



TABLE OF CONTENT

- Bills in Parliament
- Government Decrees
- Financial Sphere
- Public Services Regulatory Commission
- Lavash: The King of the Breads

TK&PARTNERS
WEEKLY CLIENT ALERTS

#YourSupportTeam



Corporate
Governance
Center



IFLR1000

Chambers
AND PARTNERS

BILLS IN PARLIAMENT

AMENDMENTS TO VAT PAYMENT FOR GOODS AND MEDICINE

It is proposed to postpone the payment of VAT on food and medicine imported from third countries through the customs regime "Release for Domestic Consumption" until the sale of those goods, taking into account the large sales of the given goods. The proposed amendment is expected to be in effect until December 31, 2021. The draft amendment to the law is not included in the Parliament agenda yet.

Find more [here](#).



AMENDMENTS IN FINANCIAL LEASING AND REGULATIONS FLOWING FROM IT

The project proposes:

- to define and clarify the legal relations between all the parties involved in the leasing process, the legal basis of contracts, types of leasing, the precise determination of the residual values;
- to provide a unified approach for all participants in the process, in particular the accounting methodology for both the Lessee and the Lessor, and the Supplier Company;
- property tax and administrative fines for vehicles that are subject to leasing will be paid at the place of registration of the Lessee, and not the Lessor, which may contribute to the growth of community income.

The draft amendment to the law was adopted in the first reading.

Find more [here](#).

THE FRANCHISE OF THE PROTECTED OBJECTS OF INTELLECTUAL PROPERTY SHALL BE REGISTERED WITH THE AUTHORIZED STATE BODY

From now on, in case of franchising of protected objects of intellectual property, the right shall be registered and terminated by the authorized body (Intellectual Property Agency). The bill was fully adopted in the second reading.

Find more [here](#).

