

# ARMENIA'S ICT SECTOR

## *Fact Sheet*

### **The sector in numbers**

- In 2025, Armenia's ICT sector generated more than AMD 1 trillion in turnover, up from AMD 306.4 billion in 2017.
- Exports reached AMD 711.5 billion, 5.2 times the 2017 level.
- According to the State Revenue Committee, turnover stands at roughly AMD 1.207 trillion, an increase of about 28%.
- The number of companies has grown from 650 in 2017 to 12,026 in 2025. Tech Market Insights counts 1,253 of them as active, with 538 developing their own products.
- ICT services exports equal 4.58% of GDP, or about USD 1.18 billion.
- In the Global Innovation Index 2026, Armenia ranks 59th out of 139 economies, and 17th for ICT services exports.
- In StartupBlink's 2025 ranking, Armenia stands 54th, up three places.

### **Human capital**

Employment in the sector's companies has risen from 15,350 in 2017 to 41,431 in 2025. Reinvantage puts the figure at around 44,000, while Tech Market Insights, using a broader definition that includes supporting roles, arrives at around 58,700. Women make up about 40% of the workforce and foreign specialists about 18%; 94% of professionals are based in Yerevan.

In the Information and Communication sector, the average monthly salary reached AMD 835,840 in September 2024, roughly three times the national average (AMD 303,140 in 2025). The number of ICT students grew by nearly 22% between 2022 and 2024, and the talent pipeline starts at school: since 2011, TUMO has reached more than 21,000 learners.

### **Startups and investment**



Startup funding in 2025 is estimated at about USD 164 million (around AMD 60 billion), with startup activity up 22.8%. On 3 July 2025, the Government approved a three-year partnership with Plug and Play, which has since opened an office in Yerevan. The first state-supported Sevan Startup Summit drew more than 200 teams from 40 countries, and the Formula VC II fund plans to invest USD 30 million in 40 startups with Armenian roots.

In GII 2026, Armenia ranks 7th for creative goods exports and 3rd for growth in labor productivity. Venture deals rose by 200% over 2024-2025, though from a low base; on this indicator Armenia ranks 85th.

### **Government policy and incentives**

On 4 December 2024, the National Assembly adopted laws supporting the high-tech sector and introducing tax incentives. The incentives apply from 1 January 2025 through 31 December 2031. They include a 1% turnover tax (down from 5%), a 10% income tax rate on R&D-related salaries, a 200% deduction of salary costs in calculating profit tax, a 60% reimbursement of income tax for new hires, and 50% support for internationally certified training. To qualify, a company must be listed in the high-tech sector register and earn at least 90% of its turnover from high-tech activity.

The sector is overseen by the Ministry of High-Tech Industry and Artificial Intelligence. Alongside export growth, international ties are deepening: on 8 August 2025 in Washington, Armenia and the United States signed a memorandum of understanding on an innovation partnership in artificial intelligence and semiconductors.

### **AI infrastructure**

On 8 August 2026, the first phase of Firebird's AI factory opened in Hrazdan, with 6,144 NVIDIA B200 GPUs and 15 MW of capacity. By the end of 2027, the company plans to deploy more than 70,000 GPUs and reach 300 MW. The first phase represents an investment of about USD 450 million, within a total project estimated at USD 4 billion.

### **Challenges**

The labor market has cooled. Developer vacancies hit a seven-year low in 2024 and showed signs of recovery in 2025, while the number of professionals grew by just 2% in 2024. Junior specialists, who make up 31.6% of the workforce, are the first to feel employers' caution, whereas AI skills are commanding a growing premium.



Armenian service companies remain closely tied to North American demand, and the appreciation of the dram (about 1.95% in January-April 2026) is putting pressure on exporters. In GII 2026, Armenia's weakest pillar is Human Capital and Research (99th), and it ranks 120th for university-industry R&D collaboration.