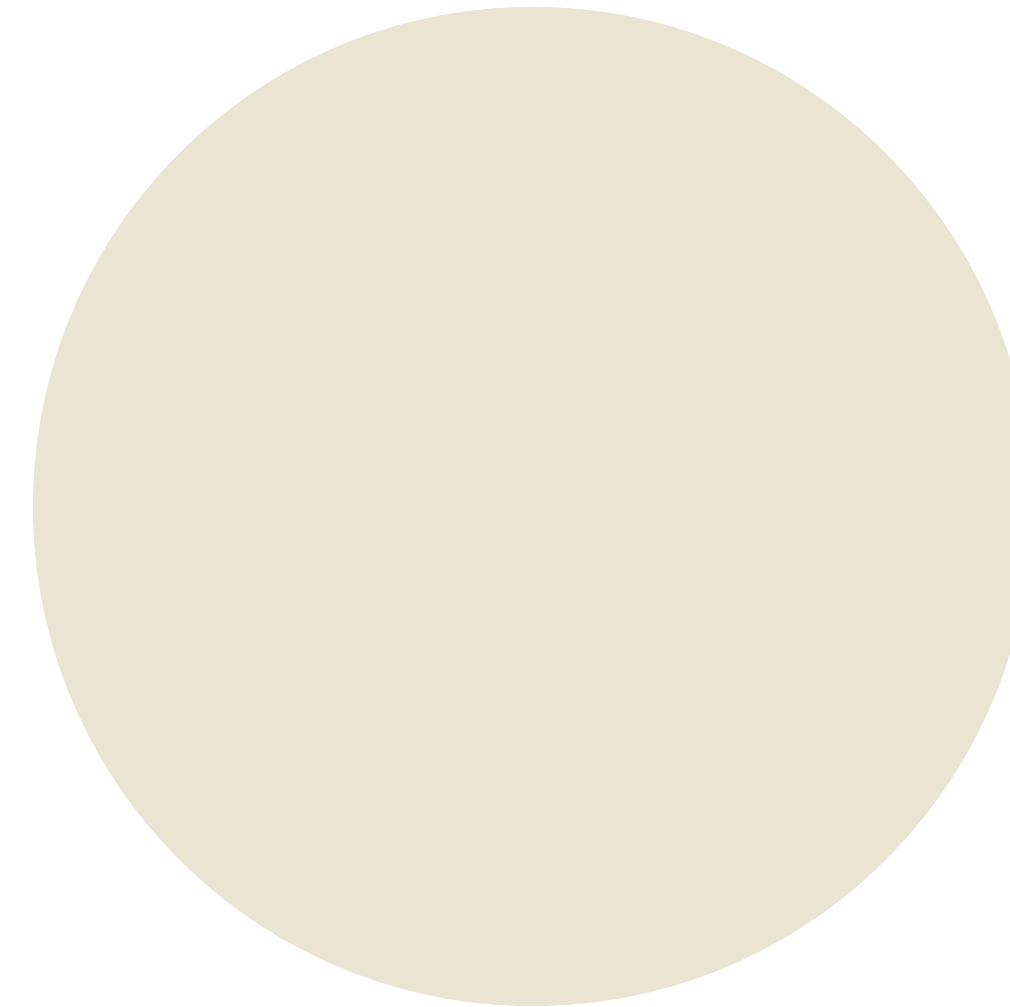
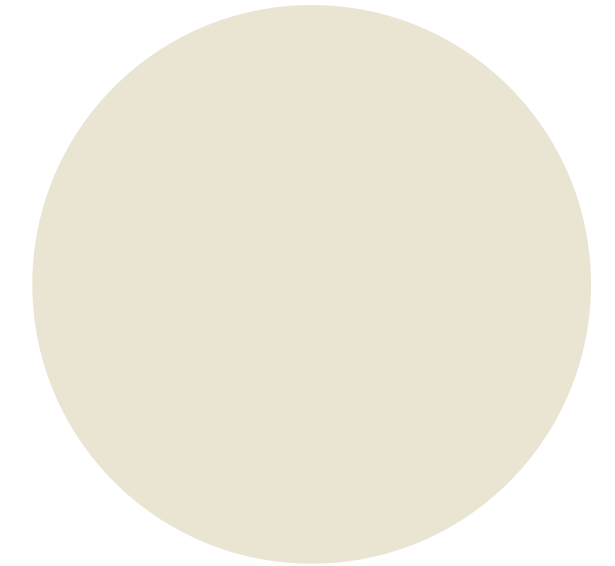




AGRICULTURE

● SIMPLIFIED BUDGET - 2024





This publication has been developed with the financial assistance of the European Union.
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ABOUT THE INITIATIVE

The Economic Development and Research Center (EDRC), the Armenian Lawyers' Association and “Agora Central Europe” (Czech Republic) are jointly implementing the “Budgets 4 Citizens” (B4C) project with the financial support of the European Union.

The project aims to enhance civil society participation in budget processes and promote inclusive, transparent budgeting in Armenia.

The EDRC is a non-partisan think tank specializing in the monitoring and analysis of public programs and policies. By focusing on efficiency, effectiveness, targeting, and beneficiary satisfaction, the EDRC seeks to contribute professionally to policymaking and public discourse.

As part of the B4C project, the EDRC undertakes initiatives to: Increase the awareness and literacy of civil society organizations (CSOs) regarding budget processes; Strengthen CSO capacities in budget monitoring and analysis; Support effective CSO participation in policy development and implementation; Simplify budget information to foster public understanding.

The 2024 Simplified Agriculture Budget is an analytical publication designed for a broad audience across various social groups. Its goal is to raise public awareness and facilitate informed dialogue between civil society and the public sector.

The publication relies on official sources, including the Budget Laws of the Republic of Armenia, State Budget Execution Reports, and other official data. The 2024 budget data is programmatic, while data for 2023 and earlier years is based on actual figures. The document identifies agricultural expenditures as those allocated to agricultural budget programs within the Ministry of Economy of the Republic of Armenia.

ABBREVIATIONS

USA	United States of America
EU	European Union
ME	Ministry of Economy
ha	hectare
RA	Republic of Armenia
GDP	Gross Domestic Product
MTEF	Medium-Term Expenditure Framework
mln	million
bln	billion
EDRC	Economic Development and Research Center

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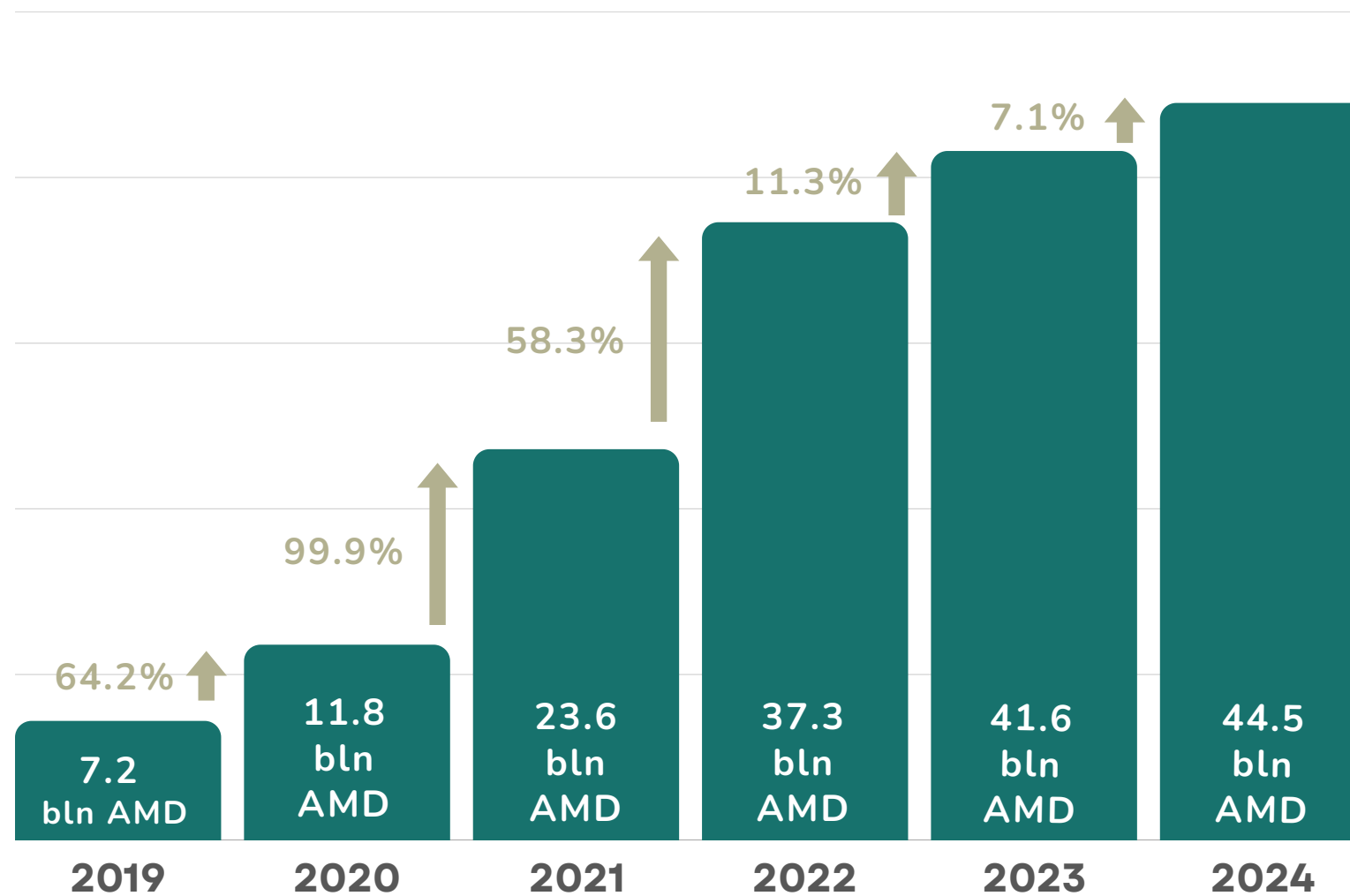
GENERAL OVERVIEW

- The 2024 Annual Budget Law of the Republic of Armenia involves – AMD 2,723.6 bln revenues, AMD 3,206.5 bln expenditures and a deficit equaling to AMD 482.9 bln which respectively constitute 25.9%, 30.5% and 4.6% of the GDP.
- Expenditures on agriculture in the state budget are represented by agricultural programmes coordinated by the RA Ministry of Economy.
- Agriculture is considered one of the priority areas of the government policy. The main objective of the state policy for agriculture development is to **improve the competitiveness of agriculture, to increase the efficiency of agriculture, as well as increasing the income of entities included in the entire value chain in agriculture: farms, cooperatives, processors of agricultural products, and service infrastructure.**
- In 2024, 44.5 billion drams will be allocated to agricultural programs, which exceeds the previous year's level by more than 2.9 billion drams or 7.1 percent.
- Allocations to the Agriculture Sector in 2024 will amount to 0.4% of GDP, against the average level of 0.3% in 2019-2023.
- Expenditures on agriculture will amount up to 1.4% of total state budget expenditures, decreasing by 0.2 percentage points against the data of the previous year.
- The average growth rate of financing of the agricultural sector in 2020-2024 was 48.2%, which is 33.5 percentage points higher than the average annual increase in state budget expenditures over the same period.
- The increase of financing Agriculture decreased to 11.3% and 7.1% in 2023 and 2024, yielding to the corresponding growth rates of state budget expenditures.
- The state policy for agriculture development in 2024 will be implemented through 5 budget programmes.
- **The Agriculture Modernization Programme** is leading among agricultural programmes in terms of funding. The financing of this programme totals to 57.2% of the Agriculture budget. The next is **Agriculture Promotion Programme** with 37.0% share.
- Increase in Agriculture Budget in 2024 will amount to AMD 2.94 billion, which is mainly due to an increase in the budget of the Agriculture Modernization Programme by AMD 7.93 billion and decrease of in the amount of the Promotion of Plant-Growing and Plant Protection programme by AMD 4.77 billion.

- **The Agriculture Modernization Programme** aims to support the development of selected agricultural areas. In particular, the programme provides support in the following main directions:
 - Intensive horticulture,
 - Leasing of agricultural technique/vehicles and equipment,
 - Introduction of modern irrigation systems and anti-hail nets,
 - Development of livestock breeding,
 - Introduction of greenhouses,
 - Cultivation of agricultural crops.
- About 68.6 percent of the budget of Agriculture Modernization Programme is allocated to support the development of intensive horticulture. Expenditures in this direction will increase by 39 % compared to the previous year and will amount to more than AMD 17.4 billion.
- The volume of creation of intensive horticulture will sharply decrease in 2024, and amount to only 87.9 hectares. The largest volumes of establishing orchards were recorded in 2022, when orchards with an area of about 2,333.1 hectares were established.
- Since 2024, three new measures have been launched within the scope of the programme. They are aimed at 1/ introducing large greenhouses, 2/ supporting the cultivation of agricultural crops, as well as compensations for the import of pedigree breads of sheep and goats, and purebred stock from abroad.
- During 2020-2023, small and medium-sized greenhouse farms with a total area of about 6.54 hectares were supported and built. It is planned that such farms with an area of 1.7 hectares will be built in 2024.
- Within the scope of the **Agriculture Promotion Programme**, measures to support the development of 1/ investment projects in the livestock sector, 2/ agricultural land consolidation, and 3/ industrial astaciculture (crayfish development) will be launched. Notably, it is planned to allocate AMD 2.4 billion for investment programmes aimed at developing livestock farming.
- In the framework of the implementation of the insurance system in the Agricultural Sector, the insured areas will amount to 15 thousand hectares in 2024.
- Resources allocated to support the export of cognac spirit will sharply reduce, and subsidies for business entities engaged in grape procurement will cease.
- It is planned to introduce modern irrigation systems on 2000 hectares of land in the Armavir and Ararat marzes of the RA with the support of the Agence Française de Développement (AFD).
- Support for the provision of compensation for the promotion of winter wheat production will cease in 2024.

