

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

2025 Yerevan

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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 Standard[1].

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 rece ived 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, 2025[2], 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.

In accordance with the Decision No. 666-N of the Government of the Republic of Armenia dated June 8, 2018[3], by August 1, 2025, state bodies — the State Revenue Committee, the Ministry of Environment of the Republic of Armenia, and the communities (through the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia), as well as all companies holding subsoil use rights for the purpose of extracting metallic minerals as of August 1, 2025, except those declared bankrupt, are obliged to submit public reports for the reporting year 2024[4].

The basis for the 2025 report was the data from 2023 and 2024, according to which 25 and 24 subsoil user companies, respectively, were considered reporting.

Table 1.1.1

List of reporting subsoil users for 2023–2024.

N/N	Subsoil user	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] https://www.eiti.am/hy/agenda-protocols-other-related-documents

[3] https://www.arlis.am/DocumentView.aspx?docID=132674

[4] Two companies — "Marjan Mining Company" and "Paramount Gold Mining" CJSC — won their court cases in 2023 and, on that basis, were reinstated in the active register of licenses (permits) maintained by the Ministry of Territorial Administration and Infrastructure (MTAI).

N/N	Subsoil user	Registration number	TIN	Contract number and signing date	Accountable	
					2023	2024
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
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 "Chaarat 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 Subsoil user" 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

N/N	Subsoil user	Registration number	TIN	Contract number and signing date	Accountable	
					2023	2024
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
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

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 2025 EITI report:

Revenue Flow	Receiving State Body
• 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**
• Contributions to the Environmental Protection Fund • Allocations from the Environmental Protection Fund to the company	**Ministry of Environment of the Republic of Armenia**

Revenue Flow	Receiving State Body
• Payments for monitoring activities • State duty for conducting environmental impact assessment and expertise	
• 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**
• 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.

Under the current legislation of the Republic of Armenia, subsoil user companies are not required to have their financial statements audited. The criteria include, among others, the companies' financial indicators, particularly the total amount of the statement of financial position (balance sheet), revenue from operations, and the average annual number of employees.

According to the RA Law "On Accounting," mandatory audit applies to the financial statements of the following organizations and groups:

- Public interest entities and large organizations,
- Medium-sized organizations,
- Groups whose parent company is a public interest entity, and large groups,
- Medium-sized groups.

In addition to the above organizations and groups, other laws may also define types of organizations and groups whose financial statements are subject to mandatory audit.

Starting January 1, 2020, the laws adopted by the RA National Assembly on December 4, 2019—"On Accounting," "On Audit Activity," and "On Regulation and Public Oversight of Accounting and Audit Activity"—came into force. These laws define the criteria for companies whose financial statements are subject to mandatory audit:

- Total assets (balance sheet amount) exceeding 10 billion AMD,
- Annual revenue exceeding 20 billion AMD,
- Average number of employees exceeding 250.

If a company meets any two of these criteria, its financial statements must be audited.

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[5] organizations 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, financial audit is not mandatory for subsoil user companies as such, but some companies may be subject to mandatory audit in 2023–2024 and subsequent years based on specific criteria. At the same time, there will be companies for which the external audit requirement may never apply.

Of the 25 subsoil user companies reporting for 2023, 8 had their financial statements audited externally, while for 2024, 6 out of 24 companies underwent external audit. Within the scope of the 6th EITI report for 2023, the reports submitted by "Zangezur Copper-Molybdenum Combine" CJSC are consolidated and include the financial data of "Ler-Ex" LLC; however, the latter's reports were not audited separately.

Information on the publication of companies' financial statements and external audits is presented in Appendix 1.

[5] List_2024.pdf

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

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.

This activity demonstrates the continuity of multi-stakeholder cooperation and the effective implementation of EITI requirements.

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, 2018[6], "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

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[7].

[6] https://www.arlis.am/DocumentView.aspx?DocID=132674

[7] refer to the previous link

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.

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 available[8] 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 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

[8] PowerPoint Presentation

activities in accordance with the MSG's Terms of Reference[9]. 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 EITI Armenia implementation work plans are regularly published on the EITI website[11]. At the meeting held on June 29, 2024, the Multi-Stakeholder Group (MSG) of Armenia EITI approved the 2023–2024 work plan. This work plan sets out the following national priorities 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**
4. **Introduction of responsible mining practices**

The EITI Armenia Secretariat has prepared and published two semi-annual reports[12] 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 plans[13], are linked to the EITI Principles and contribute to the implementation of national priorities in the extractive sector. Thus, EITI implementation

[9] MSG Working Procedures - Eiti.am

[10] https://www.eiti.am/hy/agenda-protocols-other-related-documents

[11] EITI Work Plan - Eiti.am

[12] Progress Reports - Eiti.am

[13] EITI Work Plan - Eiti.am

is connected and integrated with the Mining Sector Development Strategy[14] adopted by the Government in 2024, and the actions envisaged in the work plan have been included in the Government's Five-Year Action Plans[15].

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 key processes such as the preparation of national reports, stakeholder engagement, enhancement of transparency, and maintenance of international assessments. The year can be characterized as relatively effective, particularly 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 Secretariat[16], 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

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

[14] RA MTAI | Subsoil Programs (mtad.am)

[15] Programs – Five-Year Action Plan – Government of the Republic of Armenia (gov.am)

[16] https://eiti.org/impact-story/armenia-model-economy-wide-beneficial-ownership-transparency

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.	RA Constitution	15.	RA Law "On Joint Stock Companies"
2.	RA Subsoil Code	16.	RA Law "On State Registration of Legal Entities, Separated Subdivisions of Legal Entities, Institutions and Individual Entrepreneurs"
3.	RA Labor Code	17.	RA Low "On Foreign Investments"
4.	RA Water Code	18.	RA Law "On Combating Money Laundering and Financing of Terrorism"
5.	RA Land Code	19.	RA Law "On the Organization and Conduct of Inspections in the RA"
6.	RA Civil Code	20.	RA Law "On Environmental Control"
7.	RA Tax Code	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.	RA Law "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 Administrative Procedure Code	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. RA Government Decision No. 437-N of 22.03.2012 “On Approving Model Forms of Subsoil Use Contracts” (amended by RA Government Decision No. 994-N of 27.06.2024).
2. RA Government Decision No. 1325-N of 19.11.2014 “On Approving the Procedure for Public Notification and Discussions” (restated in a new edition by RA Government Decision No. 2343-N of 28.12.2023).
3. 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.”
4. RA Government Decision No. 1143-N of 25.07.2024 “On Approving the Procedure for Environmental Impact Assessment.”
5. RA Government Decision No. 643-N of 02.05.2024 “On Approving the Procedure for Making Changes or Amendments to the State Expert Conclusion, Recognizing the State Expert Conclusion as Invalid” (by this decision, RA Government Decisions No. 399-N of 09.04.2015 and No. 428-N of 22.04.2015 have been repealed).
6. 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, Reprofiling, Conservation, Relocation, Termination, Closure, Demolition, or Design Changes of Planned Activities.”
7. 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.”
8. RA Government Decision No. 43-N of 11.01.2024 “On Approving the Licensing Procedure for Activities Related to the Preparation of Environmental Impact Assessment or Strategic Environmental Assessment Reports.”
9. 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.”
10. 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.”
11. 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.”
12. 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.”
13. 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.”
14. 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.”
15. 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.”

16. 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).
17. RA Government Decision No. 1268-N of 11.08.2022 "On Approving the Procedure for Submitting Annual Reports on the Movement of Mineral Reserves, Report Forms, and Completion Guidelines."
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 Armenia[17],
2. Subsoil Code of the Republic of Armenia [18],
3. Customs Code of the Republic of Armenia [19],
4. Civil Code of the Republic of Armenia [20],

[17] https://www.arlis.am/DocumentView.aspx?docid=196879

[18] arlis.am/DocumentView.aspx?docid=178678

[19] arlis.am/DocumentView.aspx?DocID=95226

[20] arlis.am/DocumentView.aspx?docID=74658

5. Law of the Republic of Armenia on State Duty [21]:

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
	Fee for environmental impact assessment and expert examination
	Environmental Penalties and fines
Customs Code of the RA	Value added tax on import
	Custom duties
	Custom fees
Civil Code of the RA	Lease payments
	Land acquisition
	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
RA Law on State Duty	State fee for the issuance of a water use permit
	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 [22]	State
	Value Added Tax	20%	State

[21] arlis.am/DocumentView.aspx?docid=196890

[22] arlis.am/DocumentView.aspx?docid=196879 Article 202

Competent state body	Revenue stream	Rate or calculation base	Budget
	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
	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
	Fee for environmental impact assessment and expert examination	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	-	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

[23] https://www.arlis.am/DocumentView.aspx?docid=157091

[24] arlis.am/DocumentView.aspx?docid=157091

Competent state body	Revenue stream	Rate or calculation base	Budget
	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 procedure[25] for calculating royalty came into force, according to which the following calculation bases and rates apply:

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 B1 and the deductions directly related to B1 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 B3 is calculated only if B3 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 B1 – R1, equal to 4%.
2. For B2 – R2, equal to 12.5%.
3. For B3 – R3, equal to 15%.

[25] arlis.am/DocumentView.aspx?docid=164753

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 laboratories[26] 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, 2022[27], 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 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).

[26] arlis.am/DocumentView.aspx?docid=173326

[27] https://www.arlis.am/hy/acts/164755

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 explicitly established that subsoil use is prohibited without coordination with the authorized body or without obtaining a positive conclusion from the environmental impact expertise for the project.

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 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.

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 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.

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. 439-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.

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)[28]

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 allocation is distributed among the affected settlements of the community.
- The remaining 50% is distributed among the communities of Armenia that have affected settlements, regardless of the royalty payer.

Definition of an Affected Settlement

[28] https://www.arlis.am/documentview.aspx?docid=75497

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.

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) [29]

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.

Until 2023, Armenia did not have a clear policy and strategy regulating the subsoil use sector that would allow for a vision and the implementation of specific actions to address existing problems and ensure sustainable development of the sector. For this reason, the document approved by RA Government Decision No. 730-L on May 11, 2023, "The Development Strategy of the Mining Sector and the Corresponding Action Plan (up to 2035)," is of great importance.

[29] https://www.arlis.am/documentview.aspx?docID=73271

The main goal of the Development Strategy of the Mining Sector is to support the regulation and progress of the sector and to help ensure that mining plays a positive and lawful role in contributing to Armenia's sustainable development and economic growth. It is aimed at the long-term development of the economy, efficient use of natural resources, and management and reduction of environmental and social risks.

The main objectives and target directions envisaged by the Strategy will be addressed in the EITI Annual Report for 2023.

3.1.4. State and local self-government bodies with competence 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:

- The Ministry of Territorial Administration and Infrastructure of the Republic of Armenia (MTAI)
- The Ministry of Environment of the Republic of Armenia
- The Ministry of Internal Affairs of the Republic of Armenia
- The Environmental Protection and Subsoil Inspectorate of the Republic of Armenia
- The State Revenue Committee of the Republic of Armenia
- "Environmental Impact Expert Center" SNCO
- "National Center for Technical Safety" SNCO
- "Republican Geological Fund" SNCO
- "Hydrometeorology and Monitoring Center" SNCO
- Local self-government bodies

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.[30]

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 activities[31]:

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

[30] https://www.ecoinspect.am/hy

[31] https://www.arlis.am/hy/acts/93148

Technical Safety" SNCO. In addition, technical safety expertise will become a licensed activity instead of being subject to accreditation.[32] 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.

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. The amendment to Article 22 was implemented in 2022.

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.

[32] https://www.e-draft.am/ru/projects/9154/justification

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 2022–2024, 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[33] that includes comprehensive and up-to-date information on all licensed legal entities. 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

[33] https://mtad.am/pages/extractive-industries-transparency-initiative

on termination or renunciation of extraction rights is published[34]. 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.

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.

[34] https://mtad.am/pages/extractive-industries-transparency-initiative?tab=3

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.

The area of the mining allocation site was changed and now amounts to 141.75 hectares.

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

N	Name of obligations	Term of execution	Investment amount, thousand drams	Total investment amount during further operation, thousand drams
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 Combine ” CJSC

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

3.2.3. Disclosure of exploration agreements based on materiality and practicality considerations

During the reporting period, four subsoil use rights were granted for the purpose of metallic mineral extraction.

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 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 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) [35]. 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 related to beneficial ownership disclosure

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.[36]

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.

Publicly available data on beneficial owners continues to be accessible on the official website[37] of the State Register of Legal Entities of the RA Ministry of Justice, 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.

[35] https://mtad.am/pages/extractive-industries-transparency-initiative?tab=2

[36] https://www.eiti.am/hy/annual-reports/2024

[37] https://www.e-register.am/am/

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 Subsoil user
https://www.e-register.am/en/companies/1267440	"Meghradzor Gold" LLC
https://www.e-register.am/am/companies/1267456	"Paramount Gold Mining" CJSC
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)

Link to the declaration	Name of the metallic ore Subsoil user
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
https://www.e-register.am/am/companies/1237755	"Marjan Subsoil user" 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 [38]

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,

[38] https://www.e-register.am/am/search

the state acquired participation in the mentioned Subsoil user 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.

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 2021–2030[39], where Armenia has set national targets for emission reduction and a 2050 benchmark of a maximum of 2.07 tCO_2eq 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)[40], 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) [41], 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 Armenia[42], which establishes a comprehensive legal framework for climate mitigation and adaptation management and defines the responsibilities of state bodies and economic operators.

[39] https://www.arlis.am/hy/acts/151985

[40] https://www.arlis.am/hy/acts/188021

[41] http://env.am/storage/files/fnc-eng.pdf

[42] https://www.e-draft.am/projects/7726

Although the mining sector is not singled out as a separate area in these strategic documents, their implementation directly affects energy efficiency management, emission reduction, and limitation of environmental impacts in the mining industry.

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 2022–2030[43] 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.

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" CJSC[44]

"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.

[43] https://www.arlis.am/hy/acts/161408

[44] Sustainability report ZCMC 2024

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.

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 CJSC[45] 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.

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.

[45] Sustainability report ZCMC 2024

4. PRODUCTION, MANUFACTURING, AND SALES IN THE METALLIC MINING SECTOR

4. Production, manufacturing, and sales in the metallic mining sector

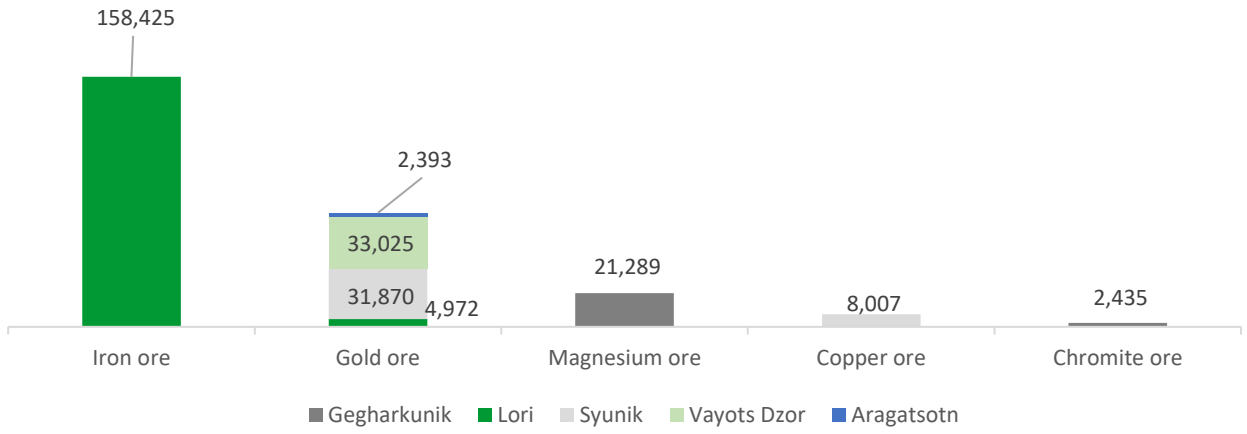
4.1. Exploration of mineral reserves in the mining sector (Requirement 3.1)

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

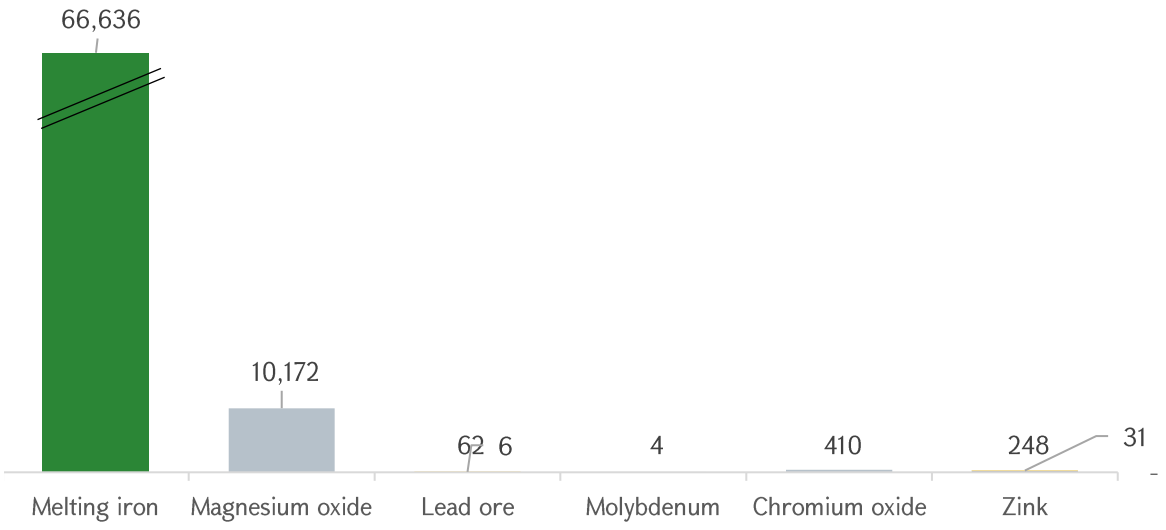
2010 - 2024. Approved quantity of metal ore by region, thousand tons



Source: Information provided by MTAI

Chart 4.1.2

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



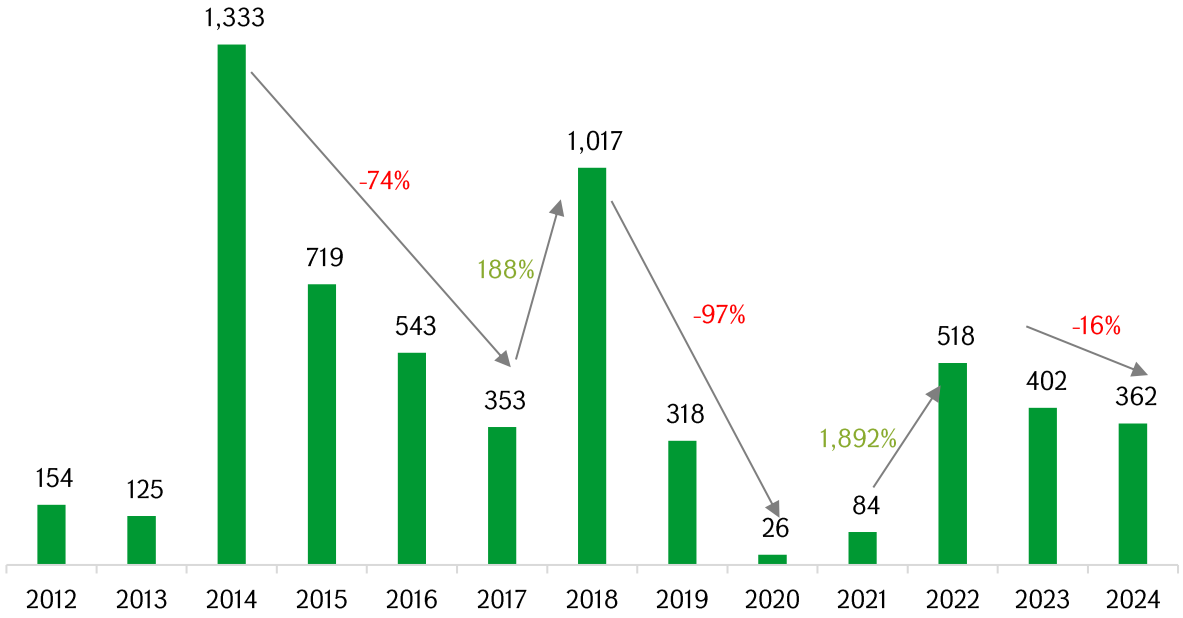
Source: Information provided by MTAI

Geological studies

Subsurface studies through geological work play a crucial role in discovering new mines. 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 [46]

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. After 2022, the volume of work remained approximately at the same level but later began to gradually decline—by an average of about 16% annually.

The scope of geological studies conducted during 2010–2021, as well as annual changes and their causes, are presented in the 2021 EITI report[47].

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 AM [48]

[46] eco_book_2024_3 (armstat.am)

[47] https://www.eiti.am/en/annual-reports/2022

[48] **Prospecting:** The purpose of this stage is to establish a sufficient geological basis for predicting 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 created; and minerals belonging to classes P2 and P3 are assessed.

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 Armenia[49]

Table 4.1.2

Volume of geological studies in 2024 by fields and work stages, thousand AMD[50]

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**	**-**

Prospecting and Evaluation: At this stage, geological studies of the area are carried out, and mineral occurrences are identified. The outcome of this phase is a comprehensive study of the geological structure of the site, prospective areas, and resources of classes P1 and P2.

Preliminary Exploration: This stage involves assessing the industrial value of the deposit. The result of this phase is a techno-economic study of the deposit's industrial value, reserve estimation, and resources belonging to classes C1, C2, and P1.

Detailed Exploration: This stage includes studying the geological structure of the deposit, the qualitative and technological properties of minerals, and the hydrogeological and engineering-geological conditions of the site. As a result, conditions for deposit development and a techno-economic study of mineral reserves by categories A, B, C1, and C2 are obtained.

[49] eco_book_2024_3 (armstat.am)

[50] **Prospecting**. The purpose of this stage is to establish a sufficient geological basis for predicting 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 created; and minerals belonging to classes P2 and P3 are assessed.

Source: Statistical Committee of the RA[51]

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

[51] eco_book_2024_3 (armstat.am)

No.	Company Name	Name of Deposit (Site)	Mineral
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	“Zangezur 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
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

No.	Company Name	Name of Deposit (Site)	Mineral
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 Subsoil user” 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	21,337,568 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

N	Ore type	Volume		Company
		2023	2024	
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 Armenia[52], 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

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	405,739	357,706
Lori	10,695	54,899	66,515	79,088	7,263	35,456	57,838	92,571	23,145	32,392	65,764
Gegharkunik	8,279	12,855	14,854	15,089	18,886	23,165	26,435	14,198	20,119	6,476	2,980

[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-01.px/?rxid=9ba7b0d1-2ff8-40fa-a309-fae01ea885bb

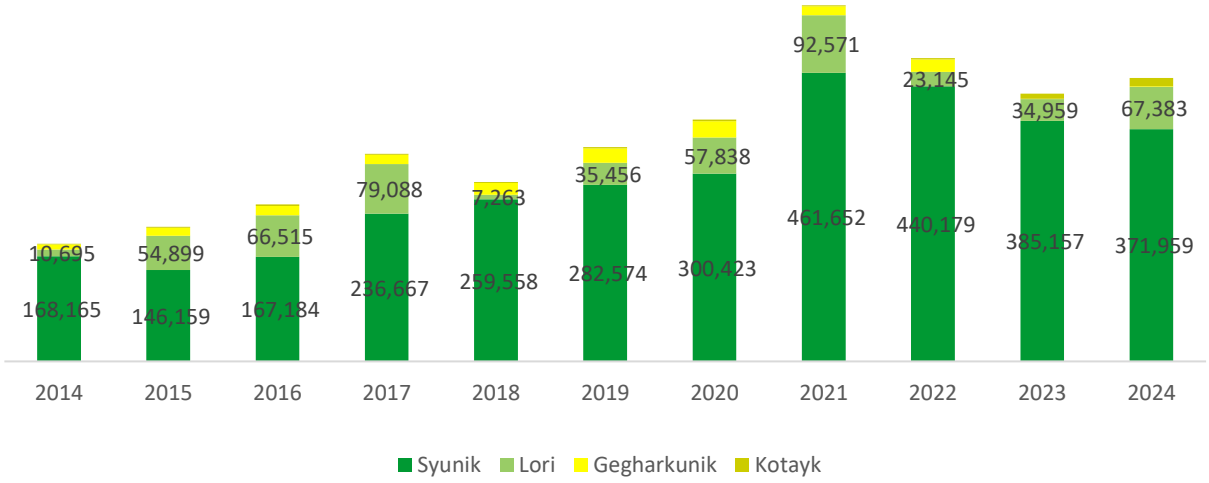
Region	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Kotayk	1,099	1,599	2,547	1,517	1,567	1,750	2,203	1,837	1,889	634	2,447
Total	**188,238**	**215,512**	**251,100**	**332,361**	**287,274**	**342,945**	**386,899**	**570,258**	**485,332**	**445,241**	**428,897**

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%[54].

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 gold 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

[53] The same

[54] 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

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
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 (former “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)

N	Product type	Unit of measurement	2023		2024		Company
			Volume	Monetary value, million AMD	Volume	Monetary value, million AMD	
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
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 thousands
« "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 thousands
"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
"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 Mining And 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 thousands
"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 (in tons) by company
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

Zangezur Copper-Molybdenum Combine CJSC did not carry out its own ferromolybdenum production in 2024. However, the Statistical Committee of Armenia's data reflects ferromolybdenum concentrate production, which was performed by non-extracting companies. The data presented regarding zinc concentrate almost entirely matches.

