.05.2022	armen.stepanyan@zcmc.am
	Vahram Avagyan	Geopromining Gold LLC	Chief Sustainable Development Officer	30.09.2024	v.avagyan@nrm.am
	Artyom Petrosyan	“ASSAT-M” LLC	Legal Director	26.05.2020 (Re-elected 30.09.2024)	artyom.petrosyan@neometals.ac
	Aram Osikyan <i>(alternative member)</i>	“Lydian Armenia” CJSC	General Director	20.06.2018 (Re-elected 30.09.2024)	assatllc1@gmail.com
	Arthur Pepanyan <i>(alternative member)</i>	“Lichkvaz” CJSC	Head of Environmental Department	30.09.2024	artur.pepanyan@lydianinternational.co.uk

The fraction	First name, last name	The organization	Position	Since when	Email
	Marine Darbinyan <i>(alternative member)</i>	“Ecolur” Information NGO	Chief Accountant	30.09.2024	m.darbinyan@lichkvaz.am
	Nerses Karamanukyan <i>(alternative member)</i>	“Human Rights Research Center” NGO	Company Representative	30.09.2024	karamanukyan.n@gmail.com
Civil society	Viktoria Burnazyan	“Community Mobilization and Support Center” NGO	Vice President	alternate member: from 25.11.2019 member: from 20.01.2023	vicaburnazyan@gmail.com
	Anahit Simonyan	“Forests of Armenia” NGO	Director	20.01.2023	anahit.sm@gmail.com
	Oleg Dulgaryan	“Transparency International Anti-Corruption Center” NGO	Director	25.11.2019 (re-elected from 20.01.2023)	oleg.dulgaryan.ccms@gmail.com
	Nazeli Vardanyan	Government	Director	25.11.2019 (re-elected on 20.01.2023)	vnazeli@mail.ru
	Sona Ayvazyan <i>(alternative member)</i>	Ministry of Territorial Administration and Infrastructure	Executive Director	24.11.2016 (re-elected on 25.11.2019) (re-elected as an alternate member on 20.01.2023)	sona@transparency.am

ANNEX 5. DATA PROVIDED BY COMPANIES FOR 2023-2024 (Calculated)

2023 (thousand AMD)

2001 code	1111 711100	1112 711200	
Company	Income tax	Profit tax	Non-resident profit tax
“Agarak Copper-Molybdenum Combine” CJSC	1,477,419	1,490,703	176,478
“Akhtala Mining And Processing Combine” CJSC	349,169	3,119	1,664
“Active Lernagorts” LLC			
“Assat” LLC	22,357	3,590	
“At-Metals” LLC			
“Baktek Eco” LLC	64,674		
“Geghi Gold” LLC	3,182		
“Geopromining Gold” LLC	1,862,927		69,208
“Georaid” CJSC	614		
“Zangezur Copper-Molybdenum Combine” CJSC	8,992,403	21,974,363	340,140
“Teghut” CJSC	1,077,726		17,604
“Ler-Ex” LLC	205,054		
“Lydian Armenia” CJSC	85,072	183,418	9,060
“Lichkvaz” CJSC	156,609	258,829	580
“Kapan Mining And Processing Combine” CJSC	1,031,424	341,870	21,036
“Gharagulyanner” CJSC	70		
“Mego-Gold” LLC	864		
“Meghradzor Gold” LLC	105,695		
“Multi Group Concern” LLC	38,002		
“Sagamar” CJSC	106,746		
“Vaykgold” LLC	3,004		
“Fortune Resources” LLC	3,022	371	
Total	15,586,034	24,256,263	635,770

2001 code	1131 713121 / 1136 713611	1131 713122	1141 714110
Company	Vehicle property tax	Land tax	Vake added tax
“Agarak Copper-Molybdenum Combine” CJSC	1,682	1,424	
“Akhtala Mining And Processing Combine” CJSC	1,111	163	
“Active Lernagorts” LLC			
“Assat” LLC			111,019
“At-Metals” LLC			
“Baktek Eco” LLC			
“Geghi Gold” LLC			
“Geopromining Gold” LLC	3,205	14,188	
“Georaid” CJSC		-	
“Zangezour Copper-Molybdenum Combine” CJSC	13,145	10,569	
“Teghut” CJSC	2,631	1,673	
“Ler-Ex” LLC	392	65	228,073
“Lydian Armenia” CJSC	373	1,059	
“Lichkvaz” CJSC	3,605	8	
“Kapan Mining And Processing Combine” CJSC	2,292	2,415	
“Gharagulyanner” CJSC			
“Mego-Gold” LLC	122	35	
“Meghradzor Gold” LLC	759		
“Multi Group Concern” LLC	15,099	1,294	
“Sagamar” CJSC	2,387	1,411	
“Vaykgold” LLC			
“Fortune Resources” LLC			420
Total	46,802	34,303	339,511

2001 code		1142 714200	1145 714522
Company	Import VAT	Import Excise tax	State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals.
“Agarak Copper-Molybdenum Combine” CJSC	544,187		10,000
“Akhtala Mining And Processing Combine” CJSC	12,648		10,000
“Active Lernagorts” LLC			10,000
“Assat” LLC			10,000
“At-Metals” LLC			
“Baktek Eco” LLC	3,089		10,000
“Geghi Gold” LLC			10,000
“Geopromining Gold” LLC	504,380	20,447	10,000
“Georaid” CJSC			10,000
“Zangezour Copper-Molybdenum Combine” CJSC	2,395,095	169,858	10,000
“Teghut” CJSC	361,506		10,000
“Ler-Ex” LLC			10,000
“Lydian Armenia” CJSC	4		10,000
“Lichkvaz” CJSC	63		10,000
“Kapan Mining And Processing Combine” CJSC	92,874	3,076	10,000
“Gharagulyanner” CJSC			10,000
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	2,270		10,000
“Multi Group Concern” LLC	2,375		10,000
“Sagamar” CJSC			20,000
“Vaykgold” LLC			
“Fortune Resources” LLC			
Total	3,918,491	193,381	190,000

2001 code		1145 714523	
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Company	State fee for the issuance of a water use permit	Environmental taxes according to the unified tax calculations for environmental tax and nature use fees	Environmental taxes for goods imported from non-EAEU member countries according to submitted customs declarations
“Agarak Copper-Molybdenum Combine” CJSC		64,305	1,780
“Akhtala Mining And Processing Combine” CJSC		4,126	36
“Active Lernagorts” LLC			
“Assat” LLC		515	
“At-Metals” LLC			
“Baktek Eco” LLC	220	2,264	3
“Geghi Gold” LLC			
“Geopromining Gold” LLC		21,658	4,982
“Georaid” CJSC			
“Zangezur Copper-Molybdenum Combine” CJSC	10	271,843	7,940
“Teghut” CJSC	10	51,253	73
“Ler-Ex” LLC		22	
“Lydian Armenia” CJSC			
“Lichkvaz” CJSC		161	
“Kapan Mining And Processing Combine” CJSC	75	7,291	4
“Gharagulyanner” CJSC			
“Mego-Gold” LLC			
“Meghradzor Gold” LLC		659	
“Multi Group Concern” LLC		57	
“Sagamar” CJSC		1,808	
“Vaykgold” LLC			
“Fortune Resources” LLC			
Total	315	425,961	14,820

2001 code	1146 714612
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Company	Environmental taxes for goods imported from EAEU member countries according to submitted import tax declarations	Nature use fees	Royalty
“Agarak Copper-Molybdenum Combine” CJSC	85		3,302,918
“Akhtala Mining And Processing Combine” CJSC		771	236,066
“Active Lernagorts” LLC			
“Assat” LLC			2,822
“At-Metals” LLC			
“Baktek Eco” LLC		58	227,040
“Geghi Gold” LLC			
“Geopromining Gold” LLC	337	1,307	948,335
“Georaid” CJSC			
“Zangezour Copper-Molybdenum Combine” CJSC	987	40,631	52,655,893
“Teghut” CJSC			2,401,174
“Ler-Ex” LLC			
“Lydian Armenia” CJSC			
“Lichkvaz” CJSC			797,165
“Kapan Mining And Processing Combine” CJSC	213	852	1,302,561
“Gharagulyanner” CJSC			
“Mego-Gold” LLC			
“Meghradzor Gold” LLC			69,748
“Multi Group Concern” LLC		1,641	
“Sagamar” CJSC			
“Vaykgold” LLC			
“Fortune Resources” LLC			
Total	1,622	45,260	61,943,723