AGRICULTURE BUDGET

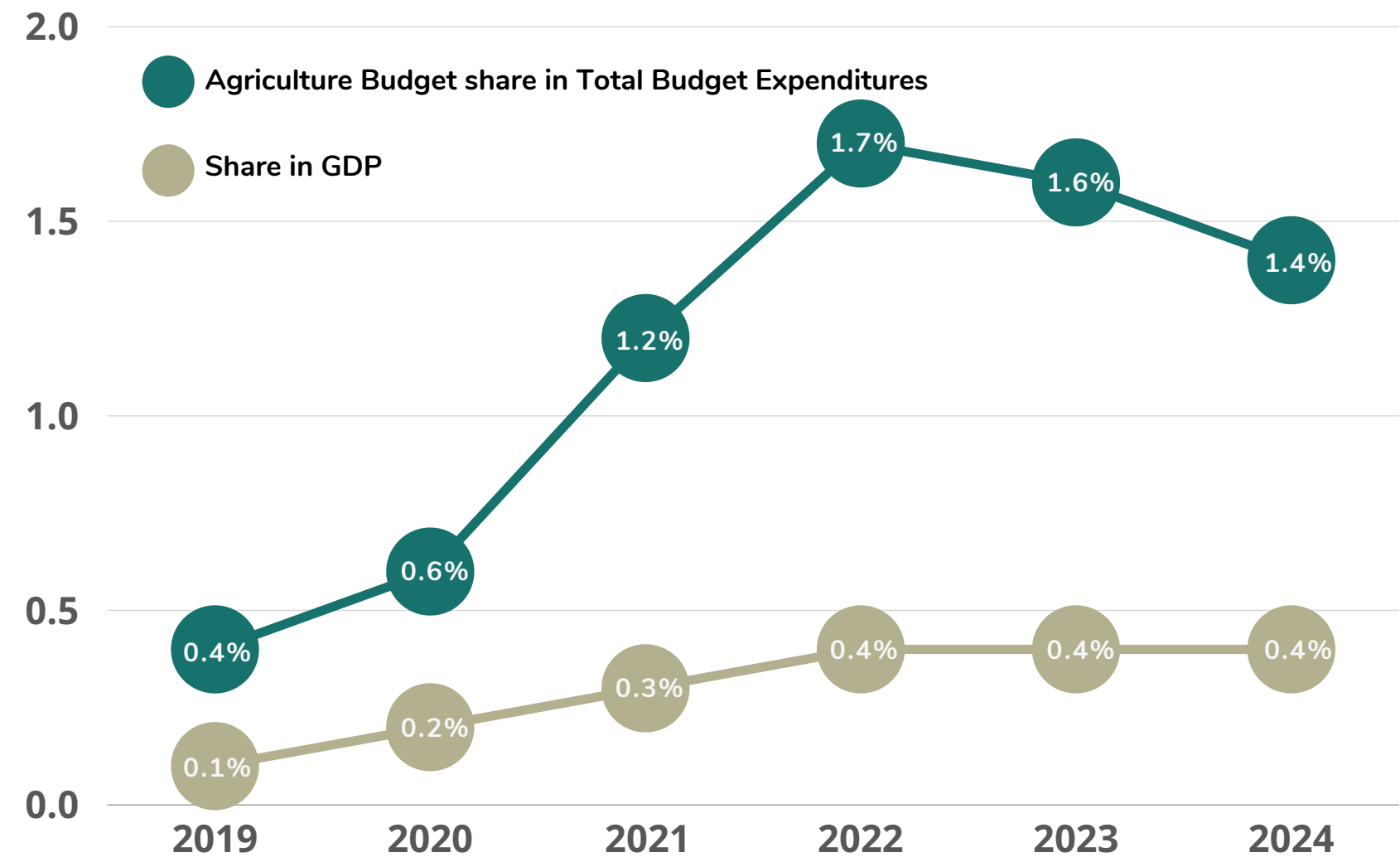
Agriculture Budget and its annual growth in 2019-2024.



Source: RA Ministry of Finance.

- In 2024, AMD 44.5 bln is allocated to agricultural programmes from the state budget, which will exceed the level of funding of the previous year by 7.1% or AMD 2.9 bln.
- Financing of Agriculture is increasing. In 2020-2024, the average annual growth in funding volumes will total to 48.2%. As a result, the volume of agricultural financing in 2019 will be exceeded for more than 6 times or by AMD 37.3 bln.

Agriculture Budget share in Total Budget Expenditures and GDP, 2019-2024, percentage



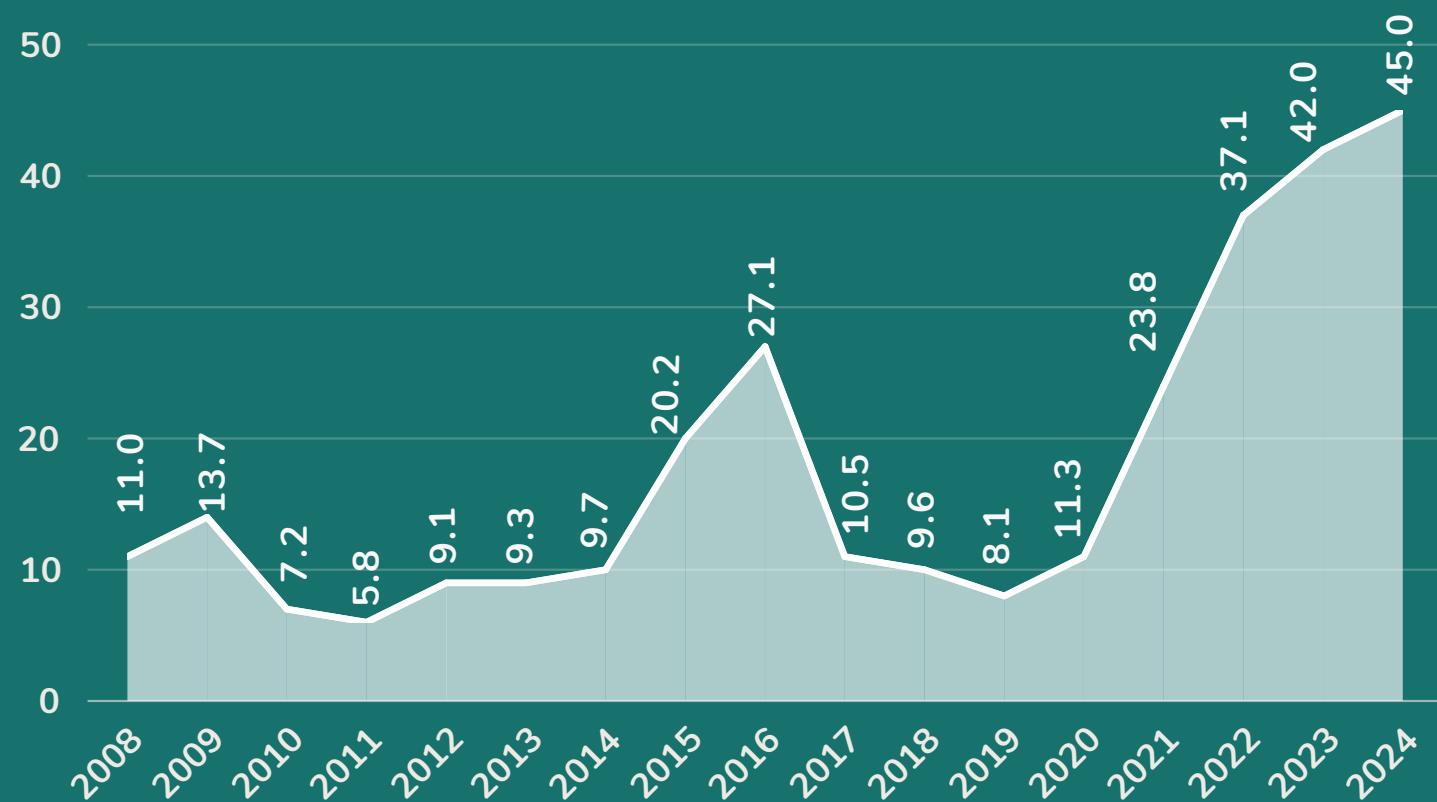
Source: RA Ministry of Finance, RA Statistical Committee.

- In 2024, the agriculture budget will total to only 1.4% of the state budget expenditures, which is 0.2 percentage points lower than the 2023 level. During the observed period, this indicator reached its maximum level in 2022, making 1.7%.
- The Agricultural expenditures to GDP ratio has been maintained at the level of 0.4 % in the last three years, which exceeds the same indicators of 2019 by 0.3 percentage points.

AGRICULTURAL EXPENDITURES BY FUNCTIONAL CLASSIFICATION

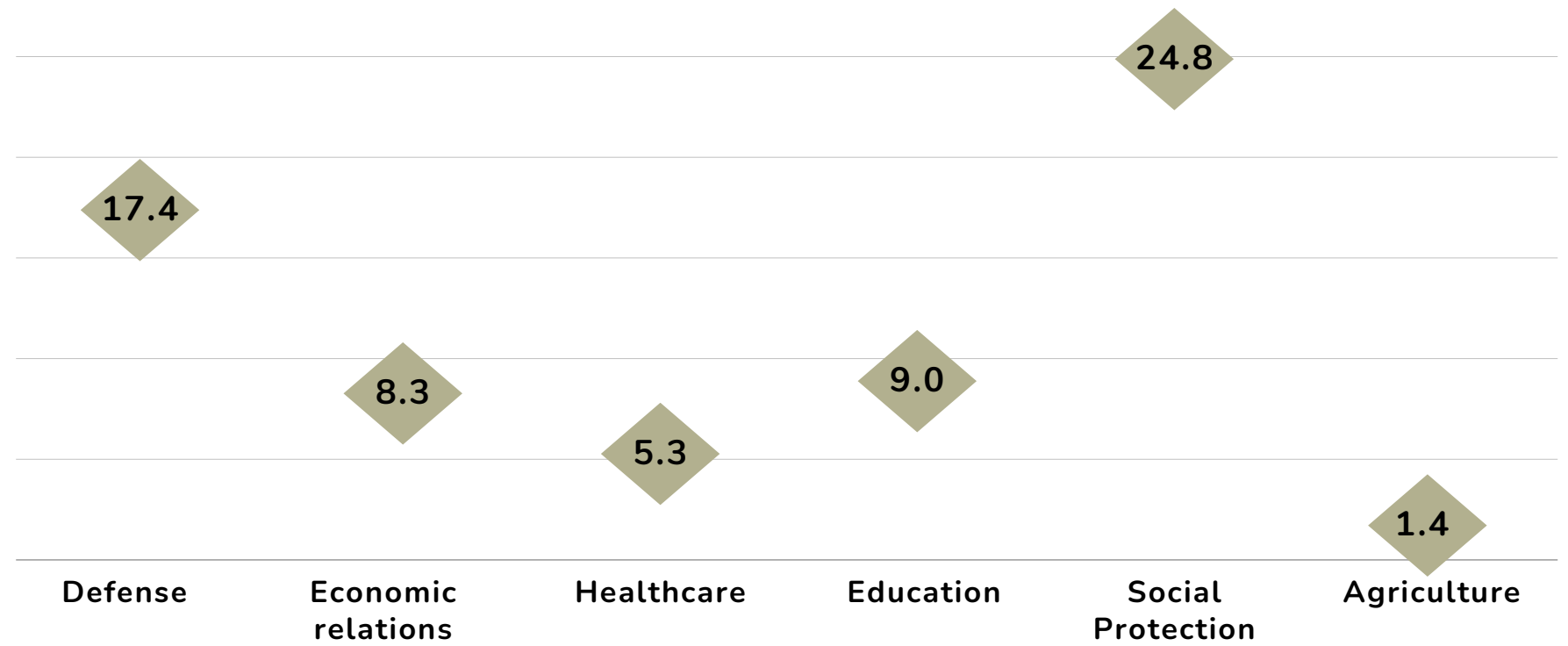
- To study the dynamics of agricultural expenditures over a longer period, 2008-2024, and for comparison with other sectors, we will consider budget expenditures according to functional classification.
- During this period, agricultural expenditures demonstrate instability and large fluctuations. The minimum level of AMD 5.8 bln was recorded in 2011.
- The share of agricultural expenditure in budget expenditure showed basically the same behavior, varying in the range of 0.5-1.9 percent. Moreover, during the observed period, the lowest level was recorded in 2019, and the highest in 2016.

Agricultural Expenditures in 2008-2024, functional classification, AMD bln.

