2 Framework conditions and policy setting for SME digitalisation

Armenia is working actively to enhance its digital infrastructure and foster a conducive environment for the digital transformation of its business sector. This chapter explores the importance of digitalisation for SMEs and describes the core elements of the framework conditions for Armenia's digital transformation. It concludes with an overview of the main policy documents, governmental bodies, institutions, and private sector entities driving SME digital transformation.

The importance of digitalisation for SMEs

Digitalisation involves the integration of digital technologies, data, and interconnections into business processes (OECD, 2021[1]). It is a multi-faceted and complex process that often integrates traditional and digital technologies to address specific issues and enhance business operations (Table 2.1),

Digital solutions are paramount for the growth and resilience of SMEs. They hold the potential of optimising and improving operational capacities, increasing firm productivity and innovation. By leveraging digital tools and capabilities, SMEs can enhance their operational efficiency, innovate in product and service delivery, and expand their market reach. In particular:

- **Digital technologies enable SMEs to reach a wider customer base and integrate more seamlessly into global markets** (OECD, 2021[1]). By establishing online presences through websites and leveraging e-commerce platforms, SMEs can effectively market and sell their products to a worldwide audience. Furthermore, by embracing tailored digital tools, SMEs can mitigate the expenses traditionally linked with transportation and border operations. This strategic approach enables SMEs to scale their operations efficiently without the need for mass expansion.

- **Digital tools provide SMEs with easier access to a broader pool of strategic resources**, offering opportunities to optimise operations at a relatively low cost through business intelligence and data analytics services. These tools empower smaller firms to finance and optimise their operations through innovative means like peer-to-peer lending, crowdfunding, and initial coin offerings. For instance, start-ups and entrepreneurs in the EaP region can tap into international crowdfunding platforms, such as Indiegogo.com and Kickstarter.com, enabling them to crowdsource funding (OECD, 2021[1]). Additionally, digitalisation can streamline recruitment processes, granting SMEs access to a broader pool of job seekers and bolstering workforce capabilities. It also facilitates online access to training opportunities and government services (OECD, 2021[2]).

- **Digital platforms enable SMEs to capitalise on network effects** by outsourcing various business functions, including advertising, e-commerce, and service delivery, to online platforms (OECD, 2019[3]). This fosters enhanced collaboration both within and across organisations, facilitating improved information sharing and communication among staff, suppliers, and networks.

- **Digital technologies improve decision-making by facilitating data-based insights**. These solutions grant SMEs access to real-time data, enabling them to make more informed and data-driven decisions (Devops, 2021[4]). SMEs can leverage predictive analytics tools like machine learning algorithms or predictive modelling software to forecast trends and analyse data, thus monitoring key performance indicators (KPIs), tracking customer behaviour, and identifying areas for improvement (Gartner, 2023[5]).

Table 2.1 presents a description of selected digital solutions often adopted by SMEs.

Table 2.1. Overview of Digital Solutions Adopted by SMEs

Technology	Description	Selected examples of application
High-speed broadband	Defined as having download speed of at least 100Mbit/s (i.e. fibre)	Adequate network access is essential to fully exploit exiting services over the internet and foster the diffusion of new ones.
Customer-Relations Management (CRM)	Used for managing a company's interactions with its customers and potential customers.	Coordination platforms: stakeholders can be put in direct contact and are constantly updated about the project's progression.
Cloud Computing (CC)	ICT services accessed over the internet, including services, storage, network components, and software applications.	Cloud Accounting: multiple users can simultaneously update information which allows to fasten the process and accessibility.

Technology	Description	Selected examples of application
Supply-Chain Management (SCM)	Used for managing the flow of goods and services and concerns processes that transform raw materials into final products	Supervisory Control and Data Acquisition (SCADA) Plant Management: integrated platform to monitor equipment and resources across the production line.
E-commerce	Describes the sale or purchase of goods or services conducted over computer networks by methods designed specifically for the purpose of receiving or placing orders. E-commerce can take place through a range of different commercial relationships, involving any possible pairing of customers, businesses or governments.	E-commerce platforms: they simplify the purchase process, increase product visibility and allow to reach a larger number of customers.
Enterprise Resource Planning (ERP)	Used to enhance back-office efficiency and strategic planning. These are software-based tools used for managing and integrating internal and external information flows.	Asset Inventory Management: allows to monitor inventories, thereby limiting the risk of overproduction and waste.
Radio Frequency Identification (RFID)	Allow near-field communication and are used for product identification, person identification or access control, monitoring and control of industrial production, supply chain inventory tracking and tracing, service maintenance information management, or payment applications.	Warehouse Management: tracking of assets to reduce the risk of loss, and increase efficiency in shipment.
5G	5G technologies are expected to support applications such as smart homes and buildings, smart cities, 3D video, work and play in the cloud, remote medical services, virtual and augmented reality, and massive machine-to-machine communications for industry automation.	Virtual Reality for Simulation: they allow to visualise finalised product, allowing to improve training and ease the design. Although they are already being used, 5G will make the experience more realistic and effective, prompting an increase in diffusion and usage
Blockchain	A shared ledger of transactions between parties in a network, not controlled by a single central authority.	Blockchain for Trade Documentation: end-to-end exchange of documents enabled by blockchain, increasing transaction security and transparency among all stakeholders.
Internet of Things (IoT)	Refers to the rapidly growing network of connected objects that are able to collect and exchange data in real time.	Traffic monitoring: useful in the management of vehicle traffic in large cities.
Artificial Intelligence (AI)	Simulation of human intelligence processes by computers.	Efficient Energy Management: digital sensors to monitor energy consumption, which allow to predict energy needs and reduce waste and costs.

Source: (OECD, 2019[6]; OECD, 2019[7]; ITU, 2022[8]; OECD, 2022[9])

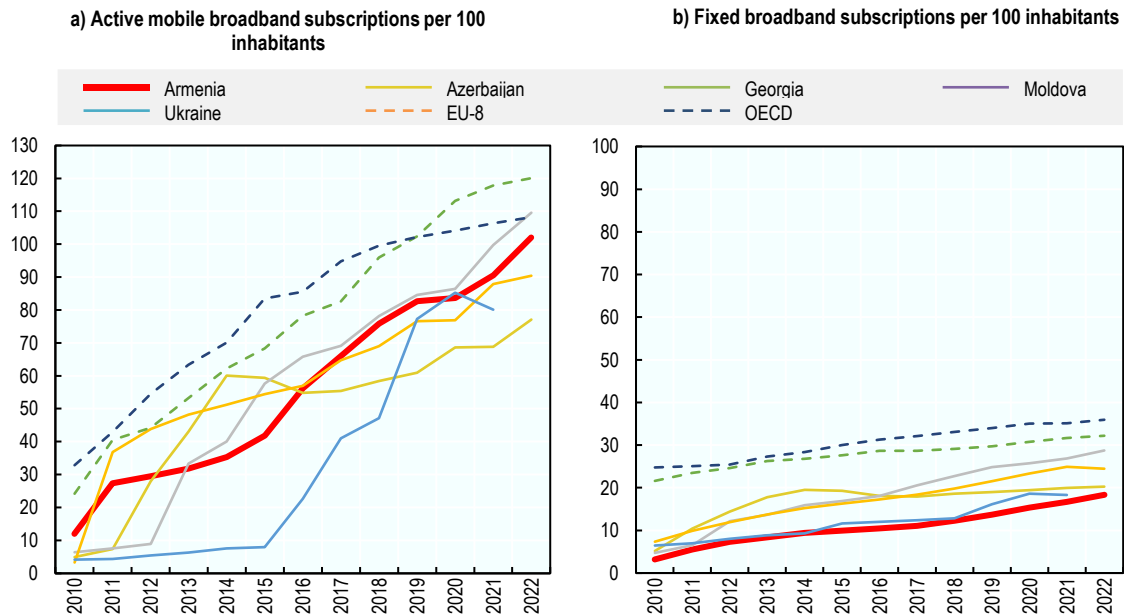## Framework conditions for digitalisation in Armenia

Connectivity and physical infrastructure.

