

*Summary description of the situation
and actions taken by the authorities
of the Republic of Armenia
in relation to COVID-19*

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With the fast spread of coronavirus and increasing impact on the international and national economy and the results on our clients, their employees and business activities, Ameria team is pleased to provide you with this guide with aim to describe the current situation in Armenia.

The situation and therefore the legislation is changing almost on everyday bases, new temporary measures and regulations are being adopted to help to prevent the spread of COVID-19 and mitigate the impact on the legal entities and individuals.

In this guide we have aimed to touch upon the most relevant regulations adopted by Armenian National Assembly, Government, Commandant's office and other authorities in relation to COVID-19 as of the date hereof. We hope, this guide will help our clients to stay informed and can serve for understanding of the current situation in Armenia.

Please note, that this guide should not be considered as legal advice and it is not recommended to make any decisions based on the information mentioned herein. Neither Ameria CJSC, nor the authors of this, bear any liability for consequences of any decisions made in reliance upon the information provided in this guide, because the information may become out of date or be incomplete for specific situations.

We are ready to support you with COVID-19 related challenges. If you have any questions, please do not hesitate to contact us at legal@ameria.am.



On March 16, 2020, Armenia declared a state of emergency, allowing the Government to take steps to minimize risk of infection during the outbreak of COVID-19.

According to the Decision of the Government on declaring emergency situation in the Republic of Armenia and Decisions of the Commandant's office (appointed by the Government decision) certain temporary rules and regulations were put in place to limit the spread of the COVID-19 virus and to mitigate the economic impact of it.

The following main restrictions are currently in place:

- ✓ **The right of people to free movement is restricted throughout the territory of the Republic of Armenia. Compulsory self-isolation of persons is established in their permanent residence or in another place of their choice, in order to limit direct contact with other persons and to prevent the spread of infection (with certain exceptions).**
- ✓ **The movement of people around the city is restricted to those carrying a document confirming their relation to authorized economic activities – namely, a certificate from the employer. The movement of people without these documents is prohibited.**
- ✓ **Temporary restrictions on export of some products.**
- ✓ **Temporary restrictions on the types of economic activities are applied throughout the territory of the Republic of Armenia. More details are provided in Table 1.**



Table 1. Temporary restrictions on the types of economic activities applicable throughout the territory of the Republic of Armenia

Title	Permitted	Prohibited
(A) AGRICULTURE, FORESTRY AND FISHING	Mainly permitted	Supporting activities in the field of plant cultivation Supporting activities in the field of livestock Hunting, hunting wild animals with traps and providing services Providing support services in the field of forestry
(B) MINING INDUSTRY AND EXPLOITATION	Fully permitted	-
(C) MANUFACTURING	Food production Beverage production Manufacture of other products of wood, cork, straw and raw materials Production of membrane material Manufacture of paper and paperboard Manufacture of corrugated paper and paperboard, paper and paperboard containers Manufacture of sanitary-hygienic and household paper products Manufacture of office paper supplies Manufacture of other paper and paperboard products Newspaper printing Printing of other polygraphic products exclusively for intellectual cards of interaction with postage stamps, stamps, labels, notices, checks and other securities, terminals (device for information input and output)	Mainly prohibited



Title	Permitted	Prohibited
(C) MANUFACTURING	Production of industrial gases	Mainly prohibited
	Manufacture of other basic organic chemicals, not included in other groups	
	Manufacture of soaps and detergents, detergents and cosmetics, perfumes and cosmetics	
	Manufacture of plastic products for packaging	
	Production of basic pharmaceuticals	
	Manufacture of hollow glass products	
	Manufacture of creams, gypsum and plaster	
	Manufacture of basic metals	
	Manufacture of lightweight packaging materials	
	Manufacture of weapons and ammunition	
	Manufacture of radiofrequency, electro-medical and electrotherapeutic equipment	
	Manufacture of other special purpose vehicles	
	Manufacture of combat vehicles	
	Manufacture of medical and dental instruments and devices	
	Production of coffins	
	Repair of machinery products	
Measuring, checking, testing, repair and maintenance services for navigation equipment		
X-ray, electro-medical and electrotherapeutic equipment repair and maintenance		
(D) ELECTRICITY, GAS, STEAM AND QUALITY AIR SUPPLY	Fully permitted	-
(E) WATER SUPPLY, SEWAGE, WASTE MANAGEMENT AND PROCESSING	Fully permitted	-