Production of precious metal concentrates

The Statistical Committee of Armenia does not publish disaggregated data on precious metals (such as gold and silver), since, according to Article 9, Clause 3, Subclause (z) of the Law of the Republic of Armenia "On State and Official Secrets," information related to precious metals and stones is considered a state and official secret. For this reason, only the data on gold production provided by companies within the framework of the EITI (Extractive Industries Transparency Initiative) report for 2023 and 2024 are available.

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 (Formerly	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 measure ment	2023		2024	
				Volume	Value AMD million	Volume	Value AMD million
“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
"Multi Group Concern" LLC	Mghart gold mine	Gold-bearing ores	t	0	0	0	0
"Assat" LLC	village of Karaberd	Gold-bearing ores	t	0	0	4,594	100

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 Mining And Processing Combine JSC, 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

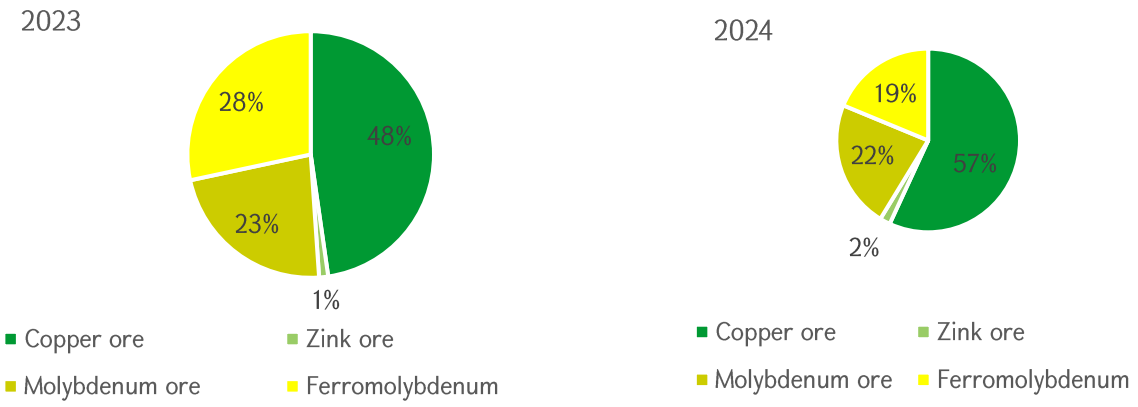
According to the Statistical Committee, in 2023–2024, the mining industry and quarrying were among the main sectors of Armenia's GDP, accounting for 3%. During 2023–2024, the mining sector provided 9.4% and 7% of the country's total exports, respectively. According to data from the Comtrade platform, exports from the mining sector excluding gold amounted to 385.3 million USD in 2024.

The largest share of exports by physical volume belongs to copper concentrate, making up 92.1% of the sector's exports. Zinc concentrate accounts for 3.1%, molybdenum concentrate for 3.1%, and ferromolybdenum concentrate for 1.6%.

Overall, in 2024, the physical volume of exports excluding gold increased by 4.5% compared to 2023, while the export value excluding gold decreased by 3.2%.

Chart 4.3.1.1

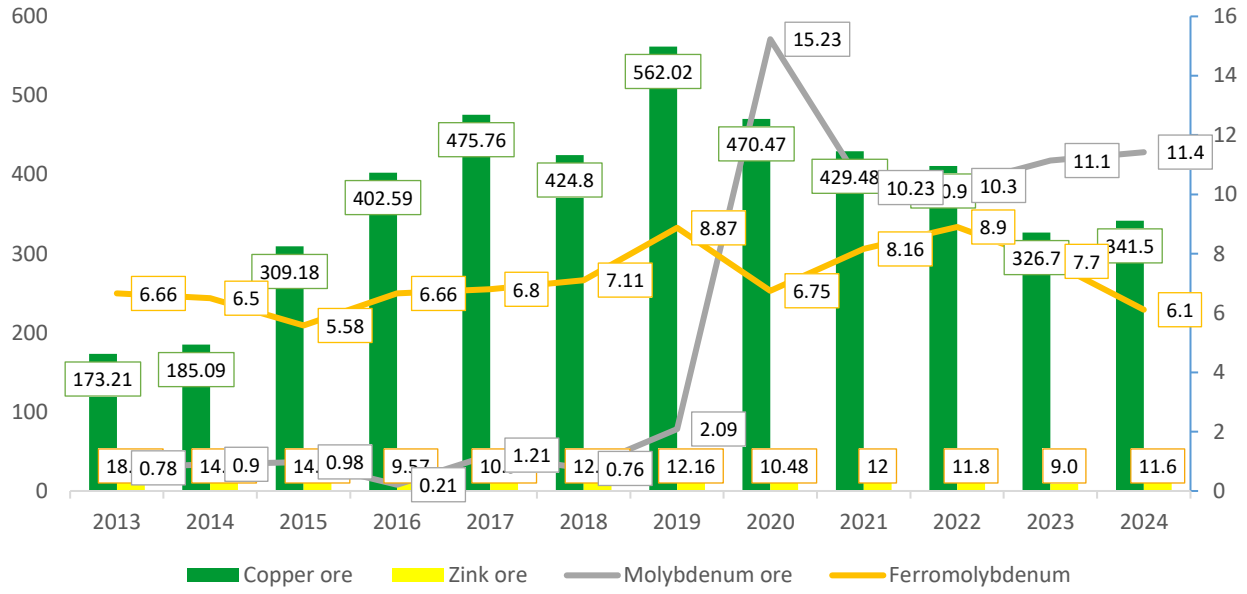
Shares of metal products exports in total exports in 2023 and 2024



Source: ITC calculations based on UN COMTRADE statistics

Chart 4.3.1.2

Export of metal products, thousand tons, 2013-2024



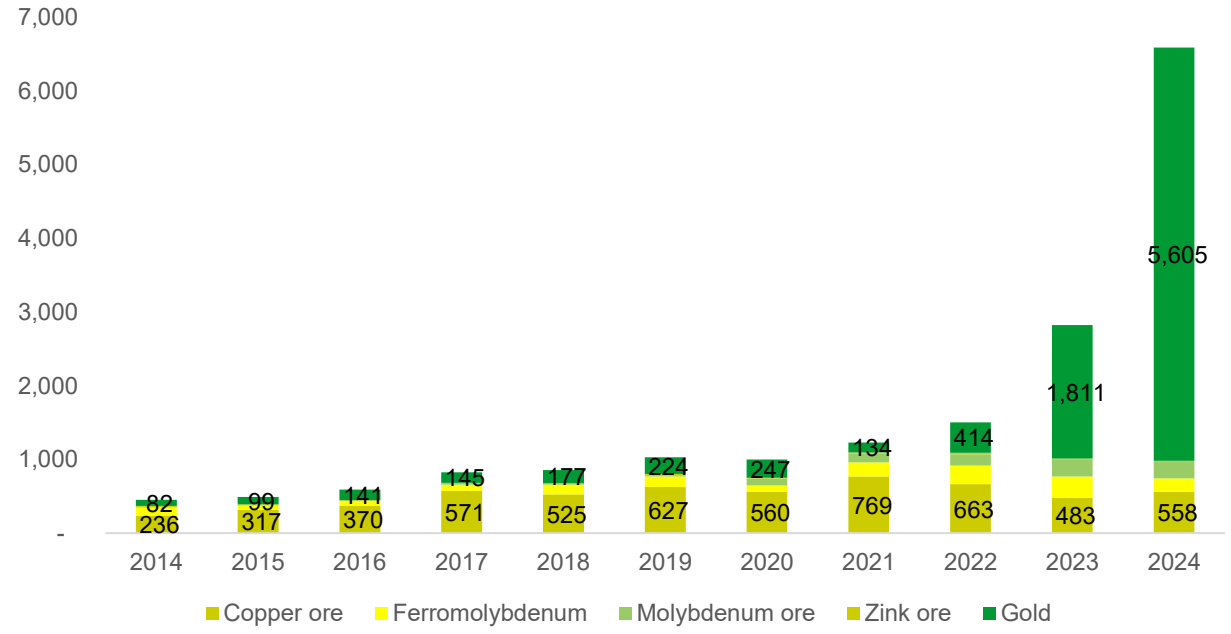
Source: ITC calculations based on UN COMTRADE statistics

Copper concentrate export volumes have grown year by year, reaching their peak in 2019 with an indicator of 562 thousand tons. After 2019, a downward trend was recorded, while in 2024 there was a 4.5% increase compared to 2023. Zinc concentrate export volumes have not undergone significant changes over the past decade and have remained at a relatively low level. Molybdenum concentrate exports were insignificant until 2019, but in 2020 a substantial increase was recorded. After a certain decline, export volumes stabilized, remaining at around 11 thousand tons in 2023–2024. Ferromolybdenum export volumes fluctuated within the range of 6–8 thousand tons during the same period, showing a slight decrease in 2023–2024.

The chart below shows the export values of metals by year. Changes in export values generally correspond to fluctuations in export volumes, with deviations mainly caused by changes in metal prices. At the same time, the significant increase in gold export value in 2023 and 2024 is primarily linked to a sharp rise in re-exports.

Chart 4.3.1.3

Export of metal products, million dollars , 2013-2024



Source: ITC calculations based on UN COMTRADE statistics

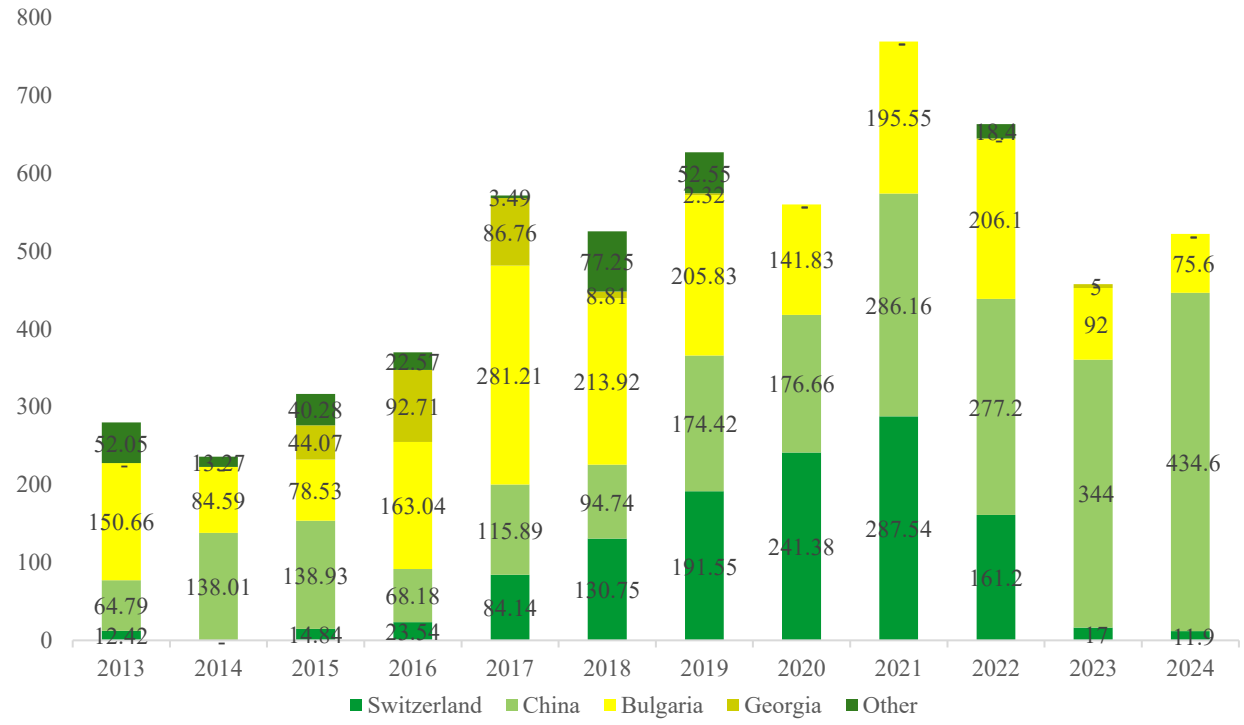
Copper concentrate exports

Copper exports account for 92.1% of mining exports excluding gold and have a significant impact 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 4.3.1.4

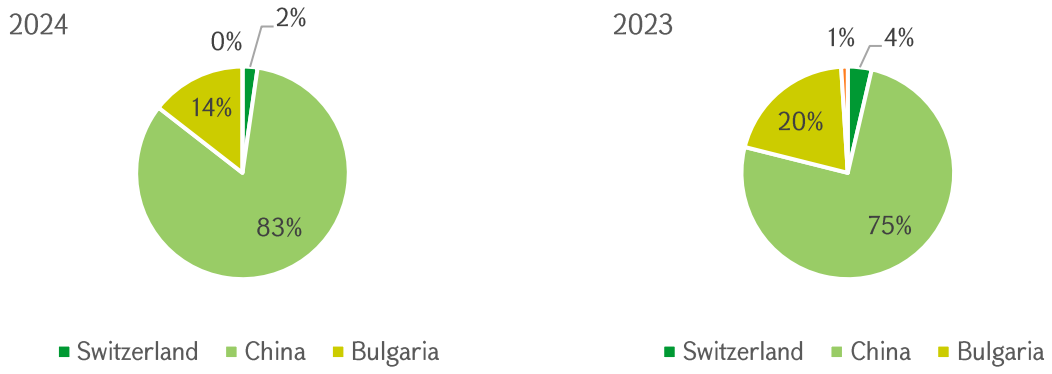
Distribution of copper concentrate exports by country, 2013-2024, million dollars



Source: ITC calculations based on UN COMTRADE statistics

Chart 4.3.1.5

Copper concentrate export distribution by country in 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 thousands
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 thousands
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 4.3.1.3

Final content of metals considered payable in exported copper concentrate in 2023 - 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

Region of origin	Company name	Metal type	2023		2024	
			Volume	Concentrate volume	Volume	Concentrate volume
	"Teghut" CJSC	copper	11,667 dmt	54,396 dmt	3,204 un	15,445 dmt
Syunik region	"Agarak Copper-Molybdenum Combine" CJSC	copper	11,519 un	50,968 t	10,807 t	53,589 t
	"Zangezur 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

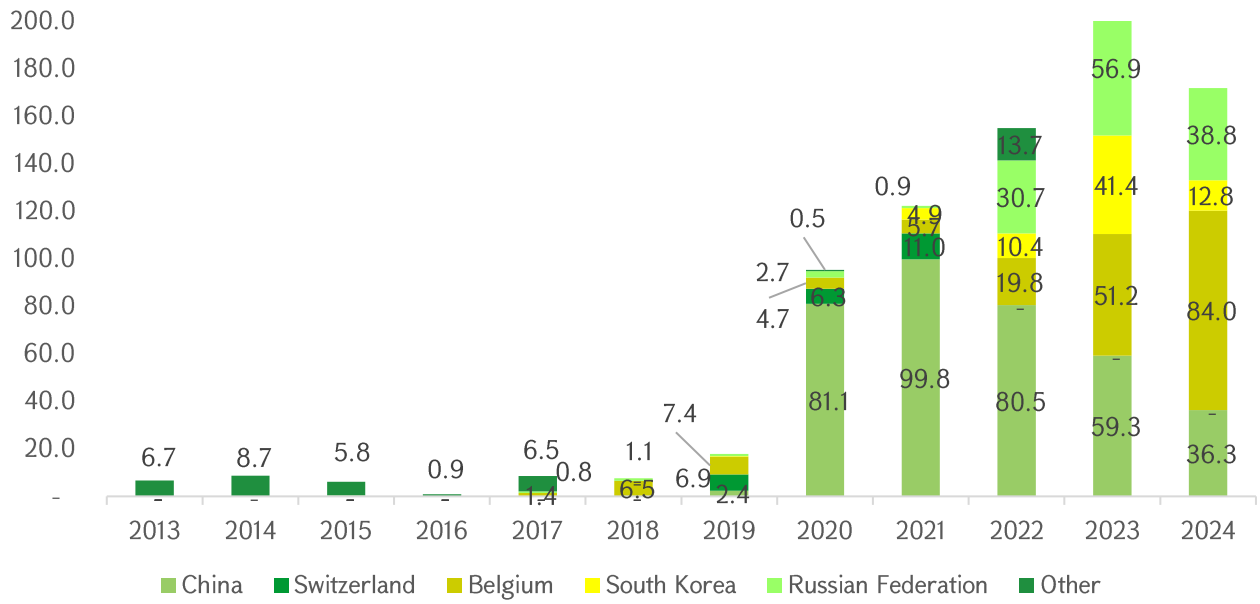
Export of molybdenum concentrate and ferromolybdenum

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 4.3.1.6

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.

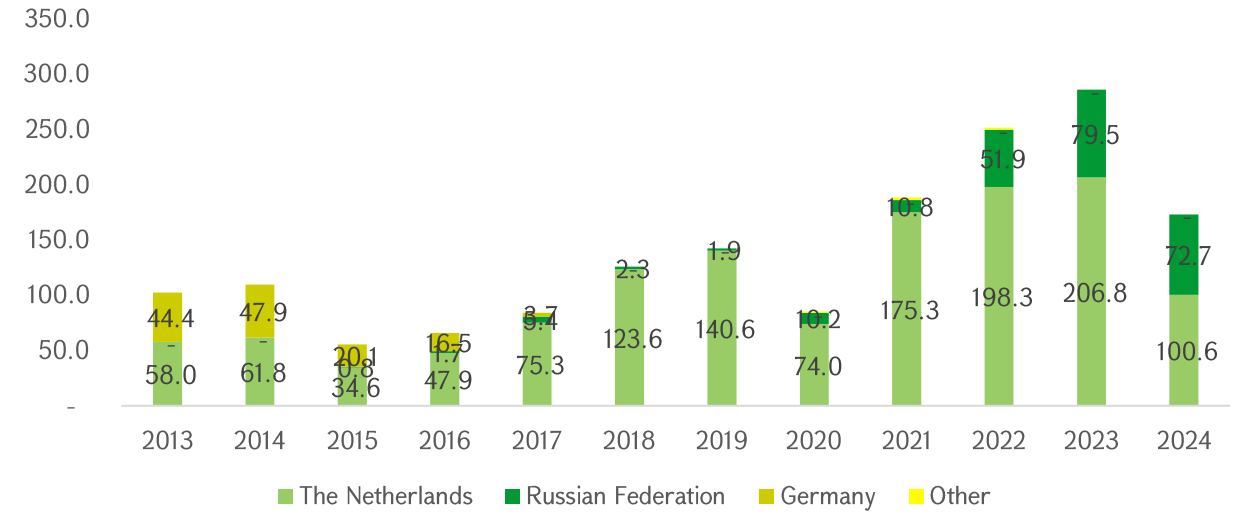
At the same time, export volumes to China and the Russian Federation decreased compared to 2023—by 38.7% and 31.8%, respectively.

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 4.3.1.7

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 4.3.1.4

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

Region of origin	Company name	Product name	Export country	Volume	Value, AMD million	Value, USD thousands
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 4.3.1.5

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

Region of origin	Company name	Product name	Export country	Volume	Value, AMD million	Value, USD thousands
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, AMD million	Value, USD thousands
	"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 4.3.1.6

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 un	75 dmt
"Zangezur Copper-Molybdenum Combine" CJSC	calcined molybdenum concentrate	783 un	1,344 wmt	-	-
"Zangezur Copper-Molybdenum Combine" CJSC	molybdenum concentrate	3,543 un	8,042 wmt	3,624 wmt	8,270 wmt
"Zangezur Copper-Molybdenum Combine" CJSC	Ferromolybdenum	4,836 un	7,180 t	780 t	1,169 t

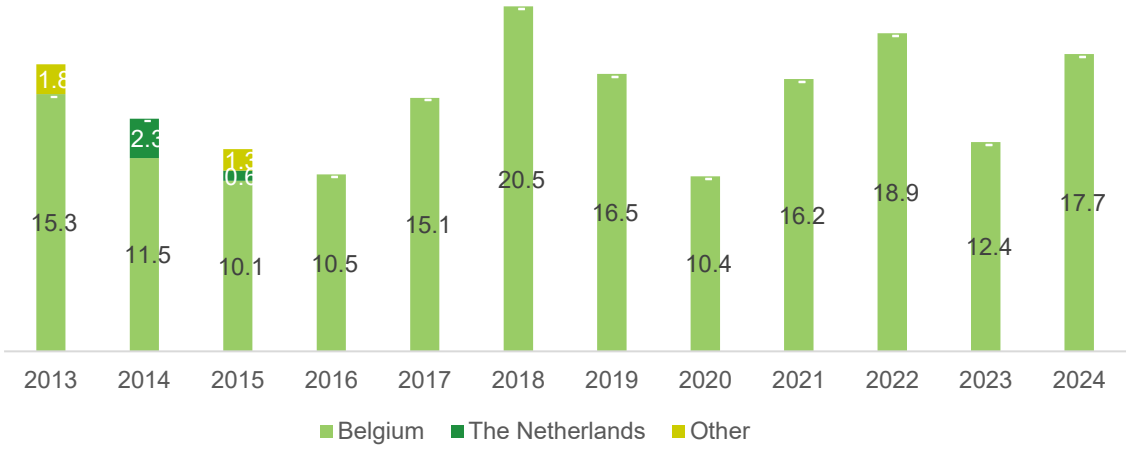
Source: Reports provided by companies to EITI

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 4.3.1.8

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 4.3.1.7

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 thousands
Syunik region	"Kapan Mining And Processing Combine" CJSC	Belgium	8,950	4,910	12,511

Source: Reports provided by companies to EITI

Table 4.3.1.8

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 thousands
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 4.3.1.9

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	

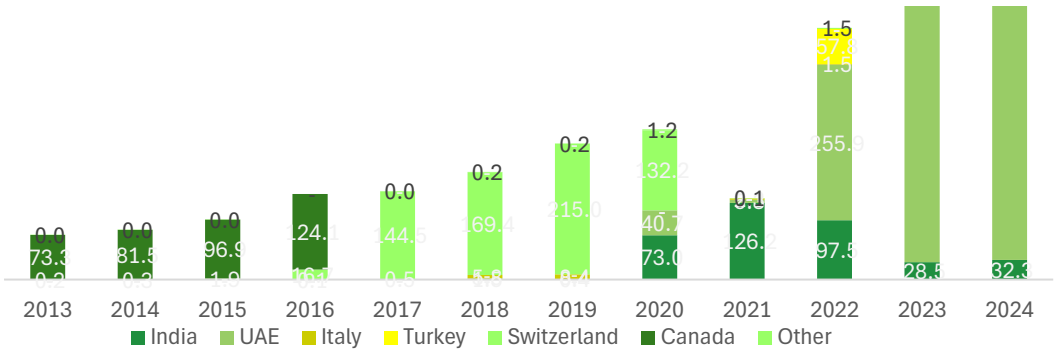
Source: Reports provided by companies to EITI

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 4.3.1.9

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 4.3.1.10

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 thousands
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
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 4.3.1.11

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 thousands
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
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 4.3.1.12

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
		silver	kg	30	
Lori region	"Assat" LLC	gold	kg	1	846 g
		silver	kg	-	

Source: Reports provided by companies to EITI

Table 4.3.1.13

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	

Region of origin	Company name	Metal type	Unit of measurement	Volume of metal	Volume of concentrate
		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 4.3.1.14

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
“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

Company	Product type	Unit of measurement for volume	Volume	The amount of metals	Total sales value, million AMD	Purchasing organization
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 production[55], as well as information published by the World Bank regarding international prices[56]. 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

According to the Statistical Committee of Armenia, the production volume of copper concentrate in 2024 amounted to 301,618 tons[57]. 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.