The COVID-19 pandemic highlighted the need for robust and reliable internet services, as demand for remote work, online education, and e-commerce surged. Armenia has made progress in developing its internet infrastructure, achieving higher internet penetration rates and improved access to fixed broadband services. This progress can be attributed to proactive government initiatives, coupled with an increasingly competitive landscape among internet service providers. Despite advancements, challenges persist with regards to connectivity in Armenia, hindering SME digitalisation. Currently, there is no broadband strategy in place, since the strategy "Ensuring Access to Broadband Internet Connectivity in the Territory of the Republic of Armenia 2022-2024" was drafted, but not formally adopted (see Chapter 2).

Armenia falls below EU and OECD averages in terms of fixed-broadband subscriptions, with 18.4 subscriptions per 100 people in 2022 compared to median values of 32.2 and 35.9 for EU-8 and OECD countries respectively (Figure 2.1) (ITU, 2023[10]).[1] Additionally, the country's fixed-broadband connectivity is characterised by relatively low speed and high costs. In 2023, the average connection speed in Armenia

was 49.86 Mbps in 2023, behind that of other EaP countries, including Ukraine (75.14 Mbps) and Moldova (128.87 Mbps) (Speedtest, 2023[11]). The elevated costs can be partly attributed to Armenia's mountainous terrain and landlocked geography. As a consequence, Armenia heavily depends on its neighbouring country, Georgia, which possesses strategic access to submarine fibre-optic cables, for internet connectivity.

Figure 2.1. Internet penetration and access to fixed broadband in Armenia (2010-2022)

a) Active mobile broadband subscriptions per 100 inhabitants

b) Fixed broadband subscriptions per 100 inhabitants

Note Median values for OECD and EU-8 (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Slovenia, Slovak Republic, Poland).
Source: (ITU, 2022[12])

Despite positive trends, there are persistent digital divides, notably between urban and rural areas. The urban-rural gap in the proportion of households with internet access has narrowed over time, largely due to the increased availability of mobile phones with internet connection (ITU, 2023[13]). Nevertheless, 73.3% of individuals living in rural areas were using the internet in 2022 compared to 79.5% for those living in urban areas (ITU, 2023[14]). Lower internet penetration rates in rural settlements compared to urban areas can be partially attributed to the rural population's lower digital competencies and a demographic structure more skewed towards older individuals, respect to urban areas.

Figure 2.2. Rural digital divide in Eastern Partner countries
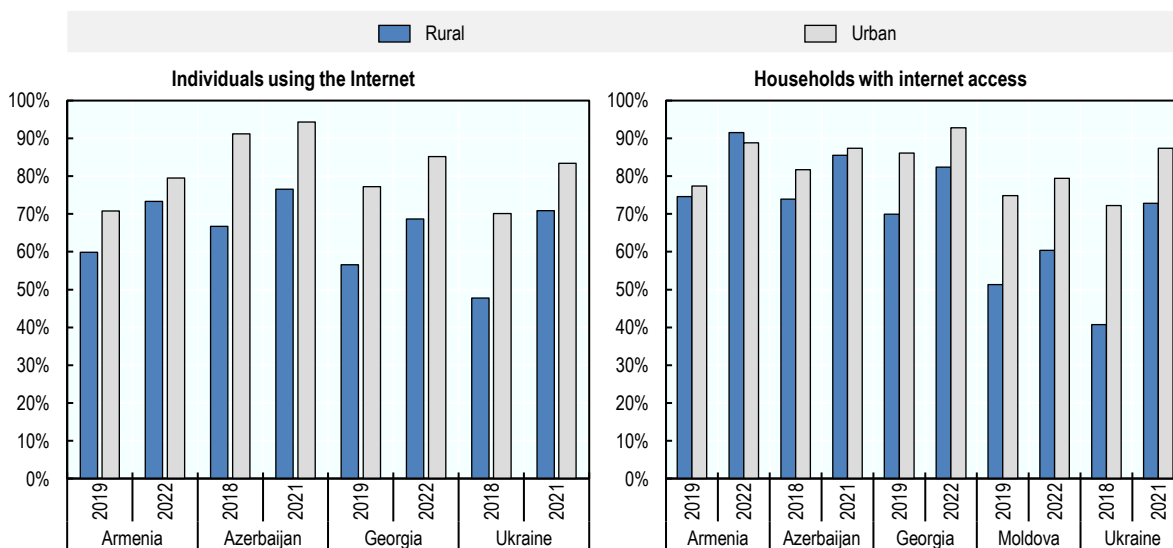


Note: No available data for individuals using the Internet in Moldova.
Sources: (ITU, 2023[14]; ITU, 2023[13])

Affordability also remains a concern, particularly for fixed broadband services. In 2022, the cost of fixed broadband Internet in Armenia was equivalent to 4.2% of gross national income (GNI) per capita, exceeding the international affordability target of 2% set by the ITU (ITU, 2023[15]; OECD, 2021[1]). This may partially explain the lower uptake of fixed broadband compared to mobile broadband services, which are more affordable, at 0.95% of GNI for the data-only mobile-broadband basket (ITU, 2023[16]).

Figure 2.3. ICT Prices (2019 vs. 2022)

% GNI per capita
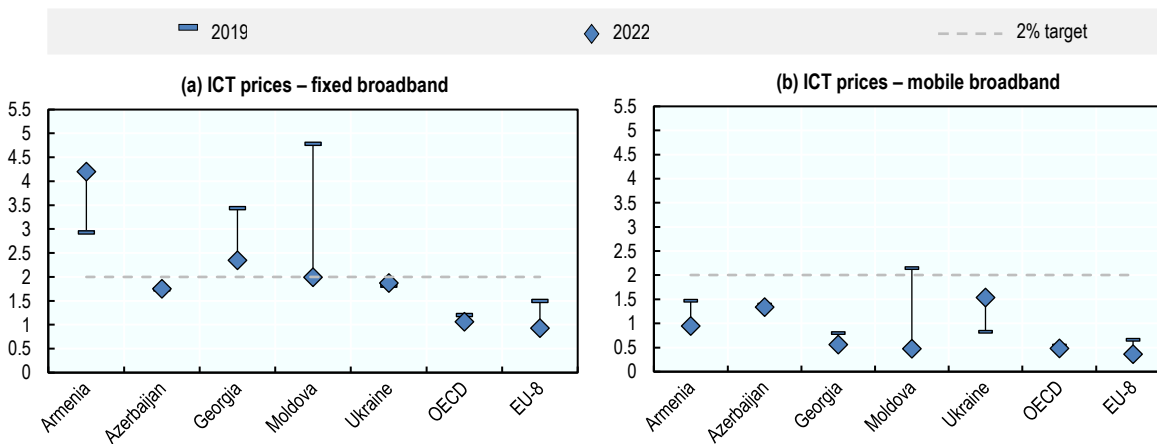
Source: (ITU, 2023[17])

Addressing these challenges regarding connectivity and affordability is imperative for fostering inclusive digitalisation and driving economic growth across all regions.