2001 code	1151 715100, 1422 742212, 1145 714511	1415 741520	(blank)
Company	Custom duties and fees	Lease payments made to the local authority (community)	Charitable contributions made to the community by the subsoil user
“Agarak Copper-Molybdenum Combine” CJSC	50,735	31,724	41,486
“Akhtala Mining And Processing Combine” CJSC	8,020	9,574	70,000
“Active Lernagorts” LLC			
“Assat” LLC	5	200	38,680
“At-Metals” LLC			-
“Baktek Eco” LLC	2,169	844	350
“Geghi Gold” LLC			-
“Geopromining Gold” LLC	191,807	68,880	20,417
“Georaid” CJSC		-	
“Zangezour Copper-Molybdenum Combine” CJSC	918,400	660,187	576,027
“Teghut” CJSC	114,480	43,326	5,993
“Ler-Ex” LLC	-	1,240	
“Lydian Armenia” CJSC		495,169	
“Lichkvaz” CJSC	3,122	5,285	20,705
“Kapan Mining And Processing Combine” CJSC	33,721	113,391	58,000
“Gharagulyanner” CJSC			-
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	3,757	24,303	-
“Multi Group Concern” LLC	611	3,976	-
“Sagamar” CJSC		1,400	541
“Vaykgold” LLC			
“Fortune Resources” LLC			
Total	1,326,825	1,459,499	832,199
2001 code			

Company	Payments related to the fulfillment of socio-economic development obligations for communities defined by the mining contract by the subsoil user	Land acquisition	Monitoring implementation fees
“Agarak Copper-Molybdenum Combine” CJSC	39,640		1,806
“Akhtala Mining And Processing Combine” CJSC	-		255
“Active Lernagorts” LLC			383
“Assat” LLC	1,000		43
“At-Metals” LLC	3,000		104
“Baktek Eco” LLC	650		150
“Geghi Gold” LLC	650		65
“Geopromining Gold” LLC	25,000		9,165
“Georaid” CJSC			-
“Zangezour Copper-Molybdenum Combine” CJSC	-		2,757
“Teghut” CJSC	240,000		
“Ler-Ex” LLC			
“Lydian Armenia” CJSC			16,610
“Lichkvaz” CJSC	-	1,200	828
“Kapan Mining And Processing Combine” CJSC	-		2,428
“Gharagulyanner” CJSC	1,250		116
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	4,950		397
“Multi Group Concern” LLC	-		
“Sagamar” CJSC	2,533	122,944	668
“Vaykgold” LLC			
“Fortune Resources” LLC			
Total	318,673	124,144	35,774

2001 code			
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Company	Replenishment of environmental protection fund	Fee for environmental impact assessment and expert examination	Charitable contributions made to non-commercial legal entities by a subsoil user
“Agarak Copper-Molybdenum Combine” CJSC	26,028		1,750
“Akhtala Mining And Processing Combine” CJSC	32,466	3,558	-
“Active Lernagorts” LLC	380		
“Assat” LLC	144		-
“At-Metals” LLC	2,787		-
“Baktek Eco” LLC	68		-
“Geghi Gold” LLC	1,718		
“Geopromining Gold” LLC	167,046		23,500
“Georaid” CJSC	1,021	-	
“Zangezur Copper-Molybdenum Combine” CJSC	19,435		8,456,238
“Teghut” CJSC	2,953		-
“Ler-Ex” LLC	1,108		
“Lydian Armenia” CJSC	121,938		
“Lichkvaz” CJSC	1,454		300
“Kapan Mining And Processing Combine” CJSC	6,869	1,000	130,597
“Gharagulyanner” CJSC	234		-
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	308		-
“Multi Group Concern” LLC	240		35,909
“Sagamar” CJSC	2,716		-
“Vaykgold” LLC	968		
“Fortune Resources” LLC	1,028		
Total	390,906	4,558	8,648,294

2001 code		
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Company	Penalties	Charitable contributions made to individuals by a subsoil user
“Agarak Copper-Molybdenum Combine” CJSC		35,971
“Akhtala Mining And Processing Combine” CJSC	5,840	1,200
“Active Lernagorts” LLC		
“Assat” LLC		-
“At-Metals” LLC		-
“Baktek Eco” LLC		2,250
“Geghi Gold” LLC		-
“Geopromining Gold” LLC	515	10,430
“Georaid” CJSC		
“Zangezur Copper-Molybdenum Combine” CJSC		5,442
“Teghut” CJSC		-
“Ler-Ex” LLC		
“Lydian Armenia” CJSC		
“Lichkvaz” CJSC	23,747	1,143
“Kapan Mining And Processing Combine” CJSC		31,205
“Gharagulyanner” CJSC		-
“Mego-Gold” LLC		
“Meghradzor Gold” LLC		-
“Multi Group Concern” LLC		-
“Sagamar” CJSC		-
“Vaykgold” LLC		
“Fortune Resources” LLC		
Total	30,101	87,642

2024 (thousand AMD)

2001 code	1111 711100	1112 711200	
Company	Income tax	Profit tax	Non-resident profit tax
“Agarak Copper-Molybdenum Combine” CJSC	1,454,205	1,879,511	44,890
“Akhtala Mining And Processing Combine” CJSC	365,379	325,270	2,036
“Active Lernagorts” LLC	330		
“Assat” LLC	19,884		
“At-Metals” LLC	1,420		
“Baktek Eco” LLC	130,164	26,775	
“Geghi Gold” LLC			
“Geopromining Gold” LLC	1,461,635		79,093
“Georaid” CJSC	380		
“Zangezour Copper-Molybdenum Combine” CJSC	9,454,440	14,017,288	4,805,308
“Teghut” CJSC	1,618,351		112,499
“Lydian Armenia” CJSC	85,837	183,418	14,232
“Lichkvaz” CJSC	212,012	669,914	2,016
“Kapan Mining And Processing Combine” CJSC	954,721	2,383,632	15,596
“Gharagulyanner” CJSC	12		
“Mego-Gold” LLC	1,408		
“Meghradzor Gold” LLC	157,344	106,138	
“Multi Group Concern” LLC	47,637	46,706	535
“Sagamar” CJSC	143		
“Vaykgold” LLC	53,531		
“Fortune Resources” LLC	1,779		
Total	16,020,611	19,638,653	5,076,207

2001 code	1131 713121 / 1136 713611	1131 713122	1141 714110
Company	Vehicle property tax	Land tax	Vake added tax
“Agarak Copper-Molybdenum Combine” CJSC	1,468	2,154	
“Akhtala Mining And Processing Combine” CJSC	1,634	698	
“Active Lernagorts” LLC		2,158	
“Assat” LLC			14,036
“At-Metals” LLC			
“Baktek Eco” LLC			
“Geghi Gold” LLC			
“Geopromining Gold” LLC	2,757	20,049	
“Georaid” CJSC			
“Zangezur Copper-Molybdenum Combine” CJSC	16,339	14,904	
“Teghut” CJSC	4,775		
“Lydian Armenia” CJSC	261	1,505	
“Lichkvaz” CJSC	4,461		
“Kapan Mining And Processing Combine” CJSC	7,601		
“Gharagulyanner” CJSC			
“Mego-Gold” LLC	122	35	
“Meghradzor Gold” LLC	82	903	
“Multi Group Concern” LLC	14,294	1,121	
“Sagamar” CJSC			
“Vaykgold” LLC	1,559		
“Fortune Resources” LLC			
Total	55,352	43,527	14,036