#YourSupportTeam



Corporate
Governance
Center



IFLR1000

Chambers
AND PARTNERS

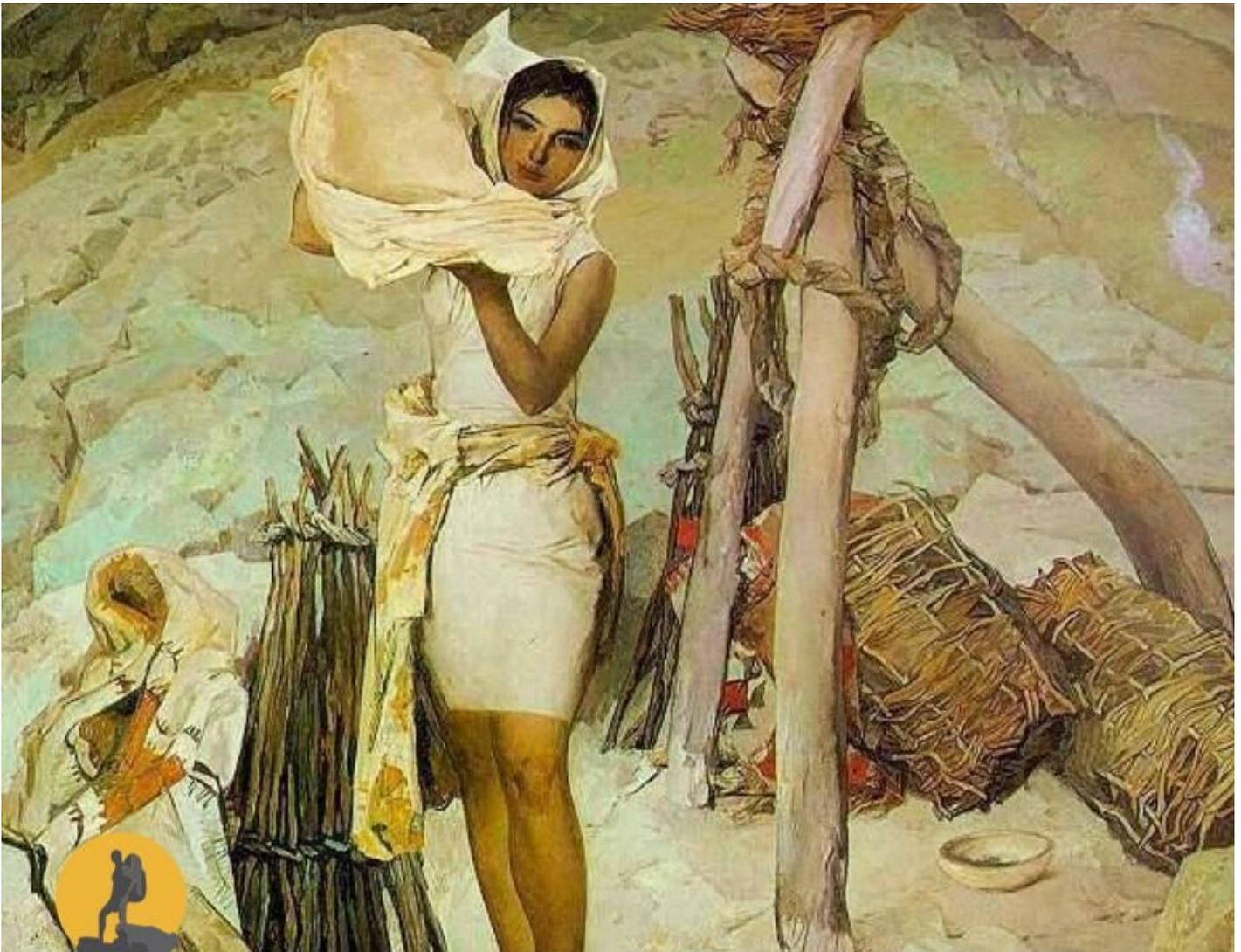
GOVERNMENT DECREES

CHANGES IN THE PROGRAM FOR SUBSIDIZING INTEREST RATES ON LOANS PROVIDED TO THE AGRICULTURAL SECTOR

Some amendments were made in the terms of providing of loans by the Government's decision " On approval of the program for subsidizing interest rates on loans provided to the agricultural sector". From now on, loans will be issued at the actual rate of up to 14%, and in the case of a loan of up to 1 million AMD in the rate up to 13%.

At the same time, other payments for services of financial institutions related to the loan cash-out fees, service fees, commissions, etc., will not be charged.

Find more [here](#).



FINANCIAL SPHERE

WIDENING THE SCOPE OF PERSONS ELIGIBLE TO APPLY TO THE FINANCIAL SYSTEM MEDIATOR

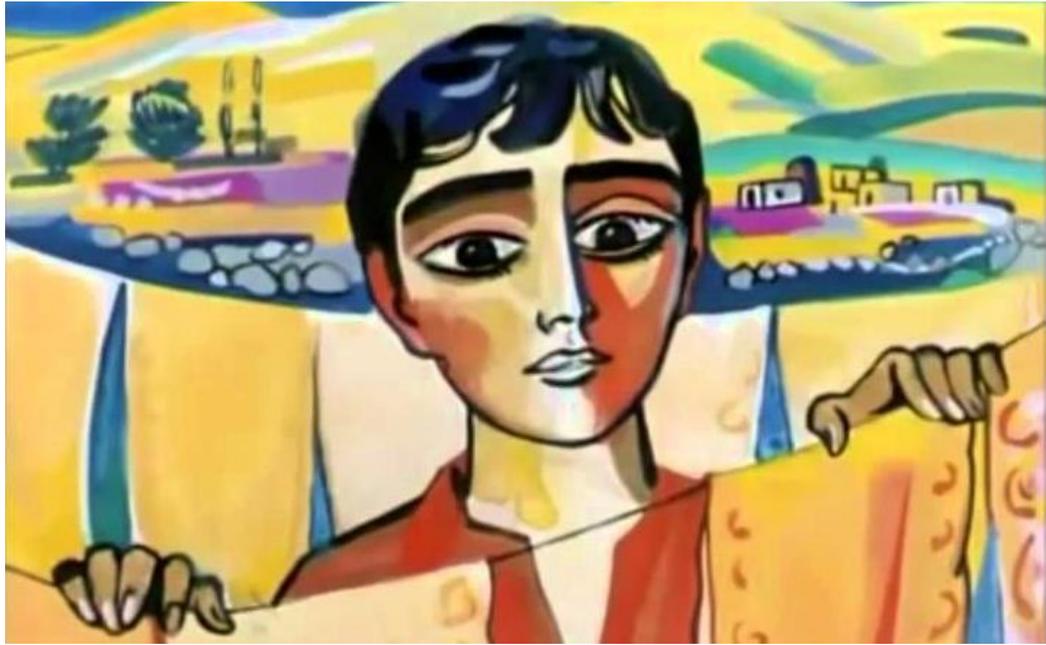
Hereinafter not only individuals, but also organizations and sole entrepreneurs falling into the scope of the micro-business shall be entitled to apply to the Financial System Mediator. The Draft Law presented by the parliamentary fraction “Bright Armenia” on Making Changes and Amendments to the Law of the Republic of Armenia on Financial System Mediator was introduced for second reading in the Session of National Assembly held on May, 5. Find more [here](#).