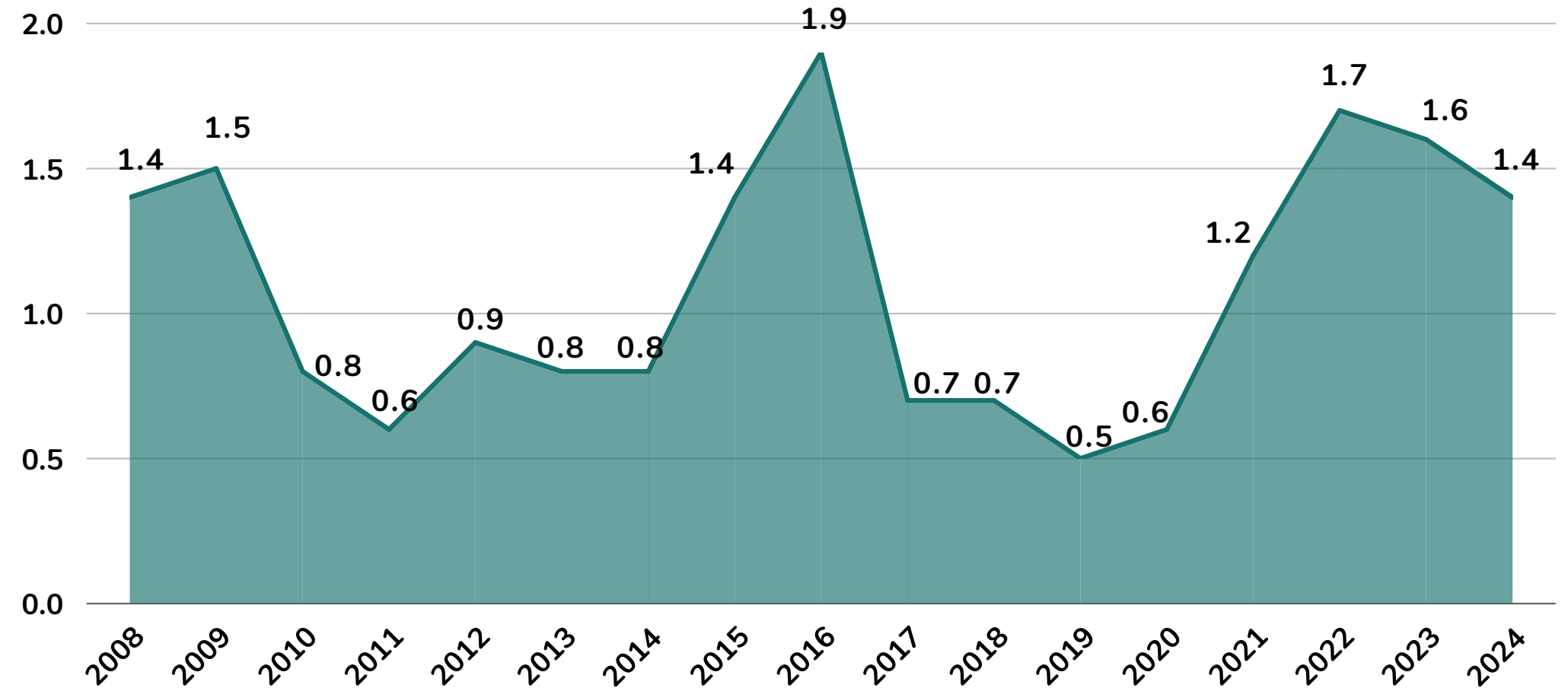


Source: RA Ministry of Finance,

Share of individual sectors in total expenditures of the state budget, 2024, functional classification, percentage



Share of agriculture in total expenditures of the state budget, 2008-2024, functional classification, percentage



Source: RA Ministry of Finance.

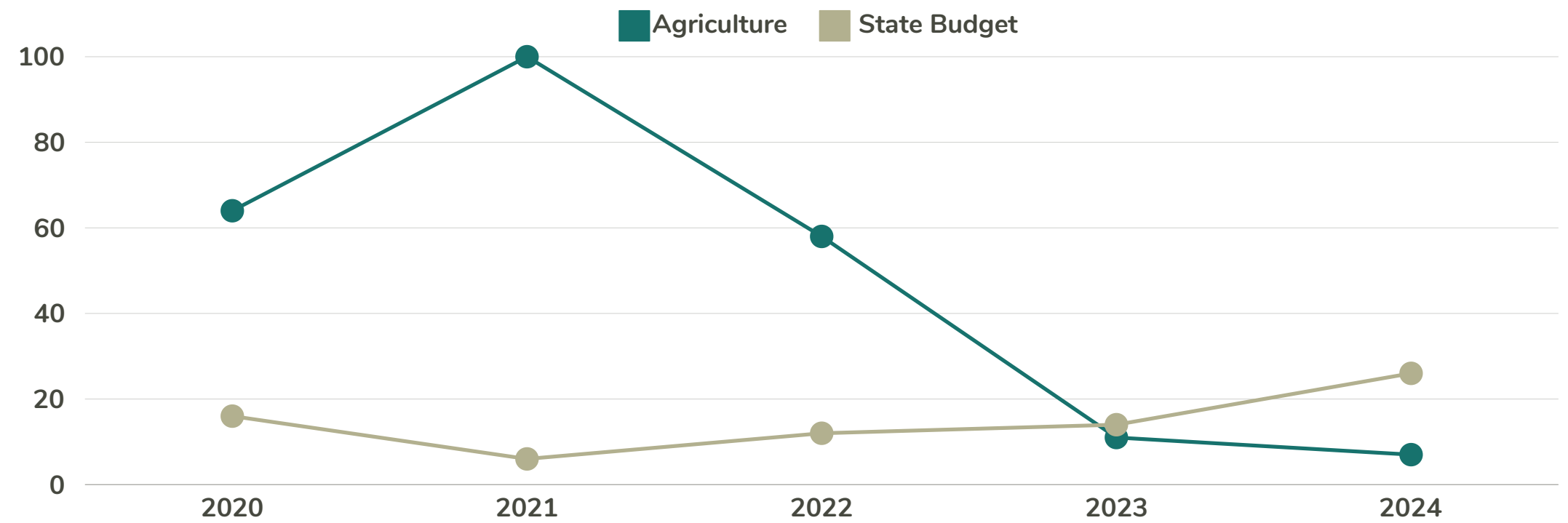
AGRICULTURE BUDGET GROWTH

The average growth rate of Agriculture Budget in 2020-2024 was 48.2 percent, which is 33.5 % points higher than the average annual increase in state budget expenditures for the same period.

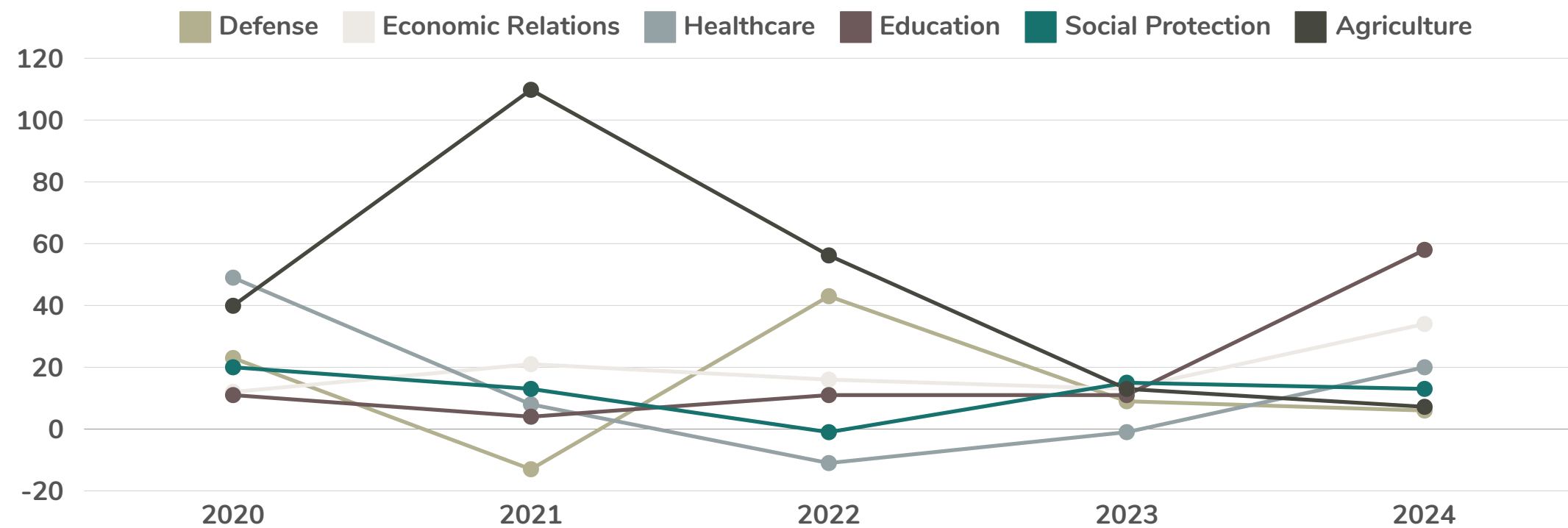
Agricultural expenditures in 2020-2022 showed a progressive growth rate compared to total budget expenditures, which changed in 2023 and 2024, reducing to 11.3% and 7.1 %.

The planned 7 percent growth in budget expenditures on agriculture in 2024 is lower than the increases in funding for key sectors of the economy. Thus it is lower than the growth rate of the Education sector budget by about 51%, Economic relations by 27 %, Healthcare by 13 %, and Social protection by 6%. Among the compared sectors, only in the case of Defense, the increase of budget expenditures is about 1% lower than in agriculture.

Growth trends of the State Budget and the Agriculture Budget, 2020-2024, functional classification, percentage



Sectoral Budgets Growth trends, 2020-2024, functional classification, percentage



Source: RA Ministry of Finance.

STRATEGIC FRAMEWORK

The programmatic basis of the state policy for the development of the agricultural sector is the RA Government Program. There are also three conceptual and strategic documents.

The mentioned strategic documents are as follows:

- “Strategy of the main directions ensuring the economic development of the agricultural sector of the RA for 2020-2030”[1],
- “Concept for increasing the efficiency of the use of agricultural lands”[2],
- “Strategy for the development of the food security system and the 2023-2026 Action Plan”[3].

The Government of the RA has also approved targeted programs supporting the development of agriculture in specific directions [4].

[1] RA Government Decision N1886-L of December 19, 2019.

[2] RA Government Decision 68-L of January 24, 2019.

[3] RA Government Decision 1083-L of June 26, 2023.

[4] <https://mineconomy.am/page/1338>

The “Strategy of the main directions ensuring the economic development of the agricultural sector of the RA for 2020-2030” comprehensively addresses the general situation in the agricultural sector, challenges and problems for the development and defines the following seven strategic priorities:

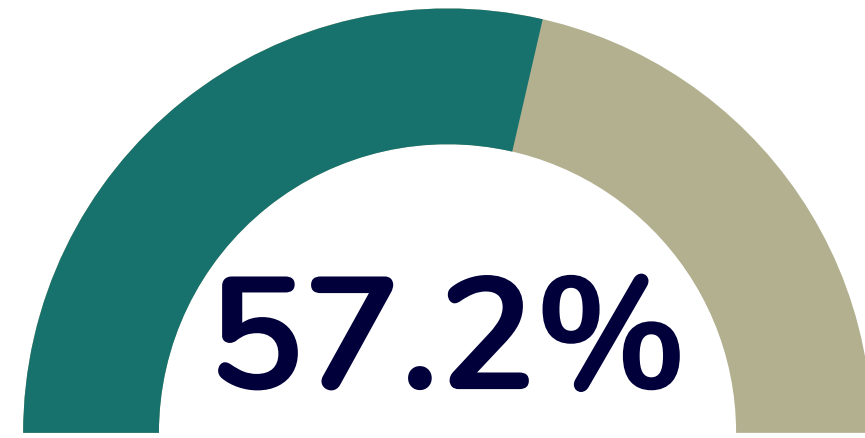
- ensure food safety,
- improve food security and nutrition,
- develop local markets and increase export opportunities,
- develop human and institutional capacity,
- increase the competitiveness and efficiency of the agricultural sector,
- support the sustainable development of rural communities,
- promote digital agriculture and technological innovation.

BUDGET PROGRAMMES IN AGRICULTURE

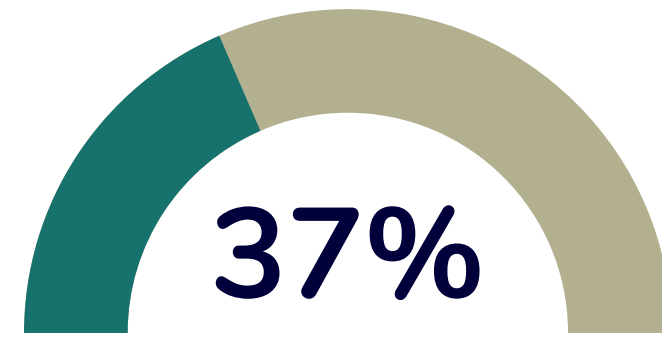
- The state policy for the development of agriculture will be implemented through 5 budget programmes in 2024:

PROGRAMME	2023 AMD mln	2024 AMD mln	2024 %	2024/2023 %
Agriculture Modernization Programme	17,521	25,447	57.2	+45.2
Agriculture Promotion Programme	16,177	16,466	37.0	+1.8
Veterinary Services	2,454	1,955	4.4	-20.3
Promotion of Plant Growing and Plant Protection	4,899	125	0.3	-97.4
Rehabilitation and Development of Rural Infrastructure	67	528	1.2	+694.3
Infrastructure and Rural Financing Support	468	-	-	-
TOTAL AGRICULTURE BUDGET	41,585	44,522	100.0	+7.1

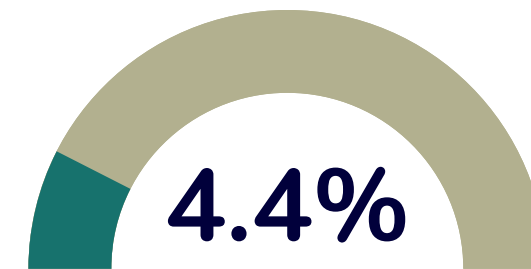
STRUCTURE OF AGRICULTURE BUDGET BY PROGRAMMES



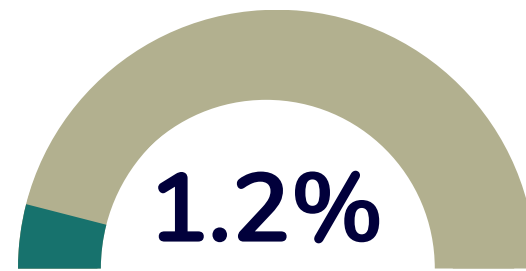
Agriculture Modernization Programme



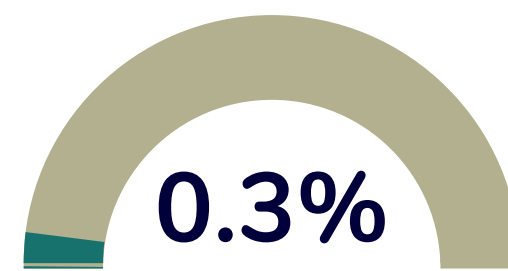
Agriculture Promotion Programme



Veterinary Services



Rehabilitation and Development of Rural Infrastructure



Promotion of Plant Growing and Plant Protection



The largest agricultural programme is the Agriculture Modernization Programme with 57.2% share of the total agriculture class budget.