2001 code		1142 714200	1145 714522
Company	Import VAT	Import Excise tax	State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals.
“Agarak Copper-Molybdenum Combine” CJSC	642,595		10,000
“Akhtala Mining And Processing Combine” CJSC	8,066		20,000
“Active Lernagorts” LLC			
“Assat” LLC			
“At-Metals” LLC			10,000
“Baktek Eco” LLC	1,563		10,000
“Geghi Gold” LLC			10,000
“Geopromining Gold” LLC	173,658	154	10,000
“Georaid” CJSC			
“Zangezour Copper-Molybdenum Combine” CJSC	2,869,628	6,140	10,000
“Teghut” CJSC	225,343		10,000
“Lydian Armenia” CJSC	26		10,000
“Lichkvaz” CJSC	2,338		10,000
“Kapan Mining And Processing Combine” CJSC	168,975		10,000
“Gharagulyanner” CJSC			10,000
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	1,587		10,000
“Multi Group Concern” LLC	114,694		
“Sagamar” CJSC			
“Vaykgold” LLC	173		10,000
“Fortune Resources” LLC			
Total	4,208,646	6,294	150,000

2001 code		1145 714523	
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Company	State fee for the issuance of a water use permit	Environmental taxes according to the unified tax calculations for environmental tax and nature use fees	Environmental taxes for goods imported from non-EAEU member countries according to submitted customs declarations
“Agarak Copper-Molybdenum Combine” CJSC		72,567	2,491
“Akhtala Mining And Processing Combine” CJSC	75	4,012	2,639
“Active Lernagorts” LLC			
“Assat” LLC		2,457	
“At-Metals” LLC			
“Baktek Eco” LLC		2,480	
“Geghi Gold” LLC			
“Geopromining Gold” LLC	145	5,238	289
“Georaid” CJSC			
“Zangezur Copper-Molybdenum Combine” CJSC	75	375,077	9,364
“Teghut” CJSC		79,856	1,660
“Lydian Armenia” CJSC		0	
“Lichkvaz” CJSC		308	
“Kapan Mining And Processing Combine” CJSC	75	8,332	31
“Gharagulyanner” CJSC			
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	200	330	49
“Multi Group Concern” LLC			
“Sagamar” CJSC			
“Vaykgold” LLC	10	694	
“Fortune Resources” LLC			
Total	580	551,351	16,523

2001 code		1146 714612	
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Company	Environmental taxes for goods imported from EAEU member countries according to submitted import tax declarations	Nature use fees	Royalty
“Agarak Copper-Molybdenum Combine” CJSC	2,560		4,400,515
“Akhtala Mining And Processing Combine” CJSC		450	335,736
“Active Lernagorts” LLC			
“Assat” LLC			2,458
“At-Metals” LLC			
“Baktek Eco” LLC		51	194,155
“Geghi Gold” LLC			
“Geopromining Gold” LLC	264	1,523	440,026
“Georaid” CJSC			
“Zangezour Copper-Molybdenum Combine” CJSC	205	40,948	33,480,120
“Teghut” CJSC			6,745,042
“Lydian Armenia” CJSC			
“Lichkvaz” CJSC			1,615,482
“Kapan Mining And Processing Combine” CJSC		1,291	5,504,728
“Gharagulyanner” CJSC			
“Mego-Gold” LLC			
“Meghradzor Gold” LLC		236	293,295
“Multi Group Concern” LLC		2,809	
“Sagamar” CJSC			
“Vaykgold” LLC			
“Fortune Resources” LLC			
Total	3,028	47,309	53,011,557
2001 code	1151 715100, 1422 742212, 1145 714511	1415 741520	

Company	Custom duties and fees	Lease payments made to the local authority (community)	Charitable contributions made to the community by the subsoil user
“Agarak Copper-Molybdenum Combine” CJSC	70,079	31,724	21,422
“Akhtala Mining And Processing Combine” CJSC	13,704	8,940	60,000
“Active Lernagorts” LLC		2,158	
“Assat” LLC	5	200	12,000
“At-Metals” LLC			-
“Baktek Eco” LLC	240	2,147	350
“Geghi Gold” LLC			-
“Geopromining Gold” LLC	64,646	68,000	13,527
“Georaid” CJSC			
“Zangezur Copper-Molybdenum Combine” CJSC	787,234	699,137	726,458
“Teghut” CJSC	131,662	43,326	5,649
“Lydian Armenia” CJSC		420,213	-
“Lichkvaz” CJSC		7,743	19,496
“Kapan Mining And Processing Combine” CJSC	67,006	113,391	40,000
“Gharagulyanner” CJSC			-
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	8,882	30,000	-
“Multi Group Concern” LLC	45,535	5,221	-
“Sagamar” CJSC		17,778	200
“Vaykgold” LLC		2,096	498
“Fortune Resources” LLC			
Total	1,188,992	1,452,074	899,600

2001 code			
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Company	Payments related to the fulfillment of socio-economic development obligations for communities defined by the mining contract by the subsoil user	Land acquisition	Monitoring implementation fees
“Agarak Copper-Molybdenum Combine” CJSC	38,640		1,806
“Akhtala Mining And Processing Combine” CJSC	-		255
“Active Lernagorts” LLC			
“Assat” LLC	1,000		42
“At-Metals” LLC	4,000		93
“Baktek Eco” LLC	650		
“Geghi Gold” LLC	650		64
“Geopromining Gold” LLC	50,000		19,737
“Georaid” CJSC			
“Zangezur Copper-Molybdenum Combine” CJSC	-	74,363	2,757
“Teghut” CJSC	155,000		276
“Lydian Armenia” CJSC	-		16,610
“Lichkvaz” CJSC	-		828
“Kapan Mining And Processing Combine” CJSC	-		2,428
“Gharagulyanner” CJSC	1,250		116
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	6,750		396
“Multi Group Concern” LLC	-		
“Sagamar” CJSC	-		
“Vaykgold” LLC	2,533		
“Fortune Resources” LLC			
Total	260,473	74,363	45,408

2001 code			
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Company	Replenishment of environmental protection fund	Fee for environmental impact assessment and expert examination	Charitable contributions made to non-commercial legal entities by a subsoil user
“Agarak Copper-Molybdenum Combine” CJSC	26,028		-
“Akhtala Mining And Processing Combine” CJSC	32,466	3,902	-
“Active Lernagorts” LLC	380		
“Assat” LLC	144		10,648
“At-Metals” LLC	1,804	960	-
“Baktek Eco” LLC	68		-
“Geghi Gold” LLC	1,718		-
“Geopromining Gold” LLC	171,410		19,757
“Georaid” CJSC			
“Zangezur Copper-Molybdenum Combine” CJSC	19,435		7,146,993
“Teghut” CJSC	2,953		5,400
“Lydian Armenia” CJSC	121,938		-
“Lichkvaz” CJSC	1,454		-
“Kapan Mining And Processing Combine” CJSC	6,869	500	129,637
“Gharagulyanner” CJSC	234		-
“Mego-Gold” LLC			
“Meghradzor Gold” LLC	308		-
“Multi Group Concern” LLC			43,145
“Sagamar” CJSC	171		-
“Vaykgold” LLC	1,358		-
“Fortune Resources” LLC	725		
Total	389,462	5,362	7,355,580

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Company	Penalties	Fines	Charitable contributions made to individuals by a subsoil user
“Agarak Copper-Molybdenum Combine” CJSC			21,502
“Akhtala Mining And Processing Combine” CJSC	116		2,550
“Active Lernagorts” LLC			
“Assat” LLC			-
“At-Metals” LLC			-
“Baktek Eco” LLC			-
“Geghi Gold” LLC			-
“Geopromining Gold” LLC		19,443	7,044
“Georaid” CJSC			
“Zangezour Copper-Molybdenum Combine” CJSC			7,048
“Teghut” CJSC			4,625
“Lydian Armenia” CJSC			76,500
“Lichkvaz” CJSC		4,026	4,049
“Kapan Mining And Processing Combine” CJSC			35,366
“Gharagulyanner” CJSC			-
“Mego-Gold” LLC			
“Meghradzor Gold” LLC			-
“Multi Group Concern” LLC			-
“Sagamar” CJSC			-
“Vaykgold” LLC			-
“Fortune Resources” LLC			
Total	116	23,469	158,683