Regulatory framework for digitalisation

Armenia has made significant strides in the provision of e-government services, automating administrative processes in order to streamline bureaucracy and facilitate efficient interactions with government entities through digital platforms (OECD/EBRD, 2023[18]). The range of services accessible via e-government platforms has expanded, encompassing a comprehensive system for submitting government requests electronically (www.e-request.am), a unified website for the publication of draft legal acts (www.e-draft.am), and the electronic State Register for Legal Entities (www.e-register.am). This development of e-government services not only widens the array of available services but also enhances accessibility and bolsters e-governance, thereby advancing Armenia's broader digital transformation efforts. The e-gov.am platform plays a pivotal role in the provision of e-government services by bringing together all electronic governance tools and databases of different Armenian state agencies (Box 2.1).

Box 2.1. e-Gov.am: Streamlining access to e-government services

The e-gov.am platform serves as Armenia's centralised hub for accessing a wide range of e-government services, bringing together the electronic governance tools and databases of multiple state agencies into a single convenient platform. This initiative reflects Armenia's commitment to leveraging digital technologies to improve interactions between citizens and businesses with government entities, thereby advancing the government's digital transformation agenda.

Key services available on this platform specifically addressed to businesses include:

- **Electronic signature**: Through online application processes, businesses and individuals can acquire an e-signature. This is also essential for streamlining online documentation, reducing physical paperwork, and ensuring the authenticity and integrity of electronic documents by safeguarding them against forgery.

- **Business registration**: Businesses can register online within minutes through the platform, adhering to the one-stop principle. Users can also access information on registered entities and track the progress of their applications.

- **Licensing applications**: Users can apply for various licenses online, streamlining the process for obtaining, renewing, or terminating licenses. The platform offers features such as application tracking and electronic signatures, saving time and enhancing transparency.

- **Electronic tax filing**: The Electronic Tax Filing System simplifies tax filing for both taxpayers and officials by automating report preparation, verification, and online submission. This digital solution not only saves time but also provides a transparent, secure, and traceable process for submitting tax reports, reducing the risk of corruption.

- **Intellectual property applications:** The platform provides access to the Intellectual Property Agency's databases, allowing users to search for information on industrial designs, trademarks, and more. A user-friendly tutorial facilitates efficient navigation of these resources.

Source: (Government of Republic of Armenia, 2024[19])

Armenia has taken steps to facilitate the use of electronic signatures through different legislative measures. In 2005, the Government of Armenia adopted the *Law On The Electronic Document And The Electronic Digital Signature*, aimed at facilitating the use of e-signatures. Amended in March 2018, it only covers only the use of qualified electronic signatures, and does not provide for the other two levels distinguished by the Integrated EU Framework For Electronic Signatures (eIDAS), namely simple and advanced (OECD, 2021[1]). On a positive note, Ekeng, Armenia's e-governance infrastructure implementation agency,

provides services to help citizens and business obtain electronic signatures, which play a crucial role in streamlining online documentation and reducing physical paperwork (Ekeng, n.d.[20]). However, while SMEs acknowledge progress made in the area of e-governance, barriers related to digital transactions persist, and they identify the complexity of processes related to obtaining and using e-signature services as one of the main limitations (see Chapter 2).

Box 2.2. The EU framework for electronic signatures

An electronic signature is an electronic indication of a person's intent to agree to the content of a document or a set of data to which the signature relates. E-signatures help reduce the time, costs, and risks associated with paper-based signatures, streamlining transactions, and ensuring a better user experience. They bind a signer's identity to each document, mitigating the risk of duplication or alteration and guaranteeing documents' integrity.

The EU eIDAS Regulation establishes a unified framework throughout all EU member states to ensure legal recognition and interoperability for cross-border business opportunities and covers a range of trust services. Citizens of EU countries, Iceland, Norway, and Liechtenstein, as well as governments and businesses, and service providers can all benefit from the use of eIDAS solutions. Businesses of all sizes can use eID solutions in both business-to-business and business-to-consumer transactions. Examples of trust services include:

- Electronic signature (e-signature): To express a person's agreement to a contract in an electronic format. The eIDAS Regulation defines three levels of electronic signature: 'simple' electronic signature, advanced electronic signature and qualified electronic signature.
- Electronic seal (eSeal): To guarantee the origin and integrity of an electronic document.
- Electronic timestamp (eTimestamp): To link an electronic document to a particular time.
- Website Authentication Certificates (WACs): To prove that a website is trustworthy and reliable.
- Electronic Registered Delivery Service (eDelivery): To allow users to send data electronically.

Trust services under the eIDAS Regulation support businesses across various sectors. Financial services benefit from the facilitation of remote account processes and the enhancement of account access. Online retail can use eID to implement website authentication certificates and cost-efficient e-signatures and eTimestamps. All sectors, including transport and professional services, can benefit from stronger client or customer identification checks to provide a secure login to a service, increasing consumer trust. Additionally, eID solutions can ensure the overall secure exchange of important documentation, highlighting accountability and reducing the risk of loss, theft, or damage.

Note: A checklist is available on the European Commission's website to help users understand the key criteria associated with eID and trust service solutions, and guide businesses to choose the appropriate services according to their needs.
Source: (European Commission, 2023[21]; EU4Digital, 2021[22]).

The country also faces challenges regarding cybersecurity governance, as it does not have a dedicated legislation in this domain.[2] Although Armenia has ratified the Budapest Convention on Cybercrime and actively engages in international cooperation initiatives, it has yet to align its cybersecurity framework with the EU's Directive on Security of Network and Information Systems (NIS Directive). Originally passed in 2020 and subsequently updated with the enactment of the Directive on measures for a high common level of cybersecurity across the Union (NIS2 Directive) in 2023, this legislation is designed to accommodate the escalating pace of digitisation (OECD, 2021[1]; European Commission, 2023[23]).

Box 2.3. EU framework on cybersecurity

The *EU Cybersecurity Strategy*, launched in 2020, aims to build collective capabilities to strengthen digital defences and enhance resilience against ever-evolving cyber threats. This strategy encompasses legislative measures, certification initiatives, and strategic policy measures, channelling resources from both the EU and its Member States to safeguard cybersecurity. The *European Union Agency for Cybersecurity (ENISA)* plays a pivotal role in providing support to Member States, EU institutions, and businesses in this endeavour.

The *Directive on measures for a high common level of cybersecurity across the Union (NIS2 Directive)*, which entered into force in 2023, stands as the cornerstone of EU-wide cybersecurity legislation. Building upon its predecessor, the *Directive on security of network and information systems (NIS Directive)*, this updated framework has been designed to address the challenges posed by heightened digitisation and emerging threats. Complementary legislation such as the *Cyber Resilience Act* is proposed to enforce cybersecurity standards for digital products and software. Moreover, the *Cybersecurity Act* bolsters the mandate of ENISA, while the *Cyber Solidarity Act* fortifies the EU's collective response to cyber threats. Concurrently, efforts are underway within the Commission to establish a comprehensive EU-wide certification framework for cybersecurity standards.

Cybersecurity played a critical role in the EU's research and innovation funding programme *Horizon 2020* and maintains its significance in its successor, *Horizon Europe*. Additionally, the European Commission actively bolsters cybersecurity preparedness and deployment through different programmes, including the *Connecting Europe Facility (CEF) (2014-2020)*, *InvestEU*, and the *Digital Europe Programme (2021-2027)*. Notably, the latter allocates a substantial EUR 1.9 billion to enhance cybersecurity capacity.

Furthermore, the EU has implemented comprehensive initiatives to respond to cybersecurity challenges. The Commission's *Blueprint for rapid emergency response* delineates a plan to tackle large-scale cross-border cyber incidents swiftly. Moreover, the proposed EU-wide *Joint Cyber Unit* serves as a platform ensuring coordinated responses to crises, thereby establishing a robust response and assistance framework.