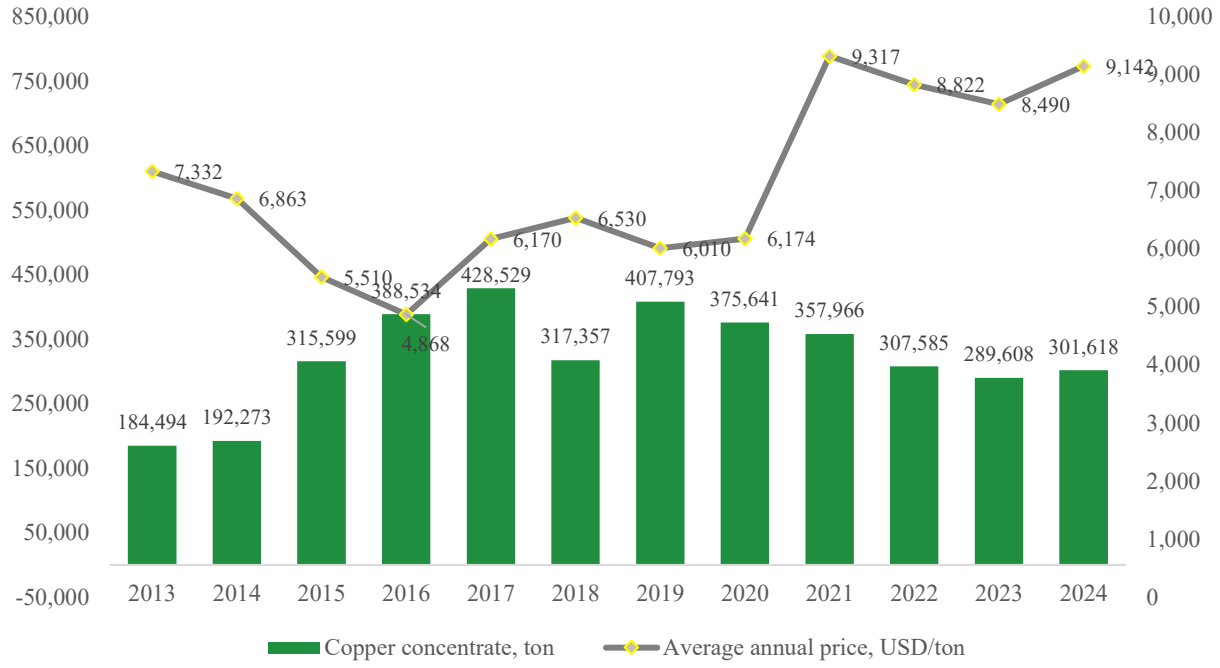
Chart 4.4.1

Copper concentrate production and international copper price, 2013-2024

[55] https://www.armstat.am/am/?module=publications&mid=8&id=2754

[56] World Bank Commodity Price Data (The Pink Sheet)

[57] Same as previous



Source: Statistical Committee of the Republic of Armenia and World Bank database[58]

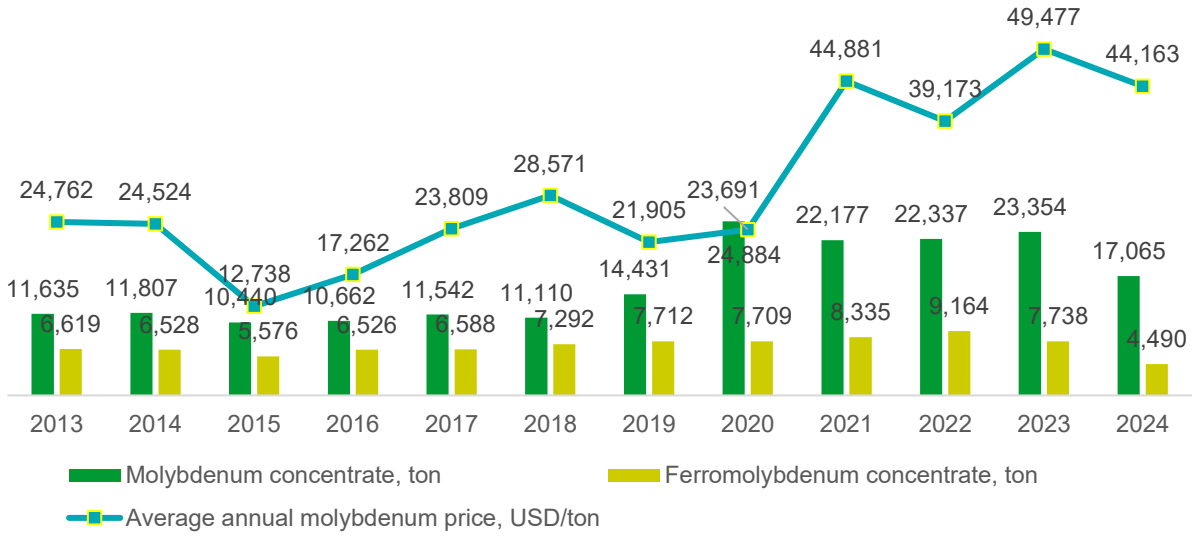
During the specified period, the average annual increase in international copper prices was 2.0%. According to World Bank data, in 2024 the average annual price of copper concentrate rose by 7.7%. At the same time, in 2024 the production volumes of copper concentrate in the Republic of Armenia also increased 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)



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

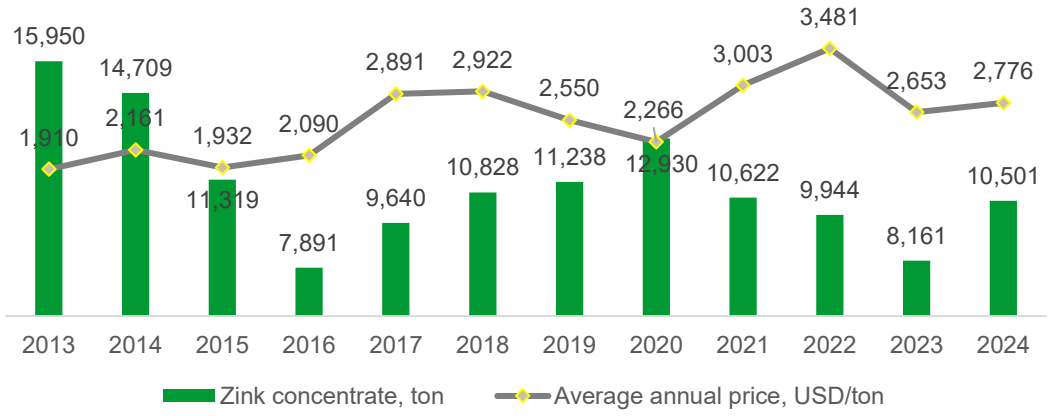
After the sharp 72.45% increase in molybdenum concentrate production volumes in 2020, production in Armenia remained at a high level until 2023. In 2024, production volume decreased by 26.9% compared to the previous year, while ferromolybdenum production fell by 41.9%.

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)

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

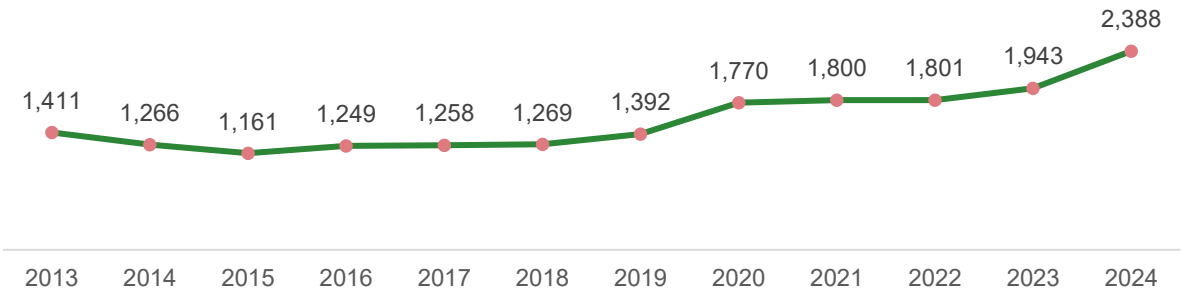
After 2020, zinc production volumes continued to decline until 2023. In 2024, compared to the previous year, production volumes increased by 28.7%, reaching 10,501 tons. At the same time, the upward trend in international prices continued, with a 4.6% increase recorded in 2024. Since 2016, the average 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://www.worldbank.org/en/research/commodity-markets World Bank Commodity Price Data (The Pink Sheet)

[62] https://www.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. Revenues from the metallic 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 decision[63], 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:

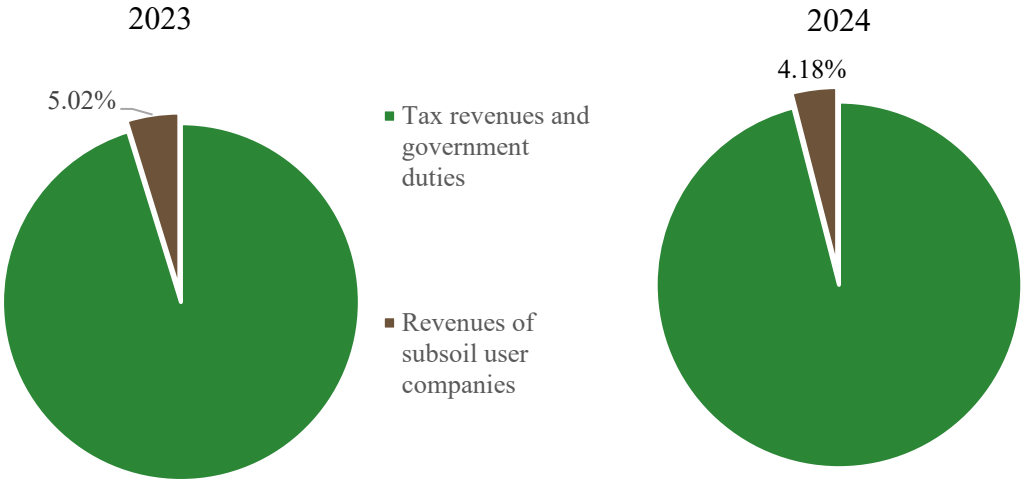
State Revenue Committee	Ministry of Environment
• Profit tax • Income tax • Value added tax • Excise tax • Royalty • Nature use fees • Environmental tax • Customs duties and fees • Duties	• Monitoring fee • Environmental impact assessment and expertise fee • Fines and penalties imposed by the Environmental Protection and Mineral Resources Inspection Authority

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.

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

[63] MSG_meeting_minute_28_03_2024_arm.pdf (eiti.am)



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%	2.79%
Profit tax	24,922	22%	1.12%
Income tax	15,362	14%	0.69%
VAT	4,186	4%	0.19%
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%**	**5.02%**
Total state budget tax revenues	**2,221,925**	-	-

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—2.79% and 2.22%, respectively. The share of profit tax

amounted to 1.12% 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 3.95% 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

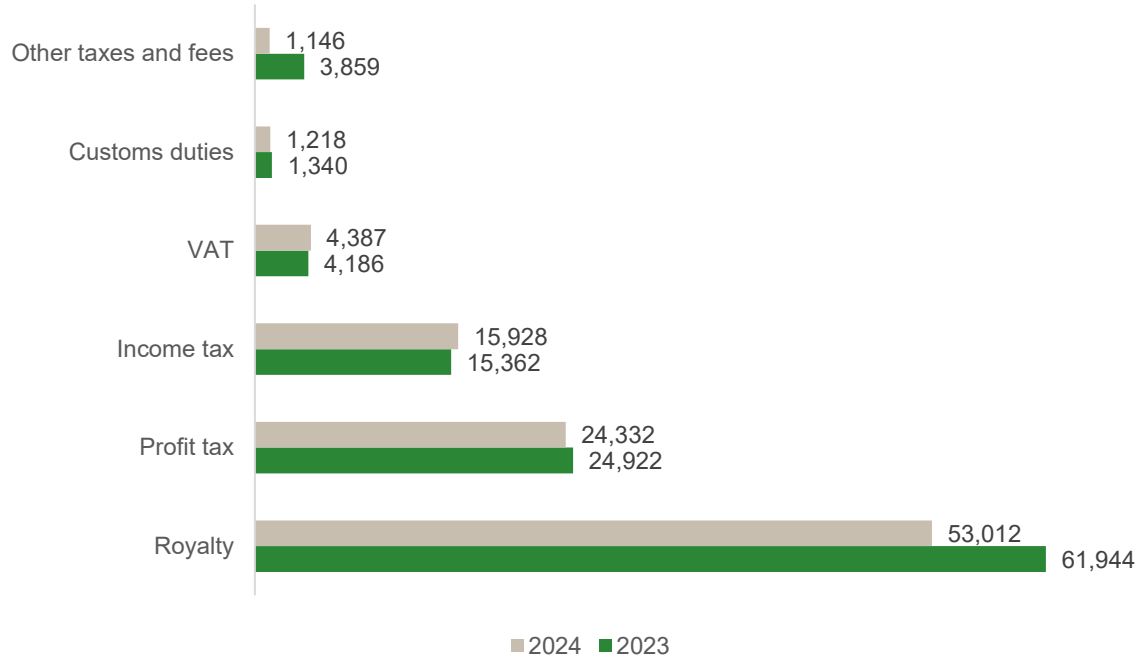
Company	2023	2024
"Agarak Copper-Molybdenum Combine" CJSC	6,892,208	8,493,868
"Akhtala Mining And Processing Combine" CJSC	620,765	743,166
"Active Lernagorts" LLC	11,484	19,130
"Assat" LLC	151,475	384,479
"At-Metals" LLC	13,559	14,110
"Baktek Eco" LLC	342,352	376,943
"Geghi Gold" LLC	14,964	13,762
"Geopromining 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 Subsoil user" 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:

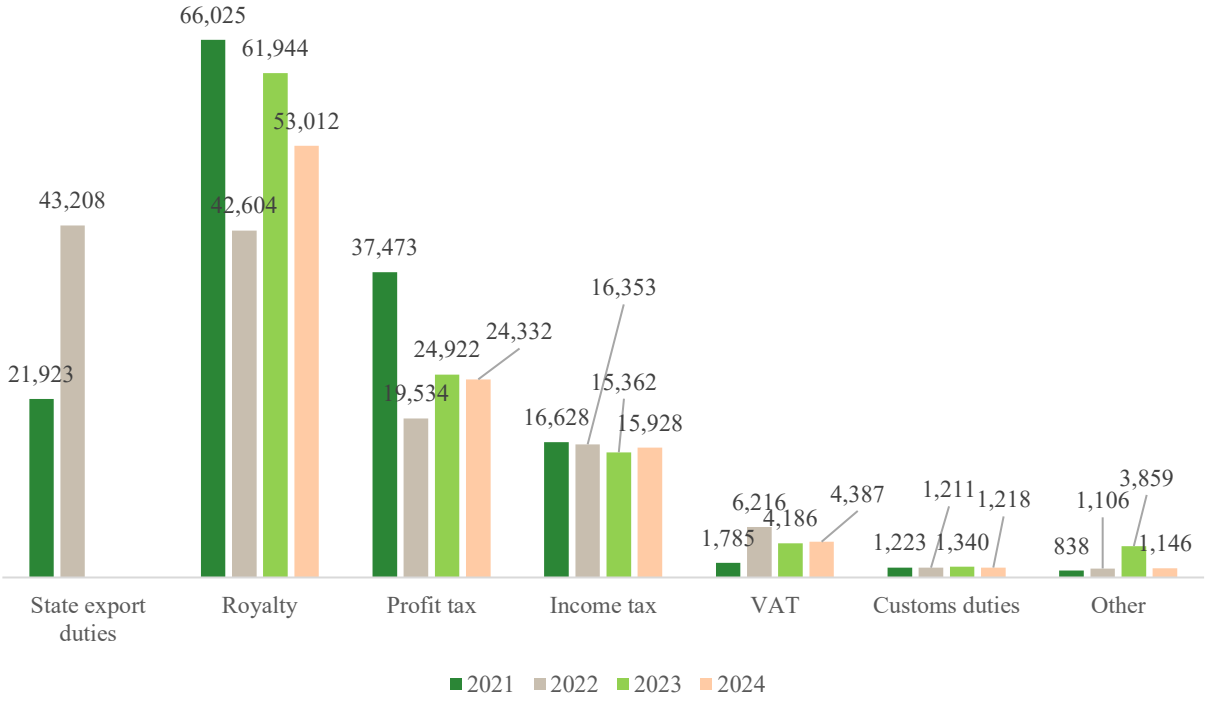
- Other (by 70.3% or AMD 2,713 million)
- Customs duties and fees (by 9.1% or AMD 122 million)
- Profit tax (by 2.36% or AMD 590 million)
- Royalties (by 14.41% or AMD 8,932 million)

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]

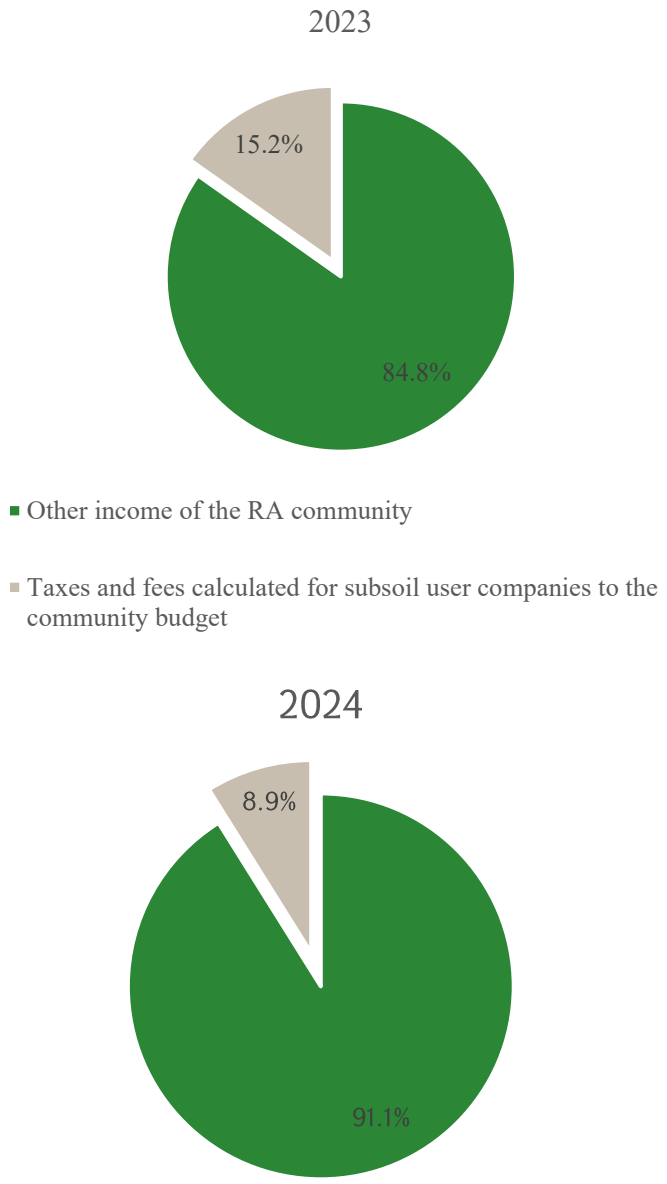
5.2. Revenues from subsoil using companies to community budgets (requirement 4.6)

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

[65] https://www.eiti.am/hy/2022/



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

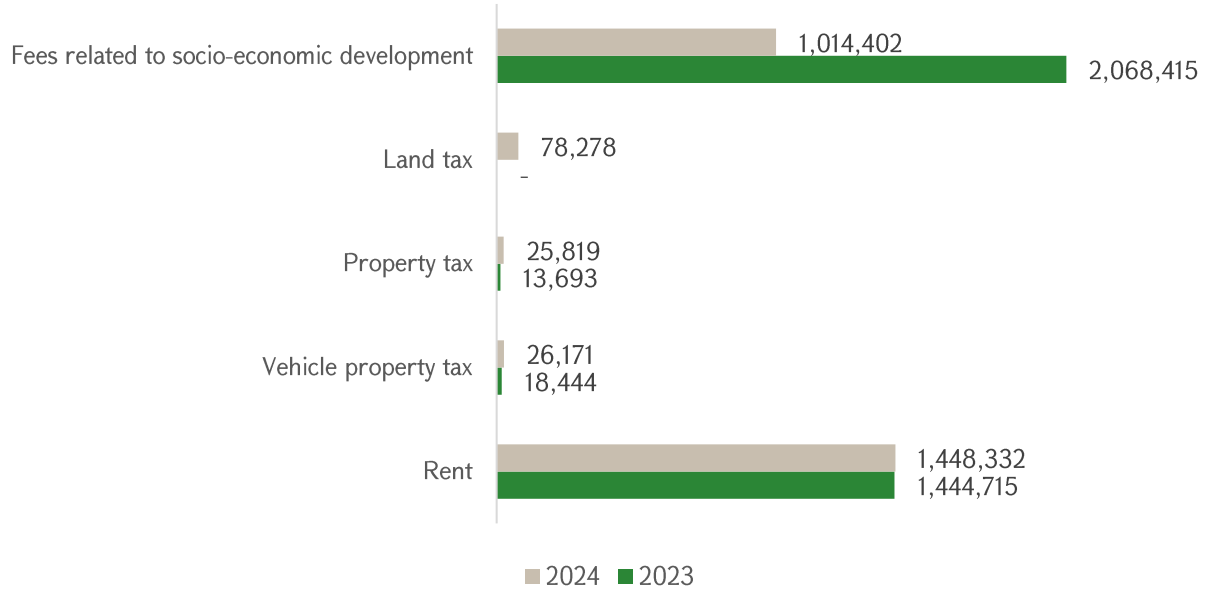
In 2023, the majority of payments made by subsoil-using companies to community budgets were related to socio-economic development, amounting to AMD 2.068 billion or 58.3% of total taxes and payments. This indicator increased by AMD 453 million or 28% compared to 2022. In 2024, payments related to socio-economic 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.

Chart 5.2.2

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

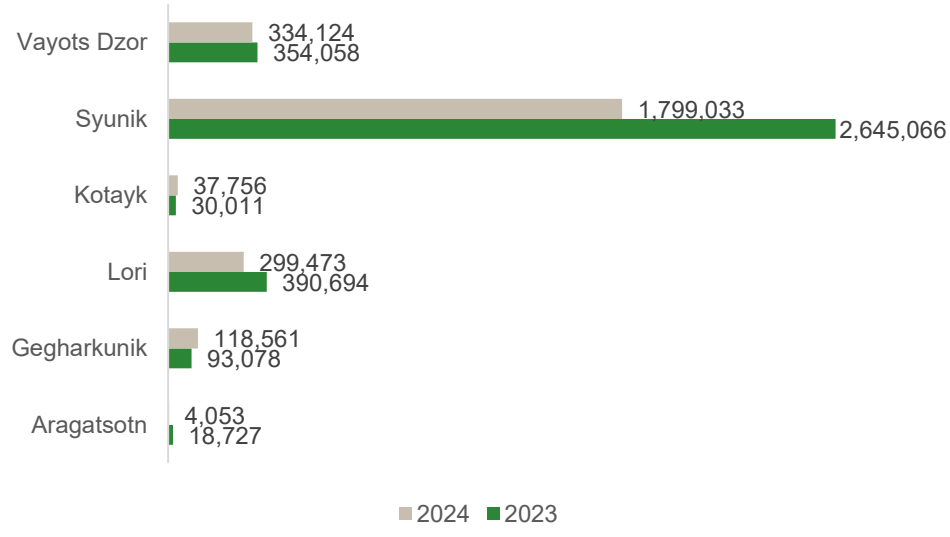


Source: Reports submitted by the RA MTAI within the framework of the EITI (adjusted as a result of the reconciliation)

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 use companies in community budgets in 2023, 2024 (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%**

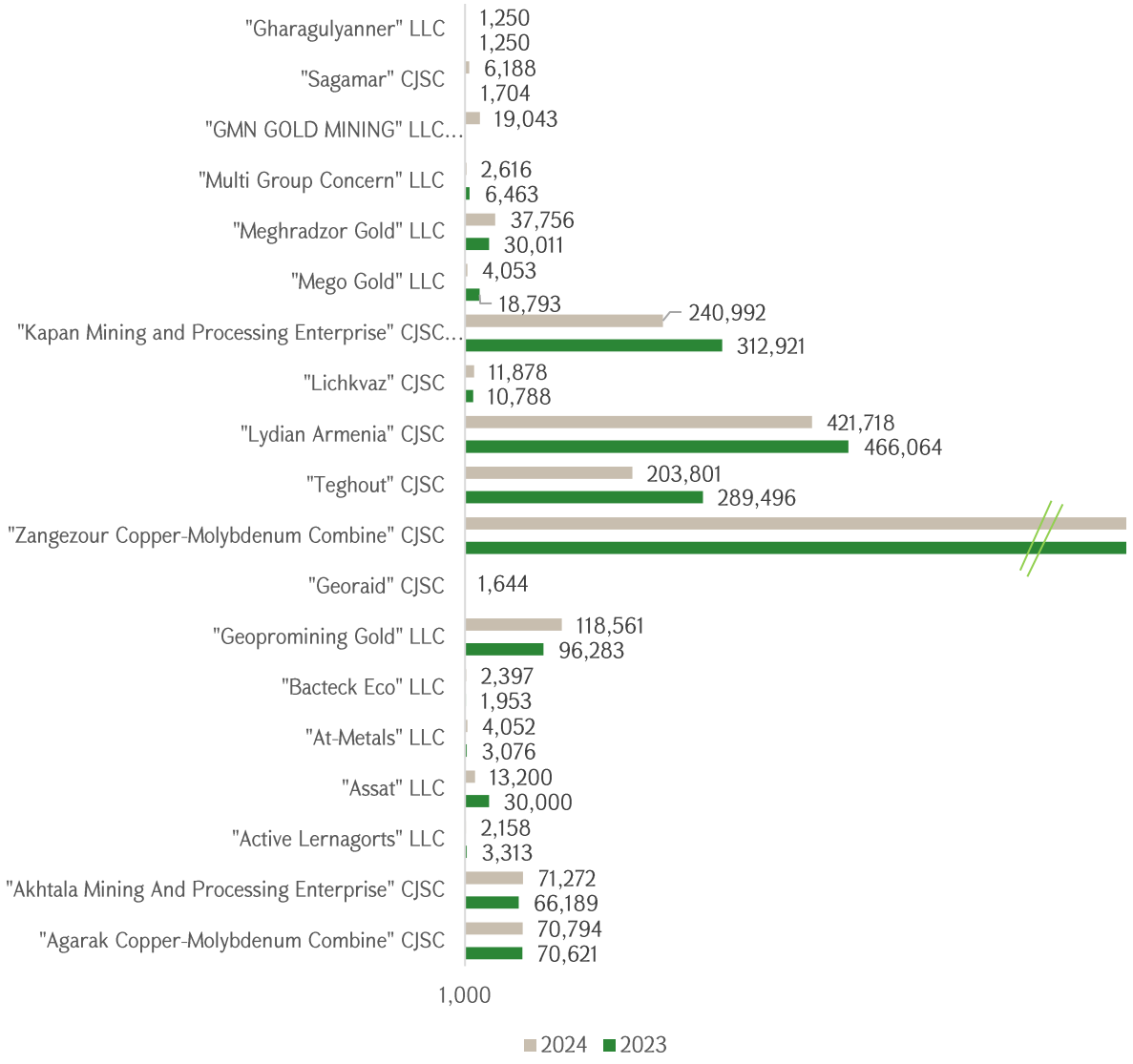
Source: Reports submitted by the RA MTAI within the framework of the EITI (adjusted as a result of the reconciliation)

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 sffected 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 Assemly of RA

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
Charentsavan	**Total Charentsavan**	**4,718.1**	**4,038.5**	**86%**
	Environmental events, including	**4,718.1**		
	Planting and care of ornamental trees (spherical acacia)	4,718.1		
	Health events	**-**		
Hrazdan	**Total Hrazdan**	**14,903.1**	**14,903.1**	**100%**
	Environmental events, including	***14,903.1***		
	Replacement of windows in kindergarten No. 9	14,903.1		
	Health events	**-**		
Syunik region		**187,571.0**	**186,620.7**	**99%**
Kapan	**Total Kapan**	**134,579.1**	**134,279.4**	**100%**
	Environmental events, including	**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		
	Health events	**-**		
Meghri	**Total Meghri**	**52,991.9**	**52,341.3**	**99%**
	Environmental events, including	**52,991.9**		

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
	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		
	Health events	-		
Lori region		**96,054.0**	**5,469.5**	**6%**
	Total Shnogh	**90,500.0**	**-**	
Shnogh	***Environmental events, including***	**90,500.0**		
	Construction of an irrigation water pipeline	90,500.0		
	Health events	-		
	Total Spitak	**5,554.0**	**5,469.5**	**98%**
Spitak	***Environmental events, including***	**5,554.0**		
	Procurement of energy-saving LED lighting for the needs of the Spitak community	5,554.0		
	Health events	-		
Armavir region		**28,000.0**	**22,928.2**	**82%**
	Total Metsamor	**28,000.0**	**22,928.2**	**82%**
Metsamor	***Environmental measures, including***	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		

Name of the region, community	Name	Budgeted amount	Actual amount	% of completion
	Design and estimate works	1,000.0		
	Health events	-		
Ararat region		**144,426.4**	**126,311.1**	**87%**
	Total Ararat	**144,426.4**	**126,311.1**	**87%**
Ararat	***Environmental events, including***	**130,186.4**		
	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		

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

Source: Website of the Ministry of Finance of the Republic of Armenia, 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%**
	Environmental events	**0.0**		
	Health events	*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	***Environmental events, including***	**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		
	Health events	**0.0**		
Lori region		**31,161.0**	**31,157.1**	**100%**
	Total Alaverdi	**29,001.0**	**29,001.0**	**100%**
Alaverdi	***Environmental events, including***	**0.0**		
	Health events	**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	***Environmental events, including***	**2,160.0**		
	Purchase of energy-saving LED lighting for the needs of the Stepanavan community	2,160.0		
	Health events	**0.0**		
Ararat region		**120,271.9**	**76,660.6**	**64%**
	Total Ararat	**120,271.9**	**76,660.6**	**64%**
Ararat	***Environmental events, including***	**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%
	Health events	**0.0**		
Total		**322,626.6**	**271,252.5**	**84%**

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

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
“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
“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 Subsoil user” 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

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
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%	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		

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
“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
"Lichkvaz" CJSC	100%	Meghri
“Geghi Gold” LLC	100%	Sisian
“Marjan Subsoil user” 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		

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
“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		
“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

Company name	Proportion of distribution of environmental tax amount between communities (in % of total)	Name of communities adversely affected by company activities
"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 Subsoil user” LLC	100%	Sisian
“Active Lernagorts” LLC	100%	Meghri
“Lydian Armenia” CJSC	37%	Sisian
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.