Title	Permitted	Prohibited
<p>(F) CONSTRUCTION</p>	Blasting works	<p>Mainly prohibited</p>
	Preparation of area for mining	
	Drilling	
	Collection of electrical, water and other engineering systems	
<p>(G) WHOLESALE AND RETAIL TRADE. VEHICLE AND MOTORCYCLE REPAIR</p>	Maintenance and repair of cars	<p>Mainly prohibited Permitted exclusively online or remotely</p>
	Retail sale of car parts and accessories	
	Retail sale of motorcycle parts and accessories	
	Maintenance and repair of motorcycles	
	Agents engaged in trading of agricultural raw materials, live animals, textile raw materials and semi-finished products	
	Agents involved in trading fuel, ores, metals and chemicals	
	Activities of food, beverages and tobacco agents	
	Wholesale of agricultural raw materials and live animals	
	Wholesale of food, beverages and tobacco, except cigarettes	
	Wholesale of cleaning products	
	Wholesale of perfumes and cosmetics	
	Wholesale of pharmaceutical products	
	Wholesale of other household goods	
	Wholesale of information technology and telecommunication equipment	
	Other specialized wholesale	
	Retail sale of non-specialized stores of food, beverages and tobacco products	
	Retail sale of food, beverages and tobacco products in specialized stores	



Title	Permitted	Prohibited
<p>(G) WHOLESALE AND RETAIL TRADE, VEHICLE AND MOTORCYCLE REPAIR</p>	Retail sale of motor fuel in specialized stores	<p>Mainly prohibited Permitted exclusively online or remotely</p>
	Retail sale of newspapers and stationery in specialized stores, only for newspapers	
	Retail sale of drugs in pharmacies	
	Retail sale of medical and orthopedic products in specialized stores	
	Retail sale of flowers, plants, seeds, fertilizers, pets, pet food in specialized stores	
	Retail sale of liquid fuels, gas cylinders, coal and firewood in specialized stores	
	Retail sale of weapons and ammunition in specialized stores	
	Retail sale of funeral supplies in specialized stores	
	Retail sale of other non-food products in specialized stores, excluding other groups, exclusively for agricultural tools and equipment	
	Retail sale of food, beverages and tobacco products in kiosks and markets Retailing outside kiosks, pavilions or markets (online or by mail)	
<p>(H) TRANSPORTATION AND STORAGE ECONOMY</p>	<p>Mainly permitted</p>	<p>Land urban and suburban passenger transport activities</p>
<p>(I) ACCOMODATION AND PUBLIC CATERING</p>	Hotel and similar accommodation services	<p>Mainly prohibited</p>
	Activities of catering organizations	
	Canteen and snack bar services	
	Sale of beverages, drinks from mobile points	



Title	Permitted	Prohibited
(J) INFORMATION AND CONNECTION	Newspaper edition	Mainly prohibited
	Production and broadcasting of TV and radio programs	
	Telecommunications	
	Providing information services	
(K) FINANCIAL AND INSURANCE ACTIVITIES	Fully permitted With minimum required volume and minimum staff involvement to meet the urgent needs of citizens and legal entities	-
(L) REAL ESTATE RELATED ACTIVITIES	Condominium activities	Mainly prohibited Permitted exclusively online or remotely
(M) PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	Except for advocate practice Accounting, auditing, tax consulting services to companies whose activities are not restricted by this Decision	Mainly prohibited Permitted exclusively online or remotely
	Calibration of test-measuring devices	
	Technical control of transport means	
	Ensuring sanitary-epidemic safety	
	Veterinary, phytosanitary control and food production control	
	Certification of products	
	Testing of the gas fueling system of cars	
	Technical testing and analysis in other fields	
	Veterinary activities	