Lastly, efforts to bridge the skills gap in cybersecurity entail the development of a framework to foster cybersecurity skills through initiatives like the *EU Cybersecurity Skills Academy*. In addition, awareness campaigns, such as the *European Cyber Security Month*, are being deployed to educate the general population on cybersecurity matters.

Source: (European Commission, 2023[23])

Digital skills

Despite progress, Armenia's digital skills assessment and anticipation efforts remain limited due to the absence of systematic and comprehensive data collection, falling behind its EaP peers in this regard (EU4Business, 2020[24]). Nevertheless, even with limited data availability, it is evident that the level of digital skills among the population is relatively low by international standards. These digital skills deficiencies disproportionately affect specific segments of the population, notably the elderly and residents of rural areas. Within these demographics, a significant portion lacks proficiency in utilising e-government tools and services (OECD/EBRD, 2023[18]).

According to a 2020 World Bank survey (World Bank, 2020[25]),[3] only 15% of the Armenian population used e-government tools. At the same time, only 2.8% used ID cards for electronic transactions, mainly to submit

tax declarations and to sign official documents. One of the most frequently cited reasons for not using e-government services is the lack of skills or knowledge, which is mentioned mostly by users older than 45. The use of e-commerce is also limited, with only 21% of the population buying or ordering goods or services online. Less than one third of Armenians carried out computer- or software- related activities during the previous year, with gaps existing between younger and older population, as well as between urban and rural residents. In general, the younger the population the higher are e skills. The restricted use of e-government solutions, e-commerce opportunities, and software can be in large part attributed to the population's limited digital skills.

As will be seen in detail in Chapter 2, Armenia is aware of this issue, and has already taken some measures in this field. Digital skills development is in fact one of the main priorities of the DSA, which outlines a plan to introduce in-depth courses in schools as an essential step for the development of digital literacy. Non-governmental stakeholders also play a crucial role in advancing digital skills in Armenia.

Support infrastructure for SME digitalisation

The digital transformation of businesses and their core operations has been reshaping the global economy since the early 2000s. As seen in Chapter 1, SMEs stand to gain significantly from adopting digital solutions, including in the optimisation of operational capacities and the enhancement of productivity and innovation activity by facilitating access to strategic resources. However, the journey towards SME digital transformation is arduous and persistent barriers remain. Challenges such as a lack of digital skills and unreliable internet connectivity continue to hinder or restrict the digital transition of SMEs (OECD, 2022[26]). Policy makers play a crucial role in facilitating and supporting the digital transformation of businesses. They can offer guidance and assistance to SMEs in overcoming size-related barriers that often impede access to critical resources such as information, finance, training, and high-quality advisory services (OECD, 2021[1]).

Recognising the evolving landscape of the global economy and the importance of supporting SME digital transformation, Armenia has placed significant emphasis on digitalisation within its policy agenda, aligning with the shifting dynamics of the digital age.

Different policy documents target business digitalisation

Digitalisation and small and medium entrepreneurship are regarded as crucial elements of Armenia's strategic development in the **Programme of the Government of the Republic of Armenia 2021-2026.** The programme specifically concentrates on establishing a modern digital environment in the country by digitising state administration, implementing information and cybersecurity management systems, enhancing digital literacy, implementing digital standards, and encouraging the use of digital tools in the private sector. In terms of the digital transformation of SMEs, the government places emphasis on promoting increased labour productivity in enterprises through the adoption of digital tools and the modernisation of technological capabilities in SMEs.

The **Small and Medium-sized Entrepreneurship Development Strategy for 2020-2024** is the central policy document in the area of SMEs. Adopted in 2020, the strategy focuses on four key pillars: i) increasing the accessibility to financial resources, ii) capacity building and development of business culture, iii) ensuring the accessibility of markets, and iv) providing favourable institutional and legal environment for SMEs. In addition, it identifies three main objectives: i) achieving a productivity growth averaging 3% per year during 2021-23 and 7.5% in 2024, ii) increasing employment in the SME sector by an average of 2.5% per year and iii) raising Armenia's score in the Global Entrepreneurship Index from 22.8 in 2020 to 40 in 2024, as a measure of improvements in entrepreneurial activity and business environment (OECD/EBRD, 2023[18]). The strategy also foresees the implementation of a support toolkit aimed at facilitating the

development and adoption of innovative tools in SMEs ultimately to achieve productivity growth in enterprises as one of the primary targets set by the government. The strategy also emphasises the importance of accelerating SME digitalisation, highlighting the government's dedication to bolstering SMEs' digital presence on commercial platforms. To achieve this, specific actions targeting digitalisation were integrated into the Action Plan associated with the strategy's implementation. In 2021, an allocation of AMD 50 million (approximately EUR 118,000) was designated for providing technical support to facilitate the digital transformation of export-oriented SMEs. It's noteworthy that a significant portion of this funding was sourced from donors (OECD/EBRD, 2023[18]).

While many elements of the strategy remain to be implemented due to different circumstances, including the dismantlement of the SME Development National Centre (see below), a new **Entrepreneurship Strategy** is currently being developed by the government. Based on the available information, the new strategy will cover a number of topics, including enterprises' digitalisation and protection of intellectual rights.

In 2021, the government approved the **Digitalisation Strategy of Armenia for the period 2021-2025 (DSA)**. This strategic framework underscores the government's commitment to fostering a comprehensive digital transformation under three strategic goals that extends across i) -public administration, ii) -economy, and iii) -society at large.

The DSA aims at addressing several key facets of digital transformation, emphasising efficiency, transparency, and data-driven practices in public administration. This aligns with the overarching goal of fostering economic modernisation and increasing competitiveness through the strategic deployment of digital platforms and smart solutions. An additional focus of the strategy is to encourage the development of digital skills and promote the widespread use of digital solutions throughout society, recognising the transformative impact these elements can have on various sectors (Figure 2.4).

Figure 2.4. Strategic directions of the DSA
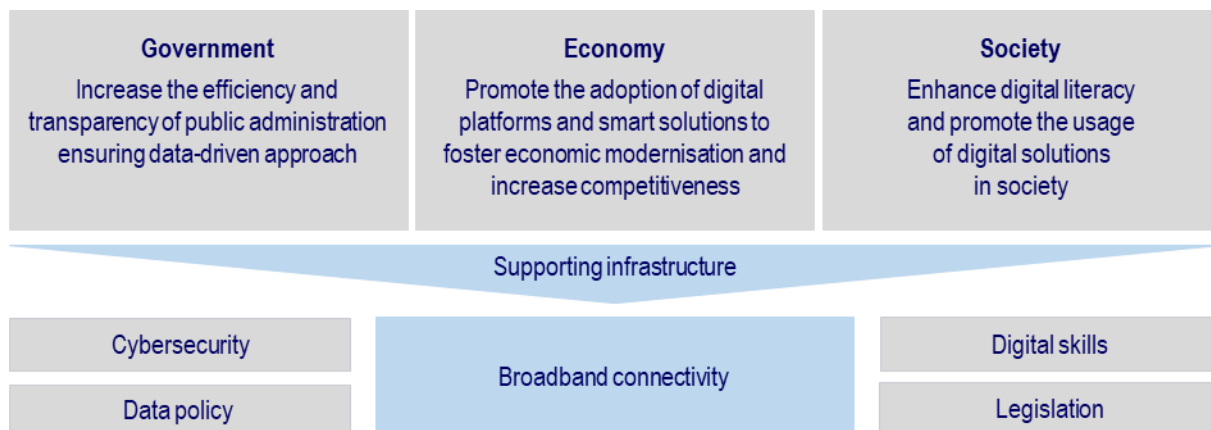
Source: OECD analysis from the DSA.