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	Link
RA Lori region		
Alaverdi community	*Alaverdi Community Environmental Program 2023, 2024.*	https://alaverdi.am/Pages/DocFlow/?Refresh=1&a=d&dt=Projects&nt=1&f=true
Stepanavan community	*Not published for 2023-2024*	https://stepanavan.am/Pages/DocFlow/Def.aspx?a=d&dt=4CDPReports&nt=1&f=true&Grd=Page$3
Spitak community	*Not published for 2023-2024*	https://spitak.am/Pages/DocFlow/Def.aspx?a=d&dt=4CDPReports&nt=1&f=true&Grd=Page$2
RA Syunik region		
Meghri community	*Not published for 2023-2024*	https://meghri.am/Pages/DocFlow/Def.aspx?nt=1&dt=Projects
Kapan community	*Not published for 2023-2024*	https://kapan.am/Pages/DocFlow/Def.aspx?a=d&dt=4CDPReports&nt=1&f=true
RA Shirak region		
Gyumri community	*Not published for 2023-2024*	https://old.gyumricity.am/hy/gyumri-community/projects
RA Gyumri region		
Charentsavan community	*Not published for 2023-2024*	https://charentsavan.am/Pages/DocFlow/Def.aspx?a=d&dt=4CDPReports&nt=1&f=true&Grd=Page$2
Hrazdan community	*Not published for 2023-2024*	https://hrazdan.am/Pages/DocFlow/Default.aspx?a=v&nt=1&g=0e7675e1-c49a-4246-b96f-4297b8cce25a
RA Ararat region		

[67] https://www.arlis.am/DocumentView.aspx?docid=143046

Community	Program	Link
Ararat community	*Ararat Community Environmental Program 2024*	https://araratcity.am/Pages/DocFlow/Def.aspx?a=v&g=d87c7f42-be8d-4fde-a1fa-661aa4acaf23
RA Armavir region		
Metsamor community	*Not published for 2023-2024*	https://mecamorcity.am/Pages/DocFlow/Def.aspx?a=d&dt=4CDPReports&nt=1&f=true&Grd=Page$2

Source: Information collected from community websites

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.

A comparison over a ten-year period (2014–2024) shows that the sector has maintained an average share of 3–4% 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.

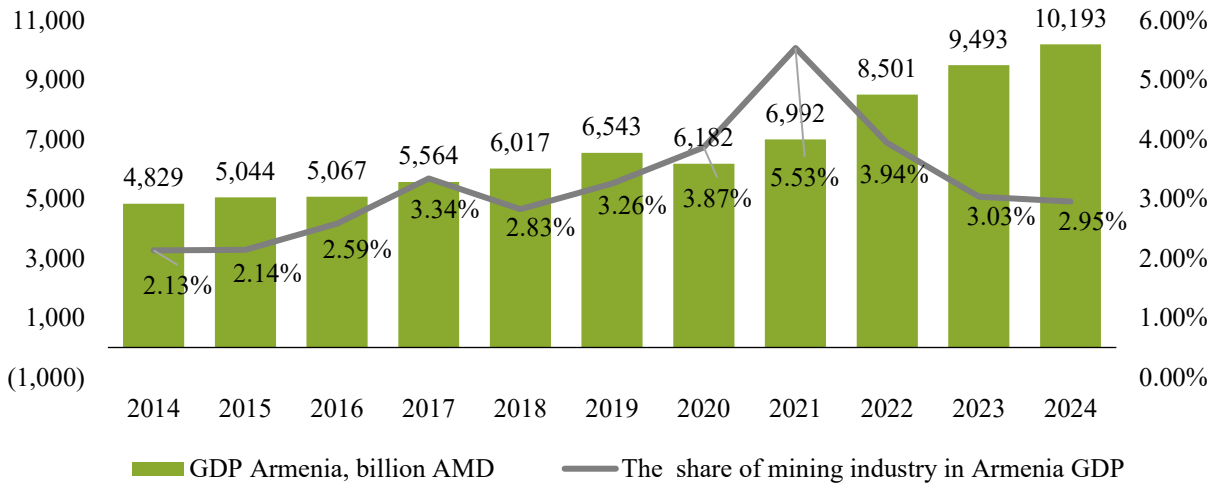
Overall, as shown by the latest information published by the Statistical Committee of the Republic of Armenia, and as highlighted in the previous report, mining continues to remain an important branch of the economy; however, its share has become more sensitive in recent years to both external market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

[68] https://www.armstat.am/am/?nid=202



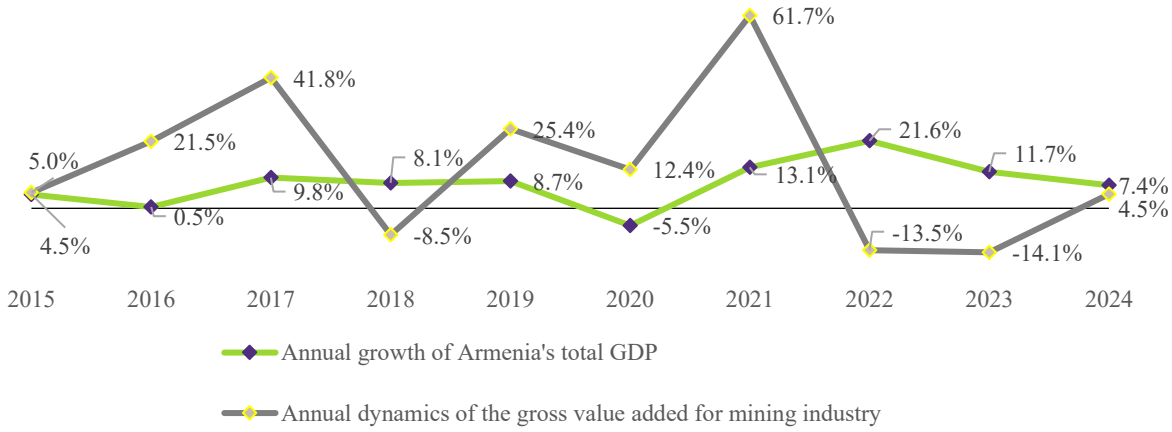
Source: RA SC , national accounts [69]

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 16.6%, 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

GDP and real volume indices of the mining sector, 2015–2024



Source: RA SC , national accounts [70]

[69] Same as prevoius

[70] https://www.armstat.am/am/?nid=202

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.

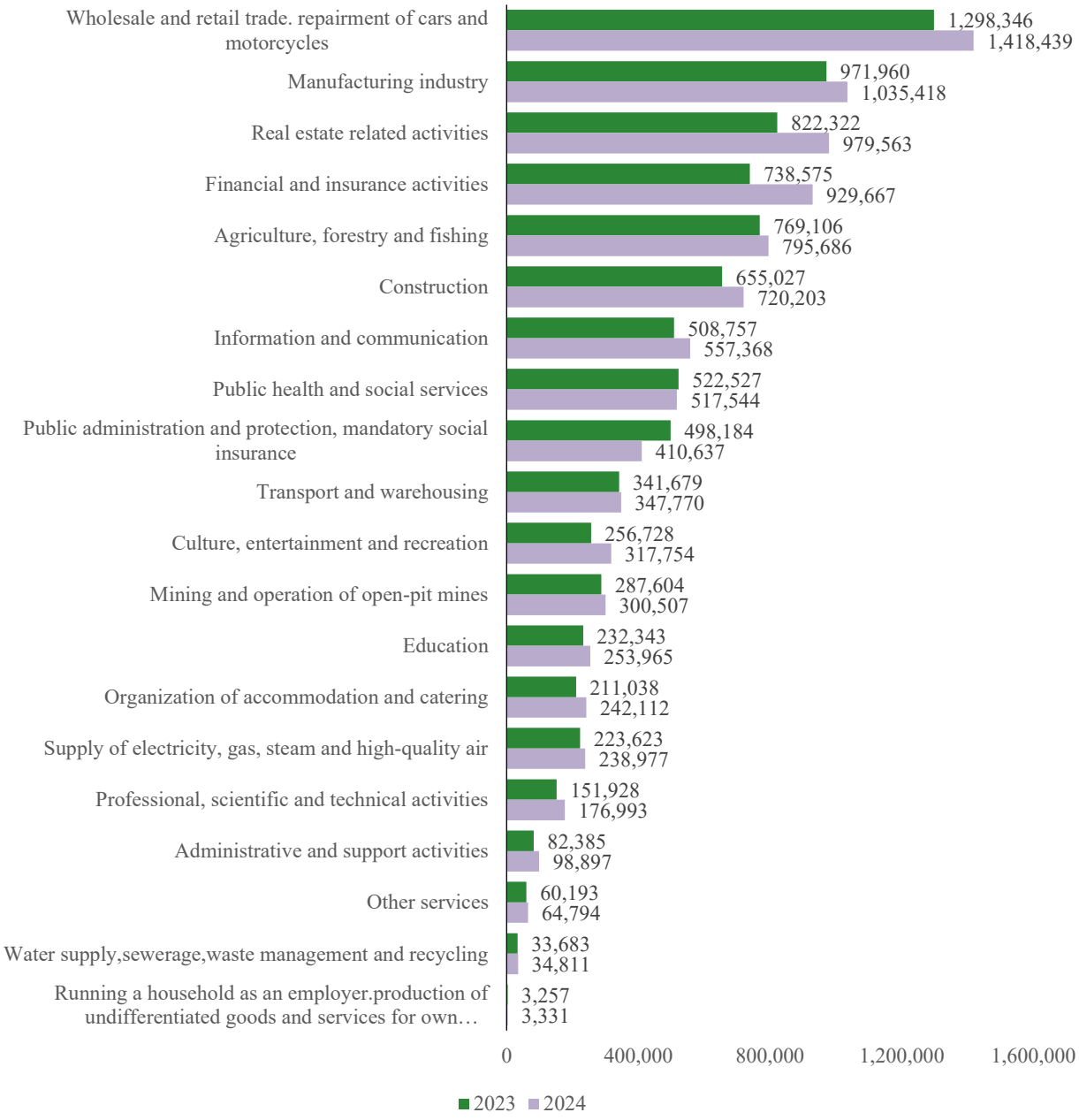
For comparison, during the same years, leading sectors continued to strengthen their positions: trade grew to AMD 1.42 trillion, manufacturing to AMD 1.04 trillion, real estate to nearly AMD 980 billion, and the financial sector to AMD 930 billion.

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.

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

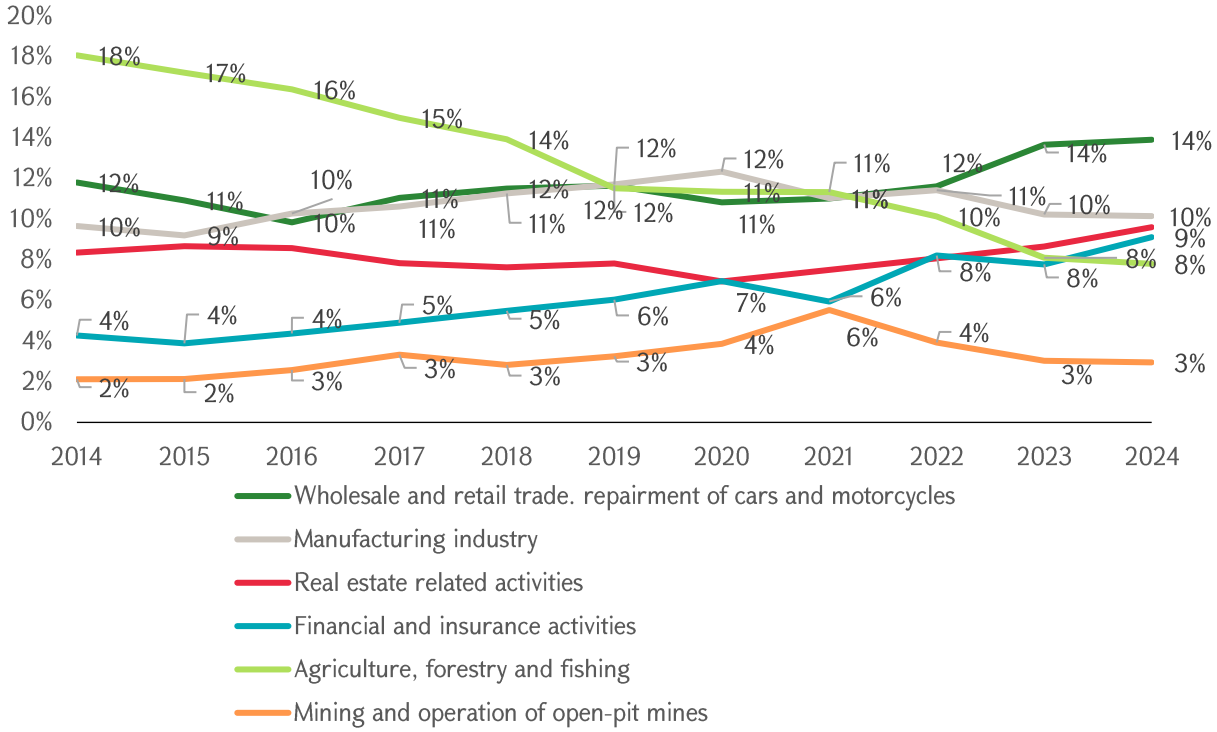


Source: RA Statistical Yearbook of Armenia for the relevant years [71]

Chart 6.1.4

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

[71] https://www.armstat.am/am/?nid=202



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 bompany 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.

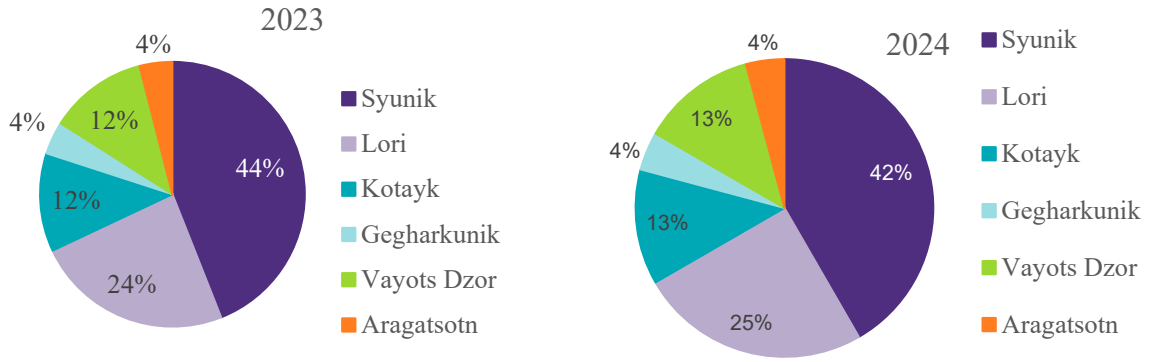
In Kotayk region, three companies operated during both reporting years.

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

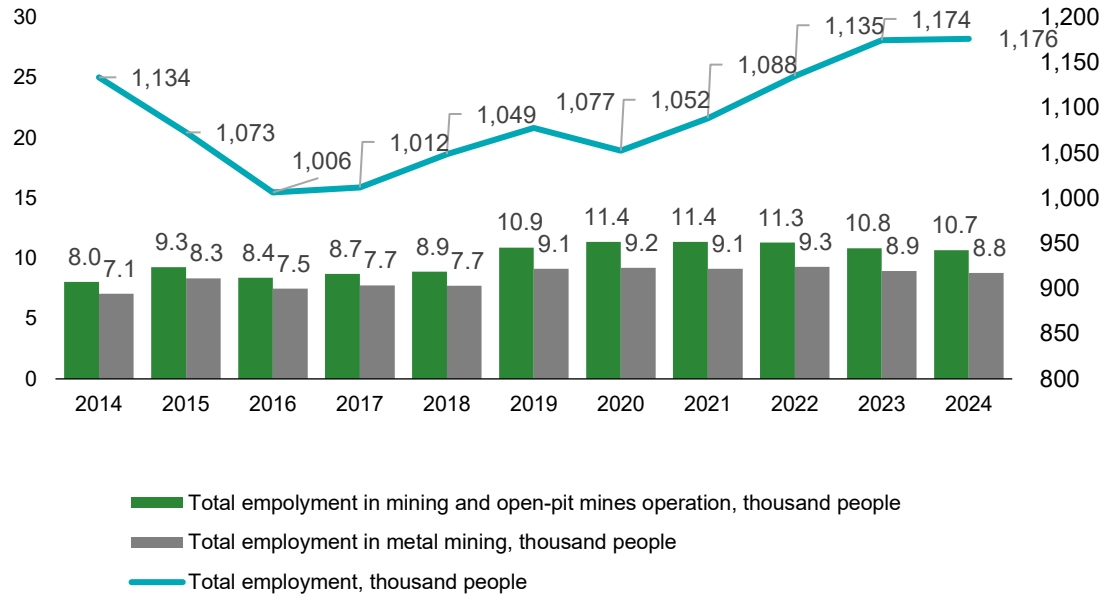
Employment in the Republic of Armenia, 2017–2024

	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%
Manufacturing industry	121.5	113.9	10%	9.70%

[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 %
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%

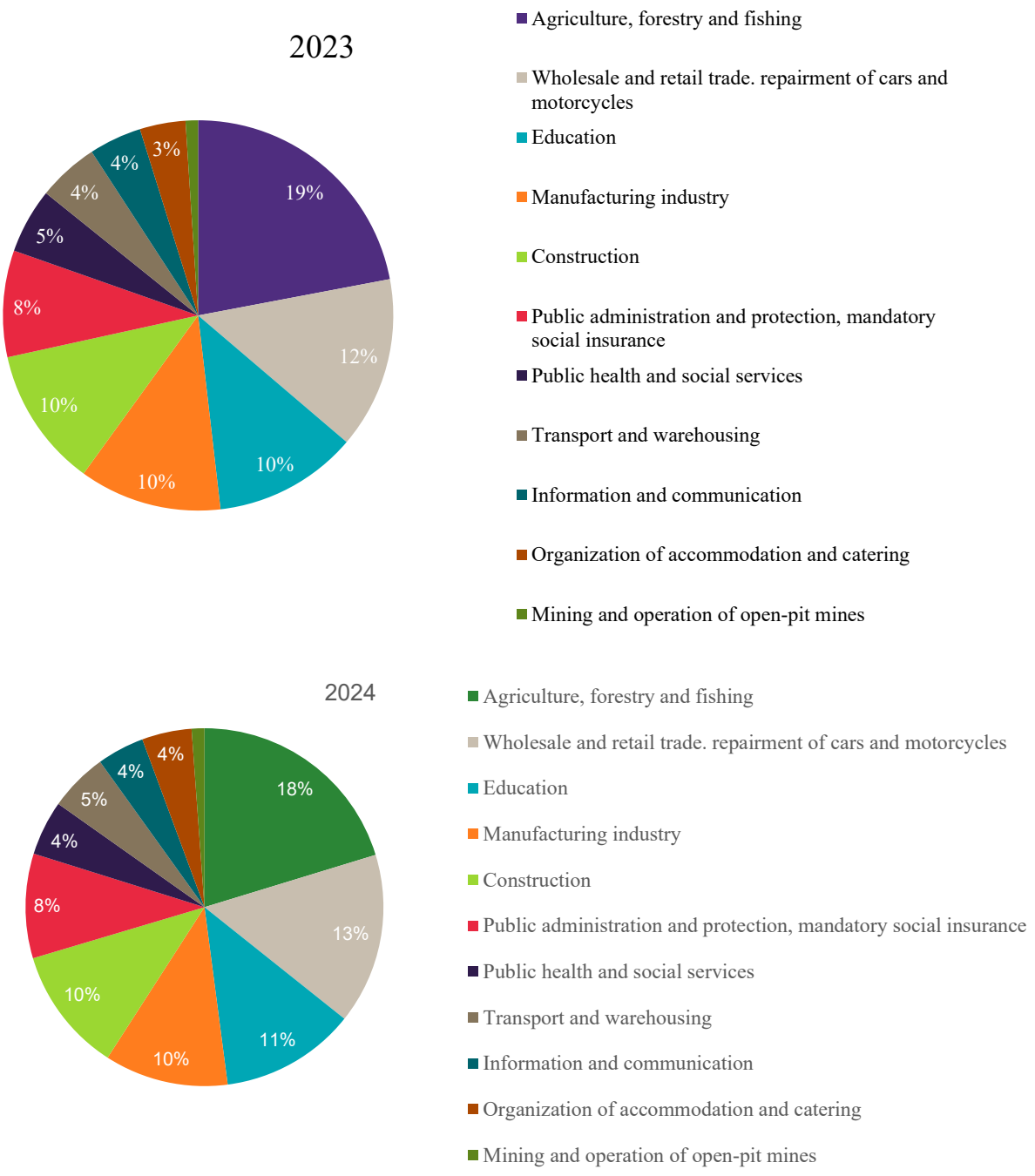
Source: Relevant yearbooks published by the SC of the RA

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

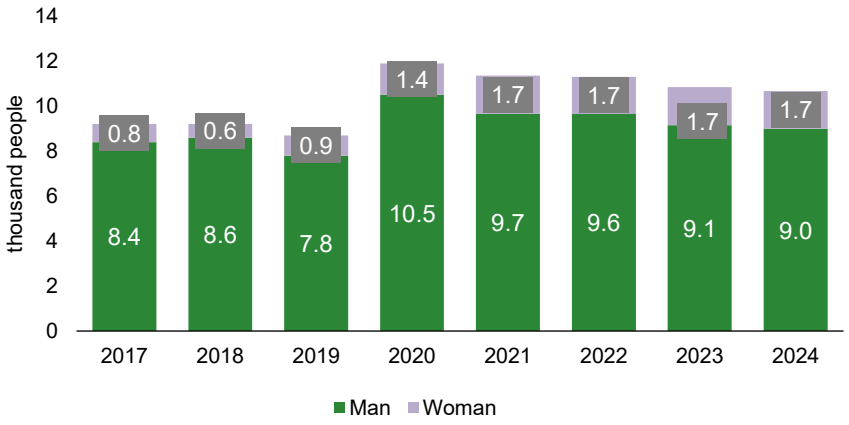
Share of the mining sector in total employment compared to the 10 largest sectors of the Armenian economy as of 2023 and 2024



