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Social Protection

Simplified Budget – 2025



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ABBREVIATIONS

RA	Republic of Armenia
GDP	Gross Domestic Product
MLSA	Ministry of Labour and Social Affairs
IDS	Improving Demographic Situation
NK	Nagorno Karabakh
mln	million
bln	billion

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GENERAL OVERVIEW

The 2025 Annual Budget Law of the Republic of Armenia involves – AMD 2,837.6 bln revenues, AMD 3,441.6 bln expenditures and a deficit equaling to AMD 604 bln, or 26%, 30.5% and 5.5% of the GDP respectively.

Expenditures on the social protection in the Annual Budget are presented under the social protection programmes, which is coordinated by the RA Ministry of Labour and Social Affairs (MLSA).

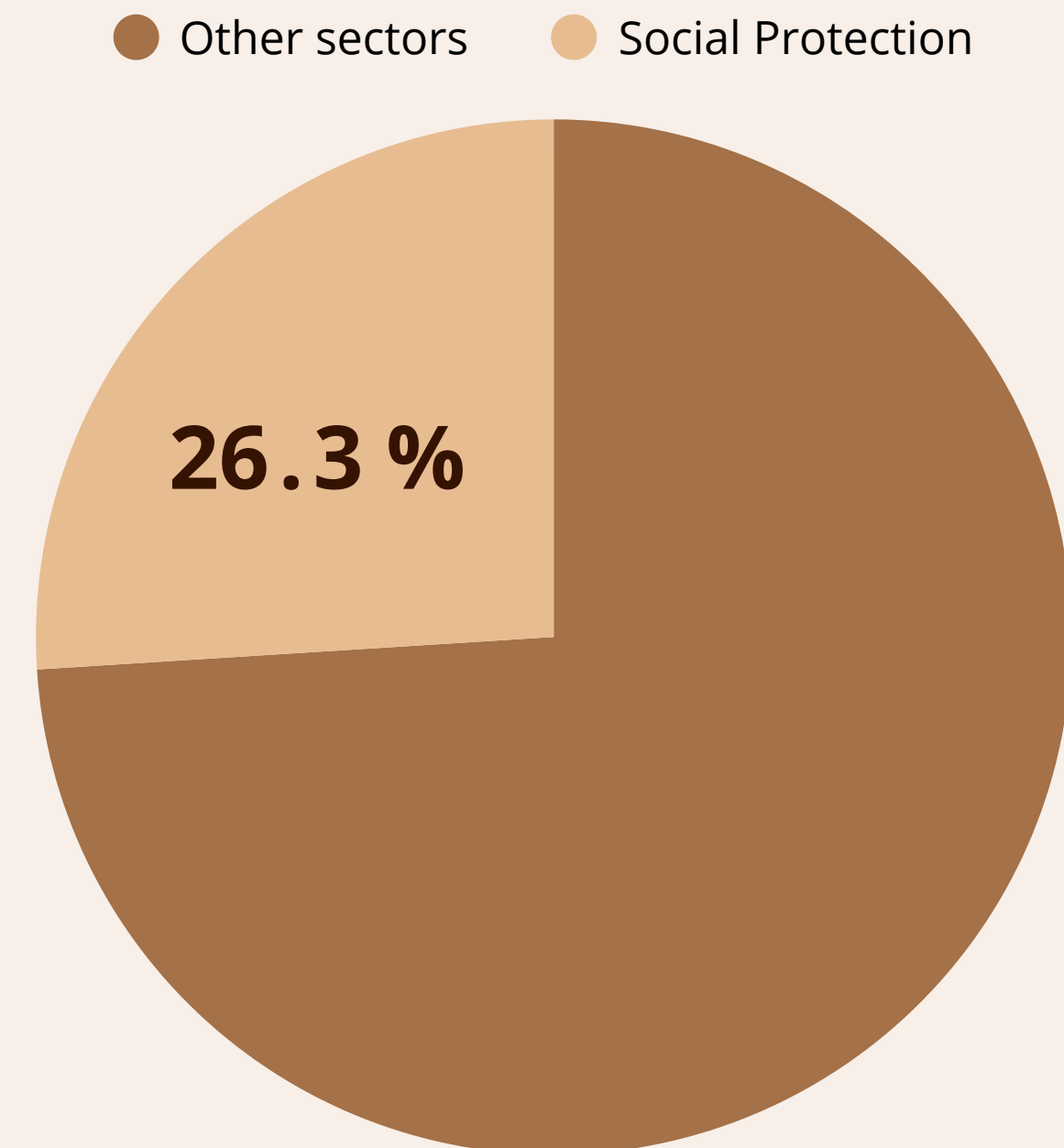
According to the explanatory note of the RA Government for 2025, the main objectives of social protection are: significantly reduction of the poverty level, improving demographic situation and providing social guarantees to the certain population groups in the Republic of Armenia.