The strategy seeks to establish a solid foundation that supports digital transformation within the country, underlining the government's commitment to creating an environment conducive to technological innovation and growth. Particularly noteworthy is the strategy's emphasis on advancing the technological capabilities of the private sector. The DSA envisions a robust digital infrastructure, with specific attention given to such critical areas as cybersecurity, data policies, broadband connectivity, and legislation.

Furthermore, the DSA recognises the pivotal role of SMEs in driving economic progress. To this end, the strategy outlines provisions aimed at raising awareness of digital technologies across the private sector;

fostering SMEs' uptake and use of digital solutions by various means (including events, legislative incentives and consulting programmes); and providing automated software-as-a-service (SaaS)-type solutions (accounting, personnel management, warehouse management, etc.) on a public cloud platform (free or on preferential terms). Additional measures are planned to develop e-commerce and innovative solutions.

The strategy benefits from a collaborative, multi-stakeholder approach to digitalisation policy, exemplified by the establishment of the Digitalisation Council in 2019. The Council brings together the deputy prime minister; the head of the Prime Minister's Office; the Ministers of Economy and High-Tech Industry; the deputy ministers of the Ministry of High-Tech Industry (MoHTI); the Minister of Education, Science, Culture and Sports; the First Deputy of the State Revenue Committee; and the CEO of Ekeng CJSC and the head of the SDG Innovation Lab in Armenia. This collaborative approach extends to the newly established Information Systems Agency of Armenia (ISAA), created in 2022, which plays a pivotal role in providing the technological foundations necessary for effective digitalisation (see below).

The Action Plan associated to the strategy is accompanied by a dedicated budget. During 2021-25, it is planned to allocate at least AMD 20 billion (EUR ~47 mln) for the implementation of the DSA. Monitoring and evaluation of the Strategy is performed annually by the Audit Chamber.

The DSA has identified the availability of broadband Internet access throughout the entire Armenian territory as a crucial milestone in the country's digital agenda. The draft strategy **Ensuring Access to Broadband Internet Connectivity in the Territory of the Republic of Armenia 2022-2024** stemmed from the DSA in 2022. The strategy is specifically aimed at fulfilling the government's target of providing broadband connectivity to at least 80% of urban and rural areas in the country. In the realm of broadband development, the draft strategy emphasises actions that encourage investments by the private sector, while also fostering co-operation models. The document specifically outlines the following measures:

- Encouraging the joint utilisation of infrastructures, aiming to minimise duplication of efforts;
- Liberalising frequency bands to introduce new mobile broadband communication technologies that enhance connectivity; and
- Implementing government-backed financial support instruments to ensure connectivity in underserved areas that private operators find unprofitable to invest in.

The current draft is still undergoing revisions and has not yet been formally adopted. The government's ongoing agenda involves the comprehensive mapping of existing optical-cable transmission networks, capacities, and determining the current demand for broadband internet connectivity in both the public and private sectors. These findings are set to facilitate the revision of the strategy draft and its subsequent approval and implementation.
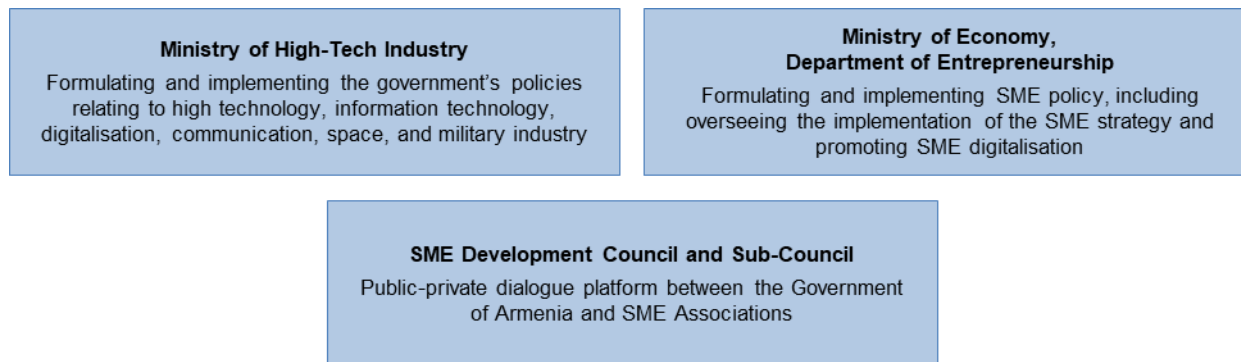
Government bodies and institutions driving SME digital transformation

Although various institutions are engaged in supporting SMEs, Armenia lacks a dedicated co-ordination unit for business development and digitalisation support. Over the past four years, significant changes have occurred in Armenia's institutional arrangements, which have negatively affected the provision of SME support services. The SME DNC, the governmental agency that provided a wide range of financial and non-financial support services since 2002, has been closed. Its functions have been transferred to the Department of Entrepreneurship within the Ministry of Economy and to a separate agency, the Investment Support Centre. However, the mandate of the latter, operating under the brand 'Enterprise Armenia', no longer covers SME support as it is currently solely focused on investment promotion.[4]

SME digitalisation support functions are currently dispersed among various government bodies and ecosystem participants (Figure 2.5). The Ministry of Economy (MoE) and the Ministry of High-Tech Industry (MoHTI) are the primary governmental entities responsible for policymaking and execution in the area of

SME digitalisation in the country. More specifically, the MoE provides general support to SMEs in the non-technological sector, while the MoHTI is specifically mandated to co-ordinate digital transformation and foster the high-tech sector within the economy.

Figure 2.5. SME support functions are dispersed among various bodies

Ministry of High-Tech Industry	**Ministry of Economy, Department of Entrepreneurship**
Formulating and implementing the government's policies relating to high technology, information technology, digitalisation, communication, space, and military industry	Formulating and implementing SME policy, including overseeing the implementation of the SME strategy and promoting SME digitalisation

SME Development Council and Sub-Council
Public-private dialogue platform between the Government of Armenia and SME Associations

Source: OECD analysis

Established in 2019, the **Ministry of High-Tech Industry** serves as a central body of executive authority responsible for formulating and implementing the government's policies in the spheres of high technology, information technology, digitalisation, communication, space, and military industry.[5] In line with its mandate, the MoHTI has played a leading role in formulating and implementing the "Digitalisation Strategy of Armenia for the period 2021-2025".

One of the core functions of the Ministry is the implementation of support initiatives aimed at promoting start-ups and enhancing digital skills in the sector. This agenda is reflected through the "Technological Ecosystem of Entrepreneurship" programme, which aims to enhance technology-based entrepreneurial education, develop start-up infrastructure, and facilitate the transfer of know-how into the Armenian technological ecosystem. With a budget of over 1 million EUR in 2023, the programme consists of several key initiatives, such as:

- *"From Idea to Business" Grant Programme.* The programme offers funding and resources to start-up technology companies and research groups, specifically targeting those in the idea and growth stages. Participants undergo an incubation programme, and upon completion, up to 30 eligible idea-stage projects and 20 growth-stage projects enter an acceleration phase and receive grants ranging from 10,000 to 20,000 EUR, respectively.[6]
- *"Neruzh" Diaspora Tech Start-up Programme.* The initiative aims to encourage professional repatriation by targeting start-up businesses with at least half of their founders or co-founders being Diaspora Armenians from anywhere in the world. During a 5-day bootcamp, participants gain insights into the advantages of the Armenian business environment, receive individual mentorship, refine their business ideas, and have the opportunity to receive grants of up to 30,000 EUR.[7]

Significant efforts are concentrated for the enhancement of digital skills through the "University-Private Sector Cooperation for Training Specialists" project.[8] With a budget of over 620 000 EUR in 2023, the Ministry aims to foster partnership among universities and technology companies by co-financing the development and implementation of targeted educational and training programmes in Yerevan and the regions. In 2022, the programme managed to engage approximately 900 specialists and seven IT companies.