ANNEX 6. ADJUSTMENTS MADE AS A RESULT OF RECONCILIATION FOR 2023–2024

2023 (thousand AMD)

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
“Zangezur Copper-Molybdenum Combine” CJSC	3,918,469	3,891,736	3,969,204	3,892,104	77,100	2.0%
Custom duties and fees	-	50,416	50,735	50,783	(49)	-0.1%
Lease payments	31,724	31,724	31,724	31,724	-	0.0%
Royalty	3,302,918	3,302,918	3,302,918	3,302,918	-	0.0%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	39,640	36,000	39,640	36,000	3,640	10.1%
Value added tax	544,187	470,679	544,187	470,679	73,509	15.6%
“Akhtala Mining And Processing Combine” CJSC	266,066	313,072	266,307	262,998	3,309	1.3%
Custom duties and fees	8,020	4,335	8,020	9,261	(1,242)	-15.5%
Lease payments	8,616	9,574	9,574	9,574	-	0.0%
Royalty	236,066	236,066	236,066	236,066	0	0.0%

Company – Revenue stream	Preliminary report submitted for 2023, <i>thousand AMD</i>		Final report submitted for 2023, <i>thousand AMD</i>		Final discrepancy <i>thousand AMD</i>	Discrepancy %
	Company	State body	Company	State body		
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	55,000	-	-	-	100.0%
Value added tax	13,365	8,097	12,648	8,097	4,550	56.2%
“Assat” LLC	166,293	115,246	115,046	115,046	(0)	0.0%
Custom duties and fees	-	5	5	5	-	0.0%
Lease payments	-	200	200	200	-	0.0%
Royalty	2,822	2,822	2,822	2,822	-	0.0%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	39,680	1,200	1,000	1,000	-	0.0%
Value added tax	123,790	111,019	111,019	111,019	(0)	0.0%
“Baktek Eco” LLC	10,251	253,674	233,792	235,990	(2,198)	-0.9%
Custom duties and fees	-	1,923	2,169	4,314	(2,145)	-98.9%
Lease payments	1,147	897	844	897	(53)	-6.3%
Royalty	-	247,765	227,040	227,040	-	0.0%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	1,000	-	650	650	-	0.0%
Value added tax	8,104	3,089	3,089	3,089	-	0.0%
“Geopromining Gold” LLC	1,713,402	1,736,613	1,738,402	1,740,422	(2,020)	-0.1%
Custom duties and fees	191,807	190,898	191,807	194,707	(2,900)	-1.5%
Lease payments	68,880	68,000	68,880	68,000	880	1.3%
Royalty	948,335	948,335	948,335	948,335	-	0.0%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	25,000	25,000	25,000	-	0.0%
Value added tax	504,380	504,380	504,380	504,380	0	0.0%
“Kapan Mining And Processing Combine” CJSC	1,542,547	1,623,421	1,542,547	1,543,051	(504)	-0.03%
Custom duties and fees	33,721	33,709	33,721	33,709	11	0.0%
Lease payments	113,391	-	113,391	113,931	(540)	-0.5%
Royalty	1,302,561	1,302,561	1,302,561	1,302,561	0	0.0%

Company – Revenue stream	Preliminary report submitted for 2023, <i>thousand AMD</i>		Final report submitted for 2023, <i>thousand AMD</i>		Final discrepancy <i>thousand AMD</i>	Discrepancy %
	Company	State body	Company	State body		
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	194,301	-	-	-	100.0%
Value added tax	92,874	92,849	92,874	92,849	24	0.0%
“Ler-Ex” LLC	229,313	228,077	229,313	228,077	1,236	300%
Custom duties and fees	-	5	-	5	(5)	100.0%
Lease payments	1,240	-	1,240	-	1,240	100.0%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	-	-	-	-	100.0%
Value added tax	228,073	228,073	228,073	228,073	0	0.0%
“Lichkvaz” CJSC	797,228	808,109	805,635	808,113	(2,478)	-0.31%
Custom duties and fees	-	3,705	3,122	3,710	(588)	-18.8%
Lease payments	-	7,176	5,285	7,176	(1,891)	-35.8%
Royalty	797,165	797,165	797,165	797,165	-	0.0%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	-	-	-	-	100.0%
Value added tax	63	63	63	63	-	0.0%
“Lydian Armenia” CJSC	495,173	251,461	495,173	464,740	30,433	207%
Custom duties and fees		28		28	(28)	100.0%
Lease payments	495,169	251,429	495,169	464,707	30,461	6.6%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	-	-	-	-	100.0%
Value added tax	4	4	4	4	-	0.0%
“Meghradzor Gold” LLC	109,317	106,968	105,029	108,144	(3,115)	-2.97%
Custom duties and fees	3,757	5,696	3,757	6,872	(3,115)	-82.9%
Lease payments	24,303	24,303	24,303	24,303	-	0.0%
Royalty	69,748	69,748	69,748	69,748	(0)	0.0%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	10,750	4,950	4,950	4,950	-	0.0%
Value added tax	758	2,270	2,270	2,270	-	0.0%
“Teghut” CJSC	3,160,487	3,163,051	3,160,487	3,163,135	(2,648)	-0.08%
Custom duties and fees	114,480	114,480	114,480	114,564	(84)	-0.1%
Lease payments	43,326	43,326	43,326	43,326	-	0.0%
Royalty	2,401,174	2,401,174	2,401,174	2,401,174	0	0.0%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	240,000	243,168	240,000	243,168	(3,168)	-1.3%
Value added tax	361,506	360,902	361,506	360,902	604	0.2%
“Zangezur Copper-Molybdenum Combine” CJSC	57,720,655	57,361,708	56,629,575	56,629,710	(136)	0.00%
Custom duties and fees	918,400	835,825	918,400	918,536	(136)	-0.01%
Lease payments	660,187	600	660,187	660,187	(0)	0.0%
Royalty	52,655,893	52,655,893	52,655,893	52,655,893	-	0.0%

Company – Revenue stream	Preliminary report submitted for 2023, <i>thousand AMD</i>		Final report submitted for 2023, <i>thousand AMD</i>		Final discrepancy <i>thousand AMD</i>	Discrepancy %
	Company	State body	Company	State body		
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	1,091,080	1,474,295	-	-	-	100.0%
Value added tax	2,395,095	2,395,095	2,395,095	2,395,095	-	0.0%
Total	70,129,200	69,853,136	69,290,508	69,191,530	98,978	0.14%

2024 (thousand AMD)