In 2025, it is planned to allocate AMD 905.6 bln to the Social Protection Sector, which is 26.3 % of the total state budget expenditures and 8.3 % of GDP. Funding for the Social Protection Sector has increased by 6.2 % compared to the previous year.

SOCIAL PROTECTION BUDGET

- 2025, social protection expenditures dominate in the total state budget expenditures.
- It is planned to allocate AMD 905.6 bln to the Social Protection Sector in 2025, which is 26.3 % of total budget expenditures.

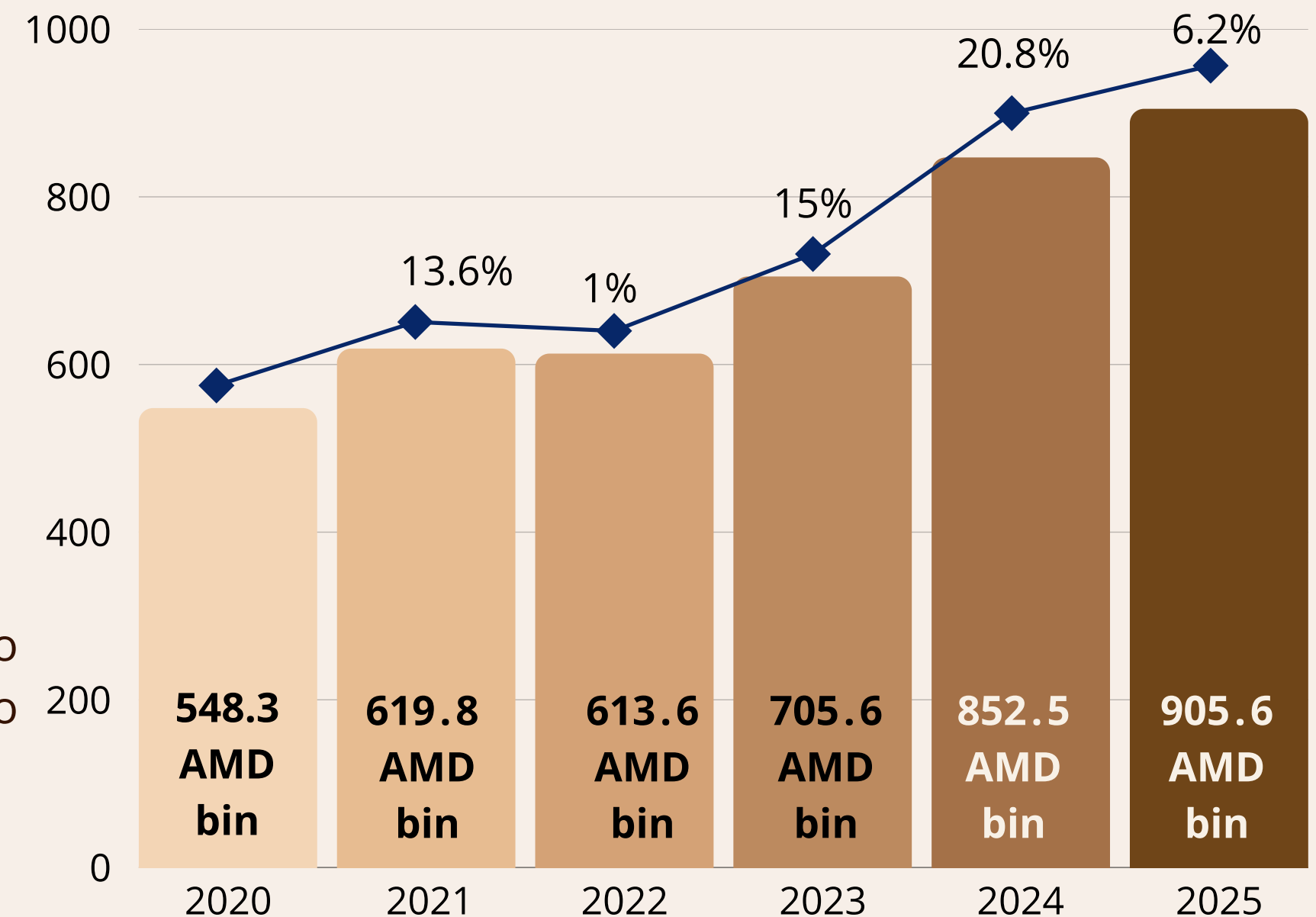
Share of Social Protection in budget expenditures in 2025, %