The Ministry is responsible for overseeing the co-ordination of state support within the IT sector. In particular, the MoHTI implements a certification programme aimed at providing tax relief to tech start-ups.

Under this programme, companies with up to 30 employees are eligible for a 0 percent profit tax rate and a 10 percent income tax rate. Furthermore, technology companies that hire a minimum of 10 new employees are granted support in the amount of 50 percent of income tax.

Additionally, MoHTI is a key contributor to various sectoral networking events in the technology sector. One notable example is DigiWeek,[9] a one-week series of technology-related events that brings together technology experts, start-ups, and policymakers from around the world. The initiative is organised in collaboration with the Union of Advanced Technology Enterprises – one of the largest private sector representatives in IT.

The **Ministry of Economy** in Armenia is the primary state authority responsible for implementing SME policy in the country, particularly overseeing the execution of the Small and Medium-sized Entrepreneurship Development Strategy for 2020-2024. Over the past few years, several programmes focusing on the four key directions prioritised by the aforementioned strategy have been implemented by the departments and organisations operating within the Ministry's structure.

One of the key functions of the Ministry is to promote digitalisation among SMEs, which is being achieved through several initiatives:

- *Economic Modernisation Programme*. The programme offers financial support to enterprises, aiming to enhance their production capabilities and ultimately boost productivity. Beneficiaries receive up to a 10% interest rate subsidy on loans or leasing provided by partner financial institutions. The programme is specifically targeted at enterprises in sectors such as manufacturing, construction, transportation and storage, information and communication, professional and scientific activities, education, and healthcare and social services (Ministry of Economy of the Republic of Armenia, n.d.[27]). So far, approximately 60 billion AMD (equivalent to around 130 million EUR) has been directed at supporting SMEs that acquire new machinery and equipment. In January 2024, the Government Decree N 130-L expanded the scope of the programme by offering interest rate subsidies to enterprises purchasing digital software or platforms to digitise their business processes and/or acquiring consultancy services aimed at enhancing productivity.

- *Highly Qualified Specialist Attraction Programme*. Implemented by the National Centre of Innovation and Entrepreneurship (NCIE), the programme provides salary compensation to highly qualified specialists with the purpose of boosting productivity in Armenian enterprises. Compensation ranges from 20 to 70% of the salary, depending on the level of qualification of the professional, which is determined through certain criteria that have been defined regarding the professional's education and work experience (Ministry of Economy of the Republic of Armenia, n.d.[28]).

- *Accelerator #5:* As a joint effort between the UNDP's ImpactAim Accelerator, the Ministry of Labor and Social Affairs (MoLSA), and the MoE, this project focuses on empowering women entrepreneurs and fostering the growth of women-led startups. The initiative consists of pre-accelerator and accelerator phases, with both offering tailored programmes to deepen knowledge in specific areas. Furthermore, a separate programme called Platform #5 has been introduced to enhance the digital marketing skills of economically inactive women, ensuring secure employment opportunities (UNDP, 2023[29]).

- *The 19th measure for neutralisation of the Coronavirus-driven economic impact*: This measure is designed to facilitate the implementation of innovative ideas by expanding entrepreneurial knowledge and enhancing access to financing. The financial aspect of this measure entails provision of credit guarantees, meanwhile, the educational component aims to enhance entrepreneurial skills. The programme is coordinated by the "Enterprise Armenia" Investments Support Centre (Ministry of Economy of the Republic of Armenia, n.d.[30]).

In addition to general SME support, the MoE also implements sector-specific development plans and programmes, such as the *Textile Industry Development Strategy*. The latter is built upon three fundamental pillars aimed at advancing the textile sector: i) enhancing the quality of workforce in the industry, ii) advancing production capabilities and technology adoption, and iii) facilitating the growth of exports. The strategy was accompanied with an Action Plan for 2023-2026, outlining ten key actions that will be undertaken to achieve the set objectives, including the adoption of high technologies in production processes and the optimisation of business operations. An additional sector-specific development programme, targeted at the manufacturing sector, aims to fortify workforce stability and empower businesses to sustain and expand their operations. The programme primarily focuses on upskilling and reskilling employees and offers tax reimbursement incentives to employers who hire individuals with limited work experience.

The **National Centre for Innovation and Entrepreneurship (NCIE)**, established in 2004, has been operating within a relatively confined functional scope, focused on limited SME support initiatives as well as technology transfer. However, due to constraints in capacity and resources that have hindered its ability to fully carry out its functions, the Centre is currently in the process of being liquidated (see endnote 4).

Several institutions, including the SME Development Council and the Information Systems Management Board are responsible for ensuring interoperability among various governmental bodies and fostering an efficient public-private dialogue in the area of general SME support and digitalisation.

The **Investment Council of Armenia** (IC Armenia) and its **SME Development Council and Sub-Council** were established in 2012 as a public-private dialogue platforms through a collaborative effort between the RA Government and the EBRD. Initially supported by the EBRD, since 2020 they have been funded by the UK Government's Good Governance Fund (GGF). Comprising members from the government, business community, NGOs, and international organisations, these bodies hold monthly Sub-Council meetings led by the MoE, and quarterly Council meetings under the leadership of the Deputy Prime Minister.[10] During the Sub-Council meetings, relevant issues hindering businesses operation are identified and discussed and possible proposals are presented. Council meetings serves as platforms where experts pinpoint legislative bottlenecks affecting the seamless operation of SMEs. The experts collaborate closely with the relevant ministries to formulate reform packages aimed at enhancing the business environment and investment climate in Armenia.

Over the course of their operation, these forums have facilitated discussions and presentations on over 50 vital projects related to specific sectors. The focus has been on addressing diverse legal regulations that impact SME activities, encompassing areas such as tax administration and policy, the labour code, mandatory insurance, and more. In particular, over the past ten years, the SME Development Council, successfully enacted 25 significant legislative reforms. Notable achievements include the establishment of preferential tax regimes for IT start-ups, the implementation of a sales tax, and reforms in leasing practices. Since 2012 and as of the end of 2023, the Council has convened 22 meetings, eight of which were presided over by the Minister of Economy of Armenia (IC Armenia, 2024[31]). The monthly Sub-Council meetings consistently propose an average of 7-10 modifications to legislation governing SMEs (IC Armenia, 2023[32]).

As part of the DSA, significant institutional reforms have been implemented to facilitate digitalisation efforts in the country. First, the Deputy Prime Minister of Armenia has been assigned the role of Chief Information Officer (CIO), responsible for co-ordinating digitalisation initiatives. Additionally, an **Information Systems Agency of Armenia** has been established with the purpose of fostering the formation of a digital society in Armenia. The agency, which is currently in the process of developing the necessary capacities to achieve full operational functionality, is set to play a crucial role in providing the necessary technological infrastructure, organisational capabilities, legal and regulatory framework, as well as co-operation platforms for facilitating digital transformation in both governmental and private entities. The Agency will

be led through a collaborative approach between the Central Bank of Armenia and the Government, namely the Ministry of High-Tech Industry. To ensure co-ordinated and effective governance, an **Information Systems Management Board** has been formed. The board members comprise the Deputy Prime Minister, Deputy Chiefs of Prime Minister Staff, four Ministers[11] and the Chair of the Central Bank of RA. Among the responsibilities of the Board are the co-ordination of reforms and programmes related to the digital transformation of Armenia, development of a digital society and economy, and cooperation with international partners and private stakeholders.