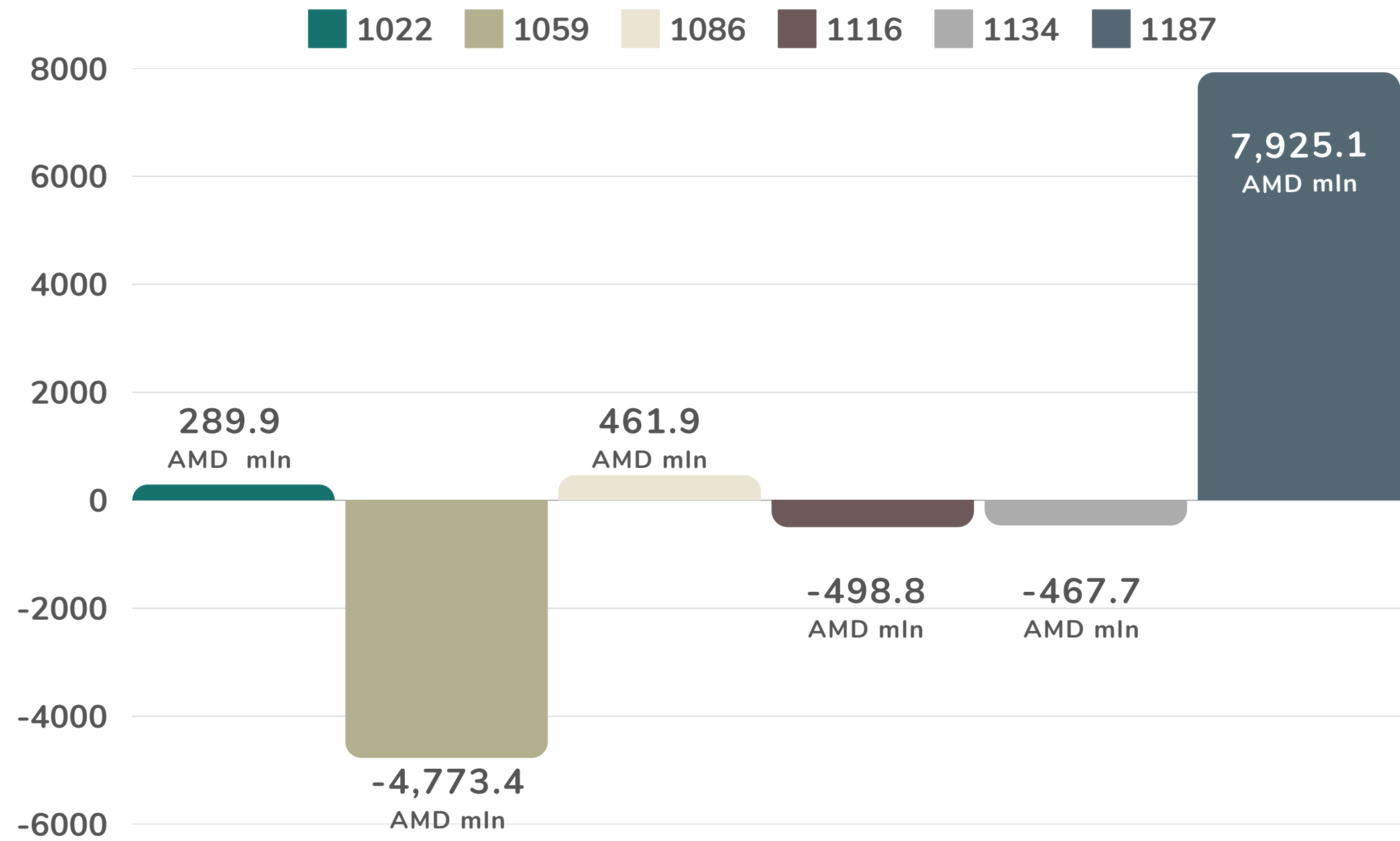


The next large programme is the **Agriculture Promotion Programme** with 37% share of the total sector budget.



The other three programs together provide for only 5.9% of sector expenditures.

BREAKDOWN OF AGRICULTURE BUDGET GROWTH



1022	Agriculture Promotion Programme
1059	Promotion of Plant Growing and Plant Protection
1086	Rehabilitation and Development of Rural Infrastructure
1116	Veterinary Services
1134	Infrastructure and Rural Financing Support
1187	Agriculture Modernization Programme

Source: RA Ministry of Finance.

- The Growth of the Agriculture Budget in 2024 will amount to AMD 2.94bln.
- The Growth of the agriculture budget is mainly due to a growth of AMD 7.93 bln in the budget of the Agricultural Modernization Programme and decrease in AMD 4.77 bln in the budget of the Promotion of Plant Growing and Plant Protection programme.
- Such a large increase in the Agricultural Modernization Programme budget, in its turn, is the result of increasing volume of subsidies for the development of intensive horticulture in RA.
- The reduction in the budget of the Promotion of Plant Growing and Plant Protection Programme is due to the termination of compensation payments for stimulating the production of winter wheat (for more details, see the sections of the relevant programmes).
- The budget for the Rehabilitation and Development of Rural Infrastructure programme will also increase significantly – by AMD 461.9 mln, or almost 8 times.
- The Infrastructure and Rural Financing Support Programme was completed in 2023 and will not operate in 2024. Within the framework of this programme measures aimed at increasing infrastructure and productivity. The programme was implemented with the support of the International Fund for Agricultural Development (IFAD) and the Global environmental Fund (GEF)

1187 AGRICULTURE MODERNIZATION PROGRAMME

25.5
AMD 2 bln

OBJECTIVE

Support the Modernization of agricultural technical systems, introduction of intensive horticulture and development of new breeds in stock-breeding.

OUTCOME

Increased proportion of lands with modern irrigation systems and pedigree breads of animals.

Within the framework of the programme, state support is provided in the following main areas:

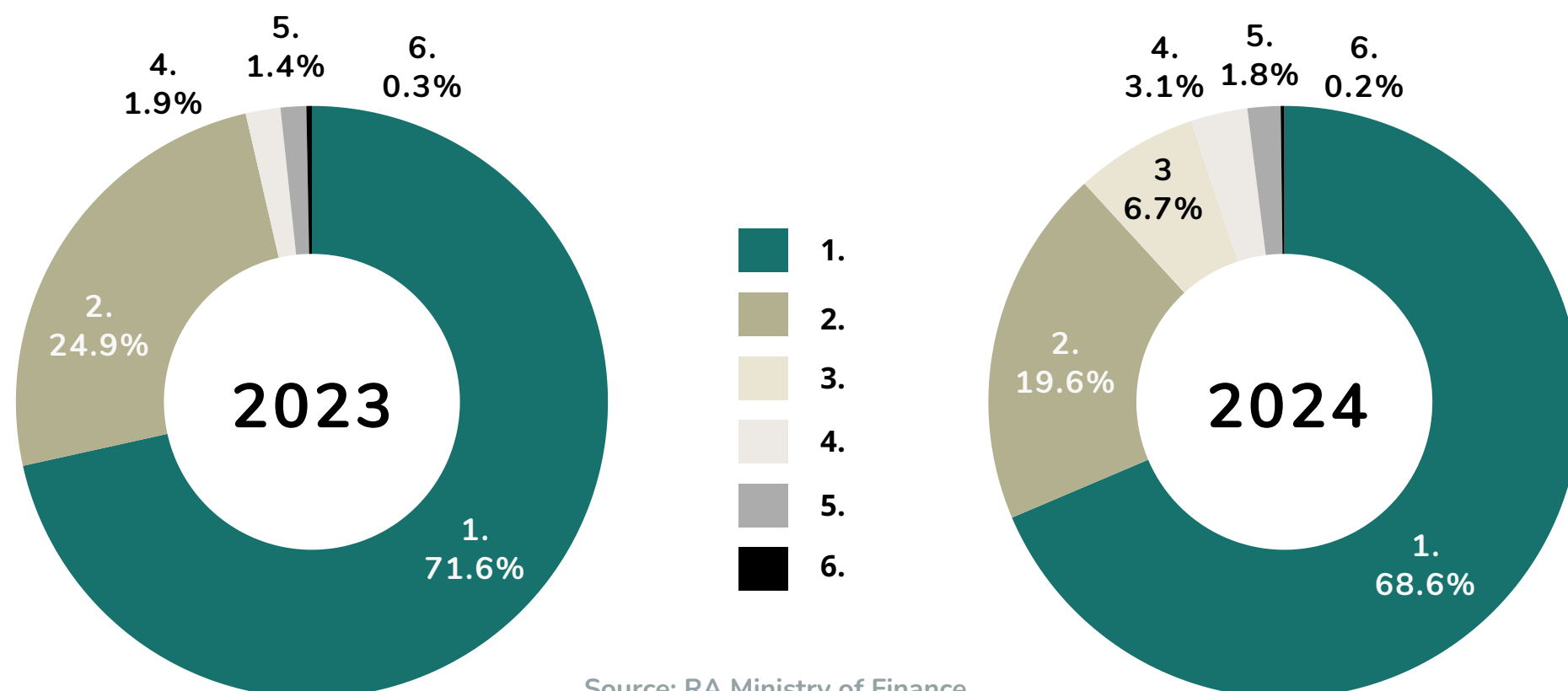
- Intensive horticulture,
- Leasing of agricultural technique/vehicles and equipment,
- Introduction of modern irrigation systems and anti-hail nets,
- Development of livestock breeding,
- Introduction of greenhouses,
- Cultivation of agricultural crops:

Programme/measure	2023 AMD mln	2024 AMD mln	2024 share	2024/2023 %
Agriculture Modernization Programme	17,521.5	25,446.6	100.0	+ 45.2
Subsidy of loan interest rates for the establishment of vineyards, intensive orchards and berry gardens cultivated with modern technologies in the RA.	2,327.8	2,488.6	9.8	-6.9
Agricultural Machinery Leasing Support Project in the RA	809.6	844.1	3.3	-4.3
State assistance of leasing for financial lending of agri-food equipment in the RA.	3,552.5	4,140.7	16.3	+16.6
Subsidizing the interest rates on loans provided to the agricultural sector	26.4	45.2	0.2	+71.4
Subsidizing interest rates of loans provided for installation of anti-hail nets in agriculture of the RA.	18.8	11.9	0.0	-36.7
Construction or re-construction of small and medium “smart” cattle houses and state assistance for their technology provision.	69.3	134.4	0.5	+93.9
Cattle Breeding Development Program in the Republic of Armenia for 2019-2024.	139.5	165.2	0.6	+18.4
State assistance for the creation of vineyards, intensive fruit orchards and berry gardens cultivated with modern technologies in the Republic of Armenia.	2.6	239.0	0.9	+9,231.1
Program on state assistance for introduction of small and medium-sized greenhouses.	327.1	298.8	1.2	-8.7
Subsidy of loan interest rates for the development of sheep and goat breeding in the Republic of Armenia.	15.7	50.6	0.2	+222.0
Assistance for development of sheep and goat breeding in the Republic of Armenia	12.8	7.1	0.0	-44.1
Subsidizing for the development of intensive horticulture in the RA.	8,948.1	13,720.2	53.9	+53.3
Reimbursement of expenditures for the development of intensive horticulture in the RA.	1,271.3	1,000.0	3.9	-21.3
Greenhouse facilities development assistance project in the RA.	-	500.0	2.0	-
Subsidizing interest rates on targeted loans provided for cultivation of agricultural crops.	-	1,700.7	6.7	-
Reimbursement for the import of pedigree animals, sheep and goat breeds of high productivity from abroad.	-	100.0	0.4	-

Source: RA Ministry of Finance, EDRC calculations.