Source: Relevant yearbooks published by the SC of the RA

Chart 6.1.8

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



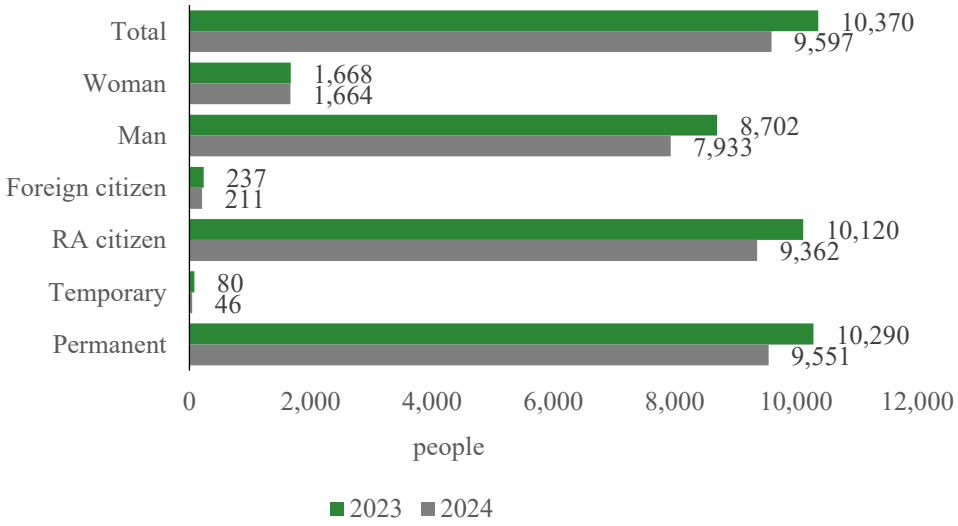
Source: Relevant yearbooks published by the SC of the RA

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:

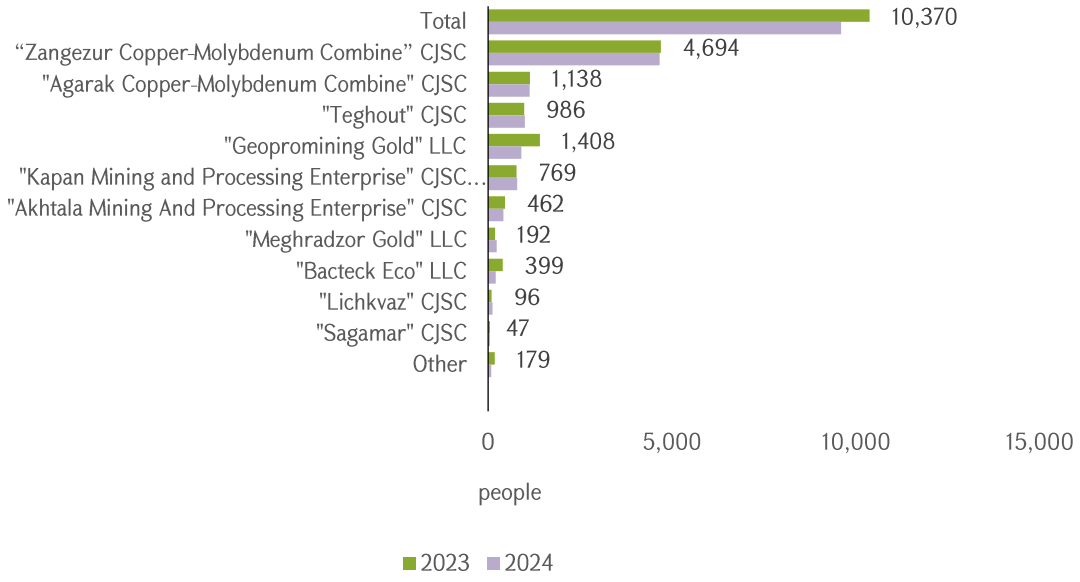
- Zangezur Copper Molybdenum Combine CJSC 4,694 (2023) and 4,667 (2024)
- GeoProMining Gold LLC 1,408 (2023) and 901 (2024)
- Agarak Copper Molybdenum Combine CJSC 1,138 (2023) and 1,129 (2024)
- Teghut CJSC 986 (2023) and 1,001 (2024)
- Kapan Mining And Processing Combine CJSC 769 (2023) and 792 (2024)
- 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

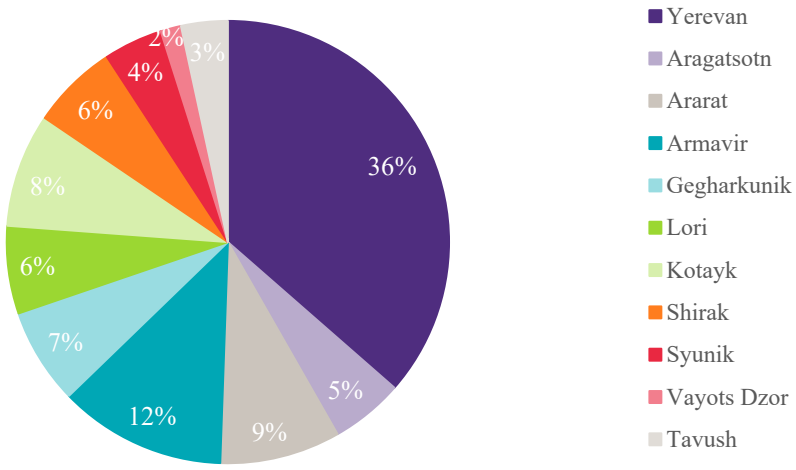
Employment in leading mining companies in 2023 and 2024



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



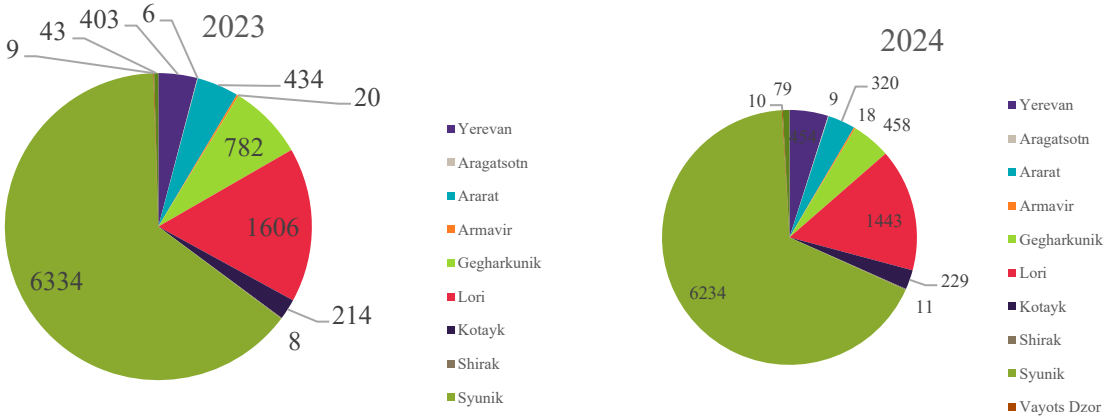
Source: RA SC 2022 publication "Regions of the Republic of Armenia and the City of Yerevan in Numbers"

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

[73] EITI 2020–2021 Report, page 114 - chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/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
“Lichkvaz” CJSC	PV-293, 22 November 2012	Not available	Not modified	-
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	PV-183, 27 November 2012	Not available	Not modified	-
“Marjan Subsoil user” 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	-

Company name	Subsoil use agreement number, year	Contractual obligation related to socio-economic development	Changes 2023-2024	Description
"Assat" LLC	PV-366, 06 June 2013	Available	Not modified	-
"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	According to the contract, Geghamasar is planned, 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

Company name	Subsoil use agreement number, year	Contractual obligation related to socio-economic development	Changes 2023-2024	Description
				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 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, Zangezur 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

[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
“Agarak Copper-Molybdenum Combine” CJSC	41,486	39,640	35,971	1,750
“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

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
“Gharagulyanner” CJSC	-	1,250	-	-
“Meghradzor Gold” LLC	-	4,950	-	-
“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 Subsoil user” LLC	-	-	-	-
“Active Lernagorts” LLC	-	-	-	-
“Georaid” CJSC	-	-	-	-

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
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	-	-

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
“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	-
""“Kapan Mining And Processing Combine” CJSC				
(Formerly “Chaarat Kapan” CJSC)"	40,000	-	35,366	129,637
“Gharagulyanner” 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	-	-

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
"Paramount Gold Mining" CJSC	-	-	-	-
"Ler-Ex" LLC	-	-	-	-
"Fortune Resources" LLC	-	-	-	-
"Mego-Gold" LLC	-	-	-	-
"Vaykgold" LLC	-	-	-	-
"Marjan Subsoil user" LLC	-	-	-	-
"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 June 06, 2013	800	200	1,000
“At-Metals” LLC	P-514 January 16, 2015	8,100	-	3,000
“Baktek Eco” LLC	P-515 August 22, 2014	650	-	650
“Geghi Gold” LLC	P-544 July 22, 2016	650	-	650
“Geopromining Gold” LLC	PV-189 October 20, 2012	4,000	6,200	25,000
“Georaid” CJSC	P-707 March 31, 2023	2,000	-	-
“Teghut” CJSC	PV-376 20 February 2013	155,500	-	240,000
“Lydian Armenia” CJSC	PV-245 September 26, 2012	61,500	-	-
“Gharagulyanner” CJSC	P-547 October 25, 2016	1,000	250	1,250
“Meghradzor Gold” LLC	PV-057 August 22, 2012	13,700	7,000	4,950
“Sagamar” CJSC	PV-093 October 20, 2012	1,000	5,000	2,533
"Vaykgold" LLC	P-371 November 30, 2012	3,000	-	-
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 05 April 2013	40,640	-	38,640
“Assat” LLC	P-366 06 June 2013	800	200	1,000

Company name	Subsoil use agreement number, year	Defined by mining contract		Actually done
		Annual	Other term	
“At-Metals” LLC	p-514 January 16, 2015	8,100	-	4,000
“Baktek Eco” LLC	p-515 August 22, 2014	650	-	650
“Geghi Gold” LLC	P-544 July 22, 2016	650	-	650
“Geopromining Gold” LLC	PV-189 October 20, 2012	4,000	6,200	50,000
“Georaid” CJSC	P-707 February 20, 2013	2,000	-	-
“Teghut” CJSC	PV-376 February 20, 2013	155,500	-	155,000
“Lydian Armenia” CJSC	PV-245 September 26, 2012	61,500	-	-
“Gharagulyanner” CJSC	P-547 October 25, 2016	1,000	250	1,250
“Meghradzor Gold” LLC	PV-057 August 22, 2012	13,700	7,000	6,750
“Sagamar” CJSC	PV-093 October 20, 2012	1,000	5,000	2,533
"Vaykgold" LLC	P-371 November 30, 2012	3,000	-	-
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.

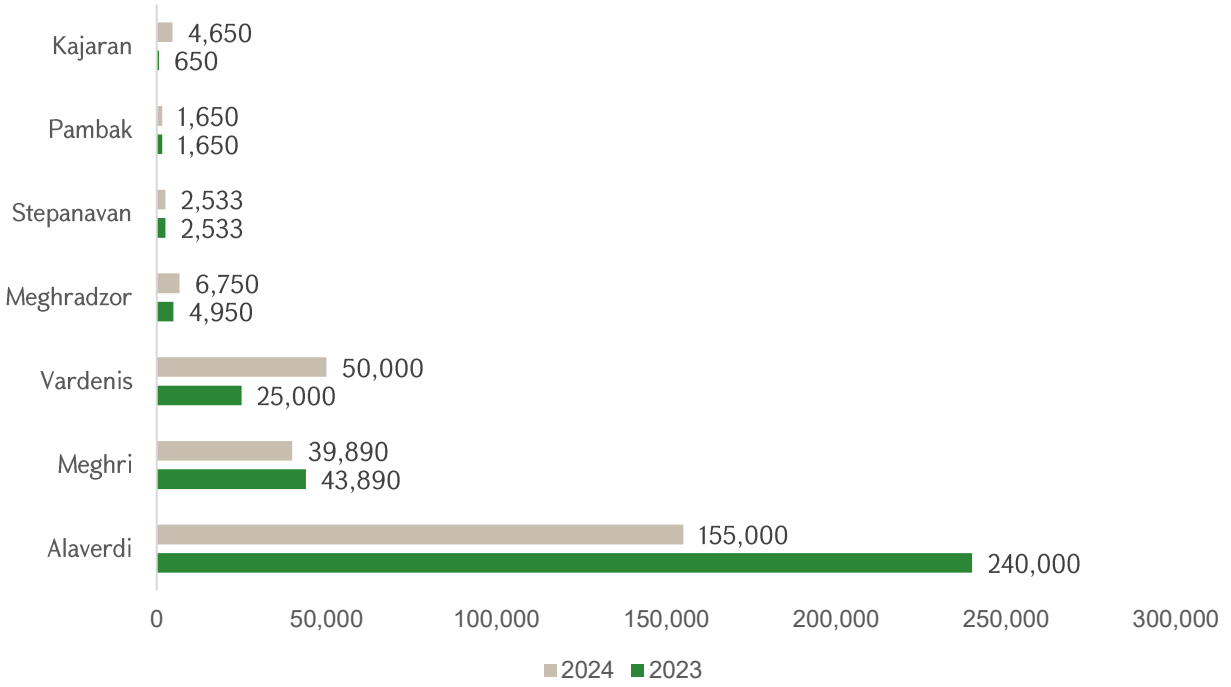
At the same time, 7 companies in 2023 and 8 companies in 2024 either did not fulfill or only partially fulfilled their obligations under subsoil use contracts.

In terms of the distribution of mandatory payments, the leading position was held by the Alaverdi community of Syunik 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 [75]

[75] Reports provided by companies to EITI



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

Company	Community	Goal	Donation amount, thousand AMD
“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
“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

Company	Community	Goal	Donation amount, thousand AMD
“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
“Zangezur Copper-Molybdenum Combine” CJSC	Kajaran	Providing firewood to Artsakh residents	18,400
“Zangezur Copper-Molybdenum Combine” CJSC	Kajaran	Providing street lighting	1,798
“Zangezur Copper-Molybdenum Combine” CJSC	Kajaran	Festive decoration of the city	76,879
“Zangezur Copper-Molybdenum Combine” CJSC	Kajaran	Assistance with technical equipment and products	5,047
“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

Company	Community	Goal	Donation amount, thousand AMD
“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**

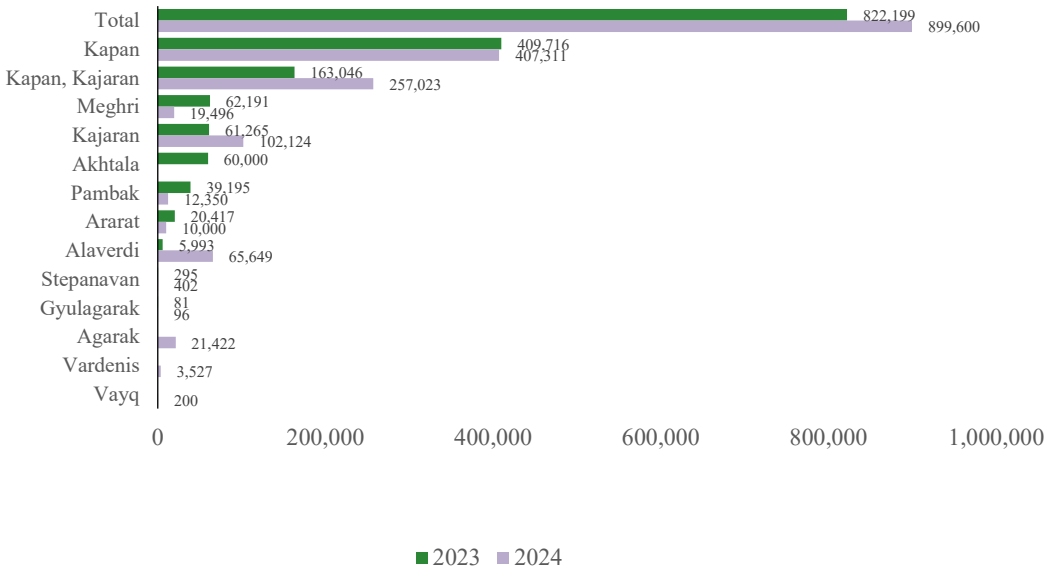
Source: Information provided by subsoil-using companies for the EITI report, adjusted as a result of the reconciliation

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 [76]



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

[76] Reports provided by companies to EITI

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 asphalting 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.

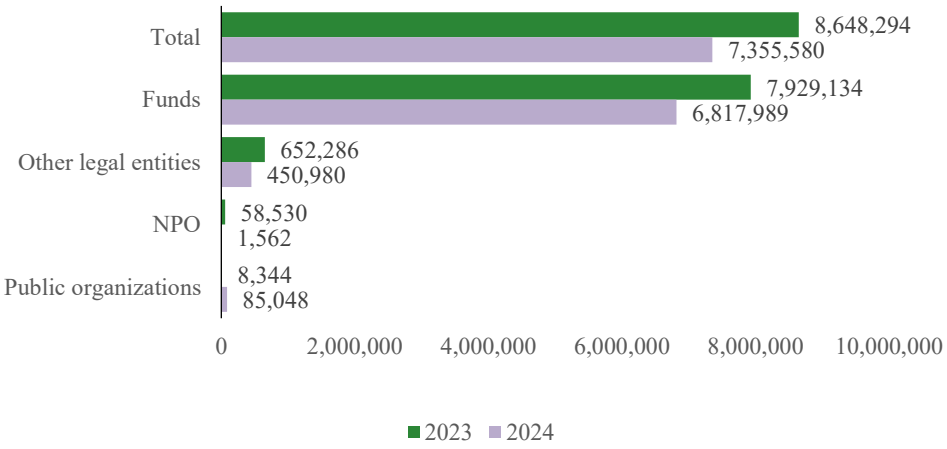
Overall, the programs implemented by subsoil-using companies in 2023–2024 had a comprehensive impact on the socio-economic development of communities, contributing to improvements in education, healthcare, infrastructure, as well as providing practical support in social and cultural life. :

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 [77]



Source: Information provided by mining companies for the EITI report

Donations Made to Foundations

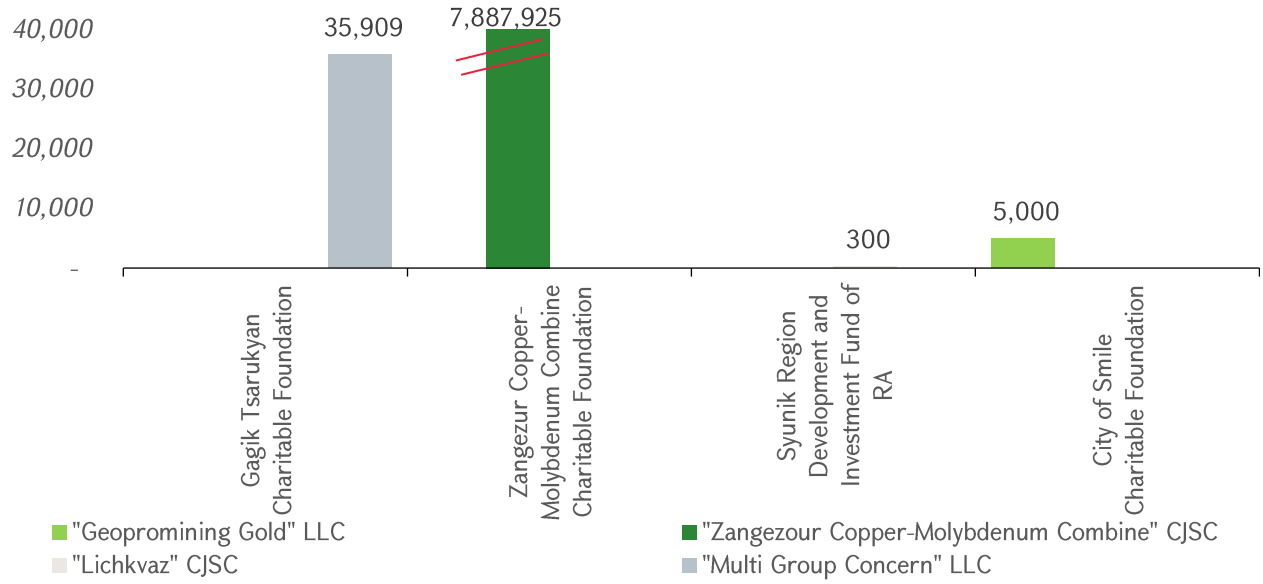
In 2023, the total amount of donations made by subsoil user companies to foundations amounted to AMD 7.929 billion (around 92% of total donations), while in 2024 it was AMD 6.817 billion. In 2023, 4 subsoil user companies made donations to foundations, and in 2024 — 5. The chart below presents the donations of subsoil user companies to foundations.

Chart 6.2.3.2

Donations made to foundations by mineral-using companies in 2023, thousand AMD [78]

[77] Reports provided by companies to EITI

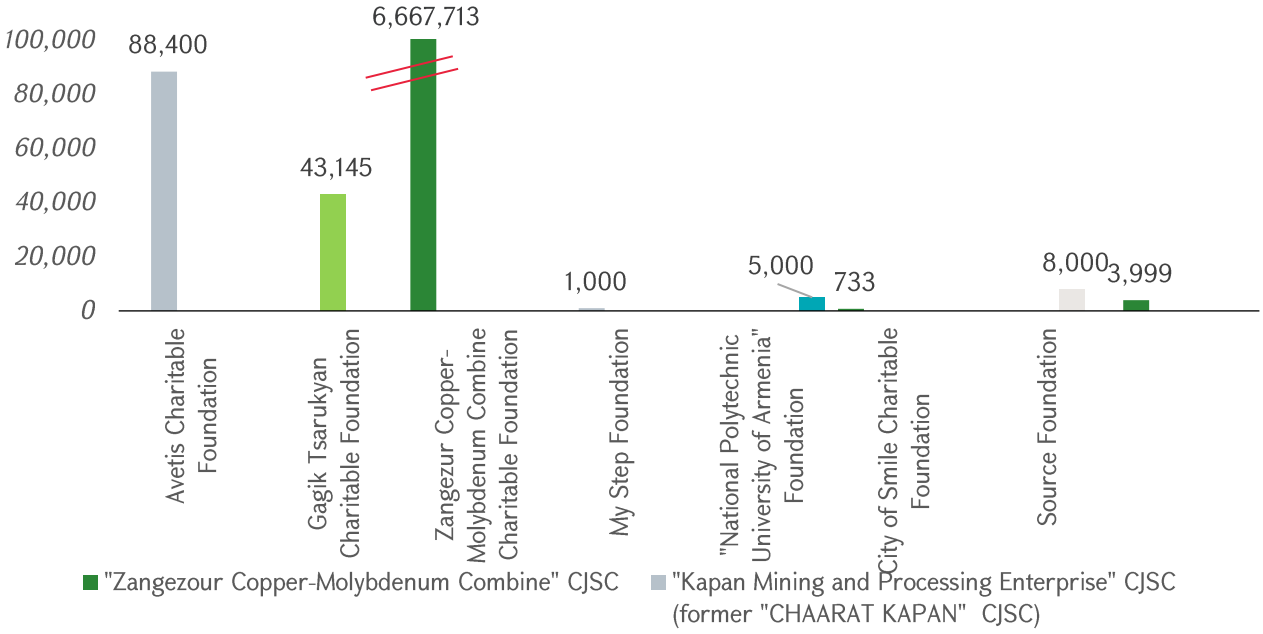
[78] Reports provided by companies to EITI



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 [79]



Source: Information provided by mining companies for the EITI report

[79] Reports provided by companies to EITI

Table 6.2.3.1

Donations, donations or other gratuitous alienations made by subsoil-using companies to foundations in 2023-2024[80], thousand AMD

Company	Fund	Donation amount according to the report submitted by the Subsoil user	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

[80] Reports provided by companies to EITI

Company	Fund	Donation amount according to the report submitted by the Subsoil user	Donation amount according to the report submitted by the Fund	Link to the report submitted by the Fund	Comments on the audit
"Zangezur Copper-Molybdenum Combine" CJSC	Zangezur Copper and Molybdenum Plant Charitable Fund	6,667,713	Not reflected	Not available	Not available
	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 Subsoil user	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**			

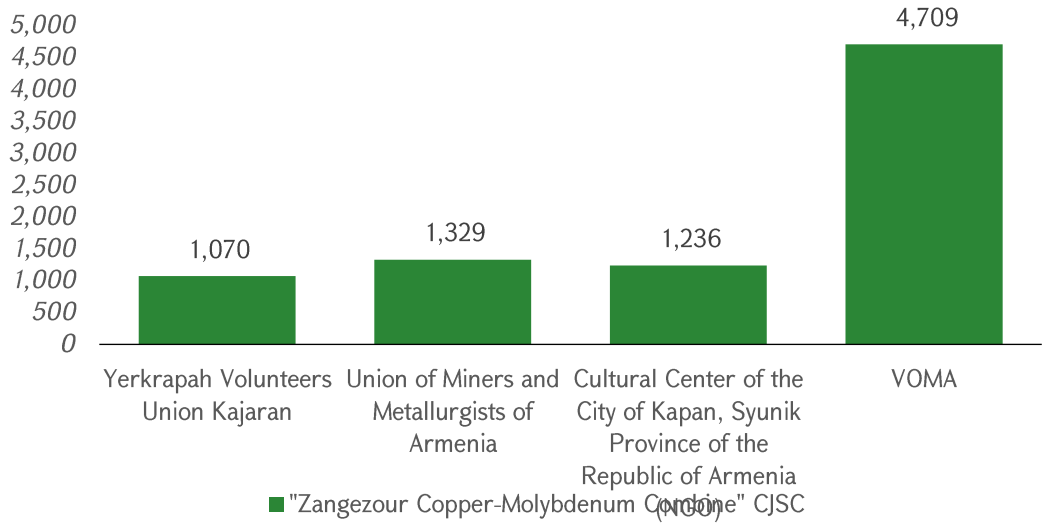
Source: Reports provided by companies to EITI

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 [81]



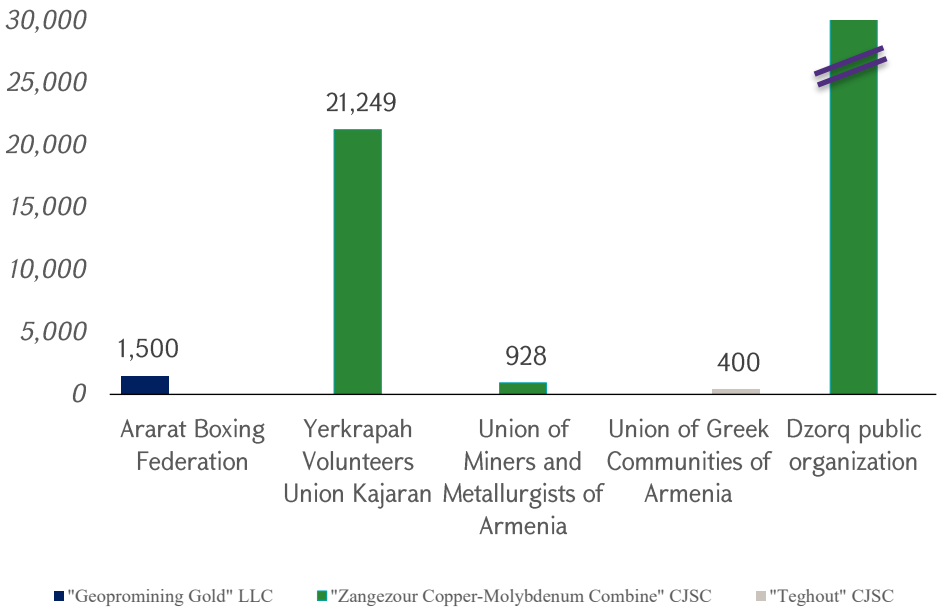
Source: Information provided by mining companies for the EITI report

Chart 6.2.3.4

Financial and non-financial donations made by mineral exploitation companies to public organizations in 2024, thousand AMD [82]

[81] The chart only considers those non-governmental organizations whose financial and non-financial donations exceed 1 million AMD.