Company – Revenue stream	Preliminary report submitted for 2023, <i>thousand AMD</i>		Final report submitted for 2023, <i>thousand AMD</i>		Final discrepancy <i>thousand AMD</i>	Discrepancy %
	Company	State body	Company	State body		
“Agarak Copper-Molybdenum Combine” CJSC	5,028,052	5,130,610	5,183,552	5,180,906	2,646	0.05%
Custom duties and fees	70,079	22,793	70,079	70,089	(10)	-0.01%
Value added tax	487,095	642,578	642,595	642,578	16	0.00%
Royalty	4,400,515	4,400,515	4,400,515	4,400,515	-	0.00%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	38,640	33,000	38,640	36,000	2,640	7.33%
Lease payments	31,724	31,724	31,724	31,724	-	0.00%
“Akhtala Mining And Processing Combine” CJSC	366,446	421,194	366,446	367,580	(1,134)	-0.31%
Custom duties and fees	13,704	8,452	13,704	14,837	(1,134)	-8.27%
Value added tax	8,066	8,066	8,066	8,066	-	0.00%
Royalty	335,736	335,736	335,736	335,736	0	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	60,000	-	-	-	100.00%
Lease payments	8,940	8,940	8,940	8,940	-	0.00%
“Assat” LLC	17,683	179,218	17,698	180,218	(162,521)	-918.32%
Custom duties and fees	3,115	176,555	14,036	176,555	(162,519)	-1158%
Value added tax	-	6	5	6	(2)	-33.33%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Royalty	1,368	2,458	2,458	2,458	-	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	13,000	-	1,000	1,000	-	0.00%
Lease payments	200	200	200	200	-	0.00%
“Baktek Eco” LLC	2,563	214,838	198,755	198,232	523	0.26%
Custom duties and fees	-	227	240	262	(23)	-9.38%
Value added tax	1,563	1,768	1,563	1,768	(204)	-13.08%
Royalty	-	210,696	194,155	194,155	-	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	1,000	750	650	650	-	0.00%
Lease payments	-	1,397	2,147	1,397	750	53.69%
“Geopromining Gold” LLC	796,329	795,407	796,329	795,440	889	0.11%
Custom duties and fees	64,646	62,786	64,646	62,819	1,826	2.91%
Value added tax	173,658	174,595	173,658	174,595	(937)	-0.54%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Royalty	440,026	440,026	440,026	440,026	-	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	50,000	50,000	50,000	50,000	-	0.00%
Lease payments	68,000	68,000	68,000	68,000	-	0.00%
“Zangezur Copper-Molybdenum Combine” CJSC	38,883,700	38,372,526	37,836,118	37,832,723	3,396	0.01%
Custom duties and fees	787,234	770,716	787,234	793,232	(5,998)	-0.76%
Value added tax	2,869,628	2,869,628	2,869,628	2,869,628	0	0.00%
Royalty	33,480,120	33,480,120	33,480,120	33,480,120	-	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	1,047,582	562,319	-	-	-	100.00%
Lease payments	699,137	689,743	699,137	689,743	9,393	1.36%
“Teghut” CJSC	7,300,373	7,264,571	7,300,373	7,301,078	(705)	-0.01%
Custom duties and fees	131,662	95,159	131,662	131,666	(5)	0.00%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Value added tax	225,343	225,343	225,343	225,343	-	0.00%
Royalty	6,745,042	6,745,042	6,745,042	6,745,042	-	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	155,000	155,700	155,000	155,700	(700)	-0.45%
Lease payments	43,326	43,326	43,326	43,326	-	0.00%
“Lydian Armenia” CJSC	420,239	230,275	420,239	420,259	(20)	0.00%
Custom duties and fees		18		18	(18)	100.00%
Value added tax	26	28	26	28	(1)	-5.60%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	-	-	-	-	100.00%
Lease payments	420,213	230,228	420,213	420,213	-	0.00%
“Lichkvaz” CJSC	1,163,202	1,633,633	1,625,563	1,643,212	(17,649)	-1.09%
Custom duties and fees		3,751		13,330	(13,330)	100.00%
Value added tax	2,338	2,533	2,338	2,533	(195)	-8.34%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Royalty	1,160,864	1,615,482	1,615,482	1,615,482	-	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	-	-	-	-	100.00%
Lease payments	-	11,867	7,743	11,867	(4,125)	-53.27%
“Kapan Mining And Processing Combine” CJSC	5,854,101	5,975,075	5,854,101	5,855,075	(974)	-0.02%
Custom duties and fees	67,006	67,981	67,006	67,981	(974)	-1.45%
Value added tax	168,975	168,975	168,975	168,975	0	0.00%
Royalty	5,504,728	5,504,728	5,504,728	5,504,728	-	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	120,000	-	-	-	100.00%
Lease payments	113,391	113,391	113,391	113,391	-	0.00%
“Meghradzor Gold” LLC	340,492	343,124	340,514	343,124	(2,610)	-0.77%

Company – Revenue stream	Preliminary report submitted for 2023, thousand AMD		Final report submitted for 2023, thousand AMD		Final discrepancy thousand AMD	Discrepancy %
	Company	State body	Company	State body		
Custom duties and fees	-	11,834	8,882	11,834	(2,952)	-33.23%
Value added tax	1,587	1,245	1,587	1,245	342	27.48%
Royalty	293,295	293,295	293,295	293,295	-	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	20,700	6,750	6,750	6,750	-	0.00%
Lease payments	24,910	30,000	30,000	30,000	-	0.00%
“Multi Group Concern” LLC	43,318	163,019	165,449	163,032	2,417	1.48%
Custom duties and fees	-	45,836	45,535	45,849	(314)	-0.69%
Value added tax	38,097	114,694	114,694	114,694	0	0.00%
Payments related to the fulfillment of socio-economic development obligations for communities as defined by the mining contract by the subsoil user	-	-	-	-	-	100.00%
Lease payments	5,221	2,490	5,221	2,490	2,731	109.71%
Total	60,216,499	60,723,490	60,105,138	60,280,879	(175,741)	-0.29%

ANNEX 7. TABLES OF GRAPHS PRESENTED IN THE REPORT

Figure 4.1.1

The confirmed amounts of metal ore during 2010 – 2024, broken down by regions, thousand tons

Region	Iron ore	Gold ore	Magnesium ore	Copper ore	Chromite ore
Gegharkunik			21,289		2,435
Lori	158,425	4,972			
Syunik		31,870		8,007	
Vayots Dzor		33,025			
Aragatsotn		2,393			

Figure 4.1.2

The confirmed amounts of metal ore during 2010 – 2024, broken down by regions, thousand tons

Region	Melting iron	Magnesium oxide	Lead ore	Molybdenum	Chromium oxide	Zinc
Gegharkunik		10,172			410	
Lori	66,636					
Syunik			62	4		248
Vayots Dzor			6			31

Figure 4.1.3

The volume of geological studies during 2012 – 2024, million AMD

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Value	154	125	1,333	719	543	353	1,017	318	26	84	518	402	362

Figure 4.2.1

Volumes of territorial production of mining industry in monetary expression in 2014-2024, million AMD

Region	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Syunik	168,165	146,159	167,184	236,667	259,558	282,574	300,423	461,652	440,179	385,157	371,959
Lori	10,695	54,899	66,515	79,088	7,263	35,456	57,838	92,571	23,145	34,959	67,383
Gegharkunik	8,279	12,855	14,854	15,089	18,886	23,165	26,435	14,198	20,119	499	842
Kotayk	1,099	1,599	2,547	1,517	1,567	1,750	2,203	1,837	1,889	7,971	13,683
Total	188,238	215,513	251,099	332,362	287,274	342,944	386,900	570,259	485,332	428,587	453,867

Figure 4.3.1.1

Shares of metal product exports in total exports in 2023 and 2024

	2023	2024
	Volume, ton	Volume, ton
Copper ore	326,730	341,503
Ferromolybdenum	7,747	6,238
Precious metal ores	11,141	11,426
Molybdenum ore	19,364	23,854
Zink ore	8,950	11,604
Total	373,933	394,623

Figure 4.3.1.2

2015-2024 export of metal products, thousand tons

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Copper ore	309.18	402.59	475.76	424.8	562.02	470.47	429.48	410.9	326.7	341.5
Zink ore	14.13	9.57	10.91	12.47	12.16	10.48	12	11.8	9.0	11.6
Molybdenum ore	0.98	0.21	1.21	0.76	2.09	15.23	10.23	10.3	11.1	11.4
Ferromolybdenum	5.58	6.66	6.8	7.11	8.87	6.75	8.16	8.9	7.7	6.1
Total	329.87	419.03	494.68	445.14	585.14	502.93	459.87	441.9	354.5	370.6

Figure 4.3.1.3

Share of metallic product exports carried out by extractive companies in total metallic product exports (by physical volumes), 2018–2024

	2018	2019	2020	2021	2022	2023	2024
Copper ores	77%	79%	90%	90%	77%	92%	92%
Ferromolybdenum	98%	99%	100%	93%	79%	68%	9%
Gold	96%	97%	100%	96%	48%	6%	1%
Molybdenum ores	100%	97%	100%	99%	87%	79%	77%