CHANGES OF THE INSTITUTE OF LEASING

The legal institute of leasing may be subjected to essential changes, the main of which is intended to be the introduction of the concepts *reverse leasing* and *secondary leasing* into the law. In particular, a reverse leasing implies transfer for temporary use and control of the lessee of a property obtained from him, and secondary leasing is the re-transfer to another lessee of the leased item returned to the lessor in result of termination or preliminary termination of a leasing agreement. The legislative package introduced by the Government passed first reading at the session of the National Assembly held on May 6. Find more [here](#), [here](#), [here](#), [here](#), [here](#), and [here](#).





PUBLIC SERVICES REGULATORY COMMISSION

THE NEW METHODOLOGY FOR CALCULATION OF REGULATORY TARIFFS IN THE GAS-SUPPLY SYSTEM

Before May 20, 2020, the Public Services Regulatory Commission of Armenia will be discussing a draft decision, which envisages the introduction of stimulating tariff regulations in the gas-supply system, creating conditions for the implementation of the necessary investments in the system. In particular, the draft stipulates a 10-year period for gas-supply companies starting from 2020, which is divided into 2 five-year periods. During the five-year period, the operating and maintenance costs of the company will not be reviewed annually (only material and repair costs will be adjusted against the inflation), the permissible amount of losses, setting targets at the end of each period, as well as fixing the required investment. This approach may encourage companies to optimize costs and reduce losses as quickly as possible during each 5-year period, while reaping additional benefits, and at the end of the 5-year period, the improved tariffs will be taken into account in the following year, having a positive impact on the natural gas tariffs sold to consumers. Find more [here](#).

#YourSupportTeam



Corporate
Governance
Center



IFLR1000

Chambers
AND PARTNERS

Lavash: The King of the Breads



Bread has been a faithful companion of Armenians for centuries. In the Armenian Highland, bread was baked as early as 3-2 centuries BC.

Let's understand where the name "lavash" came from. Lavash is an Armenian word obtained directly in the process of preparation.

After the dough is rolled out, it needs to be well stretched and opened. This word came from here: "lav kashats" (well-stretched in Armenian) changed to "lav kash", and then the bread got its final name "lavash".

According to traditions, bread was baked early in the morning, and a fire in a tonir was kindled at dawn.

The process of baking bread was accompanied by morning blessings and prayers. In ancient times, lavash was baked from holiday to holiday in large quantities.

In the old days, lavash was a companion and protector of soldiers during the war. Mothers made lavash with their own hands, dried it and put it in a soldier's backpack. Due to its long shelf life, lavash saved the soldiers from starvation.

The Armenians also had a tradition of throwing lavash on the bride's shoulder, expecting the bride to add bread to the new home. This custom has been preserved at traditional Armenian weddings to this day.

Magic Lavash

In 1988, one of the most popular Armenian cartoons, "[Magic Lavash](#)", was shot. The main character of the cartoon was an honest and kind Naghash, who lived with his mother and grew up eating lavash prepared by the hard and honest work of his mother. Once Naghash decides to follow his mother's advice and find his "heart's work". But after going through many trials, he returns to his native village, cultivates his own lavash-sized land and enjoys the result of his honest work. At the end of the film, the hero recalls his mother's words:

"Remember, son, joy is in work, and happiness is in Homeland"



In 2014 Armenian lavash was included in the UNESCO intangible cultural heritage list.

[Source](#)

#YourSupportTeam



Corporate
Governance
Center



IFLR1000

Chambers
AND PARTNERS