Title	Permitted	Prohibited
<p>(M) ADMINISTRATIVE AND SUPPORTING ACTIVITIES</p>	Car rental and leasing	<p>Mainly prohibited</p>
	Rental and leasing of agricultural machinery and equipment	
	Rental and leasing of air vehicles and equipment	
	Employment-related activities exclusively online or remotely	
	Operation of travel agencies and tour operators exclusively online or remotely	
	Reservation and other tourism services, exclusively online or remotely	
	Ensuring security and conducting investigations	
	Complex activity of ancillary services	
	Cleaning works	
	Organizing a place of trade, exclusively for foodstuffs, pharmacies and agricultural markets.	
<p>(O) STATE GOVERNANCE AND PROTECTION. COMPULSORY SOCIAL SECURITY</p>	<p>Regulated by RA Commandant’s decision No. 15 dated March 24, 2020</p>	<p>-</p>
<p>(P) EDUCATION</p>	<p>-</p>	<p>Mainly prohibited Permitted exclusively online or remotely</p>
<p>(Q) HEALTH AND SOCIAL SERVICE OF THE POPULATION</p>	<p>Fully permitted</p>	<p>-</p>



Title	Permitted	Prohibited
(R) CULTURE, ENTERTAINMENT AND RECREATION	Virtual gambling activities	Mainly prohibited Permitted exclusively online or remotely
(S) OTHER SERVICES	Performing religious rituals (funeral and other) Activities of political organizations, observing the rule of limiting the simultaneous presence of more than 20 persons at meetings	Mainly prohibited Permitted exclusively online or remotely
(T) HOUSEHOLD ACTIVITY AS AN EMPLOYER, MANUFACTURING VARIOUS PRODUCTS AND SERVICES FOR OWN CONSUMPTION	-	Fully prohibited
(U) ACTIVITIES OF FOREIGN ORGANIZATIONS	Fully permitted	-



The following rules apply to some types of economic activity which are not currently restricted:

- ✓ **The entities classified as Telecommunication services providers, provide services online or remotely, and only for urgent need, which cannot be postponed, the service can be provided in form of delivery, as well as emergency repair works can be carried out,**
- ✓ **The entities listed in sections (D) (Electricity, Gas, Steam And Quality Air Supply) and (E) (Water Supply, Sewage, Waste Management And Processing) of Table 1 shall operate with the required minimum staff and can carry out emergency repair work. They can accept applications from individuals and legal entities exclusively by telephone or online,**
- ✓ **The activities of the economic entities listed in section (K) (Financial and Insurance Activities) of the Table 1 shall be carried out with the required minimum amount of employees to ensure cash flow and to meet the urgent needs of citizens and legal entities.**



Rules to be followed by legal entities to prevent the spread of a new type of coronavirus disease (COVID-19)

The right to a healthy and secure working environment is a constitutional right of every employee, which is the responsibility of the employer. In order to prevent the spread of a new type of coronavirus disease (COVID-19), to provide safe and healthy conditions for employees, organizations are guided by the following basic rules:

- **Provide conditions for regular and thorough hand washing, drying. Provide water and soap, alcohol-based hand sanitizers, three-layer masks, and gloves in the workplace.**
- **Ensure wearing of masks by employees who have direct contact with customers.**
- **Provide at least one sink for every 10 employees.**
- **Provide trash cans for disposable masks.**
- **Measure the temperature of each employee at least twice a day (with remote or individual use thermometers, including employees' personal thermometers), one of which is when the employee appears at work, making appropriate notes in the register.**
- **Disinfect the area at least twice a day.**



Rules to be followed by legal entities to prevent the spread of a new type of coronavirus disease (COVID-19) (continuation)