Figure 4.3.1.4

Export of metal product types in 2014-2024, million dollars

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Copper ore	317	370	571	525	627	560	769	663	483	558
Precious metal ores	32	31	2	3	3	12	15	85	76	127
Ferromolybdenum	56	66	84	126	142	86	189	252	287	185
Molybdenum ore	6	1	9	8	18	95	122	155	230	221

Zink ore	12	11	17	20	16	10	16	19	12	18
Gold	99	141	145	177	224	247	134	414	1,811	5,605

Figure 4.3.1.5

Distribution of copper concentrate exports during 2013-2024, broken down by countries, million US dollars

Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Switzerland	12.4 2	-	14.84	23.54	84.14	130.7 5	191.5 5	241.3 8	287.5 4	161.2	17	11.9
China	64.7 9	138.0 1	138.9 3	68.18	115.8 9	94.74	174.4 2	176.6 6	286.1 6	277.2	344	434. 6
Bulgaria	150. 66	84.59	78.53	163.0 4	281.2 1	213.9 2	205.8 3	141.8 3	195.5 5	206.1	92	75.6
Georgia	-	-	44.07	92.71	86.76	8.81	2.32	-	-	-	5	-
Australia	-	-	-	-	-	-	-	-	-	-	-	-
Other	52.0 5	13.27	40.28	22.57	3.49	77.25	52.55	-	-	18.4	-	-
Total	279. 92	235.8 7	316.6 5	370.0 4	571.4 9	525.4 7	626.6 7	559.8 7	769.2 5	662.9	457	522

Figure 4.3.1.6

Distribution of copper concentrate exports by country in 2023 and 2024

Country	2023	2024
Switzerland	4%	2%
China	75%	83%
Bulgaria	20%	14%
Other	1%	0%
Total	100 %	100%

Figure 4.3.1.7

Distribution of exports of molybdenum concentrate during 2013-2024, broken down by countries, million US dollars

Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
China	-	-	-	-	-	-	2.4	81.1	99.8	80.5	59.3	36.3
Switzerland	-	-	-	-	-	-	6.9	6.3	11.0	-	-	-
Belgium	-	-	-	-	1.4	6.5	7.4	4.7	5.7	19.8	51.2	84.0
South Korea	-	-	-	-	-	-	0.3	-	4.9	10.4	41.4	12.8
Russian Federation	-	-	0.4	-	0.8	1.1	0.9	2.7	0.9	30.7	56.9	38.8
Other	6.7	8.7	5.8	0.9	6.5	-	-	0.5	-	13.7	-	-
Total	6.7	8.7	6.2	0.9	8.6	7.6	17.9	95.3	122.3	155.1	208.8	171. 9

Figure 4.3.1.8

Distribution of ferromolybdenum exports during 2013-2024, broken down by countries, million US dollars

Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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The Netherlands	58.0	61.8	34.6	47.9	75.3	123.6	140.6	74.0	175.3	198.3	206.8	100.6
Russian Federation	-	-	0.8	1.7	5.4	2.3	1.9	10.2	10.8	51.9	79.5	72.7
Germany	44.4	47.9	20.1	16.5	3.7	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	1.4	2.6	1.7		
Total	102.4	109.7	55.5	66.0	84.4	125.9	142.4	85.6	188.7	251.9	286.3	173.3

Figure 4.3.1.9
Exports of zinc concentrate by countries, million US dollars

Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Belgium	15.3	11.5	10.1	10.5	15.1	20.5	16.5	10.4	16.2	18.9	12.4	17.7
The Netherlands	-	2.3	0.6	-	-	-	-	-	-	-	-	-
Other	1.8	-	1.3	-	-	-	-	-	-	-	-	-
Total	17.0	13.8	12.0	10.5	15.1	20.5	16.5	10.4	16.2	18.9	12.4	17.7

Figure 4.3.1.10
Exports of crude and semi-processed gold and gold-bearing precious metal concentrates by countries during 2013-2022, million US dollars

Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
India	-	-	-	-	-	-	-	73.0	126.2	97.5	28.5	32.3
UAE	-	-	1.9	0.1	-	1.5	0.4	40.7	5.3	255.9	1,301.6	3,986.6
Italy	0.2	-	-	-	0.5	5.8	8.4	-	2.3	1.5	1.0	2.5
Turkey	-	-	-	-	-	-	-	-	-	57.8	-	-
Switzerland	-	0.3	-	16.7	144.5	169.4	215.0	132.2	-	-	-	-
Canada	73.3	81.5	96.9	124.1	-	-	-	-	-	-	-	-
Other	0.0	0.0	0.0	-	0.0	0.2	0.2	1.2	0.1	1.5		
Total	73.6	81.9	98.9	140.9	145.0	176.9	224.0	247.0	133.8	414.2	1,331.0	4,021.3

Figure 4.4.1
2013-2024 copper concentrate production and international copper prices

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Copper concentrate, ton	184,494	192,273	315,599	388,534	428,529	317,357	407,793	375,641	357,966	307,585	289,608	301,618
Average annual price, USD/ton	7,332	6,863	5,510	4,868	6,170	6,530	6,010	6,174	9,317	8,822	8,490	9,142

Figure 4.4.2

2023-2024 production of molybdenum concentrate and ferromolybdenum and the international price of molybdenum

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Molybdenum concentrate, ton	11,635	11,807	10,440	10,662	11,542	11,110	14,431	24,884	22,177	22,337	23,354	17,065
Ferromolybdenum concentrate, ton	6,619	6,528	5,576	6,526	6,588	7,292	7,712	7,709	8,335	9,164	7,738	4,490
Average annual molybdenum price, USD/ton	24,762	24,524	12,738	17,262	23,809	28,571	21,905	23,691	44,881	39,173	49,477	44,163

Figure 4.4.3

2013-2024 Zinc production and international price

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Zinc concentrate, ton	15,950	14,709	11,319	7,891	9,640	10,828	11,238	12,930	10,622	9,944	8,161	10,501
Average annual price, USD/ton	1,910	2,161	1,932	2,090	2,891	2,922	2,550	2,266	3,003	3,481	2,653	2,776

Figure 4.4.4

2013-2024 International gold price, USD

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Average annual price, USD/roy ounce	1,411	1,266	1,161	1,249	1,258	1,269	1,392	1,770	1,800	1,801	1,943	2,388

Figure 6.1.1

Share of the mining industry in Armenia's GDP, 2014–2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GDP Armenia, billion AMD	4,829	5,044	5,067	5,564	6,017	6,543	6,182	6,992	8,501	9,493	10,193
The share of mining industry in Armenia GDP	2.13%	2.14%	2.59%	3.34%	2.83%	3.26%	3.87%	5.53%	3.94%	3.03%	3%

Figure 6.1.2

Annual dynamics of the mining and quarrying sector compared with GDP dynamics, 2015–2024

	Annual dynamics of Armenia's total GDP, %	Annual dynamics of gross value added in the mining and quarrying sector, %	Gross value added in the mining and quarrying sector, billion AMD
2015	4.5%	5.0%	107.7
2016	0.5%	21.5%	130.8
2017	9.8%	41.8%	185.5
2018	8.1%	-8.5%	169.8
2019	8.7%	25.4%	212.9
2020	-5.5%	12.4%	239.2
2021	13.1%	61.7%	386.8
2022	21.6%	-13.5%	334.7
2023	11.7%	-14.1%	287.6
2024	7.4%	4.5%	300.5

Figure 6.1.3

The share of the mining and open-pit mining in the GDP compared to other sectors of the Armenian economy as of 2023-2024, AMD million