SOCIAL PROTECTION BUDGET

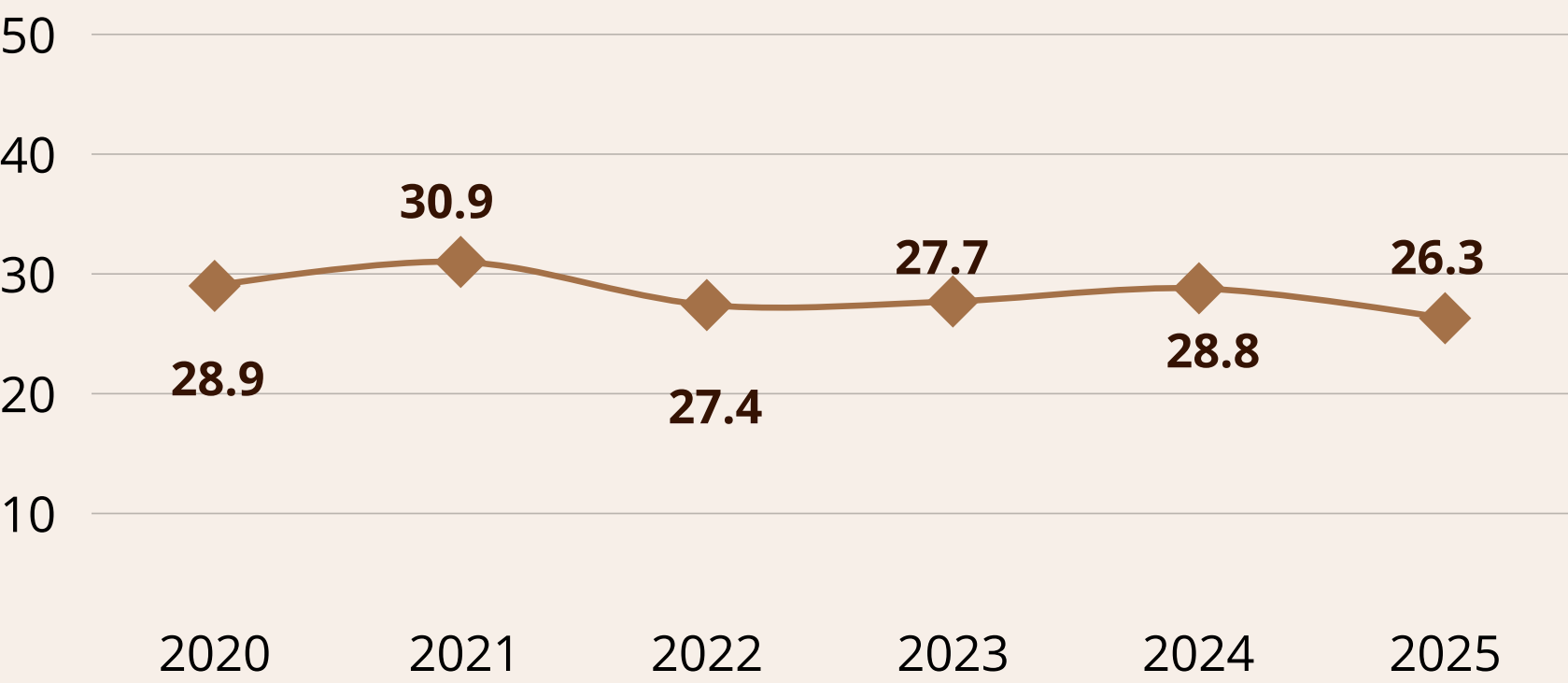
- The programme funding in 2025 shall increase by 6.2 % compared with the previous year and amount to AMD 905,6 bln.
- The funding for the Social Protection is growing. In the average annual growth in volumes of finding for 2020-2025 will be 9,7 %. As a result, the 2025 level will exceed the level of 2020 by about 1.7 times, or by AMD 357.3 bln.
- The largest increase was recorded in 2024, at 20.8%, compared to 2023. A low growth rate of 1% was recorded in 2022, compared to 2021.