Expenditures for the Agriculture Modernization Programme according to separate directions, AMD mln

	2023	2024	2024/2023
1. Support to Intensive Horticulture	12,549.8	17,447.8	39.0
2. Leasing of agricultural technique/vehicles and equipment	4,362.1	4,984.8	14.3
3. Support to Introduction of modern irrigation systems and anti-hail nets	-	1,700.7	-
4. Support to introduction of greenhouses	327.1	798.8	144.2
5. Support to livestock breeding	237.3	457.3	92.7
6. Support to cultivation of agricultural crops	45.2	57.1	26.4
Total:	17,521.5	25,446.6	45.2

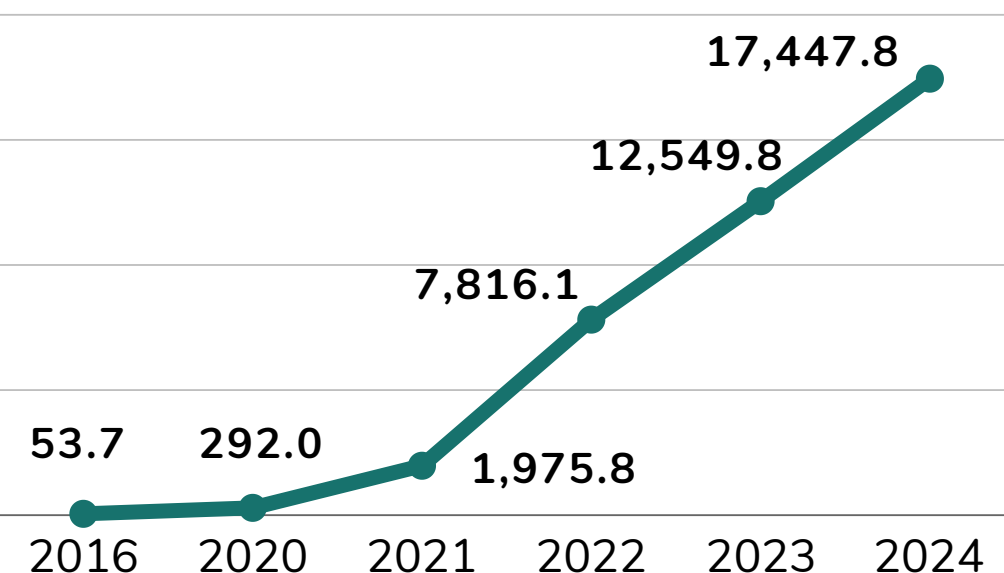


Source: RA Ministry of Finance.

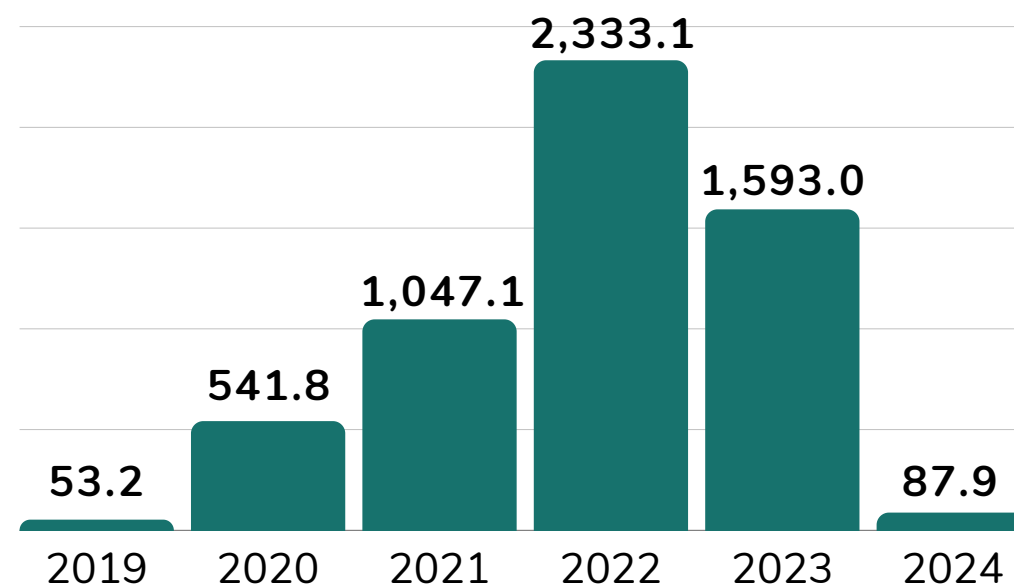
- About 68.6% of expenditures of the Agriculture Modernization Programme will be directed to subsidization and compensation of expenditures for the development of intensive horticulture.
- 3.1 % of the programme budget will be allocated to support the introduction of greenhouse farms, increasing by 1.2 percentage points compared to the previous year. The growth is due to the support directed to the introduction of large greenhouses within the framework of the new measure, AMD 500.0 mln.
- 1.8 percent of the project budget will be allocated to the class of activities aimed at the development of livestock breeding. These resources will almost double in 2024, amounting to AMD 457.3 mln. AMD 100.0 mln will be allocated compensations for the import of pedigree breeds of sheep and goats, and purebred stock from abroad. Note that this measure has been launched in 2024.
- Another new measure, which is aimed at supporting the cultivation of agricultural crops, has been launched within the framework of the programme, in particular: to the cultivation of grain and leguminous crops (18,825 ha), potatoes (1,760 ha), vegetables (3,282 ha) and melons (743.5 ha).

Support to the development of intensive horticulture

Dynamics of state financing, AMD mln

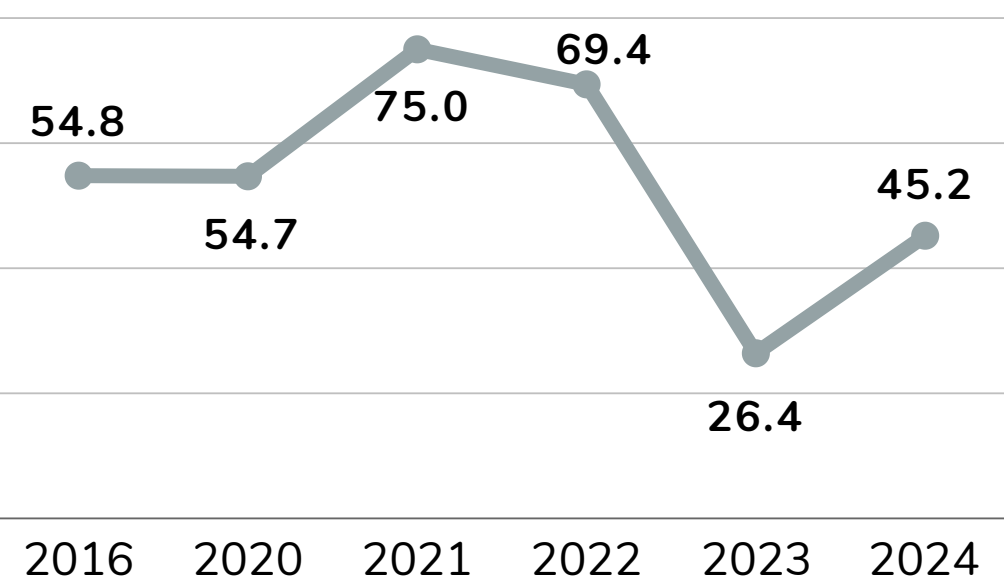


Established new intensive fruit orchards, ha



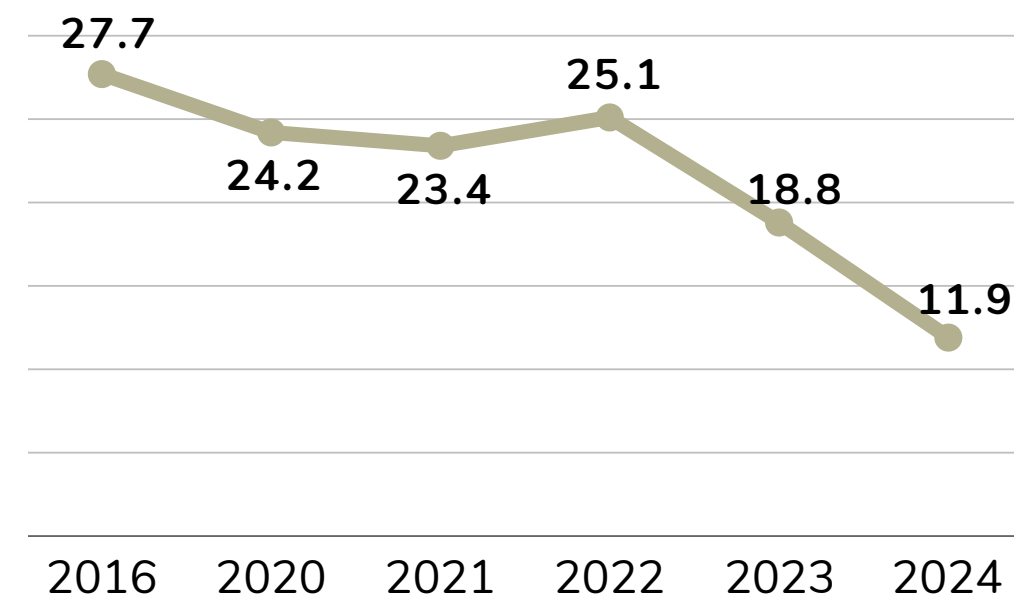
Support to the introduction of modern irrigation systems

Dynamics of state financing, AMD mln



Support to the introduction of hail protection systems

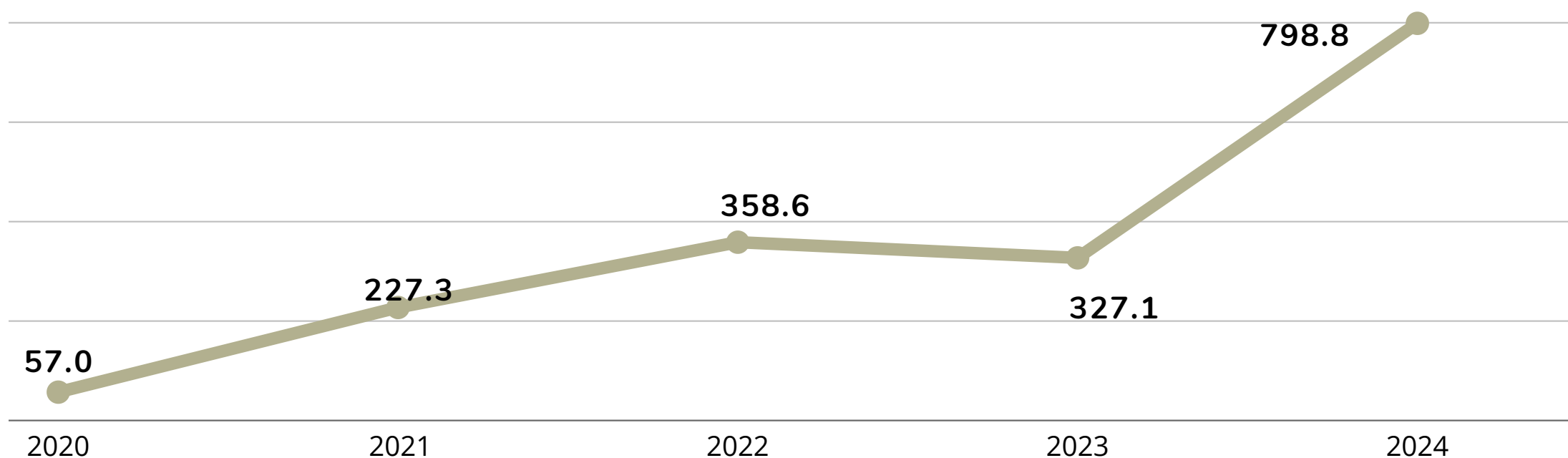
Dynamics of state financing, AMD mln



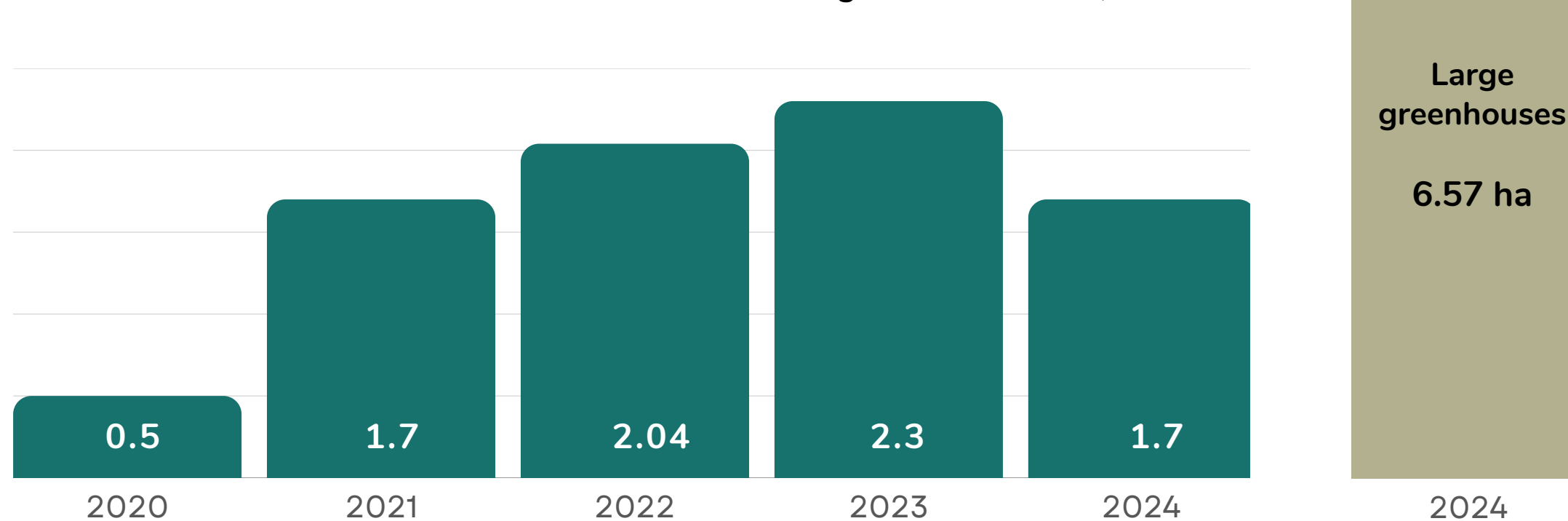
- Support to the development of intensive horticulture in 2024 will amount to more than AMD 17.4 bln. As it can be seen the allocations of funding for support is growing significantly, in contrast to the creation of new intensive horticulture areas. The increase in expenditures is due to the volume of subsidizing interest rates on loans provided for the intensive fruit orchards developed in previous years.
- The year 2022 stands out for the volume of intensive fruit orchards, where orchards covering an area of approximately 2,333.1 ha were established. Since 2023, the pace of development of orchards was decreased, and according to the forecast for 2024, new orchards will be established on an area of only 87.9ha.
- Budget expenditures aimed to support the introduction of modern irrigation as well as hail protection systems has a decreasing trend.
- In 2024, AMD 45.2 mln and AMD 11.9 mln of budget expenditures will be directed to support for these purposes, respectively. They are planned to subsidize interest rates on loans provided in previous years for introduction a modern irrigation system on the area of 1,527.5 ha and installing hail protection net systems on the area of 194.1 ha.