Sector	2023	2024
Wholesale and retail trade. repairment of cars and motorcycles	1,298,346	1,418,439
Manufacturing industry	971,960	1,035,418
Real estate related activities	822,322	979,563
Financial and insurance activities	738,575	929,667
Agriculture, forestry and fishing	769,106	795,686
Construction	655,027	720,203
Information and communication	508,757	557,368
Public health and social services	522,527	517,544
Public administration and protection, mandatory social insurance	498,184	410,637
Transport and warehousing	341,679	347,770
Culture, entertainment and recreation	256,728	317,754
Mining and operation of open-pit mines	287,604	300,507
Education	232,343	253,965
Organization of accommodation and catering	211,038	242,112
Supply of electricity, gas, steam and high-quality air	223,623	238,977
Professional, scientific and technical activities	151,928	176,993
Administrative and support activities	82,385	98,897

Other services	60,193	64,794
Water supply,sewerage,waste management and recycling	33,683	34,811
Running a household as an employer.production of undifferentiated goods and services for own consumption in households	3,257	3,331

Figure 6.1.4

The share of the mining and open-pit mining in the GDP compared to the 5 largest economic sectors 2014-2024

Sector	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Wholesale and retail trade, repairment of cars and motorcycles	11.8 %	10.9 %	9.8%	11.1 %	11.5 %	11.7 %	10.8 %	11.0 %	11.6 %	13.7 %	13.9 %
Manufacturing industry	9.7%	9.2%	10.3 %	10.6 %	11.3 %	11.7 %	12.3 %	11.0 %	11.4 %	10.2 %	10.2 %
Real estate related activities	8.4%	8.7%	8.6%	7.8%	7.6%	7.8%	6.9%	7.5%	8.1%	8.7%	9.6%
Financial and insurance activities	4.3%	3.9%	4.4%	4.9%	5.5%	6.0%	7.0%	6.0%	8.2%	7.8%	9.1%
Agriculture, forestry and fishing	18.1 %	17.2 %	16.4 %	15.0 %	13.9 %	11.5 %	11.3 %	11.3 %	10.1 %	8.1%	7.8%
Mining and operation of open-pit mines	2.1%	2.1%	2.6%	3.3%	2.8%	3.3%	3.9%	5.5%	3.9%	3.0%	2.9%

Figure 6.1.5

Distribution of mining companies per regions of Armenia

	2023	2024
Syunik	44.0%	41.7%
Lori	24.0%	25.0%
Kotayk	12.0%	12.5%
Gegharkunik	4.0%	4.2%
Vayots Dzor	12.0%	12.5%
Aragatsotn	4.0%	4.2%

Figure 6.1.6

During 2014-2024, employment in mining and metal mining sectors, thousand people

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total employment in mining and open-pit mines operation, thousand people	8	9	8	9	9	11	11	11	11	11	11
Total employment in metal mining, thousand people	7	8	7	8	8	9	9	9	9	9	9
Total employment, thousand people	1,134	1,073	1,006	1,012	1,049	1,077	1,052	1,088	1,135	1,174	1,176

Figure 6.1.7

The share of mining in total employment compared to the 10 largest sectors of the Armenian economy 2023-2024

Sector	Sector's share in the total	
	2023	2024
Agriculture, forestry and fishing	19%	18%
Wholesale and retail trade. repairment of cars and motorcycles	12%	13%
Education	10%	11%
Manufacturing industry	10%	10%
Construction	10%	10%
Public administration and protection, mandatory social insurance	8%	8%
Public health and social services	5%	4%
Transport and warehousing	4%	5%
Information and communication	4%	4%
Organization of accommodation and catering	3%	4%
Mining and operation of open-pit mines	1%	1%

Figure 6.1.8

Gender structure of employment in the mining sector in 2017-2024, thousand people

Year	Man	Woman
2017	8.4	0.8
2018	8.6	0.6
2019	7.8	0.9
2020	10.5	1.4
2021	9.7	1.7
2022	9.6	1.7
2023	9.1	1.7
2024	9.0	1.7

Figure 6.1.8

Gender structure of employment in the mining sector in 2017-2024, thousand people

Year	Man	Woman
2017	8.4	0.8
2018	8.6	0.6
2019	7.8	0.9

	2020	2021	2022	2023	2024
	10.5	9.7	9.6	9.1	9.0
	1.4	1.7	1.7	1.7	1.7

Figure 6.1.9

The distribution of employees in the metal mining industry by gender, citizenship, and contract duration in 2023 and 2024

	2023	2024
Total	10,370	9,597
Woman	1,668	1,664
Man	8,702	7,933
Foreign citizen	237	211
RA citizen	10,120	9,362
Temporary	80	46
Permanent	10,290	9,551

Figure 6.1.10

Employment in leading mining companies in 2023 and 2024

	2023	2024
Total	10,370	9,597
"Zangezur Copper-Molybdenum Combine" CJSC	4,694	4,667
"Agarak Copper-Molybdenum Combine" CJSC	1,138	1,129
"Teghout" CJSC	986	1,001
"Geopromining Gold" LLC	1,408	901
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)	769	792
"Akhtala Mining And Processing Enterprise" CJSC	462	418
"Meghradzor Gold" LLC	192	235
"Bacteck Eco" LLC	399	210
"Lichkvaz" CJSC	96	116
"Sagamar" CJSC	47	47
Other	179	81

Figure 6.1.11

Percentage distribution of employees in all sectors by regions and the capital city in 2023

	2023
Yerevan	36.4%
Aragatsotn	5.3%
Ararat	8.8%
Armavir	12.2%
Gegharkunik	7.0%
Lori	6.4%
Kotayk	8.3%
Shirak	6.3%
Syunik	4.3%
Vayots Dzor	1.5%
Tavush	3.4%

Figure 6.1.12

Percentage distribution of people employed in the metal mining industry by regions and capital city in 2023 and in 2024

	2023	2024
Yerevan	403	454
Aragatsotn	6	9
Ararat	434	320
Armavir	20	18
Gegharkunik	782	458
Lori	1,606	1,443
Kotayk	214	229
Shirak	8	11
Syunik	6,334	6,234
Vayots Dzor	9	10
Tavush	43	79

Figure 6.2.1.1

Fulfillment of socio-economic development obligations stipulated by subsoil use contracts by mining companies, by communities, in 2023–2024, thousand AMD

	2023	2024
Total	318,673	260,473
Alaverdi	240,000	155,000
Meghri	43,890	39,890
Vardenis	25,000	50,000
Meghradzor	4,950	6,750

Stepanavan	2,533	2,533
Pambak	1,650	1,650
Kajaran	650	4,650

Figure 6.2.2.1

Revenue from donations, contributions, or other forms of gratuitous transfers made by subsoil-using companies to community budgets in 2023 and 2024, classified by leading communities, million AMD

	2023	2024
Total	822,199	899,600
Kapan	409,716	407,311
Kapan, Kajaran	163,046	257,023
Meghri	62,191	19,496
Kajaran	61,265	102,124
Akhtala	60,000	
Pambak	39,195	12,350
Ararat	20,417	10,000
Alaverdi	5,993	65,649
Stepanavan	295	402
Gyulagarak	81	96
Agarak		21,422
Vardenis		3,527
Vayq		200

Figure 6.2.3.1

Donations made by subsoil-using companies by areas (purposes) in 2023–2024, thousand AMD.