Key stakeholders in Armenia's digital ecosystem

Digital transformation among SMEs in Armenia has been fuelled by a vibrant technology ecosystem that has evolved substantially over the past two decades due to various initiatives supported by donors and international organisations. These efforts have played a crucial role in generating talent, fostering digital skills among the youth, and raising awareness about the transformative potential of technology in business. Table 2.2 provides a comprehensive overview of the key stakeholders within the dynamic digital landscape in Armenia.

Table 2.2. Overview of acceleration and incubation programmes and other relevant talent generators in the technology ecosystem

	Strategic focus	Services offered
Armath Engineering Laboratory	Schoolchildren aged from 10 to 18	• Educational programmes on coding, animation, robotics, 3D modelling, and prototyping • Access to around 220 engineering laboratories located in schools across the country
Armenian National Engineering Laboratories (ANEL)	• Students and researchers at the State Engineering University of Armenia • Idea-stage start-up teams	• Provision of professional courses and certifications in various engineering specialisations • Access to 30 education and research laboratory facilities in the State Engineering University of Armenia
Armenian-Indian Centre for Excellence in ICT (AITC)	Researchers, students, and entrepreneurs in individuals and/or groups	• Training and workshops in the field of IT, entrepreneurship and design • Laboratory and co-working space at the Yerevan State University equipped with software and hardware capacities to meet R&D needs
Catalyst Foundation	• Technological start-ups • Early career professionals in IT sector	• Mentorship, capacity building and advisory to start-ups in both idea validation and traction stages through programmes such as the HeroHouse AI Incubator and Armenia Startup Academy accelerator • Educational programmes to generate talent in the IT sector with training topics covering a wide range of business, marketing, analytics and design aspects (e.g., Entrepreneurial Assistants' School programme) • Access to co-working and office facilities in Hero House Yerevan hub • Funding opportunities for start-ups through the SmartGate Seed Fund – partner of the Hero House project

	Strategic focus	Services offered
Engineering City	Established companies and start-ups in high-tech and engineering sectors	• Shared research facilities, prototyping labs, along with production machinery accessible for use for resident companies • Provision of mechanical and electronic services to resident companies • Specialised courses, lectures and skill training on engineering topics, as well as general entrepreneurial knowledge
Enterprise Incubator Foundation (EIF)	Promotion of Armenian IT/ High-tech companies and increasing their competitiveness in global markets	• Provision of support and advisory services for local IT startups and international IT company branches • Workforce development programmes through collaboration with global IT companies and universities to enhance professional skills of workforce • Facility planning and implementation for various institutions, including technoparks, universities, training centres, R&D facilities, and knowledge hubs (GTC, VTC, Engineering City, ANEL, AITC, ISTC Foundation)
Entrepreneurship and Product Innovation Center (EPIC)	Entrepreneurs and start-up teams generally led by students and/or alumni of the American University of Armenia	• Capacity-building, mentorship and networking opportunities within the framework of pre-incubation and incubation programmes • Monetary prize and advisory services, including legal, business and tech consultancy to selected start-ups • Access to collaborative working facilities, and a prototyping laboratory at the American University of Armenia
FAST Foundation	Start-ups with research and commercialisation potential Students in STEM education	• Educational programmes for entrepreneurs, industry representatives, university and school students • Networking opportunities through various events and conferences organised by the Foundation • Mentorship within the frames of the AI and biotech-focused venture builder programmes ASCENT and InVent • Access to facilities hosted by FAST foundation, e.g., Startup Studio co-working space • Funding opportunities for start-ups through the STAN angel network
Gyumri Technology Center (GTC)	• Youth in the local community • Companies operating within the ICT and creative industries sectors	• Educational programmes aiming to develop knowledge in IT and entrepreneurship • Consulting services to start-ups and established enterprises, including support in adopting technology solutions and optimizing operational models • Providing access to office space and essential facilities to resident companies
Gyumri Information Technologies Center (GITC)	• Students, specifically those from the regions of Armenia • Employed population • Vulnerable population groups, including veterans, single mothers, women, and displaced people	• Offline and online courses in programming, graphic and web design, digital marketing and project management • Mentorship and networking opportunities (e.g., internships for enrolled participants)
Impact Hub Yerevan	• Enterprises in all sectors that drive positive social impact in Armenia	• Implementation of educational workshops and events • Access to office spaces for both teams and individuals • Funding and mentorship opportunities through the VIA Fund

	Strategic focus	Services offered
ImpactAim Accelerator	• Start-ups that contribute to the implementation of SDGs • Students and/or recent graduates with a specific focus on women and regional youth	• Mentorship, training and networking opportunities through thematic acceleration and incubation programmes, such as Accelerator #5 for women-led businesses, AgriTech - technological solutions in agriculture, etc. • Start-up funding opportunities through some of its acceleration programmes (e.g., Climate Change Technology Accelerator, AgriTech Accelerator) • Educational programmes contributing to the enhancement of digital and entrepreneurial skills among youth and women, namely Accelerator #5 and Digital Art Entrepreneurship initiatives
IRIS Business Incubator and Academy	Innovative and impact-oriented SMEs and/or entrepreneurs in agriculture, industry, tourism, and other non-technological sectors, with a specific focus on Syrian Armenian businesses	• Financial support in the form of grant and/or loan funding • Mentorship and coaching programmes for enterprises enrolled in the business incubator • Access to IRIS CoWork facilities and participation in networking events
Innovative Solutions and Technology Centre (ISTC) Foundation	• Students and researchers • Technological start-ups	• Skill development and networking opportunities within the framework of the implemented acceleration and education programmes • Funding for collaborative research in emerging technologies, namely cloud computing, IoT, AI, Big Data, etc. • Access to a technologically equipped innovation hub and co-working space at the Yerevan State University
Microsoft Innovation Centre Armenia	• Students and professionals in the IT sector • Technological companies and start-ups	• Acceleration programmes for IT sector start-ups with mentorship and networking opportunities, as well as guidance in management, technological, financial and legal domains • Implementation of training and educational programmes for technology enthusiasts, students and professionals • Access to co-working facilities, laboratories, hardware and software resources
The Factory by BANA Angels	Technology start-ups	• Training, mentorship and networking opportunities with potential investors and clients within the framework of programmes such as BANA Start-up Incubator and SAP Start-up Factory • Funding opportunities for start-ups through the BANA angel network
TUMO Center for Creative Technologies	Teenagers (aged 12-18)	• Educational programmes in creative industries and IT (workshops, coaching, laboratory projects) • Technologically equipped hubs in Yerevan, Dilijan, and Gyumri, complemented by six TUMO Boxes situated in nearby towns
Vanadzor Technology Center (VTC)	• Youth in the local community • Companies operating within the ICT and engineering sectors	• Technology and business-focused courses, training sessions, lectures, and events • Mentorship, management, legal and technological advisory to technology companies both in idea and growth stages • Access to office spaces and prototyping facilities

Source: Official webpages and reports of observed programmes. For a detailed list, please refer to the section Websites at the end of the chapter.

The Enterprise Incubator Foundation (EIF), established with support from the World Bank, is one of the foremost players in the Armenian technology ecosystem. Focused on fostering the ICT sector, the EIF has initiated and led numerous projects that serve as cornerstones for nurturing digital skills among young professionals and entrepreneurs in the country. Some of these projects include the Microsoft Innovation Centre, the Innovative Solutions and Technology Centre (ISTC) Foundation, the Armenian-Indian Centre for Excellence in ICT, the Armenian National Engineering Laboratories, and the Gyumri and Vanadzor Technology Centres, among others. In a collaborative effort with higher education providers in the country, some of these programmes have resulted in the establishment of technology hubs on university campuses, particularly at the Yerevan State University and State Engineering University of Armenia. Equipped with digital technologies and resources, these facilities have evolved into centres dedicated to nurturing knowledge in entrepreneurship and digital technology. However, it is worth noting that most of the SME/start-up skills development programmes are delivered by NGOs, largely as a component of donor-funded projects.