Greenhouse facilities development assistance

Dynamics of state financing, AMD mln



Area of small and medium-sized greenhouses built, ha

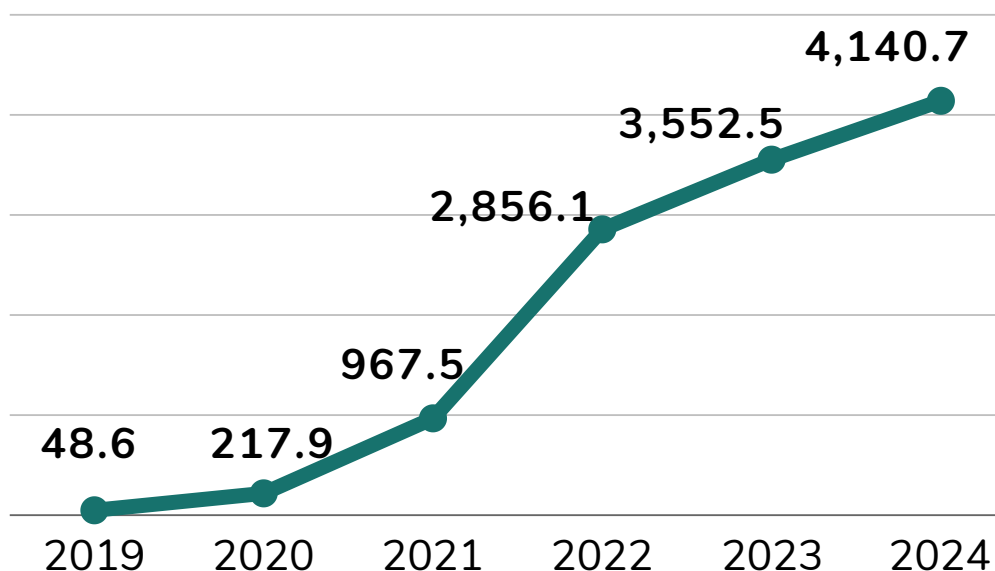


Source: RA Ministry of Finance, EDRC calculations.

- AMD 798.8 mln will be allocated to support the development of greenhouse facilities in 2024, which exceeds the level of the previous year by more than 2.4 times. At the same time, AMD 500.0 mln or 62.6% of these resources are planned to be allocated to support the introduction of large greenhouse facilities with an area of not less than 1 ha.
- Support to the introduction of large greenhouse facilities has started since 2024. It is anticipated that the state support will be provided for introduction of 2 such facilities.
- Within the framework of the project, small and medium-sized greenhouse facilities with a total area of about 6.54 ha were supported during 2020-2023.
- In 2024, it is planned to build another 1.7 ha of small and medium-sized greenhouse facilities, as well as 6.57 ha of large greenhouses.

Assistance of leasing for financial lending of agri-food equipment

Dynamics of state financing, AMD mln



Number of beneficiaries, lessee

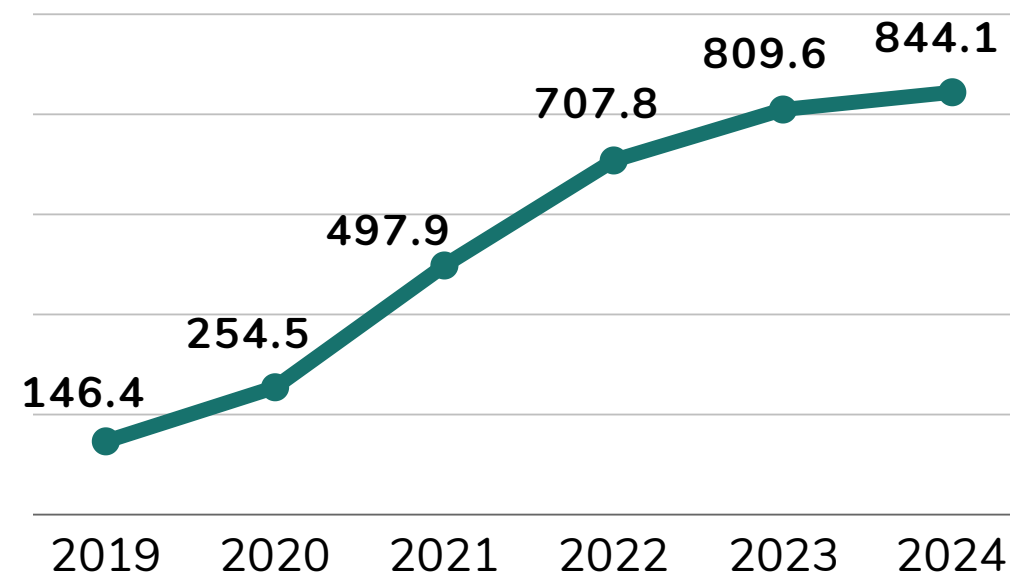


- In 2024, about AMD 5.0 bln will be allocated to support the leasing of agricultural machinery and equipment. In particular, AMD 4.1 bln will be allocated to the leasing of agri-food sector equipment, and AMD 844.1 mln to the leasing of agricultural machinery. These indicators exceed the level of the previous year by 16.6% and 4.3%, respectively.

- The planned resources will be allocated to subsidize the interest rates on loans provided for the equipment and agricultural machinery granted to economic entities from previous years - 1,546 entities, as well as to be granted in 2024, 655 economic entities.

Assistance of leasing for financial lending of agricultural equipment

Dynamics of state financing, AMD mln



Number of beneficiaries, lessee

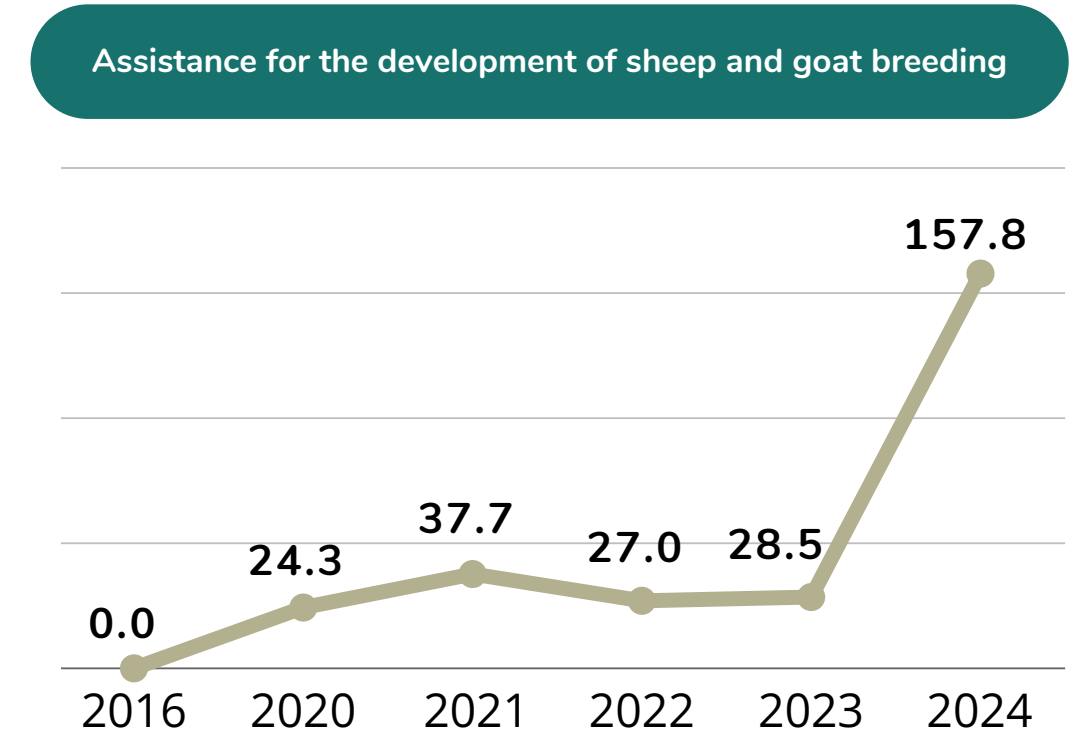
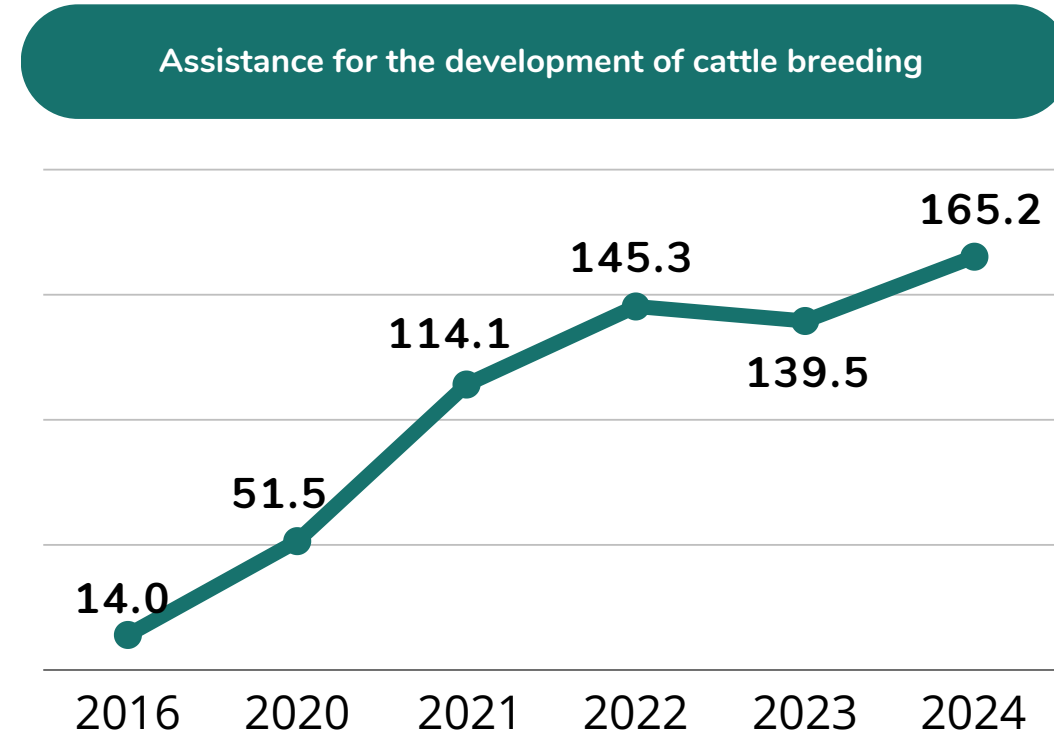
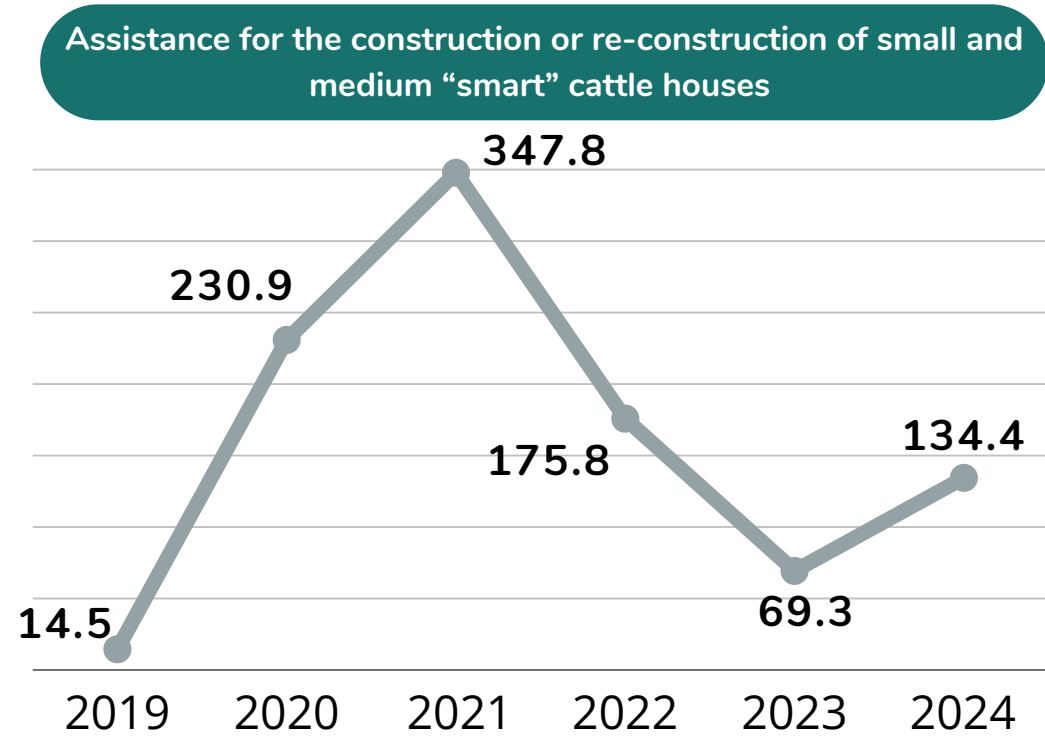


- In 2024, the estimated number of new lessees will decrease totaling to 250 beneficiaries for agri-food equipment and only 40 beneficiaries for agricultural machinery.