	2023	2024
Total	8,648,294	7,355,580
Funds	7,929,134	6,817,989
Other legal entities	652,286	450,980
NPO	58,530	1,562
Public organizations	8,344	85,048

Figure 6.2.3.2

Donations made by subsoil users to foundations in 2023 and 2024, AMD thousand

2023	Gagik Tsarukyan Charitable Foundation	Zangezur Copper-Molybdenum Combine Charitable Foundation	Syunik Region Development and Investment Fund of RA	City of Smile Charitable Foundation
"Geopromining Gold" LLC				5,000
"Zangezur Copper-Molybdenum Combine" CJSC		7,887,925		
"Lichkvaz" CJSC			300	
"Multi Group Concern" LLC	35,909			

2024	Avetis Charitable Foundation	Gagik Tsarukyan Charitable Foundation	Zangezur Copper-Molybdenum Combine Charitable Foundation	My Step Foundation	"National Polytechnic University of Armenia" Foundation	City of Smile Charitable Foundation	Source Foundation
"Zangezur Copper-Molybdenum Combine" CJSC			6,667,713		733		3,999
"Kapan Mining and Processing Enterprise" CJSC (former "CHAAR AT KAPAN" CJSC)	88,400			1,000			
"Multi Group Concern" LLC		43,145					
"Geopromining Gold" LLC						8,000	
"Teghout" CJSC				5,000			

Figure 6.2.3.3

Financial and non-financial donations made by subsoil use companies to public organizations in 2023–2024, thousand AMD

2023	Yerkrapah Volunteers Union Kajaran	Union of Miners and Metallurgists of Armenia	Cultural Center of the City of Kapan, Syunik Province of the Republic of Armenia (NGO)	VOMA
"Zangezur Copper-Molybdenum Combine" CJSC	1,070	1,329	1,236	4,709

2024	Ararat Boxing Federation	Yerkrapah Volunteers Union Kajaran	Union of Miners and Metallurgists of Armenia	Union of Greek Communities of Armenia	Dzorq public organization
"Geoprominir Gold" LLC	1,500				
"Zangezur Copper-Molybdenum Combine" CJSC		21,249	928		60,972
"Teghout" CJSC				400	

Figure 6.2.3.4

Financial and non-financial donations made by subsoil users to state and community non-commercial organizations in 2023 and 2024, thousand AMD

2023	Agarak Copper-Molybdenum Combine CJSC Trade Union Organization	Azatamart Committee	Arman Hakobyan IE	Banreges Sports School	Builder Max LLC	Gagik Tsarukyan Charitable Foundation	Gittun Educational Center	Yerkrapah Volunteers Union Kajaran	Zangezur Copper-Molybdenum Combine Charitable Foundation	My Step Foundation
	1	2	3	4	5	6	7	8	9	10
"Agarak Copper-Molybdenum Combine" CJSC	1,750									
"Akhtala Mining And Processing Enterprise" CJSC										10,000
"Geopromining Gold" LLC				18,500						
"Zangezur Copper-Molybdenum Combine" CJSC								1,070	7,887,925	
"Lichkvaz" CJSC										
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)		2,400	15,200		20,006		500			
"Multi Group Concern" LLC						35,909				

2023	Kapan Cargo and Passenger Motor Transport CJSC	Kapan Medical Center	HALDI Consult LLC	Armforest SNCO	Union of Miners and Metallurgists of Armenia	RA Syunik Region Development and Investment Fund	Cultural Center Institution of Kapan Municipality Community NPO	Staff of Syunik	Hrant Qalashyan IE	Mher Sargsyan IE	Shin Comfort LLC	Voma	Vorkyal Gorts LLC	Defense Sector	City of Smile	Villa shin LLC
	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
"Agarak Copper-Molybdenum Combine" CJSC																
"Akhtala Mining And Processing Enterprise" CJSC																
"Geopromining Gold" LLC															5,000	
"Zangezour Copper-Molybdenum Combine" CJSC				3,503	1,329		1,236	36,527				4,709		519,939		
"Lichkvaz" CJSC						300										
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)	3,437	2,000	300						6,000	19,005	600		1,400			59,750
"Multi Group Concern" LLC																

2024	Astghik	Avetis Charitable Foundation	Ararat Boxing Federation	Armonno International Festival	Gagik Tsarukyan Charitable Foundation	Yerkrapah Volunteers Union Kajaran	Zangezur Copper-Molybdenum Combine Charitable Foundation	My Step Foundation	Liana Arzumanyan IE	Kapan Cargo and Passenger Motor Transport CJSC
	1	2	3	4	5	6	7	8	10	11
"Assat" LLC	10,648									
"Geopromining Gold" LLC			1,500	257						
"Zangezur Copper-Molybdenum Combine" CJSC						21,249	6,667,713			
"Teghout" CJSC								5,000		
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)		88,400						1,000	130	910
"Multi Group Concern" LLC					43,145					

2024	Kapan Museum of Regional Studies	Noroghin LLC	Karen-Garik LLC	"National Polytechnic University of Armenia" Foundation	Union of Miners and Metallurgists of Armenia	Union of Greek Communities of Armenia	Dzorq Public Organization	Dorproject Institute LLC	Defense Sector	City of Smile	Syunyats Ashkhar LLC	Source Foundation	Vazgen Poghosyan IE
	12	13	14	15	16	17	18	19	20	21	22	23	24

"Assat" LLC														
"Geopromining Gold" LLC								10,000		8,000				
"Zangezur Copper-Molybdenum Combine" CJSC	1,305		733	928			60,972		390,096			3,999		
"Teghout" CJSC						400								
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)		33,239	3,542								2,000		416	
"Multi Group Concern" LLC														

Figure 6.2.3.5

Financial and non-financial donations made by subsoil users to other non-commercial organizations in 2023 and 2024, thousand AMD

2023	Agarak Copper-Molybdenum Combine CJSC Trade Union Organization	Azatamart Committee	Arman Hakobyan IE	Builder Max LLC	GITT UN LDC	Kapan Cargo and Passenger Motor Transport CJSC	Kapan Medical Center	HALDI Consult LLC	Hrant Qalashyan IE	Mher Sargsyan IE	Shin Comfort LLC	Vorakyal Gorts LLC	Defence Sector	Villas hin LLC
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
"Agarak Copper-Molybdenum Combine" CJSC	1,750													
"Zangezur Copper-Molybdenum Combine" CJSC													519,939	

"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)		2,400	15,200	20,006	500	3,437	2,000	300	6,000	19,005	600	1,400		59,750
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2024	Astghik	Liana Arzumanyan IE	Kapan Cargo and Passenger Motor Transport CJSC	Norogshin LLC	Karen-Garik LLC	Dorproject Institute LLC	Defence Sector	Syunyats Ashkhar LLC	Vazgen Poghosyan IE
	1	2	3	4	5	6	7	8	9
"Assat" LLC	10,648								
"Geopromining Gold" LLC						10,000			
"Zangezour Copper-Molybdenum Combine" CJSC							390,096		
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)		130	910	33,239	3,542			2,000	416

Figure 6.2.3.6

Donations and the number of individuals being donated by subsoil users in 2023, 2024, AMD thousand

2023	Number of individuals	Amount of donation
"Agarak Copper-Molybdenum Combine" CJSC	50	35,971
"Akhtala Mining And Processing Enterprise" CJSC	12	1,200
"Bacteck Eco" LLC	2	2,250
"Geopromining Gold" LLC	11	10,430
"Zangezour Copper-Molybdenum Combine" CJSC	11	5,442
"Lichkvaz" CJSC	4	1,143
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)	1,567	31,205

2024	Number of individuals	Amount of donation
"Agarak Copper-Molybdenum Combine" CJSC	87	21,502
"Akhtala Mining And Processing Enterprise" CJSC	24	2,550
"Geopromining Gold" LLC	12	7,044
"Zangezour Copper-Molybdenum Combine" CJSC	28	7,048
"Lichkvaz" CJSC	10	4,049
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)	500	35,366
"Teghout" CJSC	12	4,625
"Lydian Armenia" CJSC	130	76,500

Chart 7.1.2.1

Share of reconcilable revenue streams in total revenues, 2023-2024.

	2023	2024
Royalty	54.3%	51.8%
Value added tax	3.7%	4.3%
Payments for the socio-economic obligations of communities defined by the mining contract	1.8%	1.0%
Lease payments	0.4%	1.2%

Figure 7.3.1

Proportion of revenue flow discrepancies, 2016-2024, %.

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Initial discrepancy	5.0%	12.0%	3.3%	0.0%	2.0%	0.0%	2.0%	4.8%	9.5%
Final discrepancy	0.27%	0.93%	3.00%	0.03%	1.79%	0.54%	0.02%	0.14%	0.29%



This report is the sixth national report of the Extractive Industries Transparency Initiative (EITI) of the Republic of Armenia for 2023-2024.

The report was prepared by Grant Thornton. When publishing the data in this report, a reference to the source is required. More detailed information about our company is available on the grantthornton.am website.

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