[82] 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 [83]

Company	NGO	Socio-economic contribution, according to a report submitted by the Subsoil user	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						

[83] Reports provided by companies to EITI

Company	NGO	Socio-economic contribution, according to a report submitted by the Subsoil user	Socio-economic contribution, according to the report submitted by the NGO	Difference	Link to the report submitted by the NGO	Comments on the audit
”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

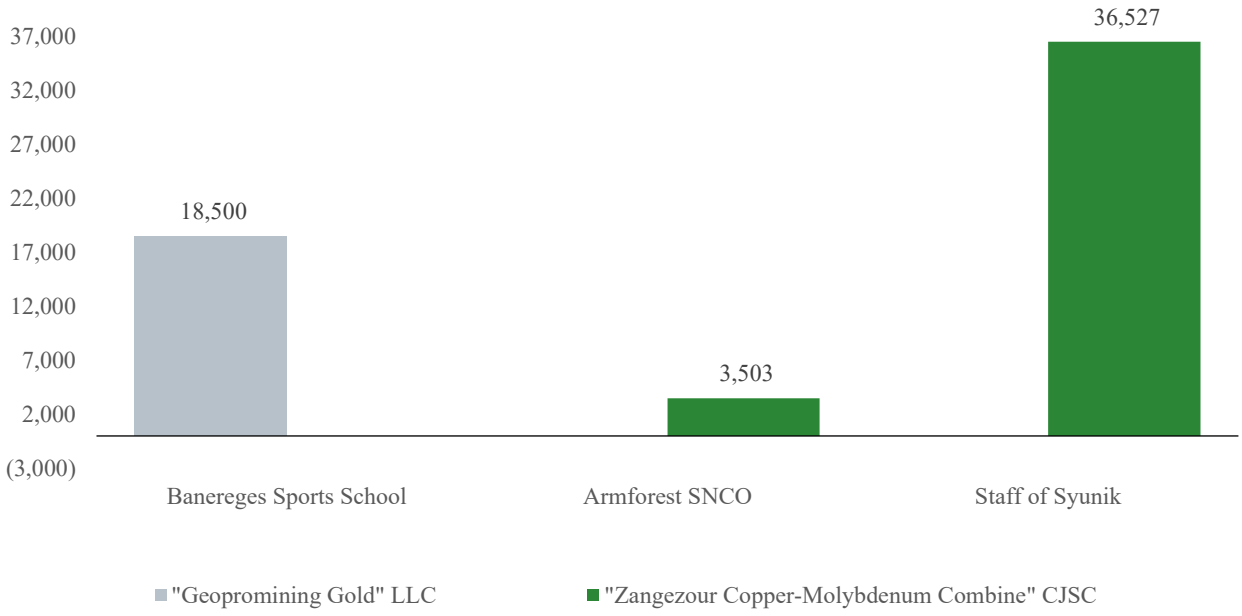
Donations Made to State and Community Non-Commercial Organizations

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 [84]

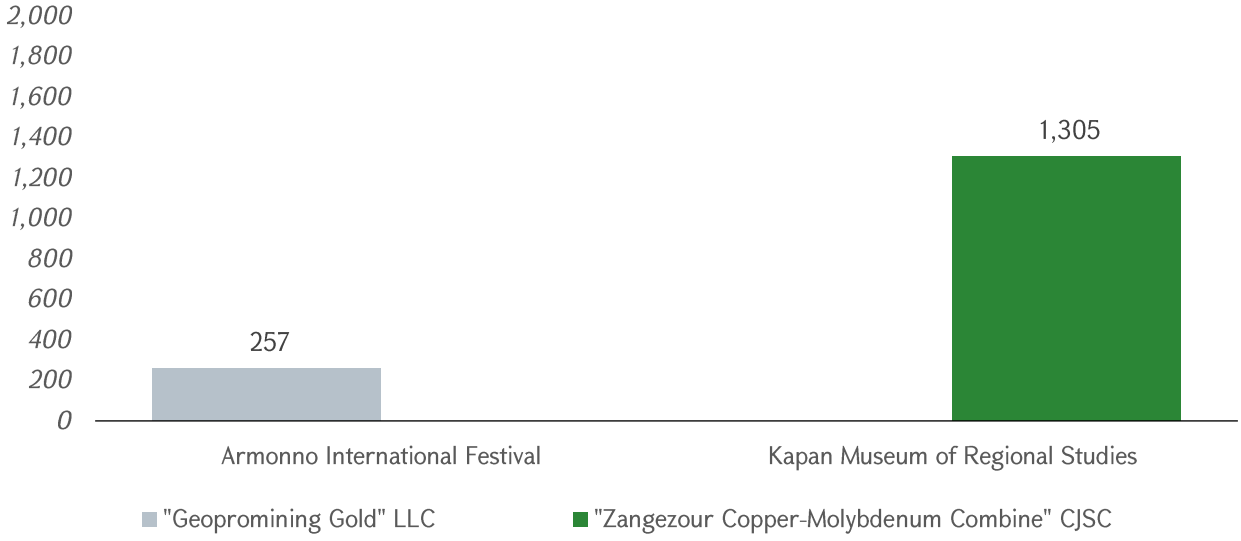
[84] Reports provided by companies to EITI



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 [85]



Source: Information provided by mining companies for the EITI report

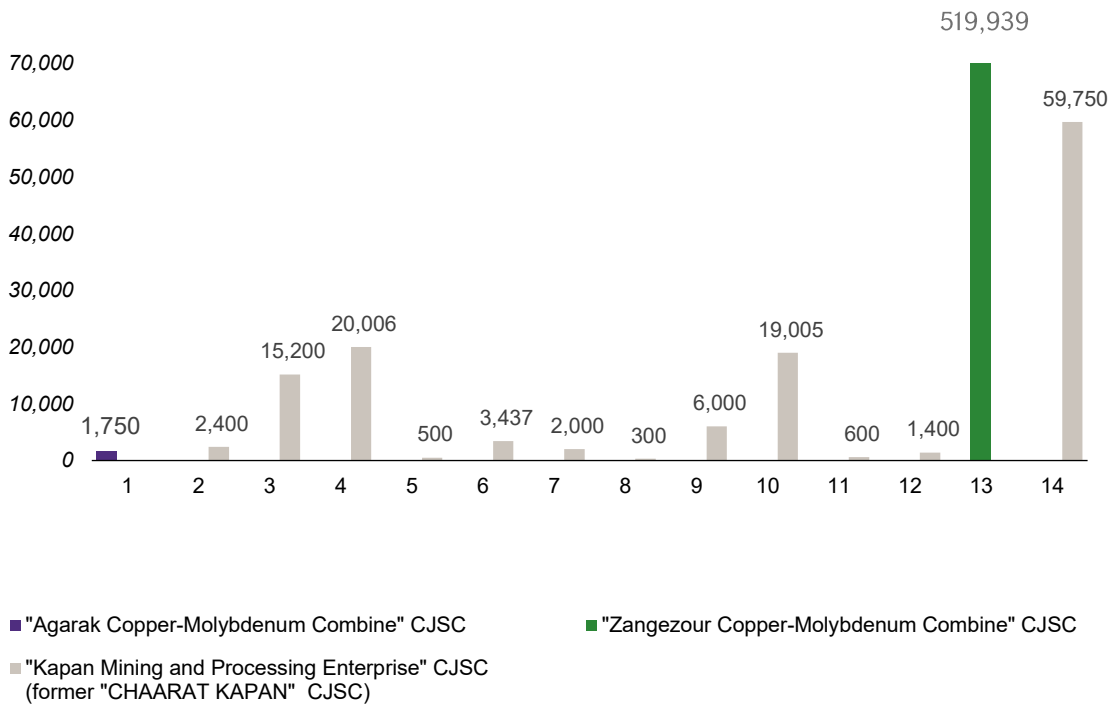
Donations Made to Other Organizations

[85] Reports provided by companies to EITI

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 AMD [86]



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

7 Kapan Medical Center

[86] Reports provided by companies to EITI

8 Haldi Consult LLC

9 Hrant Kalashyan, Sole Proprietor

10 Mher Sargsyan, Sole Proprietor

11 Shin-Comfort LLC

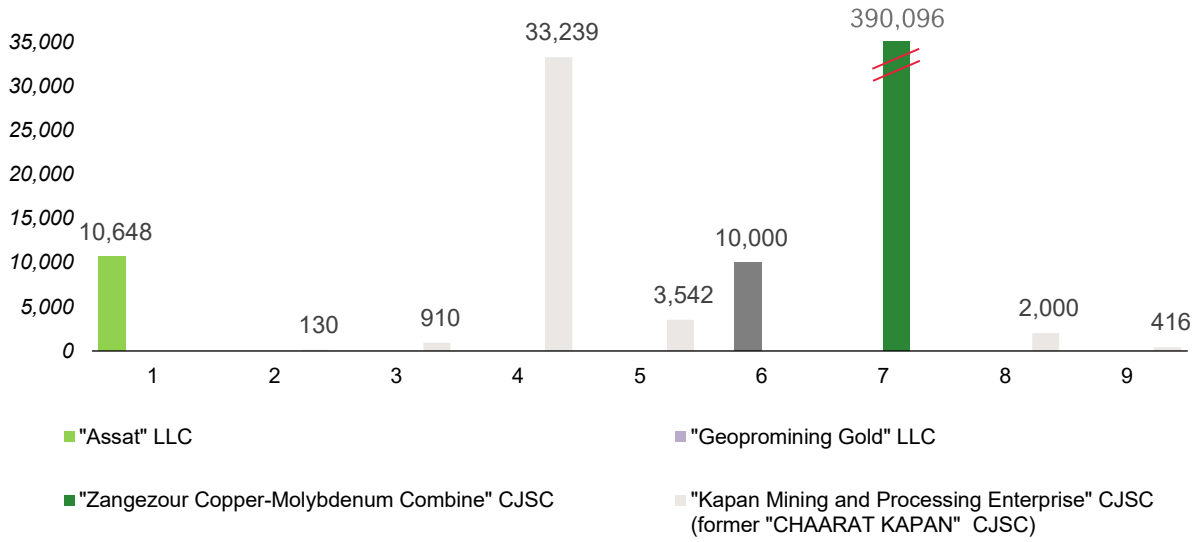
12 Quality Work LLC

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 AMD [87]



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

6 Jannaproject Institute LLC

[87] Reports provided by companies to EITI

7 Defense Sector

8 Syunyats Ashkharh LLC

9 Vazgen Poghosyan, SE

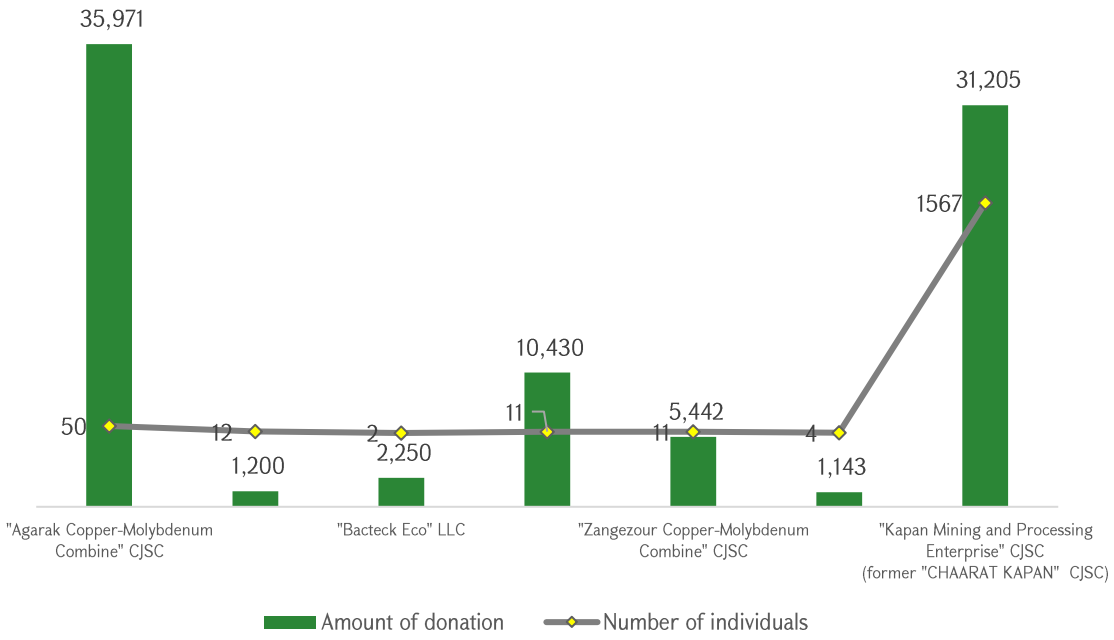
Donations Made to Individuals

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 AMD [88]



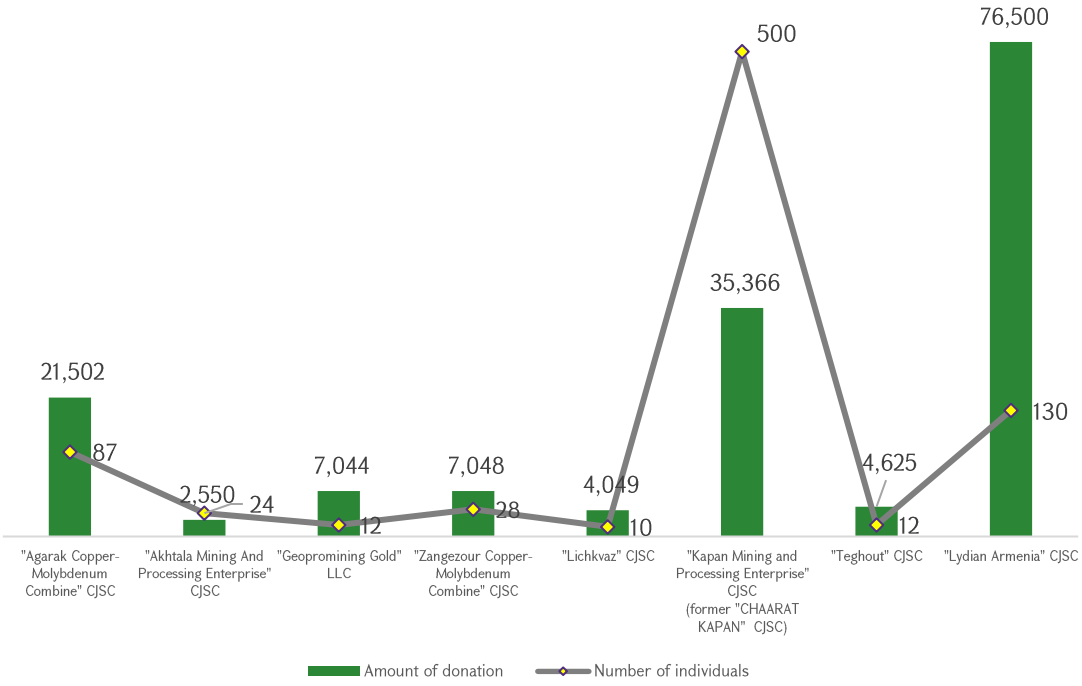
Source: Information provided by mining companies for the EITI report

Chart 6.2.3.9

Donations made by mineral exploitation companies to individuals in 2024 and their number, thousand AMD [89]

[88] Reports provided by companies to EITI

[89] Reports provided by companies to EITI



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,[90] allocations to affected communities from royalties paid by subsoil user companies have come into effect.

In the state budget expenditures, the allocation to communities is made at a rate of 2% of the royalties paid by each company during the reporting year. Each royalty payer's community allocation is distributed within the two-tier system of community budgets:

- 50% of the community allocation is evenly distributed among the affected settlements of the community,
- The remaining 50% is evenly distributed among all communities of the Republic of Armenia.

When determining the allocation amounts, the basis is the actual royalty payments of the third year preceding the upcoming budget year.

The draft program for spending community allocations and any changes to the program are 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 development programs of affected settlements. The directions and priorities of the measures envisaged by the program are defined by the Government of the Republic of Armenia.

Below is the calculation of allocations to communities for 2023–2024.

Table 6.2.4.1

Calculation of contributions to communities from royalties paid by subsoil use companies for 2023, thousand AMD

[90] https://www.arlis.am/hy/acts/160940

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (State Revenue Committee data)	Amount of total royalty to be distributed equally to affected residence	Amount of royalty to be distributed equally to communities including affected residence	Amount of royalty distributed to affected residence	Amount of royalty distributed to the community including affected settlements
Syunik region								
1	"Zangezur Copper-Molybdenum Combine" CJSC	Kajaran	Kajaran	25,151,219	251,512	251,512	16,767	39,156
		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				16,767	39,156
		Artsvanik					16,767	
		Syunik					16,767	
		Achanan					16,767	
		Sevakar					16,767	
		Chapni					16,767	
2		Agarak	Meghri	1,467,409	14,674	14,674	2,935	78,979

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (State Revenue Committee data)	Amount of total royalty to be distributed equally to affected residence	Amount of royalty to be distributed equally to communities including affected residence	Amount of royalty distributed to affected residence	Amount of royalty distributed to the community including affected settlements
	"Agarak Copper-Molybdenum Combine" CJSC	Neghri					2,935	
		Karchevan					2,935	
		Kuris					2,935	
		Gudemnis					2,935	
3	"Kapan Mining And Processing Combine" CJSC	Geghanush	Kapan	3,529,924	35,299	35,299	8,825	76,032
		Kapan					8,825	
		Syunik					8,825	
		Achanan					8,825	
Lori region								
1	"Teghut" CJSC	Shnogh	Alaverdi	9,429,116	94,291	94,291	47,146	67,605
		Teghut					47,146	
2	"Akhtala Mining And Processing Combine" CJSC	Shamlugh	Alaverdi	364,444	3,644	3,644	1,822	80,554
		Chochkan					1,822	
Gegharkunik region								
1	"Geopromining Gold" LLC	Sotk	Vardenis	12,141,397	121,414	121,414	30,353	63,730
		Kutakan					30,353	
		Kakhakn					30,353	
		Tretuq					30,353	
Kotayk region								
1	"Meghradzor Gold" LLC	Meghradzor	Tsaghkadzor	477,169	4,772	4,772	1,193	80,393

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (State Revenue Committee data)	Amount of total royalty to be distributed equally to affected residence	Amount of royalty to be distributed equally to communities including affected residence	Amount of royalty distributed to affected residence	Amount of royalty distributed to the community including affected settlements
		Artavaz					1,193	
		Marmarik					1,193	
		Aghavnadzor					1,193	
Total				**52,560,677**	**525,607**	**525,607**	**525,607**	**525,607**

Source: Information provided by the MTAI as part of the EITI report

In 2023, royalties paid to the state budget in 2021 were distributed, and the implementation of programs in communities was carried out in 2024. The total amount of allocations was AMD 525.6 million, which was distributed among 34 settlements in 6 communities. The largest share of allocations went to the Kajaran community — AMD 150.9 million or 28.7% of the total allocations. Each of the 9 settlements of the Kajaran community received AMD 16.8 million.

Table 6.2.4.2

Calculation of allocations to communities from royalties paid by subsoil-using companies for the year 2024, thousand AMD

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (State Revenue Committee data)	Amount of total royalty to be distributed equally to affected residence	Amount of royalty to be distributed equally to communities including affected residence	Amount of royalty distributed to affected residence	Amount of royalty distributed to the community including affected settlements
Syunik region								
1	"Zangezur Copper-Molybdenum Combine" CJSC	Kajaran	Kajaran	61,008,963	610,090	610,090	35,888	25,907
		Kajarants					35,888	
		Lernadzor					35,888	
		Nerkin Giratag					35,888	
		Kavchut					35,888	

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (State Revenue Committee data)	Amount of total royalty to be distributed equally to affected residence	Amount of royalty to be distributed equally to communities including affected residence	Amount of royalty distributed to affected residence	Amount of royalty distributed to the community including affected settlements
		Andokavan					35,888	
		Katnarat					35,888	
		Kapan	Kapan				35,888	25,907
		Artsvanik					35,888	
		Syunik					35,888	
		Achanan					35,888	
		Sevakar					35,888	
		Chapni					35,888	
		Yrkenants					35,888	
		Arajadzor					35,888	
		Norashenik					35,888	
		Dzorastan					35,888	
2	"Kapan Mining And Processing Combine" CJSC	Geghanush	Kapan	2,824,095	28,241	28,241	7,060	109,532
		Kapan					7,060	
		Syunik					7,060	
		Achanan					7,060	
3	"Agarak Copper-Molybdenum Combine" CJSC	Agarak	Meghri	9,807,413	98,074	98,074	19,615	100,803
		Meghri					19,615	
		Karchevan					19,615	
		Kuris					19,615	
		Gudemnis					19,615	
4	"Lichkvaz" CJSC	Lehvaz	Meghri	2,292,655	22,927	22,927	11,463	110,196

N	Name of the subsoil user organization	Name of affected residence	Community including affected residence	Paid royalties: AMD (State Revenue Committee data)	Amount of total royalty to be distributed equally to affected residence	Amount of royalty to be distributed equally to communities including affected residence	Amount of royalty distributed to affected residence	Amount of royalty distributed to the community including affected settlements
		Tkhkut					11,463	
Lori region								
1	“Teghut” CJSC	Shnogh	Alaverdi	7,937,481	79,375	79,375	39,687	103,140
		Teghut					39,687	
2	“Akhtala Mining And Processing Combine” CJSC	Shamlugh	Alaverdi	1,110,893	11,109	11,109	5,554	111,674
		Joghkan					5,554	
Gegharkunik region								
1	“Geopromining Gold” LLC	Sotk	Vardenis	-3,235,989	-32,360	-32,360	-8,090	117,107
		Kut					-8,090	
		Azat					-8,090	
		Tretuk					-8,090	
Kotayk region								
1	“Meghradzor Gold” LLC	Meghradzor	Tsaghkadzor	-11,298	-113	-113	-28	113,076
		Artavaz					-28	
		Marmarik					-28	
		Aghavnadzor					-28	
Total				**81,734,213**	**817,342**	**817,342**	**817,342**	**817,342**

Source: Information provided by the MTAI as part of the EITI report

In 2024, royalties paid to the state budget in 2022 were distributed, and the implementation of programs in communities was carried out in 2024. The total amount of allocations was AMD 817.3 million, which was distributed among 37 settlements in 6 communities. The largest share of allocations went to the Kapan community — AMD 387 million or 47.4% of the total allocations. Of the 11 settlements in the Kapan community, 10 received AMD 35.9 million each, and 1 settlement received AMD 7 million.

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, 2022[91], 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 2023-2024

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	Not published	-	https://meghri.am/Pages/DocFlow/Def.aspx?nt=1&dt=Projects
4	Alaverdi	Improving the road network and ensuring safe traffic	01/01/2024 - 31/12/2024	https://alaverdi.am/Pages/DocFlow/Def.aspx?a=v&g=43834613-d1f6-45bf-85d2-4c67f1fd1865

[91] https://www.arlis.am/hy/acts/168150

N	Community including affected settlements	Project direction	Period	Link
5	Vardenis	Not published	-	https://vardenis.am/Pages/DocFlow/Def.aspx?nt=1&dt=Projects
6	Tsaghkadzor	Not published	-	https://Tsaghkadzor-kotayk.am/Pages/DocFlow/Def.aspx?nt=1&dt=Projects

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**	**Forth 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**	**Forth quarter**	**Annual report**
“Agarak Copper-Molybdenum Combine” CJSC	Presented	Presented	Presented	Presented	Presented
“Active Lernagorts” LLC					Presented
“Lydian Armenia” CJSC					
“Meghradzor Gold” LLC					
"Baktek Eko" LLC					
“Akhtala Mining And Processing Combine” CJSC	Presented	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			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 the law, specifically Part 5 of Article 20, expert conclusions must be published on the official website of the Environmental Monitoring Center within 7 working days. Likewise, Part 4 of Article 26 requires that notifications, baseline and project documents be published at least 7 working days in advance.