With the aim of creating an environment that accelerates the emergence of complex engineering solutions in Armenia's high-tech sector, the high-tech incubator *Engineering City Project* has been launched through a collaboration of public and private stakeholders, including the EIF. This project is being executed as part of the *Trade Promotion and Quality Infrastructure* (TPQI) initiative by the World Bank, which encompasses various components focused on fostering innovation and digitalisation in the country. The goal of Engineering City is to provide engineering companies, including SMEs, with access to equipment, laboratories, and production facilities essential for their operations (Asbarez, 2023[33]).

The EU4Business *Innovative Tourism and Technology Development (ITTD) project*, going beyond the IT sector as it is focused on achieving innovation-led growth in both high-tech and tourism sectors. The project, started in November 2019 and running until April 2024, is co-funded by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ) and is being implemented by German Development Cooperation GIZ under the umbrella of the Private Sector Development and TVET South Caucasus Programme. It has implemented various acceleration and incubation programmes through partnerships with private stakeholders, ultimately aiming to foster the integration of innovative technological solutions beyond the IT sector. Notable examples include the Tourism Innovation Academy, BANA Startup Incubator, SAP Startup Factory, Hero House AI Incubator, and others, which provide essential support to start-ups and entrepreneurs in target sectors through mentorship, training, and financing. Furthermore, in response to the adverse impacts of the Covid-19 pandemic, the project allocated funding for SMEs operating in non-tech sectors through the Innovation for Economic Recovery for MSMEs Grants Programme (EU4Business, 2023[34]).

Another initiative that shifts the focus of available support from tech to non-tech industries is the EU-EBRD *SME Finance and Advice Facility Project*, which consists of two primary components based on equity financing and consultancy services (EBRD, 2023[35]). Under its first component, the project operates of an equity fund to invest in SMEs involved in agriculture, manufacturing, and renewable energy sectors. Under the second component, the EBRD's Advice for Small Business programme connects SMEs to a pool of local and international consultants, offering co-financing for advisory services ranging from strategic planning to technology aspect. Recently, the programme has broadened its focus to include digital transformation support for beneficiary enterprises. Notably, it offers digital maturity assessments, training for consulting companies, and online webinars for SMEs. The offered courses equip advisors with the required knowledge and expertise to formulate and implement Digital Transformation Strategies in targeted enterprises.

In addition to the previously mentioned initiatives, several other programmes are dedicated to accelerating social entrepreneurship in Armenia. Among these, the *ImpactAim* Accelerator stands out as a pivotal contributor to thematic accelerators that support both early-stage and established start-ups. *ImpactAim* is a part of the global UNDP Impact Investment Vehicle initiative and specifically focuses on solutions that align with the Sustainable Development Goals (SDGs), addressing domains such as climate change, technology adoption in public administration and agriculture, as well as development of digital skills among women. Impact Hub Yerevan is another significant player in the social entrepreneurship space, having introduced over 20 incubation and educational programmes in Armenia. One of its most recent initiatives is the VIA Fund, an impact investment fund specifically designated for mentoring and investing in social enterprises, eventually scaling their impact and driving positive change in the country (Impact HUB Yerevan, 2023[36]).

Promoting science-based entrepreneurship remains a crucial aspect of Armenia's technological ecosystem, and the Foundation for Armenian Science and Technology (FAST) leads the way in this domain. FAST is actively engaged in implementing diverse programmes related to education, research, and technology commercialisation. It offers training in disciplines such as data science, artificial intelligence, and entrepreneurship. Additionally, FAST operates venture-builder programmes such as ASCENT and InVent, nurturing the generation and implementation of innovative start-up ideas. To further bolster the ecosystem, FAST established Armenia's first angel network, the Science and Technology Angels Network (STAN), providing financial support to early-stage start-ups in the country (FAST, 2023[37]).

Websites

Armenian-Indian Centre for Excellence in IT: www.armindia.am

ANEL: www.anel.am

Armenia Startup Academy: www.startupacademy.am

BANA: bana.am

Catalyst Foundation: www.catalyst.am

EIF: www.eif.am

EPIC Incubator: epic.aua.am

FAST: fast.foundation

GTC: gtc.am

GITC: www.gitc.am

Hero House: www.herohouse.am

ImpactHub Yerevan: yerevan.impacthub.net

ImpactAim Accelerator: yerevan.impacthub.net/impactaim-venture-accelerator/

IRIS Incubator: www.irisbi.am/en

ISTC: www.istc.am

Government of the Republic of Armenia: www.gov.am/en/

Ministry of Economy: http://www.mineconomy.am/en/

Ministry of High-Tech Industry: http://www.hti.am/en/

National Statistical Committee of Armenia: www.armstat.am/en

Microsoft Innovation Centre Armenia: www.mic.am

TUMO: tumo.org

VTC: vtc.am/en

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Notes

[1] Such a difference may be partially attributed to the variation in the average number of people per household since, in Armenia, the average number of people per household is 3.3 whereas the equivalent in the EU is 2.2.

[2] According to information available at the time of drafting, a law on cybersecurity has been drafted and circulated for consultation among government bodies.

[3] Such a difference may be partially attributed to the variation in the average number of people per household since, in Armenia, the average number of people per household is 3.3 whereas the equivalent in the EU is 2.2.

[4] According to information available at the time of drafting, the government is currently planning to establish a new foundation focusing on innovation and entrepreneurship promotion at national level. The new foundation will be tasked with some of the main functions previously under the mandate of SME DNC and NCIE, including in regard to SME support.

[5] The Ministry of High-Tech Industry was established as a result of the reorganisation of the Ministry of Transport, Communication, and Information Technologies, which was previously responsible for coordinating government policies in information technology, digitalisation and communication sectors.

[6] For more details visit the website: https://hightech.gov.am/en/cragrer/cragrer/gagaparic-mincev-biznes-dramasnorhayin-cragir.

[7] For more details visit the website https://hightech.gov.am/en/cragrer/cragrer/neruz-spyurki-texnologiakan-startapneri-dramasnorhayin-cragir#:~:text=%E2%80%9CNeruzh%E2%80%9D%20diaspora%20technology%20startups%20program&text=The%20goal%20of%20the%20project,of%20a%20start%2Dup%20ecosystem.&text=%E2%80%9CNeruzh%E2%80%9D%20is%20a%20state%20program,has%20been%20implemented%20since%202018.

[8] For more details visit the website https://hightech.gov.am/en/cragrer/cragrer/masnagetneri-patrastman-bowh-masnavor-hatvac-hamagorcakcutyun-cragir.

[9] For more details visit the website https://hightech.gov.am/en/cragrer/cragrer/digi-week.

[10] The council operates under the Office of the Deputy Prime Minister of Armenia, while its Secretariat includes members from the Ministry of Economy, Enterprise Armenia Investment Support Centre and Investment Council of Armenia. Established in 2007 with the support of the EBRD, the Investment Council of Armenia (commonly referred to as the EBRD Business Support Office) executes initiatives in relation to

SME development, with a specific focus of promoting gender inclusivity within the operations of the SME Development Council.

[11] Minister of High-Tech Industry, Minister of Economy, Minister of Justice, Minister of Finance.

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