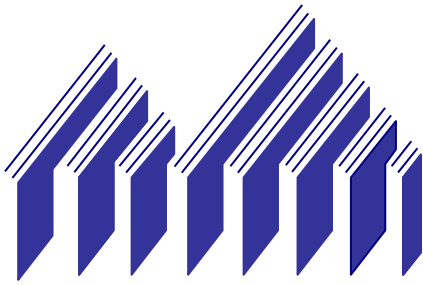


**UNION OF MANUFACTURERS AND BUSINESSMEN
(EMPLOYERS) OF ARMENIA**



UNION OF MANUFACTURERS AND BUSINESSMEN (EMPLOYERS) OF ARMENIA

The **UMB(E)A** is a not-for-profit non-governmental organization that unites businessmen which hold the leading position in economic entities. UMB(E)A was founded in 1996.

The main **GOALS** of the Union are:

- * *Development of improved business community in Armenia;*
- * *Development of attractive environment and public opinion for foreign investments;*
- * *Integration of Armenia in the world economy.*

Objectives:

- * *Support the creation of favourable conditions for business development ;*
- * *Assist in the establishment of market infrastructures, elaboration of strategy for structural changes and future development of of the main branches of industry and economy;*

- * Support the formation of legal state through strengthening the market economy relations;*
- * Create trustworthy relations with similar foreign organisations, business circles;*
- * Support the training of entrepreneurs and SME management staff that meet modern international requirements.*
- * Participate in the activities for the improvement of the tax policy aimed at stimulating the development of entrepreneurship.*

Support to Economic Reforms

The Union takes active part in the process of discussion and adoption of laws and legal reforms, as well as coordinates the participation of the interested parties such as governmental and non-governmental organizations, representatives of the business community.

The Union, in close collaboration with the RA Government and Armenian Labor Union Confederation, is working intensively for the purpose of formation and development of the institute of social partnership in Armenia.

The Structure of UMB(E)A

The managing bodies of the Union are:

the Assembly, the Board, the Presidium, the President.

The President of the Union is the Chief official of UMB(E)A, he represents Union's interests in the governmental and legislative bodies, in public, international and foreign organizations.

The President acts in accordance with the decisions of the Assembly, the Board, the Presidium and the Charter of the Union.

The Union has **19 Regional** and **Sectoral Branches**.

Among Sectoral Branches are: Light Industry; Transportation; Woodworking; Freight forwarding; Union of Women Entrepreneurs; Union of Young Businessmen etc.

UMB(E)A includes more than **400 members**, mainly Large as well as Small and Medium-sized Enterprises.

International Relations

Since 1997 UMB(E)A is a member of the International Congress of Industrialists and Entrepreneurs, constantly participants in the activities of the International Labor Organization (ILO).

Since 2009 UMB(E)A is a member of Union of Black Sea and Caspian Confederation of enterprises and Armenian Trade Network.

Cooperation with:

Unions of Manufacturers and Businessmen of Russia, Ukraine, Belarus, Georgia; the Georgian Tax-Payers Union, Chambers of Commerce of Greece, Poland, Romania, Argentina, Turkey; Federations and Associations of Entrepreneurs of Lebanon, Egypt, Bulgaria, the Iran-Armenia Chamber of Commerce, French Confederation of Small and Medium Businesses, Lithuanian Union of Businessmen etc.

Armenia at a Glance

GDP: EUR 8.2 billion (2012)

New industrial strategy was adopted in 2011, aimed at increasing the international competitiveness of 12 sectors with export potential. Information and Communication Technologies (ICT), tourism and agribusiness are among the priority sectors.

Market Access

- ✓ *Free Trade agreements with Belarus, Georgia, Moldova, Kazakhstan, Russia, Ukraine, Tajikistan and the Kyrgyz Republic (235 million people);*
- ✓ *General System of Preferences (GSP+) trade regime with the EU: 6400 products exported with 0 or reduced customs duties;*
- ✓ *Customs duties for all agricultural and industrial products with few exceptions (under Armenia-EU DCFTA negotiations);*
- ✓ *General System Preferences with the USA, Canada, Switzerland, Japan and Norway;*
- ✓ *WTO membership (since 2003): MFN (Most-favoured-nation) regime with all WTO member countries.*
- ✓ *Open door policy for investors in any sector.*



Ease of doing business

Doing Business 2014 rank for Armenia: 37 / 189

Bridge between various economic platforms

Armenian Strategic Sectors

Industries: Agribusiness

Alternative Energy

Sustainable construction

Textiles

Services: ICT

Tourism

Transport and Logistics

Tax System and incentives

Armenia offers a competitive tax system:

- * *20% VAT, 20% corporate tax (income tax and business income), maximum 20% individual income tax;*
- * *Simplified taxation for Small and medium Enterprises;*
- * *Special tax and customs regimes for exporting firms.*

Preferential legal regimes of investment are available:

- * *Free economic zones (FEZ): law adopted in 2011, exemption of profit tax, income tax, value added tax, property tax and customs duty;*
- * *3 year-delay for VAT for investments above AMD 300 million (EUR 585.000) and imported technologies (2009);*