- **Use disinfectants based on chlorine or 60-80% alcohol for disinfection.**
- **Arrange the workplaces for employees to be at least 2 meters apart (as instructed by the World Health Organization).**
- **Provide wardrobes for personal (outdoor and home) and work clothes storage.**
- **Limit local and international business trips as far as possible.**
- **Respect the absence of employees with symptoms of respiratory infections (mild cough, fever), exclude their entry into the workplace, and if symptoms occur during work, immediately report to the Ministry of Health and ensure employee isolation.**
- **In case of receiving information about having a worker infected with a virus in the workplace, immediately identify the persons who had contact with the infected person and report to the Ministry of Health of the Republic of Armenia.**
- **In case of an employee suspected of having an infection at work, call the hotline of the Ministry of Health, if possible, immediately disinfect the area where the employee worked, as well as any other area, that could be accessible to the employee.**
- **If necessary, provide remote employment possibility for isolated persons.**

Criminal liability is envisaged for breaching the rules of isolation, self-isolation and other limitations on free movement.

- **breaching the rules of isolation or self-isolation or other limitations on free movement during the state of emergency declared due to a state of emergency, which by a negligence infected a person, shall be punished with a fine in amount of 300,000 AMD (app. 592 USD) to 500,000 AMD (app. 988 USD) or with an arrest for the term of up to 1 month with or without deprivation of the right to hold certain positions or conduct certain activities for the term of up to 2 years.**

The same action, which by a negligence caused a severe damage to the health of a person, or by a negligence caused infection of 2 or more persons, shall be punished with a fine in amount of 500,000 AMD (app. 988 USD) to 700,000 AMD (app. 1383 USD) or with an arrest for the term of 1-3 months or with an imprisonment for the term of up to 2 years with or without deprivation of the right to hold certain positions or conduct certain activities for the term of up to 3 years.

The same action, which by a negligence caused a death of a person, shall be punished with an imprisonment for the term of 1-4 years with or without deprivation of the right to hold certain positions or conduct certain activities for the term of up to 3 years.

Administrative liability is envisaged for breaching the rules of restriction on implementation of economic activities, rules of sale, purchase and circulation of food and essential products and rules on prohibition of strikes and other measures to suspend or terminate the activities of legal entities during the state of emergency:

- **breaching restrictions in relation to implementation of financial-economic activities during the state of emergency may result in application of an administrative penalty in amount of 100,000 AMD (app. 200 USD) to 300,000 AMD (app. 601 USD),**
- **breaching the rules of sale, purchase and circulation of food and essential products established by the Government of the Republic of Armenia during the state of emergency may result in application of administrative penalty in amount of 100,000 AMD (app. 200 USD) to 300,000 AMD (app. 601 USD),**
- **breaching prohibition of strikes and other measures to suspend or terminate the activities of legal entities during the state of emergency may result in application of administrative penalty in amount of 50,000 AMD (app. 100 USD) to 250,000 AMD (app. 500 USD).**



With aim to mitigate the effects of the COVID-19 outbreak on individuals and businesses and where possible to neutralize the economic consequences of coronavirus, several economic and social measures have been taken by the Armenian Government.

Overall, there are 9 measures (crisis packages) accepted by the Government so far, 4 out of which are for commercial entities/enterprises (so called economic measures).

The purpose of the first measure (adopted by the Government on March 26, 2020 (Decision N 355-L)) is to assist enterprises to mitigate the risks associated with their expected liquidity due to the spread of coronavirus.

The assistance is provided to enterprises in the form of co-financing, refinancing and interest rate subsidies on targeted loans from banks and credit organizations operating in the Republic of Armenia. The assistance is applicable to loans provided to enterprises for the following purposes:

- ✓ payment of salaries (other payments equal to salaries) to the employees (but not more than 500,000 AMD (approx.. 1,000 USD) per employee per month and for a maximum of three months),
- ✓ payments of taxes, duties and other mandatory payments to the state or community budget for a maximum of three months (hereinafter referred to as credits of taxes, duties and mandatory payments),
- ✓ purchase or import of raw materials, provided that the entire amount of raw materials is to be used in the Republic of Armenia for the purpose of obtaining finished products and the economic entity has the necessary and appropriate production capacity,
- ✓ purchase or import of new equipment, provided that such equipment is to be used for the purpose of organizing or expanding production in the Republic of Armenia,

- ✓ utility payments (electricity, water, gas, communication and telecommunication costs incurred, but for each service not exceeding 5,000,000 AMD (approx.. 10,000 USD) per month for a maximum of three months,
- ✓ import of food and medicines, provided that the imported product is to be sold in Armenia.