- The interest of entrepreneurs in leasing of agricultural machinery continues to remain quite large and stable, which, of course, cannot be observed in the field of leasing agricultural machinery. Notable activity with regard to the latter was registered in 2021 and 2022.

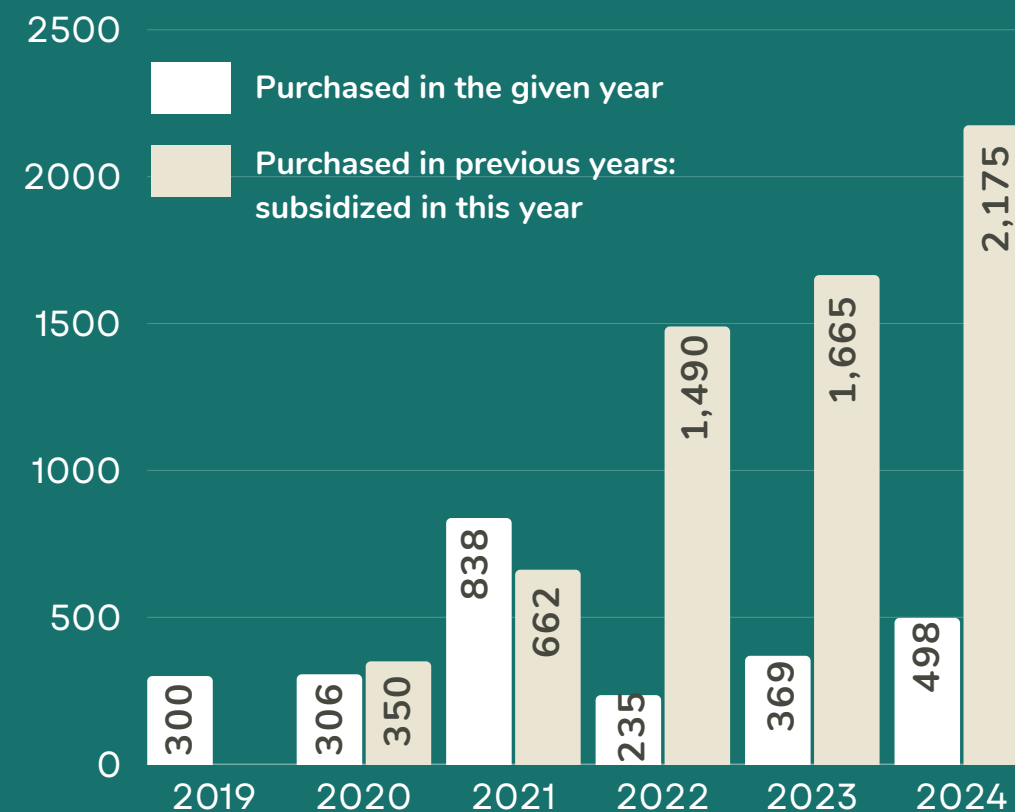
Source: RA Ministry of Finance, EDRC calculations.

Dynamics of state financing, AMD mln

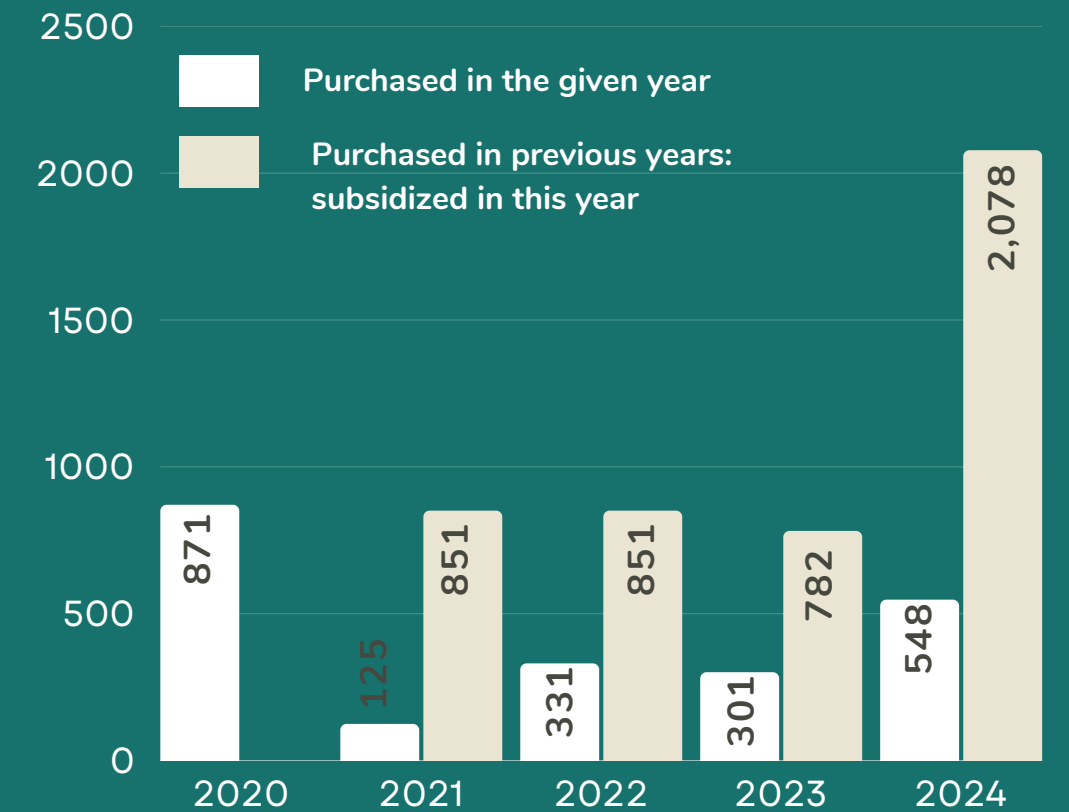


- Assistance for construction or re-construction of small and medium "smart" cattle houses in 2024 will total to AMD 134.4 mln, which exceeds the level of the previous year by almost 2 times.
- Assistance for the development of cattle breeding in 2024 will total to AMD 165.2 mln, and the budget allocations for the development of sheep and goat breeding will increase drastically, amounting to AMD 157.8 mln.
- AMD 100.0 mln from budgetary funds will be allocated for compensation of expenditures for the purchase of imported highly productive pedigree sheep and goat stock.

PEDIGREE CATTLE



PEDIGREE SMALL CATTLE



1022 AGRICULTURE PROMOTION PROGRAMME

16.5
AMD bln

OBJECTIVE

Increasing the volume of agricultural products and food products obtained as a result of their processing.

OUTCOME

Increased volumes of agricultural products. Increased area of usable arable land. Increased volumes of products obtained from the processing of fruits, vegetables and grapes.

State assistance within the framework of the programme has been provided in the following main directions:

- Popularization and promotion of Armenian wines
- Implementation of land reforms
- Assistance for the implementation of the Insurance System in Agriculture
- Subsidizing interest rates on agricultural loans

Programme/measure	2023 AMD mln	2024 AMD mln	2024 share	2024/2023 %
Agriculture Promotion Programme	16,176.6	16,466.5	100.0	+1.8
State assistance for the implementation of state policy and development programmes in the viticulture and winemaking sectors in the RA	176.1	264.0	1.6	+49.9
State assistance for the implementation of agricultural programmes of the RA	342.4	332.1	2.0	-3.0
Assistance to the Pilot Project on Land Reform	10.9	500.0	3.0	+4478.1
Subsidizing interest rates on agricultural loans	8,469.4	6,347.6	38.5	-25.1
Subsidizing interest rates on loans provided for processing (purchase) of agricultural raw materials	3,816.5	4,402.1	26.7	+15.3
State Support for the Implementation of a Pilot Project on Introduction of an Insurance System in Agriculture in cooperation with the German KfW Development Bank	1,099.8	1,521.7	9.2	+38.4
Support for the development of investment projects in the livestock sector	-	2,400.0	14.6	-
Support for the consolidation of agricultural lands in the RA	-	300.0	1.8	-
Support programme for sale (export) of cognac spirit	1,341.3	50.0	0.3	-96.3
Programme for the development of industrial astaciculture (crayfish development) in the RA	-	299.0	1.8	-
Subsidizing business entities carrying out grape procurement	870.0	-	-	-
Pilot Project on Land Reform	50.1	50.0	0.3	-0.2

Source: RA Ministry of Finance, EDRC calculations.

- The budget of the Agriculture Promotion Programme is AMD 16,466.5 mln. Compared to the previous year, it increased by AMD 289.9 or 1.8 % respectively.
- More than 38.5 % of the programme budget will be allocated to subsidizing interest rates on agricultural loans, despite the fact that resources spent in this direction will decrease by 25.1 %. It is planned to subsidize the agricultural loans of 22,908 business entities provided in previous years, and loans to be granted and/or granted to 285 business entities in 2024 and in previous years for procurement of agricultural raw materials.
- The second largest measure in the structure of the programme, or 15.3 % of the programme budget, is the subsidization of the interest rate on loans provided for the procurement of agricultural raw materials.
- The resources allocated to support the export of cognac spirit will significantly reduce, and the subsidy to business entities carrying out grape procurement will stop.
- 1/ investment projects in the livestock sector, 2/ agricultural land consolidation, and 3/ industrial astaciculture (crayfish development) will be launched within the framework of the programme. Notably these measures were planned in the budget for 2023, but were not implemented.
- The new measure to support investment programmes in the livestock sector is the third major expenditures direction of the programme: 14.6 % of the programme expenditures or AMD 2.4 bln will be directed for this purpose.

Increase in the volume of products obtained from the processing of fruit and vegetables, grapes and milk compared to 2022, %

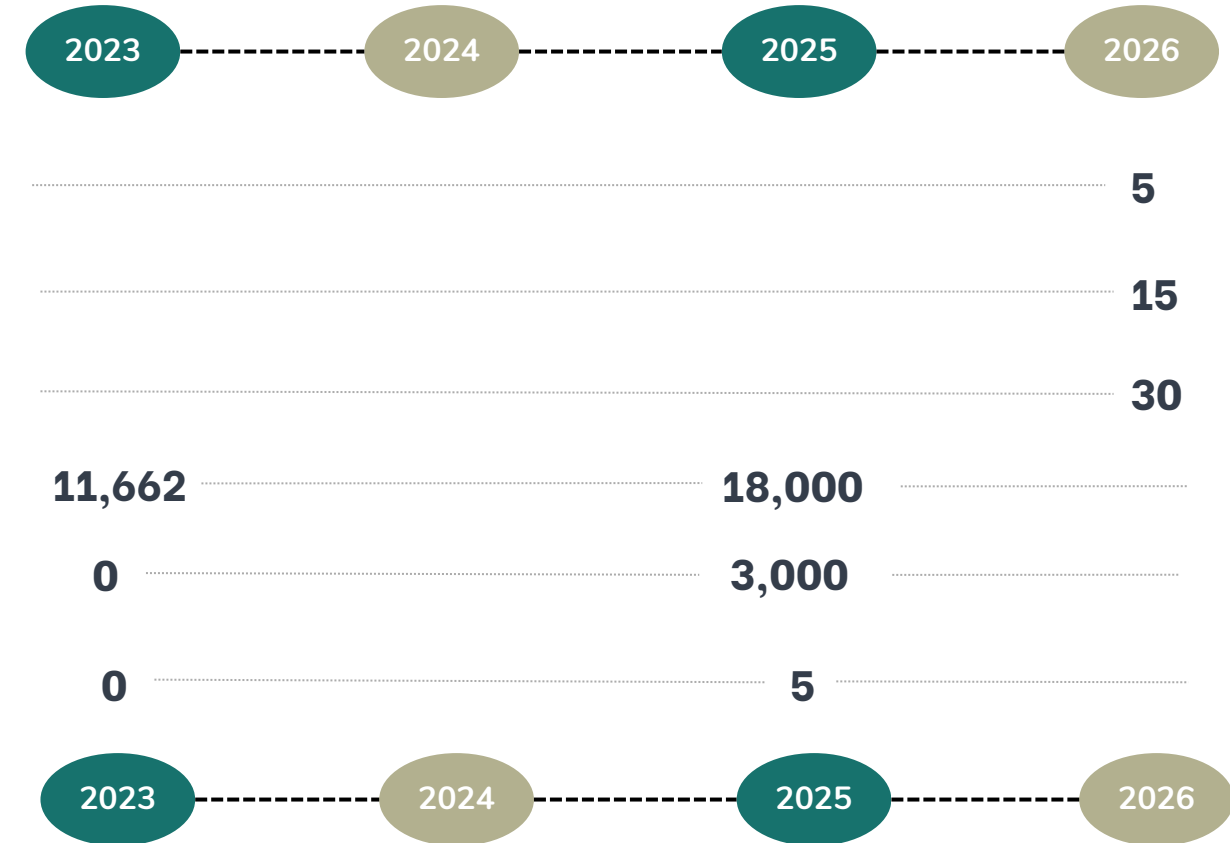
Increase in agricultural products output compared to 2022, %

Increase of usable arable land compared to 2021, %

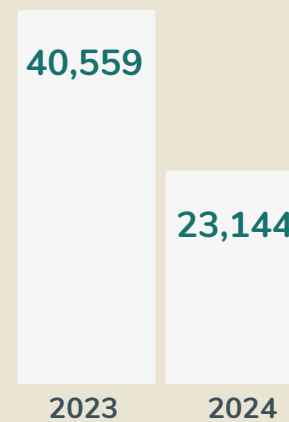
Insured areas, ha

Agricultural land consolidation, ha

Implementation of investment programmes in the livestock sector, number



SUBSIDIZING OF INTEREST RATES OF LOANS PROVIDED IN AGRICULTURAL SECTOR



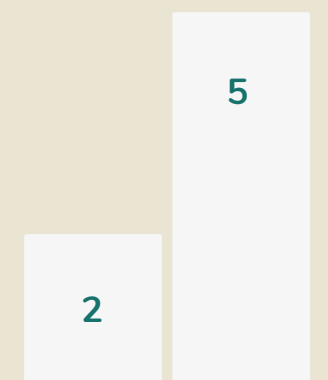
Number of subsidized business entities from previous years