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 EIAt 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 [92], 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
6	"Baktek Eco" LLC	Report on the construction and operation of the Arjut gold ore processing plant working project	06.08.2014

[92] https://armmonitoring.am/#home

N	Company name	EIA expert examination opinion	Publication date
		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 Hangasar 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 Subsoil user” LLC	Not published	-
16	"Mego-Gold" LLC	On the amended working plan for the development of the Tukhmanuk 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 "Zangezur Copper Molybdenum Combine" CJSC, whose annual reports are published and accessible to the public[93].

[93] http://www.zcmc.am/arm/sustainability/

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.[94]

EITI public reports are submitted through the EITI online reporting platform.[95] 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, 2025[96], 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.[97]

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

[94] arlis.am/DocumentView.aspx?DocID=132674

[95] https://reports.eiti.am/hy/

[96] https://www.eiti.am/hy/agenda-protocols-other-related-documents

[97] In 2023, the average annual exchange rate of one US dollar was 392.54 AMD, and in 2024 it was 392.66 AMD, according to the data published by the Central Bank 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) [98], as well as the definition of the materiality threshold applied to companies.

[98] For the purpose of determining the materiality threshold of companies, revenue flows have included data from the State Revenue Committee (SRC) and the Ministry of Environment (MoE), since, according to the decision of the Extractive Industries Transparency Initiative (EITI) MSG, only state budget revenue flows were taken into account. The revenue flows of the Ministry of Territorial Administration and Infrastructure (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	223,495	78.70%	material
2	“Agarak Copper-Molybdenum Combine” CJSC	7,128,754	6,891,840	18,161	17,645	6.20%	material
3	“Geopromining Gold” LLC	3,898,387	6,384,245	9,931	16,446	5.70%	material
4	“Teghut” CJSC	4,084,410	4,036,666	10,405	10,401	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	3,158	1.10%	material
7	“Akhtala Mining And Processing Combine” CJSC	678,343	615,839	1,728	1,597	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	1,727	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	921	0.30%	material
11	"Meghradzor Gold" LLC	216,383	194,382	551	559	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**	**284,714**	**99.79%**	
13	"Sagamar" CJSC	260,080	74,897	663	195	0.07%	immaterial
14	“Multi Group Concern” LLC	72,683	52,934	185	151	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	32	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		
18	"Paramount Gold Mining" CJSC	-	11,543	-	29	0.01%	immaterial
19	“Active Lernagorts” LLC	10,762	11,484	27	30	0.01%	immaterial
20	“Mego-Gold” LLC	1,021	11,299	3	77	0.01%	immaterial
21	“Gharagulyanner” CJSC	10,419	10,419	27	27	0.01%	immaterial
22	“Marjan Subsoil user” 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

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		
25	"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	-	288	-	1	0.0003%	immaterial
	Total companies not exceeding the materiality threshold	**393,270**	**230,366**	**1,002**	**658**	**0.21%**	
	Total revenue streams	**113,972,094**	**111,538,468**	**290,345**	**285,372**	**100.00%**	

Source: Public reports provided by the RA State Revenue Committee, the Ministry of Environment and Natural Resources and subsoil users

Table 7.1.1.2

Revenue streams by company, 2023

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	6,682,760	66,661,432	169,823	169,769	65.80%	material
2	“Kapan Mining And Processing Combine” CJSC (Formerly “Chaarat Kapan” CJSC)	3,489,146	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	1,051,221	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
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

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		
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
19	“Georaid” CJSC	380	11,170	1	28	0.01%	immaterial
20	“Paramount Gold Mining” CJSC	-	10,892	-	28	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		
21	“Gharagulyanner” CJSC	10,361	10,361	26	26	0.01%	immaterial
22	“Marjan Subsoil user” 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 users

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%.

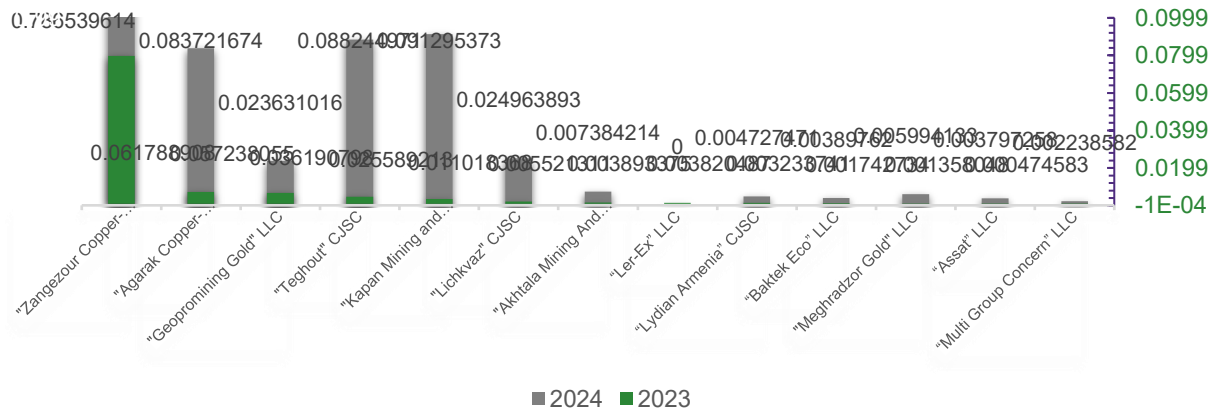
It should be noted that two of the companies subject to reconciliation—"Ler-Ex" LLC and "Lydian Armenia" CJSC—although they did not carry out ore extraction during 2023, their calculated taxes exceeded the materiality threshold. The excess in "Ler-Ex" LLC was mainly due to calculated VAT and income tax, 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.

Figure 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:[99]

1. Royalties

[99] https://www.eiti.am/hy/agenda-protocols-other-related-documents

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 decision[100] 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. Fee for environmental impact assessment and expert examination
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).

[100] Same as previous

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	1,716,683	1,964,448	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	5,190	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**	**178,047**	**61.28%**	
1112 711200	Profit tax	4,892,033	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	5,586,026	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
	Fee for environmental impact assessment and expert examination	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**	**290,562**	**100.00%**	

Source: Public reports provided by the RA State Revenue Committee, Ministry of Environment, MTAI and subsoil users

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	0,883,224	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	3,395	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**	**171,012**	**154,755**	**59.40%**	
1112 711200	Profit tax	4,688,084	24,332,340	62,874	61,968	23.78%	SRC
1111 711100	Income tax	6,022,714	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	38q9,394	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
	Fee for environmental impact assessment and expert examination	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**	**278,092**	**260,535**	**100.00%**	

Source: Public reports provided by the RA State Revenue Committee, Ministry of Environment, MTAI and subsoil users

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%.

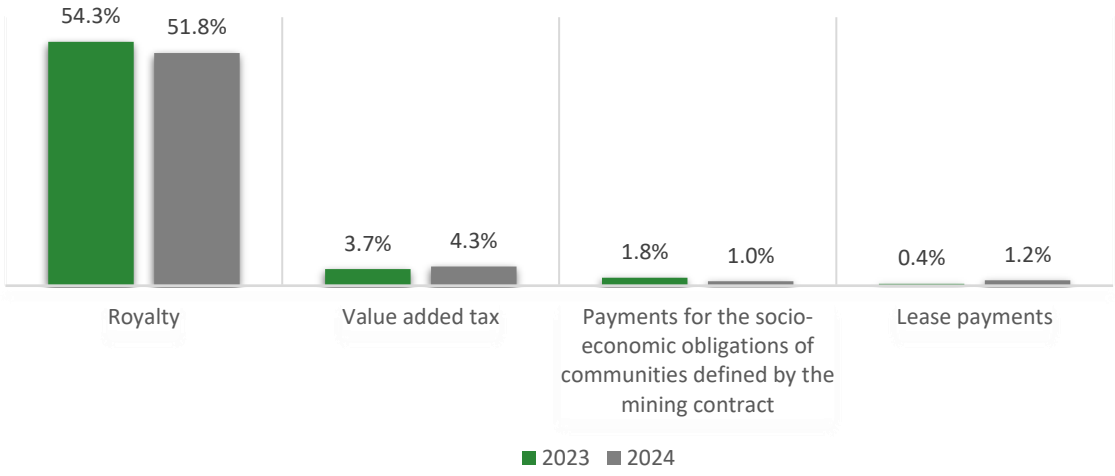
For 2023, royalties had the largest share among the reconciled revenue streams, amounting to AMD 61.9 billion or 89%, while its share in total revenue flows was 54.33%.

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 *thousand AMD*		Discrepancy amount *thousand USD*		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 *thousand AMD*		Discrepancy amount *thousand USD*		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%
Fee for environmental impact assessment and expert examination	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 *thousand AMD*		Discrepancy amount *thousand USD*		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 the companies being reconciled — by reconciled 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 %
	By companies	*By state bodies*	*By companies*	*By state bodies*	Companies	*State bodies*
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%

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 the companies being reconciled — by reconciled 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 %**
	By companies	***By state bodies***	***By companies***	***By state bodies***	***Companies***	***State bodies***
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%
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%

Budget revenue item	State and community budgets total revenue flows, thousand AMD		State and community budgets total revenue flows, thousand USD		Share %	Share %
	By companies	*By state bodies*	*By companies*	*By state bodies*	*Companies*	*State bodies*
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 State Revenue Committee (SRC), the Ministry of Environment (MoE), the Ministry of Territorial Administration and Infrastructure (MTAI), and subsoil user organizations.

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 decision[101], obligations related to the socio-economic development of communities as defined by mining contracts were reconciled without applying the materiality threshold.

[101] 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 22, 2012[102]. 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 system[103].

This mechanism is based on the MSG protocol dated December 6, 2017[104], 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, 2018[105]. 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.

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[102] https://www.arlis.am/DocumentView.aspx?docid=194567

[103] EITI Reports

[104] MSG_meeting_minute_12_06_ 2017.pdf (eiti.am)

[105] 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, 2025 106 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.

[106] 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%**

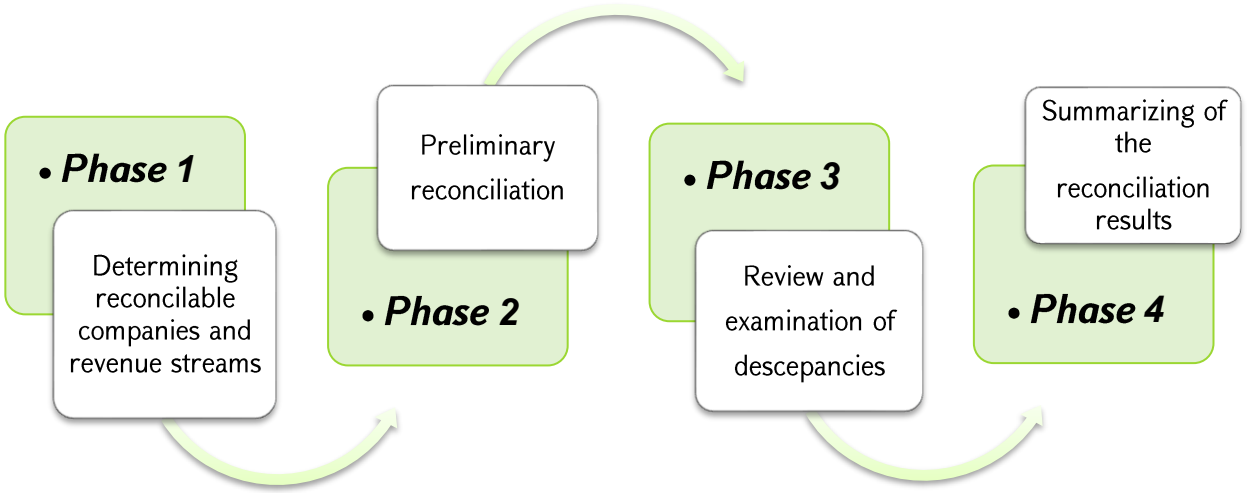
Source: Publicly accessible websites

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 decision [107], 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

[107] https://www.arlis.am/DocumentView.aspx?docID=132674

the smaller amount. The reconciliation of socio-economic obligations was carried out without applying a materiality threshold.

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 recocilable 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%

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		
Value added tax	10,883,051	4,386,007	6,497,044	59.70%
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 recocilable 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%	Ոչ

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)

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 AMD	**(4,083,889)**	**(661,606)**	**(7,014,920)**	**(442,611)**
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 A**MD 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).

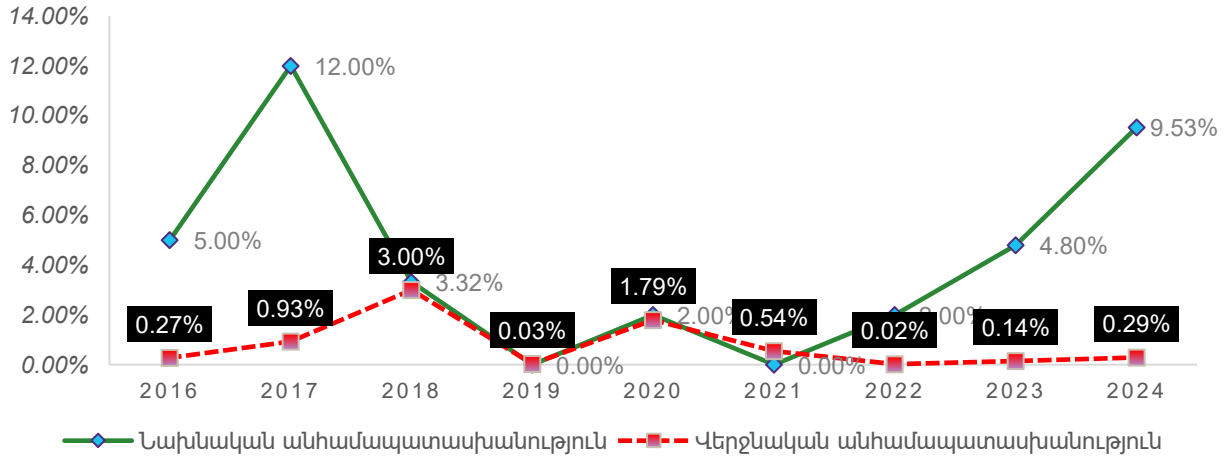
Socio-economic development obligations

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 data[108]

[108] https://www.eiti.am/hy/search/?q=%D5%A6%D5%A5%D5%AF%D5%B8%D6%82%D5%B5%D6%81&module=annual_reports

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%.

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

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
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.[109]

Recommendations for addressing issues related to the online data collection system

[109] https://www.eiti.am/hy/2022/

No.	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

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.

No.	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.
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.

No.	Topic	Observation	Recommendation
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 report[110]. 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. [111]:

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.

[110] https://www.eiti.am/hy/2021/

[111] 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 program[112] 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" [113] and "Armenpress" [114] 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.

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.

[112] EITI Work Plan - Eiti.am

[113] https://hetq.am/hy/article/172318

[114] https://armenpress.am/hy/article/1207828

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.

Appendices

ANNEX 1. Information on the implimentation 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	No			According to Article 26 of the RA Law on Accounting, the company is subject to audit for the year 2022 but has not carried it out.
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://efaidnbmnnnibpcajpcglclefindmkaj/https://gorcntac.am/public/files/d6b47d6eb562ac9b2c99abcd39ef95c4.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	2023	
7	"Teghut" CJSC	Yes	chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/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/announcments/org/115/01519609/	2023	The company stated in its public report that it had not undergone an external audit, but in fact it had.
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 Subsoil user” 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	"Vaykgold" 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			

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 043444444	meghradzorgold@gmail.com
EITI National and	Hasmik Manukyan	EITI Secretariat	Manager, National Coordinator	`+374 94 560 260	hasmik.manukyan@gov.am

Institution	First name, last name	Organization or state body	Position	Phone number	Email
International Secretariat	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 eiti@gov.am
	Asatur Vardanyan	Ministry of Territorial Administration and Infrastructure	Deputy Minister	15.04.2025	asatur.vardanyan@gov.am
	Aram Meimaryan	Ministry of Environment	Deputy Minister	15.04.2025	a.meymaryan@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 *(alternative member)*	Ministry of Finance	Deputy Minister	16.07.2018	arman.poghosyan@minfin.am
Companies	Vardan Jhanyan	"ZPMK" CJSC *(Zangezur Copper and Molybdenum Combine CJSC)*	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.ae

The fraction	First name, last name	The organization	Position	Since when	Email
	Aram Osikyan *(alternative member)*	"Lydian Armenia" CJSC	General Director	20.06.2018 (Re-elected 30.09.2024)	assatllc1@gmail.com
	Arthur Pepanyan *(alternative member)*	"Lichkvaz" CJSC	Head of Environmental Department	30.09.2024	artur.pepanyan@lydianinternational.co.uk
	Marine Darbinyan *(alternative member)*	"Ecolur" Information NGO	Chief Accountant	30.09.2024	m.darbinyan@lichkvaz.am
	Nerses Karamanukyan *(alternative member)*	"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

The fraction	First name, last name	The organization	Position	Since when	Email
	Sona Ayvazyan *(alternative member)*	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) (thousand AMD)

Data provided by companies for 2023

2001 code	1111 711100	1112 711200	1131 713121 / 1136 713611
Company	**Income tax**	**Profit tax**	**Vehicle property tax**
"Active Lernagorts" LLC			
"Agarak Copper-Molybdenum Combine" CJSC	1,477,419	1,667,181	1,682
"Akhtala Mining And Processing Combine" CJSC	349,169	4,783	1,111
"Assat" LLC	22,357	3,590	
"At-Metals" LLC			
"Baktek Eco" LLC	64,674		
"Fortune Resources" LLC	3,022	371	
"Geghi Gold" LLC	3,182		
"Geopromining Gold" LLC	1,862,927	69,208	3,205
"Georaid" CJSC	614		
"Gharagulyanner" CJSC	70		
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	1,031,424	362,906	2,292
"Ler-Ex" LLC	205,054		392

"Lichkvaz" CJSC	156,609	259,410	3,605
"Lydian Armenia" CJSC	85,072	192,479	373
"Meghradzor Gold" LLC	105,695		759
"Mego-Gold" LLC	864		122
"Multi Group Concern" LLC	38,002		15,099
"Sagamar" CJSC	106,746		2,387
"Teghut" CJSC	1,077,726	17,604	2,631
"Zangezur Copper-Molybdenum Combine" CJSC	8,992,403	22,314,502	13,145
"Vaykgold" LLC	3,004		
Total	15,586,034	24,892,033	46,802

2001 code	**1131 713122**	**1141 714110**	**1142 714200**
Company	**Real estate tax**	**Value added tax**	**Excise tax**
"Active Lernagorts" LLC			
"Agarak Copper-Molybdenum Combine" CJSC	1,424	544,187	
"Akhtala Mining And Processing Combine" CJSC	163	12,648	
"Assat" LLC		111,019	
"At-Metals" LLC			
"Baktek Eco" LLC		3,089	
"Fortune Resources" LLC		420	
"Geghi Gold" LLC			
"Geopromining Gold" LLC	14,188	504,380	20,447
"Georaid" CJSC	-		
"Gharagulyanner" CJSC			
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	2,415	92,874	3,076
"Ler-Ex" LLC	65	228,073	
"Lichkvaz" CJSC	8	63	

"Lydian Armenia" CJSC	1,059	4	
"Meghradzor Gold" LLC		2,270	
"Mego-Gold" LLC	35		
"Multi Group Concern" LLC	1,294	2,375	
"Sagamar" CJSC	1,411		
"Teghut" CJSC	1,673	361,506	
"Zangezur Copper-Molybdenum Combine" CJSC	10,569	2,395,095	169,858
"Vaykgold" LLC			
Total	34,303	4,258,002	193,381

2001 code	1145 714522		1145 714523
Company	**State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals**	**State fee for the issuance of a water use permit**	**Environmental taxes**
"Active Lernagorts" LLC	10,000		
"Agarak Copper-Molybdenum Combine" CJSC	10,000		66,170
"Akhtala Mining And Processing Combine" CJSC	10,000		4,162
"Assat" LLC	10,000		515
"At-Metals" LLC			
"Baktek Eco" LLC	10,000	220	2,267
"Fortune Resources" LLC			
"Geghi Gold" LLC	10,000		
"Geopromining Gold" LLC	10,000		26,978
"Georaid" CJSC	10,000		
"Gharagulyanner" CJSC	10,000		
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	10,000	75	7,508
"Ler-Ex" LLC	10,000		22
"Lichkvaz" CJSC	10,000		161

"Lydian Armenia" CJSC	10,000		
"Meghradzor Gold" LLC	10,000		659
"Mego-Gold" LLC			
"Multi Group Concern" LLC	10,000		57
"Sagamar" CJSC	20,000		1,808
"Teghut" CJSC	10,000	10	51,327
"Zangezur Copper-Molybdenum Combine" CJSC	10,000	10	280,770
"Vaykgold" LLC			
Total	190,000	315	442,402

2001 code	**1146 714612**		**1151 715100, 1422 742212, 1145 714511**
Company	**Nature use payments**	**Royalty**	**Custom duties and fees**
"Active Lernagorts" LLC			
"Agarak Copper-Molybdenum Combine" CJSC		3,302,918	50,735
"Akhtala Mining And Processing Combine" CJSC	771	236,066	8,020
"Assat" LLC		2,822	5
"At-Metals" LLC			
"Baktek Eco" LLC	58	227,040	2,169
"Fortune Resources" LLC			
"Geghi Gold" LLC			
"Geopromining Gold" LLC	1,307	948,335	191,807
"Georaid" CJSC			
"Gharagulyanner" CJSC			
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	852	1,302,561	33,721
"Ler-Ex" LLC			-
"Lichkvaz" CJSC		797,165	3,122
"Lydian Armenia" CJSC			
"Meghradzor Gold" LLC		69,748	3,757
"Mego-Gold" LLC			

"Multi Group Concern" LLC	1,641		611
"Sagamar" CJSC			
"Teghut" CJSC		2,401,174	114,480
"Zangezur Copper-Molybdenum Combine" CJSC	40,631	52,655,893	918,400
"Vaykgold" LLC			
Total	45,260	61,943,723	1,326,825

2001 code	1415 741520	(blank)	
Company	**Lease payments made to the local authority (community)**	**Replenishment of environmental protection fund**	**Monitoring implementation fees**
"Active Lernagorts" LLC		380	383
"Agarak Copper-Molybdenum Combine" CJSC	31,724	26,028	1,806
"Akhtala Mining And Processing Combine" CJSC	9,574	32,466	255
"Assat" LLC	200	144	43
"At-Metals" LLC		2,787	104
"Baktek Eco" LLC	844	68	150
"Fortune Resources" LLC		1,028	
"Geghi Gold" LLC		1,718	65
"Geopromining Gold" LLC	68,880	167,046	9,165
"Georaid" CJSC	-	1,021	-
"Gharagulyanner" CJSC		234	116
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	113,391	6,869	2,428
"Ler-Ex" LLC	1,240	1,108	
"Lichkvaz" CJSC	5,285	1,454	828
"Lydian Armenia" CJSC	495,169	121,938	16,610
"Meghradzor Gold" LLC	24,303	308	397
"Mego-Gold" LLC			

"Multi Group Concern" LLC	3,976	240	
"Sagamar" CJSC	1,400	2,716	668
"Teghut" CJSC	43,326	2,953	
"Zangezur Copper-Molybdenum Combine" CJSC	660,187	19,435	2,757
"Vaykgold" LLC		968	
Total	1,459,499	390,906	35,774

2001 code			
Company	**Fee for environmental impact assessment and expert examination**	**Penalties and fines imposed by the Environmental and Subsoil Inspection Authority**	**Land acquisition**
"Active Lernagorts" LLC			
"Agarak Copper-Molybdenum Combine" CJSC			
"Akhtala Mining And Processing Combine" CJSC	3,558	5,840	
"Assat" LLC			
"At-Metals" LLC			
"Baktek Eco" LLC			
"Fortune Resources" LLC			
"Geghi Gold" LLC			
"Geopromining Gold" LLC		515	
"Georaid" CJSC	-		
"Gharagulyanner" CJSC			
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	1,000		
"Ler-Ex" LLC			
"Lichkvaz" CJSC		23,747	1,200
"Lydian Armenia" CJSC			
"Meghradzor Gold" LLC			
"Mego-Gold" LLC			
"Multi Group Concern" LLC			
"Sagamar" CJSC			122,944
"Teghut" CJSC			
"Zangezur Copper-Molybdenum Combine" CJSC			
"Vaykgold" LLC			
Total	4,558	30,101	124,144