The respective Government decision further sets certain criteria for enterprises to be eligible, describes the ways of financing and the limits.

The purpose of the second measure (adopted by the Government on March 26, 2020 (Decision N 356-L)) is to assist enterprises in the field of agriculture to mitigate the risks associated with their expected liquidity due to the spread of coronavirus. The assistance is provided to enterprises in the form of co-financing and loan/leasing interest rate subsidies on targeted loans from banks and credit organizations operating in the Republic of Armenia.

The respective Government decision further sets certain criteria for enterprises to be eligible, purposes of the loans, describes the ways of financing and the limits.

The purpose of the third measure (adopted by the Government on March 26, 2020 (Decision N 357-L)) is to assist small and medium sized enterprises to mitigate the risks associated with their expected liquidity due to the spread of coronavirus. The purpose of the assistance is to provide enterprises with temporary access to finance to respond to changing market conditions, to meet external challenges and to continue to operate or adapt, or to adjust to a changing economic situation and adjust their development strategy. The Government decision sets certain criteria for the enterprises to be eligible, including, but not limited to the requirement to operate within one of the following sectors:

- **Manufacturing,**
- **Accommodation and public catering,**
- **Transportation and storage economy,**
- **Tourism services,**
- **Other services,**
- **Health.**

The assistance is applicable to loans provided to enterprises for the following purposes:

- **payment of salaries (other payments equal to salaries) to the employees (but not more than 300,000 AMD (approx.. 600 USD) per employee per month and for a maximum of three months),**
- **payments of taxes, duties and other mandatory payments to the state or community budget for a maximum of three months (hereinafter referred to as credits of taxes, duties and mandatory payments),**
- **purchase or import of raw materials, provided that the entire amount of raw materials is to be used in the Republic of Armenia by the same enterprise,**
- **utility payments (electricity, water, gas, communication and telecommunication costs incurred for a maximum of three months,**
- **lease payments.**

The respective Government decision further sets additional criteria for enterprises to be eligible, describes the ways of financing.

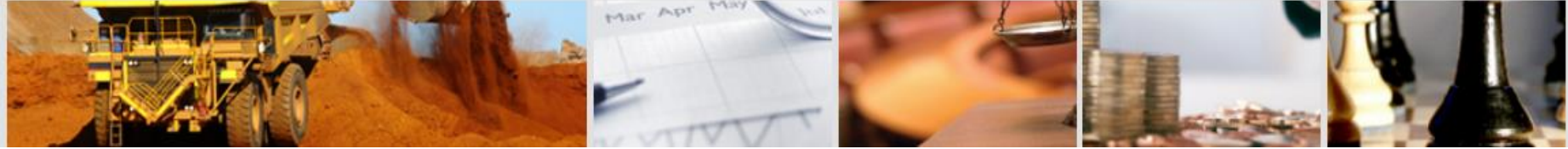
The purpose of the fifth measure (adopted by the Government on March 26, 2020 (Decision N 359-L)) to support the enterprises to keep the effective number of employees. The Government decision sets certain criteria for the enterprises to be eligible, including, but not limited to the requirement to consistently have from 2 to 50 hired employees from January 01, 2020 to April 01, 2020 and do not decrease the actual payroll during that period. Beneficiary enterprises are provided with a one-time grant.

The respective Government decision further sets additional criteria for enterprises to be eligible, describes the ways and the schemes for calculating the amount of grant.

Webpage of the Government of the Republic of Armenia: <https://www.gov.am/en/>

Webpage of the Ministry of Health of Armenia: <http://www.moh.am/#3/0>

Webpage of Armenian National Center for Disease Control: www.ncdc.am



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