SUBSIDIZING INSURANCE PAYMENTS



Insurable areas, ha

POPULARIZATION OF ARMENIAN WINES

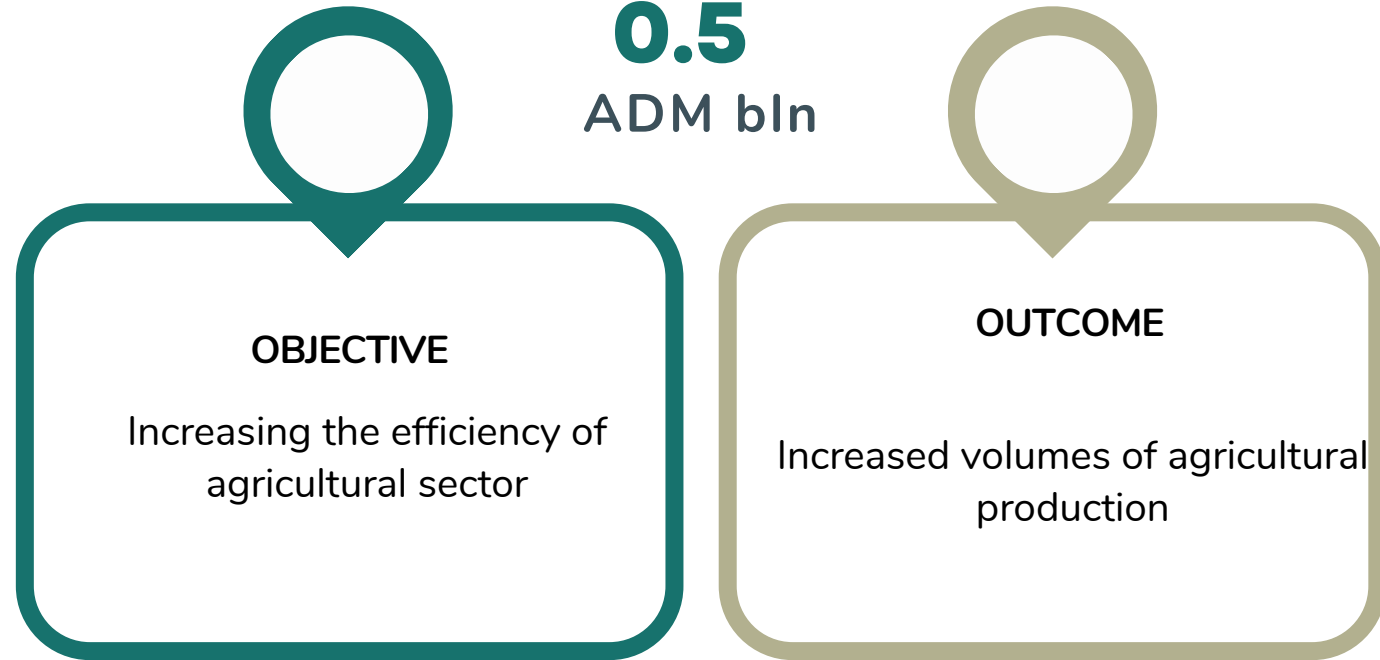


Number of events aimed at the promotion and export of Armenian wines outside the territory of the Republic of Armenia

1086

REHABILITATION AND DEVELOPMENT OF RURAL INFRASTRUCTURE

0.5
ADM bln



- Within the framework of the project, aimed to support the farmers, it is planned to introduce modern irrigation systems in the Armavir and Ararat marzes of the RA.
- The project budget is AMD 528.4 mln, which has increased by AMD 461.9 mln or by almost 8 times compared to the previous year.

Programme/measure	2023 AMD mln	2024 AMD mln	2024 Share	2024/2023 %
Rehabilitation and Development of Rural Infrastructure	66.5	528.4	100.0	+694.33
Coordination and management of the Irrigated Agriculture Development in Ararat and Armavir Marzes Project, financed by the Agence Française de Développement	23.2	200.0	37.8	+762.66
The Irrigated Agriculture Development in Ararat and Armavir Marzes Project, financed by the Agence Française de Développement	2.3	28.4	5.4	+1,114.79
Assistance for the implementation and development of modern irrigation systems in accordance with current requirements in Ararat and Armavir marzes of RA, with the support of the Agence Française de Développement	-	300.0	56.8	-
Coordination and management of the Community Agricultural Resource Management and Competitiveness” Second Project	6.0	-	-	-
Management of funds generated as a result of the "Millennium Challenge Account" grant program supported by the US Government	35.0	-	-	-

Source: RA Ministry of Finance, EDRC calculations.

2,000

Land areas subject to irrigation using new technologies, 2026, ha

20

Number of cooperatives created during the project by 2026

260

Number of farmers trained to operate irrigation systems with new technologies, 2026

1059

PROMOTION OF PLANT GROWING AND PLANT PROTECTION

0.1
ADM bln

OBJECTIVE

Improving productivity of arable farming.

OUTCOME

Increased average crops yield.
Provision of agrochemical maps for all agricultural lands of the RA. Increased production volume of grain leguminous crops.

- The programme is the smallest agricultural budget programme, to which only AMD 125.4 mln will be allocated in 2024, which is AMD 4.8 bln lower than the expenditure level of the previous year.
- The decrease in resources allocated to the programme is due to the termination of compensation for promotion of winter wheat production.

Programme/measure	2023 AMD mln	2024 AMD mln	2024 Share	2024/2023 %
Promotion of Plant Growing and Plant Protection	4,898.8	125.4	100.0	-97.44
Implementation of phytosanitary services, agrochemical soil research, and measures to improve fertility.	55.0	47.9	38.2	-12.9
Plant protection measures	47.9	29.4	23.4	-38.7
Seed quality inspection and state seed testing measures	48.1	48.1	38.3	0,0
Support for monitoring winter wheat crop areas in the RA	158.1	-	-	-
Provision of compensation for the promotion of winter wheat production in the RA	4,589.6	-	-	-

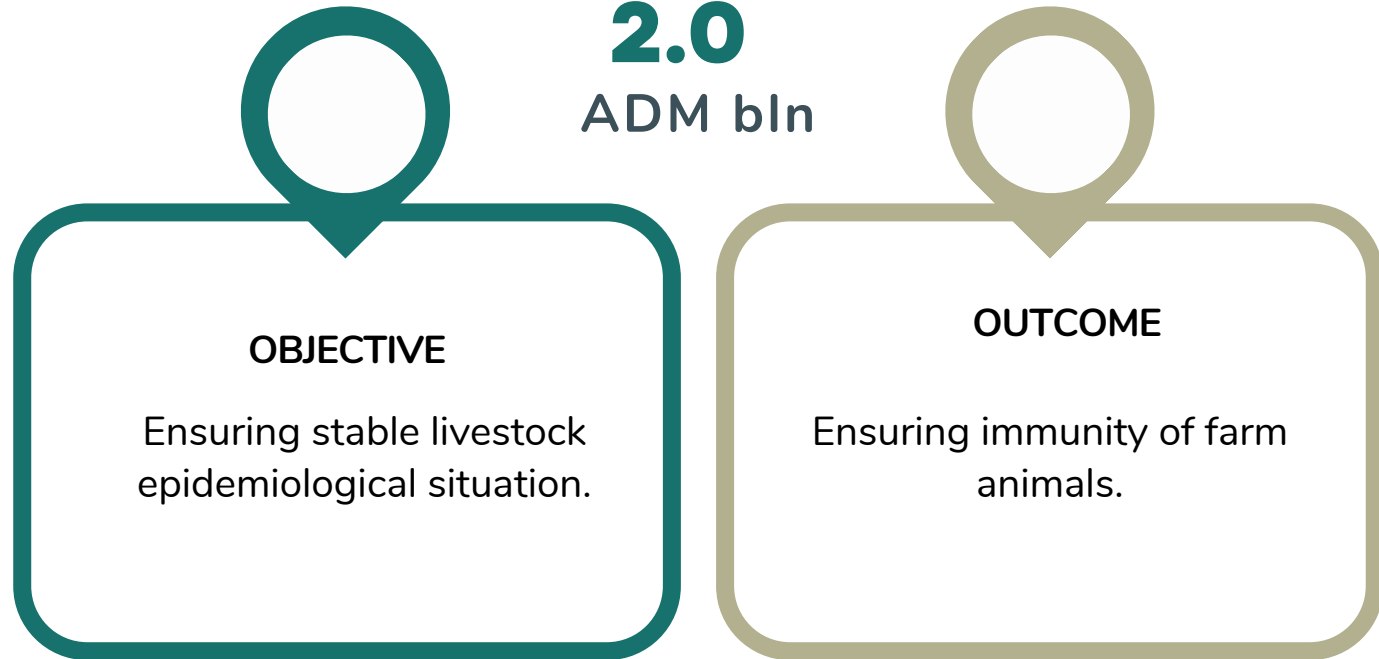
Source: RA Ministry of Finance, EDRC calculations.

The project plans to:

- explore 180,000 ha to detect harmful organisms,
- provide agrochemical maps of agricultural lands to 85 communities,
- implement measures against the most harmful organisms for agricultural crops in the area of 53,000.0 ha,
- carry out laboratory analyses of seed quality and documentation preparation: 12 thousand tons,
- implement test sowings of new species and field tests, 100 pcs.

1116 VETERINARY SERVICES

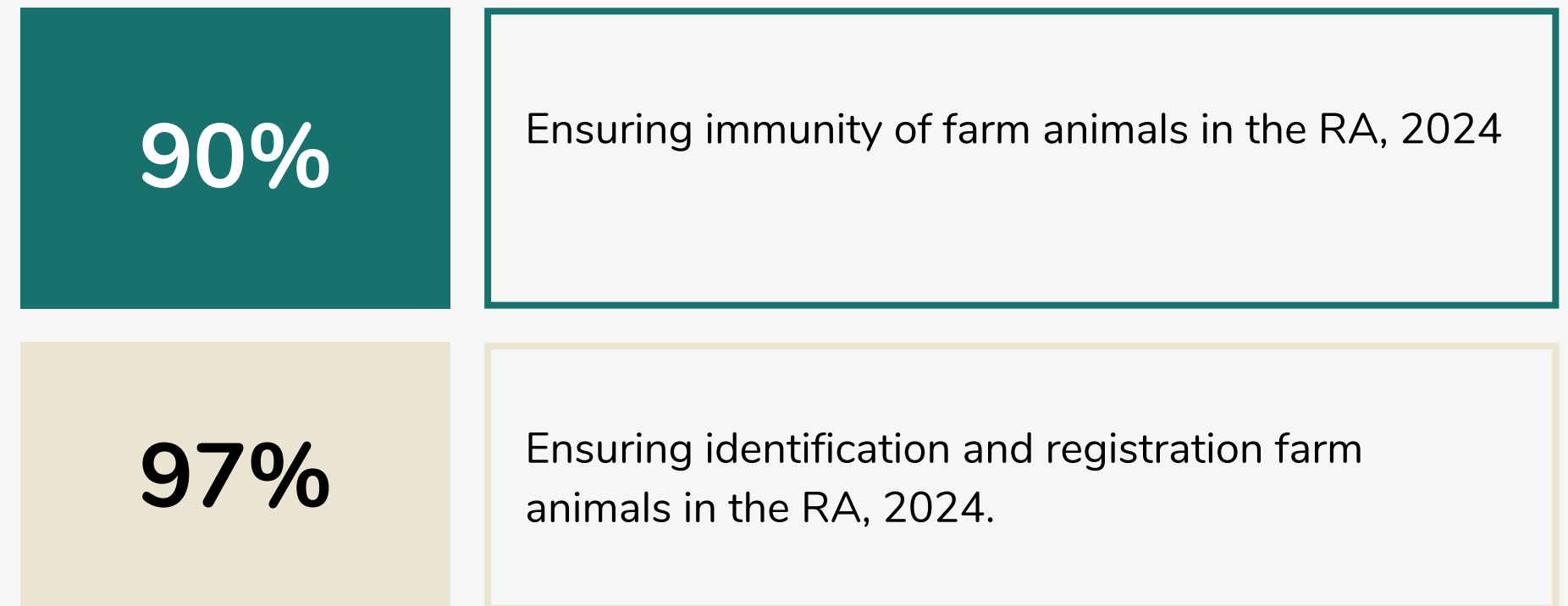
2.0
ADM bln



- The budget of the veterinary services programme is AMD 1,955.4 mln, which has decreased by AMD 498.8 mln or 20.3 % compared to the previous year.
- Decrease of programme resources is due to reduction of expenditures allocated for vaccination, identification and registration of farm animals.
- Within the framework of the programme, it is planned to carry out diagnostic and preventive (vaccination) measures and identification of 195,400 cattle.

Programme/measure	2023 AMD mln	2024 AMD mln	2024 Share	2024/2023 %
Veterinary Services	2,454.2	1,955.4	100.0	-20.32
Vaccination of farm animals	2,147.7	1,300.0	66.5	-39.47
Cattle animal identification and registration in the RA	306.5	155.4	7.9	-49.30
Implementation of measures for artificial insemination of cows.	-	500.0	25.6	-

Source: RA Ministry of Finance, EDRC calculations.





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