2001 code				
Company	Payments for the socio-economic obligations of communities defined by the mining contract	Charitable contributions made to the community by the subsoil user	Charitable contributions made to non-commercial legal entities by a subsoil user	Charitable contributions made to individuals by a subsoil user
"Active Lernagorts" LLC				
"Agarak Copper-Molybdenum Combine" CJSC	39,640	41,486	1,750	35,971
"Akhtala Mining And Processing Combine" CJSC	-	70,000	-	1,200
"Assat" LLC	1,000	38,680	-	-
"At-Metals" LLC	3,000	-	-	-
"Baktek Eco" LLC	650	350	-	2,250
"Fortune Resources" LLC				
"Geghi Gold" LLC	650	-		-
"Geopromining Gold" LLC	25,000	20,417	23,500	10,430
"Georaid" CJSC				
"Gharagulyanner" CJSC	1,250	-	-	-
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	-	58,000	130,597	31,205
"Ler-Ex" LLC				
"Lichkvaz" CJSC	-	20,705	300	1,143
"Lydian Armenia" CJSC				
"Meghradzor Gold" LLC	4,950	-	-	-
"Mego-Gold" LLC				
"Multi Group Concern" LLC	-	-	35,909	-
"Sagamar" CJSC	2,533	541	-	-
"Teghut" CJSC	240,000	5,993	-	-
"Zangezur Copper-Molybdenum Combine" CJSC	-	576,027	8,456,238	5,442
"Vaykgold" LLC				
Total	318,673	832,199	8,648,294	87,642

Data provided by companies for 2024

2001 code	1111 711100	1112 711200	1131 713121 / 1136 713611
Company	**Income tax**	**Profit tax**	**Vehicle property tax**
"Active Lernagorts" LLC	330		
"Agarak Copper-Molybdenum Combine" CJSC	1,454,205	1,924,401	1,468
"Akhtala Mining And Processing Combine" CJSC	365,379	327,307	1,634
"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	2,757
"Georaid" CJSC	380		
"Gharagulyanner" CJSC	12		
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	143		
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	954,721	2,399,229	7,601
"Lichkvaz" CJSC	212,012	671,929	4,461
"Lydian Armenia" CJSC	85,837	197,650	261
"Meghradzor Gold" LLC	157,344	106,138	82
"Mego-Gold" LLC	1,408		122
"Multi Group Concern" LLC	47,637	47,241	14,294
"Sagamar" CJSC	53,531		1,559
"Teghut" CJSC	1,618,351	112,499	4,775
"Zangezur Copper-Molybdenum Combine" CJSC	9,454,440	18,822,596	16,339
"Vaykgold" LLC	1,779		
Total	16,020,611	24,714,859	55,352

2001 code	1131 713122	1141 714110	1142 714200	1145 714522
Company	Real estate tax	Value added tax	Excise tax	State duty for granting a permit for the use (exploitation) of each deposit of precious, ferrous, non-ferrous, and rare metals
"Active Lernagorts" LLC	2,158			
"Agarak Copper-Molybdenum Combine" CJSC	2,154	642,595		10,000
"Akhtala Mining And Processing Combine" CJSC	698	8,066		20,000
"Assat" LLC		14,036		
"At-Metals" LLC				10,000
"Baktek Eco" LLC		1,563		10,000
"Geghi Gold" LLC				10,000
"Geopromining Gold" LLC	20,049	173,658	154	10,000
"Georaid" CJSC				
"Gharagulyanner" CJSC				10,000
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)				
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)		168,975		10,000
"Lichkvaz" CJSC		2,338		10,000
"Lydian Armenia" CJSC	1,505	26		10,000
"Meghradzor Gold" LLC	903	1,587		10,000
"Mego-Gold" LLC	35			
"Multi Group Concern" LLC	1,121	114,694		
"Sagamar" CJSC		173		10,000
"Teghut" CJSC		225,343		10,000
"Zangezur Copper-Molybdenum Combine" CJSC	14,904	2,869,628	6,140	10,000
"Vaykgold" LLC				

Total	43,527	4,222,682	6,294	150,000

2001 code		1145 714523	1146 714612	
Company	**State fee for the issuance of a water use permit**	**Environmental taxes**	**Nature use payments**	**Royalty**
"Active Lernagorts" LLC				
"Agarak Copper-Molybdenum Combine" CJSC		77,617		4,400,515
"Akhtala Mining And Processing Combine" CJSC	75	6,651	450	335,736
"Assat" LLC		2,457		2,458
"At-Metals" LLC				
"Baktek Eco" LLC		2,480	51	194,155
"Geghi Gold" LLC				
"Geopromining Gold" LLC	145	5,790	1,523	440,026
"Georaid" CJSC				
"Gharagulyanner" CJSC				
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)				
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	75	8,363	1,291	5,504,728
"Lichkvaz" CJSC		308		1,615,482
"Lydian Armenia" CJSC		0		
"Meghradzor Gold" LLC	200	379	236	293,295
"Mego-Gold" LLC				
"Multi Group Concern" LLC			2,809	
"Sagamar" CJSC	10	694		
"Teghut" CJSC		81,516		6,745,042
"Zangezur Copper-Molybdenum Combine" CJSC	75	384,646	40,948	33,480,120
"Vaykgold" LLC				
Total	580	570,902	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)**	**Replenishment of environmental protection fund**	**Monitoring implementation fees**
"Active Lernagorts" LLC		2,158	380	
"Agarak Copper-Molybdenum Combine" CJSC	70,079	31,724	26,028	1,806
"Akhtala Mining And Processing Combine" CJSC	13,704	8,940	32,466	255
"Assat" LLC	5	200	144	42
"At-Metals" LLC			1,804	93
"Baktek Eco" LLC	240	2,147	68	
"Geghi Gold" LLC			1,718	64
"Geopromining Gold" LLC	64,646	68,000	171,410	19,737
"Georaid" CJSC				
"Gharagulyanner" CJSC			234	116
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)		17,778	171	
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	67,006	113,391	6,869	2,428
"Lichkvaz" CJSC		7,743	1,454	828
"Lydian Armenia" CJSC		420,213	121,938	16,610
"Meghradzor Gold" LLC	8,882	30,000	308	396
"Mego-Gold" LLC				
"Multi Group Concern" LLC	45,535	5,221		
"Sagamar" CJSC		2,096	1,358	
"Teghut" CJSC	131,662	43,326	2,953	276
"Zangezur Copper-Molybdenum Combine" CJSC	787,234	699,137	19,435	2,757
"Vaykgold" LLC			725	
Total	1,188,992	1,452,074	389,462	45,408

2001 code				
Company	**Fee for environmental impact assessment and expert examination**	**Penalties and fines imposed by the Environmental and Subsoil Inspection Authority**	**Land acquisition**	**Payments for the socio-economic obligations of communities defined by the mining contract**
"Active Lernagorts" LLC				
"Agarak Copper-Molybdenum Combine" CJSC				38,640
"Akhtala Mining And Processing Combine" CJSC	3,902	116		-
"Assat" LLC				1,000
"At-Metals" LLC	960			4,000
"Baktek Eco" LLC				650
"Geghi Gold" LLC				650
"Geopromining Gold" LLC		19,443		50,000
"Georaid" CJSC				
"Gharagulyanner" CJSC				1,250
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)				-
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	500			-
"Lichkvaz" CJSC		4,026		-
"Lydian Armenia" CJSC				-
"Meghradzor Gold" LLC				6,750
"Mego-Gold" LLC				
"Multi Group Concern" LLC				-
"Sagamar" CJSC				2,533
"Teghut" CJSC				155,000
"Zangezur Copper-Molybdenum Combine" CJSC			74,363	-
"Vaykgold" LLC				
Total	5,362	23,584	74,363	260,473

2001 code			
Company	**Charitable contributions made to the community by the subsoil user**	**Charitable contributions made to non-commercial legal entities by a subsoil user**	**Charitable contributions made to individuals by a subsoil user**
"Active Lernagorts" LLC			
"Agarak Copper-Molybdenum Combine" CJSC	21,422	-	21,502
"Akhtala Mining And Processing Combine" CJSC	60,000	-	2,550
"Assat" LLC	12,000	10,648	-
"At-Metals" LLC	-	-	-
"Baktek Eco" LLC	350	-	-
"Geghi Gold" LLC	-	-	-
"Geopromining Gold" LLC	13,527	19,757	7,044
"Georaid" CJSC			
"Gharagulyanner" CJSC	-	-	-
"GMN Gold Mining" LLC (Formerly "Vardani Zartonk" LLC)	200	-	-
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" CJSC)	40,000	129,637	35,366
"Lichkvaz" CJSC	19,496	-	4,049
"Lydian Armenia" CJSC	-	-	76,500
"Meghradzor Gold" LLC	-	-	-
"Mego-Gold" LLC			
"Multi Group Concern" LLC	-	43,145	-
"Sagamar" CJSC	498	-	-
"Teghut" CJSC	5,649	5,400	4,625
"Zangezur Copper-Molybdenum Combine" CJSC	726,458	7,146,993	7,048
"Vaykgold" LLC			
Total	899,600	7,355,580	158,683

ANNEX 6. Adjustments made on reconsilation for 2023-2024

(thousand AMD)

Adjustments made on reconsilation for 2023

Company - Income stream	Submitted preliminary report for 2023 *thousand AMD*		Submitted final report for 2023 *thousand AMD*		Final discrepancy *thousand AMD*	Discrepancy %
	Company	Sate body	Company	Sate body		
"Agarak 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 made to the local authority (community)	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 for the socio-economic obligations of communities defined by the mining contract	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 made to the local authority (community)	8,616	9,574	9,574	9,574	-	0.0%
Royalty	236,066	236,066	236,066	236,066	0	0.0%

Payments for the socio-economic obligations of communities defined by the mining contract	-	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 made to the local authority (community)	-	200	200	200	-	0.0%
Royalty	2,822	2,822	2,822	2,822	-	0.0%
Payments for the socio-economic obligations of communities defined by the mining contract	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 made to the local authority (community)	1,147	897	844	897	(53)	-6.3%
Royalty	-	247,765	227,040	227,040	-	0.0%
Payments for the socio-economic obligations of communities defined by the mining contract	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 made to the local authority (community)	68,880	68,000	68,880	68,000	880	1.3%
Royalty	948,335	948,335	948,335	948,335	-	0.0%
Payments for the socio-economic obligations of communities defined by the mining contract	-	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 (Formerly "Chaarat Kapan" 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 made to the local authority (community)	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%
Payments for the socio-economic obligations of communities defined by the mining contract	-	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 made to the local authority (community)	1,240	-	1,240	-	1,240	100.0%
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	-	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 made to the local authority (community)	-	7,176	5,285	7,176	(1,891)	-35.8%
Royalty	797,165	797,165	797,165	797,165	-	0.0%
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	-	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 made to the local authority (community)	495,169	251,429	495,169	464,707	30,461	6.6%
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	-	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 made to the local authority (community)	24,303	24,303	24,303	24,303	-	0.0%
Royalty	69,748	69,748	69,748	69,748	(0)	0.0%
Payments for the socio-economic obligations of communities defined by the mining contract	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 made to the local authority (community)	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 for the socio-economic obligations of communities defined by the mining contract	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 made to the local authority (community)	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%

Payments for the socio-economic obligations of communities defined by the mining contract	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%**

Adjustments made on reconsilation for 2024

Company - Income stream	Submitted preliminary report for 2024 *thousand AMD*		Submitted final report for 2024 *thousand AMD*		Final discrepancy *thousand AMD*	Discrepancy %
	Company	Sate body	Company	Sate 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%
Payments for the socio-economic obligations of communities defined by the mining contract	38,640	33,000	38,640	36,000	2,640	7.33%
Lease payments made to the local authority (community)	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 for the socio-economic obligations of communities defined by the mining contract	-	60,000	-	-	-	100.00%
Lease payments made to the local authority (community)	8,940	8,940	8,940	8,940	-	0.00%
"Assat" LLC	**17,683**	**179,218**	**17,698**	**180,218**	**(162,521)**	**######**
Value added tax	3,115	176,555	14,036	176,555	(162,519)	-1158%
Custom duties and fees	-	6	5	6	(2)	-33.33%
Royalty	1,368	2,458	2,458	2,458	-	0.00%
Payments for the socio-economic obligations of communities defined by the mining contract	13,000	-	1,000	1,000	-	0.00%
Lease payments made to the local authority (community)	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 for the socio-economic obligations of communities defined by the mining contract	1,000	750	650	650	-	0.00%
Lease payments made to the local authority (community)	-	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%

Royalty	440,026	440,026	440,026	440,026	-	0.00%
Payments for the socio-economic obligations of communities defined by the mining contract	50,000	50,000	50,000	50,000	-	0.00%
Lease payments made to the local authority (community)	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 for the socio-economic obligations of communities defined by the mining contract	1,047,582	562,319	-	-	-	100.00%
Lease payments made to the local authority (community)	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%
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 for the socio-economic obligations of communities defined by the mining contract	155,000	155,700	155,000	155,700	(700)	-0.45%
Lease payments made to the local authority (community)	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 for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	-	100.00%
Lease payments made to the local authority (community)	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%
Royalty	1,160,864	1,615,482	1,615,482	1,615,482	-	0.00%
Payments for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	-	100.00%
Lease payments made to the local authority (community)	-	11,867	7,743	11,867	(4,125)	-53.27%
"Kapan Mining And Processing Combine" CJSC (Formerly "Chaarat Kapan" 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 for the socio-economic obligations of communities defined by the mining contract	-	120,000	-	-	-	100.00%
Lease payments made to the local authority (community)	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%**

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 for the socio-economic obligations of communities defined by the mining contract	20,700	6,750	6,750	6,750	-	0.00%
Lease payments made to the local authority (community)	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 for the socio-economic obligations of communities defined by the mining contract	-	-	-	-	-	100.00%
Lease payments made to the local authority (community)	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 presnted 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	Zink
Gegharkunik		10,172			410	
Lori	66,636					
Syunik			62	4		248
Vayots Dzor			6			31

Chart 4.1.3

Volume of geological surveys in 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

Chart 4.2.1

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

Chart 4.3.1.1

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

	2023	2024
	Value, milion dollars	Value, milion dollars
Copper ore	189,558	219,143
Zink ore	4,710	7,069
Molybdenum ore	90,266	86,793
Ferromolybdenum	112,636	72,262
Total	**397,170**	**385,268**

Chart 4.3.1.2

Export of metal products, thousand tons, 2013-2024

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Copper ore	173.21	185.09	309.18	402.59	475.76	424.8	562.02	470.47	429.48	410.9	326.7	341.5
Zink ore	18.34	14.34	14.13	9.57	10.91	12.47	12.16	10.48	12	11.8	9.0	11.6
Molybdenum ore	0.78	0.9	0.98	0.21	1.21	0.76	2.09	15.23	10.23	10.3	11.1	11.4
Ferromolybdenum	6.66	6.5	5.58	6.66	6.8	7.11	8.87	6.75	8.16	8.9	7.7	6.1
Total	**198.99**	**206.83**	**329.87**	**419.03**	**494.68**	**445.14**	**585.14**	**502.93**	**459.87**	**441.9**	**354.5**	**370.6**

Chart 4.3.1.3

Export of metal products, million dollars , 2013-2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Copper ore	236	317	370	571	525	627	560	769	663	483	558
Ferromolybdenum	110	56	66	84	126	142	86	189	252	287	185
Molybdenum ore	9	6	1	9	8	18	95	122	155	230	221
Zink ore	14	12	11	17	20	16	10	16	19	12	18
Gold	82	99	141	145	177	224	247	134	414	1,811	5,605

Chart 4.3.1.4

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

Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Switzerland	12.42	-	14.84	23.54	84.14	130.75	191.55	241.38	287.54	161.2	17	11.9
China	64.79	138.01	138.93	68.18	115.89	94.74	174.42	176.66	286.16	277.2	344	434.6
Bulgaria	150.66	84.59	78.53	163.04	281.21	213.92	205.83	141.83	195.55	206.1	92	75.6
Georgia	-	-	44.07	92.71	86.76	8.81	2.32	-	-	-	5	-
Australia	-	-	-	-	-	-	-	-	-	-	-	-
Other	52.05	13.27	40.28	22.57	3.49	77.25	52.55	-	-	18.4	-	-
Total	**279.92**	**235.87**	**316.65**	**370.04**	**571.49**	**525.47**	**626.67**	**559.87**	**769.25**	**662.9**	**457**	**522**

Chart 4.3.1.5

Copper concentrate export distribution by country in 2024

Country	2023	2024
Switzerland	4%	2%
China	75%	83%
Bulgaria	20%	14%
Other	1%	0%
Total	**100%**	**100%**

Chart 4.3.1.6

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

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**

Chart 4.3.1.7

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

Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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**

Chart 4.3.1.8

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

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**

Chart 4.3.1.9

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

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**

Chart 4.4.1

Copper concentrate production and international copper price, 2013-2024

	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

Chart 4.4.2

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

	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

Chart 4.4.3

Zinc concentrate production and international price, 2013-2024

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Zink 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

Chart 4.4.4

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Average annual price, USD/troy 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

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

Tax revenues and government duties	100%	100%
Revenues of subsoil user companies	5.02%	4.18%

Chart 5.1.2

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

Type	2023	2024
Royalty	61,944	53,012
Profit tax	24,922	24,332
Income tax	15,362	15,928
VAT	4,186	4,387
Customs duties	1,340	1,218
Other taxes and fees	3,859	1,146
Total	**111,613**	**101,602**

Chart 5.1.3

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

Type	2021	2022	2023	2024
State export duties	21,923	43,208	0	0
VAT	66,025	42,604	61,944	53,012
Income tax	37,473	19,534	24,922	24,332
Customs duties	16,628	16,353	15,362	15,928
Profit tax	1,785	6,216	4,186	4,387
Royalty	1,223	1,211	1,340	1,218
Other	838	1,106	3,859	1,146
Total	145,895	130,232	111,613	101,602

Chart 5.2.1

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

	2023	2024
Other income of the RA community	84.8%	91.1%
Taxes and fees calculated for subsoil user companies to the community budget	15.2%	8.9%

Chart 5.2.2

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

Type of payment	2023	2024
Rent	1,444,715	1,448,332
Vehicle property tax	18,444	26,171
Property tax	13,693	25,819
Land tax	-	78,278
Fees related to socio-economic development	2,068,415	1,014,402

Chart 5.2.3

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

Region	2023	2024
Aragatsotn	18,727	4,053
Gegharkunik	93,078	118,561
Lori	390,694	299,473
Kotayk	30,011	37,756
Syunik	2,645,066	1,799,033
Vayots Dzor	354,058	334,124

Chart 5.2.4

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

Company	2023	2024
"Agarak Copper-Molybdenum Combine" CJSC	70,621	70,794
"Akhtala Mining And Processing Enterprise" CJSC	66,189	71,272
"Active Lernagorts" LLC	3,313	2,158
"Assat" LLC	30,000	13,200
"At-Metals" LLC	3,076	4,052
"Bacteck Eco" LLC	1,953	2,397
"Geopromining Gold" LLC	96,283	118,561
"Georaid" CJSC	483	1,644
"Zangezour Copper-Molybdenum Combine" CJSC	2,138,209	1,358,977
"Teghout" CJSC	289,496	203,801
"Lydian Armenia" CJSC	466,064	421,718
"Lichkvaz" CJSC	10,788	11,878
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)	312,921	240,992
"Mego Gold" LLC	18,793	4,053
"Meghradzor Gold" LLC	30,011	37,756
"Multi Group Concern" LLC	6,463	2,616
"GMN GOLD MINING" LLC (former "Vardani Zartonqy" LLC)		19,043
"Sagamar" CJSC	1,704	6,188

"Gharagulyanner" LLC	1,250	1,250

Chart 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%

Chart 6.1.2

GDP and real volume indices of the mining sector, 2015–2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual growth of Armenia's total GDP	4.5%	0.5%	9.8%	8.1%	8.7%	-5.5%	13.1%	21.6%	11.7%	7.4%
Annual dynamics of the gross value added for mining industry	5.0%	21.5%	41.8%	-8.5%	25.4%	12.4%	61.7%	-13.5%	-14.1%	4.5%

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

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

Chart 6.1.4

Share of mining and quarrying in 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%

Chart 6.1.5

Distribution of mining companies by 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%

Chart 6.1.6

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total empolyment 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

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

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%

Chart 6.1.8

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

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

Chart 6.1.9

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

Chart 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

Chart 6.1.11

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

	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%

Chart 6.1.12

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

	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

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 [115]

	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

[115] Reports provided by companies to EITI

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

	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

Chart 6.2.3.1

Donations made by subsoil using companies in 2023-2024 by direction, 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

Chart 6.2.3.2

Donations made to foundations by mineral-using companies in 2023, thousand AMD

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
"Zangezour Copper-Molybdenum Combine" CJSC		7,887,925		
"Lichkvaz" CJSC			300	
"Multi Group Concern" LLC	35,909			

Chart 6.2.3.3

Donations made to foundations by mineral-using companies in 2024, thousand AMD

	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
			6,667,713		733		3,999
1[1] Reports provided by companies to EITI	88,400			1,000			
"Multi Group Concern" LLC		43,145					
"Geopromining Gold" LLC						8,000	
"Teghout" CJSC				5,000			

Chart 6.2.3.4

Financial and non-financial donations made by mineral-using companies to public organizations in 2023, 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
"Zangezour Copper-Molybdenum Combine" CJSC	1,070	1,329	1,236	4,709

Chart 6.2.3.5

Financial and non-financial donations made by mineral exploitation companies to public organizations in 2024, thousand AMD

2024	Ararat Boxing Federation	Yerkrapah Volunteers Union Kajaran	Union of Miners and Metallurgists of Armenia	Union of Greek Communities of Armenia	Dzorq public organization
"Geopromining Gold" LLC	1,500				
"Zangezour Copper-Molybdenum Combine" CJSC		21,249	928		60,972
"Teghout" CJSC				400	

Chart 6.2.3.6

Financial and non-financial donations made by mineral-using companies to state and community non-profit organizations in 2023, thousand AMD

2023		"Agarak Copper-Molybdenum Combine" CJSC	"Akhtala Mining And Processing Enterprise" CJSC	"Geopromining Gold" LLC	"Zangezour Copper-Molybdenum Combine" CJSC	"Lichkvaz" CJSC	"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)	"Multi Group Concern" LLC
Agarak Copper-Molybdenum Combine CJSC Trade Union Organization	1	1,750						
Azatamart Committee	2						2,400	
Arman Hakobyan IE	3						15,200	
Banereges Sports School	4			18,500				
Builder Max LLC	5						20,006	
Gagik Tsarukyan Charitable Foundation	6							35,909
Gittun Educational Center	7						500	
Yerkrapah Volunteers Union Kajaran	8				1,070			
Zangezur Copper-Molybdenum Combine Charitable Foundation	9				7,887,925			
My Step Foundation	10		10,000					
Kapan Cargo and Passenger Motor Transport CJSC	11						3,437	
Kapan Medical Center	12						2,000	

HALDI Consult LLC	13						300	
Armforest SNCO	14				3,503			
Union of Miners and Metallurgists of Armenia	15				1,329			
RA Syunik Region Development and Investment Fund	16					300		
Cultural Center Institution of Kapan Municipality Community NPO	17				1,236			
Staff of Syunik	18				36,527			
Hrant Qalashyan IE	19						6,000	
Mher Sargsyan IE	20						19,005	
Shin Comfort LLC	21						600	
Voma	22				4,709			
Vorakyal Gorts LLC	23						1,400	
Defence Sector	24				519,939			
City of Smile	25			5,000				
Villashin LLC	26						59,750	

Chart 6.2.3.7

Financial and non-financial donations made by mineral-using companies to state and community non-profit organizations in 2024, thousand AMD

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	Kapan Museum of Regional Studies	Norogshin 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	Defence Sector	City of Smile	Syunyats Ashkhar LLC	Source Foundation	Vazgen Poghosyan IE
	1	2	3	4	5	6	7	8	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
"Assat" LLC	10,648																						
"Geopromining Gold" LLC			1,500	257														10,000		8,000			
"Zangezour Copper-Molybdenum Combine" CJSC						21,249	6,667,713				1,305			733	928		60,972		390,096			3,999	
"Teghout" CJSC								5,000								400							
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)		88,400						1,000	130	910		33,239	3,542								2,000		416
"Multi Group Concern" LLC					43,145																		

Chart 6.2.3.8

Financial and non-financial donations made by mineral-using companies to other non-profit organizations in 2023, thousand AMD

2023	Agarak Copper-Molybdenum Combine CJSC Trade Union Organization	Azatamart Committee	Arman Hakobyan IE	Builder Max LLC	Gittun Training Center	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	Villashin LLC
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
"Agarak Copper-Molybdenum Combine" CJSC	1,750													
"Zangezour 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

Chart 6.2.3.9

Financial and non-financial donations made by mineral-using companies to other non-profit organizations in 2024, thousand AMD

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

Chart 6.2.3.10

Donations made by mineral exploitation companies to individuals in 2023 and their number, thousand AMD

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

Chart 6.2.3.11

Donations made by mineral exploitation companies to individuals in 2024 and their number, thousand AMD

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 7.1.1

Revenues of companies exceeding the materiality threshold, 2023-2024

Company	2023	2024

"Zangezour Copper-Molybdenum Combine" CJSC	78.7%	65.8%
"Agarak Copper-Molybdenum Combine" CJSC	6.2%	8.4%
"Geopromining Gold" LLC	5.7%	2.4%
"Teghout" CJSC	3.6%	8.8%
"Kapan Mining and Processing Enterprise" CJSC (former "CHAARAT KAPAN" CJSC)	2.6%	9.1%
"Lichkvaz" CJSC	1.1%	2.5%
"Akhtala Mining And Processing Enterprise" CJSC	0.6%	0.7%
"Ler-Ex" LLC	0.4%	0.0%
"Lydian Armenia" CJSC	0.4%	0.5%
"Baktek Eco" LLC	0.3%	0.4%
"Meghradzor Gold" LLC	0.2%	0.6%
"Assat" LLC	0.1%	0.4%
"Multi Group Concern" LLC	0.0%	0.2%

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%



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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