

to the Decision of the Government of the Republic of Armenia

No 1521-N of 13 October 2011

**PROCEDURE FOR THE GRANTING OF PERMITS TO THE OPERATORS OF FREE
ECONOMIC ZONES AND FOR THE TERMINATION THEREOF, AS WELL AS BUSINESS PLAN
REQUIREMENTS SUBMITTED BY THE OPERATOR AND THE ASSESSMENT PROCEDURE
THEREOF**

I. GENERAL PROVISIONS

1. This Procedure (hereinafter referred to as "the Procedure") shall define the procedures for the granting of permits to the operators of free economic zones and for the termination thereof, as well as business plan requirements submitted by the operator and the assessment procedure thereof.
2. Definitions used in this Regulation shall arise from the Law of the Republic of Armenia "On Free Economic Zones" and shall have the meanings envisaged by the referred law.
3. Operators of free economic zones shall be deemed to be commercial legal persons, individual entrepreneurs and representations of foreign organisations (hereinafter referred to as "operator"), which have been granted the relevant permit as prescribed by this Procedure, have concluded a contract with the Organiser and are registered within the Republic of Armenia.
4. The permit to operate within the free economic zone shall be granted for the period requested by the operator, but not longer than the end of operation of the free economic zone.

II. THE PROCEDURE FOR GRANTING THE PERMIT

5. The permit to operate within the free economic zone shall be granted upon the Decision of the Government of the Republic of Armenia, based on the opinion submitted by the Commission following the assessment of the applicant's business plan as prescribed by point 10 of the Annex No 1 of the Decision of the Government of the Republic of Armenia No 1521 of 13 October 2011.

6. The application submitted to the Commission shall comprise the following documents:

(1) application (in prescribed form);

(2) business plan, which must meet the standards referred to in Chapter IV of the Regulation;

(3) statement submitted by the Organiser on conditions of carrying out activities within the free economic zone.

7. The Commission shall, within a 15-day period, examine the submitted documents, assess the business plan on the basis of standards defined in the Procedure and submit a relevant opinion to the Government of the Republic of Armenia for consideration.

8. The Government of the Republic of Armenia shall, within a 21-day period, adopt a relevant decision on either granting a permit or refusing the application. The ground for refusing the application shall be the non-compliance of the application with business plan requirements prescribed by this Procedure.

9. The applicant and the Organiser shall conclude a contract within 3 months after the decision to grant the permit enters into force.

10. Following the conclusion of the contract, the Ministry of Economy of the Republic of Armenia (hereinafter referred to as "the authorised body") shall, within a 3-day period, grant a permit certificate to the applicant. The form of the certificate shall be defined upon the joint Decision of the head of the authorised body and the Minister of Finance of the Republic of Armenia.

11. Upon granting the certificate, the authorised body shall, within a 1-day period, submit the copy of the certificate to the State Revenue Committee adjunct to the Government of the Republic of Armenia.

12. The authorised body shall keep a register of permits granted to the operators, which shall be published on the official website of the authorised body.

13. The availability of the register shall serve as a ground for applying the privileges granted to the operator as per the legislation of the Republic of Armenia.

III. THE PROCEDURE FOR TERMINATING THE OPERATOR'S PERMIT

14. The decision on terminating the operator's permit shall be adopted by the Government of the Republic of Armenia on the basis of the opinion submitted by the authorised body.

15. The operator's permit shall be terminated upon one of the following reasons:

(1) the request of the operator;

(2) the termination of the contract between the organiser and the operator;

(3) the liquidation of the free economic zone;

(4) the expiry of the term set by the permit;

(5) the violation of or non-compliance with the requirements prescribed by the permit;

(6) the violation of the requirements of Article 11(1) of the Law of the Republic of Armenia "On free economic zones".

16. Disputes regarding the termination of the permit shall be regulated as prescribed by the legislation of the Republic of Armenia.

IV. BUSINESS PLAN REQUIREMENTS AND ITS ASSESSMENT STANDARDS

17. The business plan (hereinafter referred to as "the plan") shall be assessed by the Commission, by applying weight coefficients for each of the assessment standards where the sum

total of these coefficients should not exceed 100 units. Considering the operational significance of the free economic zone, the weight coefficient for each of the standards shall be determined by the Commission prior to the assessment.

18. The plan shall be assessed based on the following standards:

- (1) export policy, destinations and volumes;
- (2) compliance of the plan with the aims of establishing the free economic zone and its operational nature;
- (3) use of technological innovations;
- (4) number of employees and other social actions;
- (5) amount of total investments;
- (6) information on key strategic partners (where appropriate).

19. The assessment standards defined by point 18 of this Procedure shall also be included in the business plan requirements.

CHIEF OF STAFF OF THE GOVERNMENT

OF THE REPUBLIC OF ARMENIA

D. SARGSYAN

To the head of the authorised body

Applicants' full name_____

Legal address_____

Phone number_____

A P P L I C A T I O N

FOR RECEIVING A PERMIT TO OPERATE WITHIN THE FREE ECONOMIC ZONE

1. The Applicant_____

(applicant's full name and current address)

in the person of_____

(position, name, last name, patronymic name)

operating on the basis of _____

requests a permit to carry out _____

(type of activity)

«_____»

(name of the free economic zone)

(type of the free economic zone)

within the territory of the free economic zone.

2. Applicant's information

Registered address: _____

Phone number: _____

Fax: _____

Applicant's legal form as registered in the state register and registration number _____

3. Responsible contact person

Name, last name, patronymic _____

Position _____

Phone number: _____

Fax: _____

Mailing address: _____

E-mail address: _____

4. List of attached documents:

Statement

I hereby confirm that the information provided in this document is correct to the best of my knowledge and complete. I fully acknowledge that any false document or information shall entail criminal and administrative liability as prescribed by law. I agree to notify the authorised body of any change in the information provided by me above.

Signature _____

Date _____

day/month/year