Budget for the Social Protection programmes and its annual growth (%) in 2020-2025



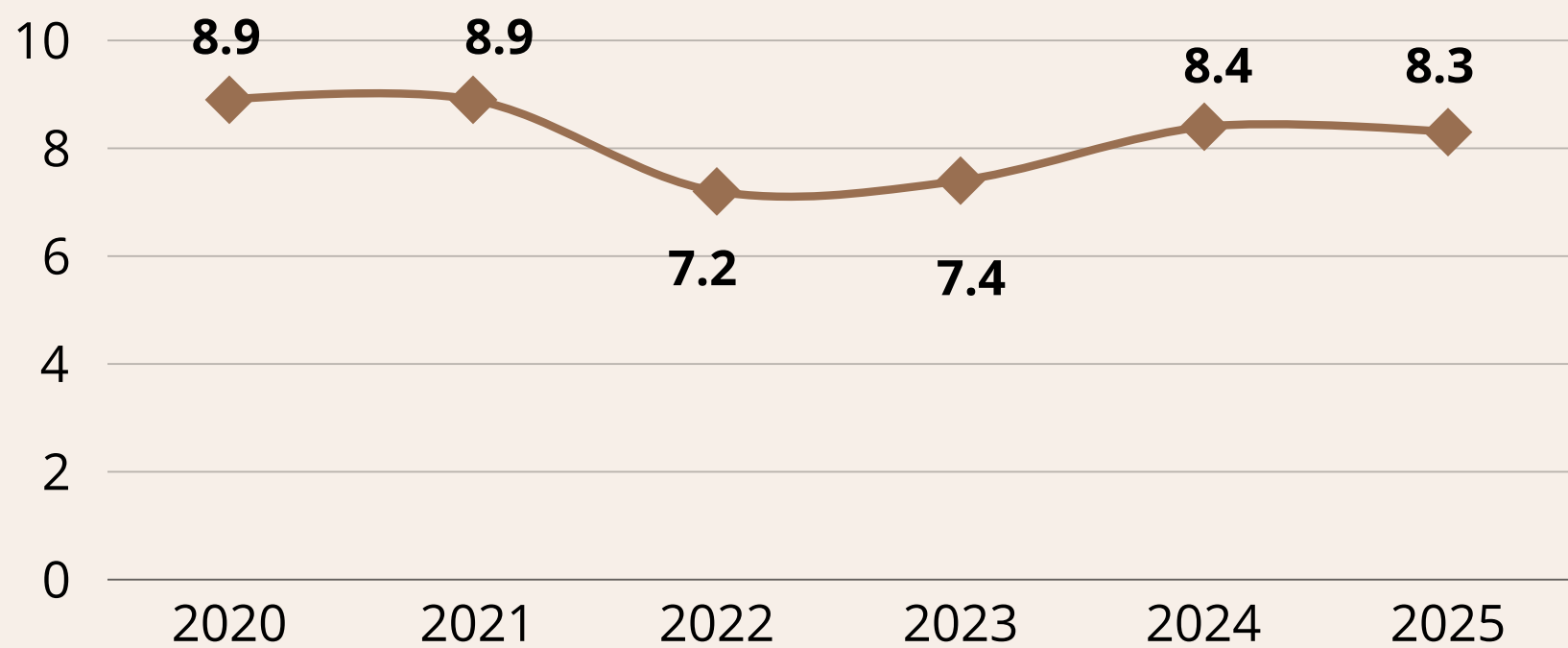
SOCIAL PROTECTION BUDGET SHARE IN TOTAL BUDGET EXPENDITURES

Social Protection Budget share in Total Budget Expenditures, 2020-2025, %



- Allocations to the Social Protection Sector in 2024 will amount to 26.3 %, which is lower by 2.5 percentage points compared to the previous year.
- The share of Social Protection sector expenditure in budget expenditure in 2025 is lower compared to all previous five years. The average level of the social protection budget/budget expenditure ratio was 28.3 %.
- The average annual growth rate in social protection expenditure is lower than the corresponding indicator in the state budget. The average annual growth of the total expenses of the state budget in 2021-2025 was 10.6 %, with a 9.7 percent level of the social protection budget.

Share of the Social Protection Programme Budget in GDP, 2020-2025, %



- The social protection budget for 2025 will amount to 8.3 % of the GDP, which is 0.1 percentage points higher than the level of the previous year.
- The share of social protection expenditure in GDP in 2025 is lower than in all the previous five years. During the 2020-2025, the average level of the Social Protection Expenditure/GDP ratio was 8.2 %.

BUDGET PROGRAMMES IN SOCIAL PROTECTION

17 programmes will be implemented in 2025

CODE	Programme	2024 AMD mln	2025 AMD mln	2025 %	2025/2024 %
1005	Premiums and Honorary Payments	10.792.9	11,107.1	1.2	2.9
1011	Support for Vulnerable Social Groups and Support for Social Groups in Difficult Life Situations	24.002.3	23,410.9	3	-2.5
1015	Provision of Social Packages	9.068.8	11,694.1	1.3	28.9
1032	Support to Elderly and(or) Individuals with Disabilities	3.863.9	4,860.7	0.5	25.8
1068	Improving Demographic Situation	66.661.5	80,087.6	9	20.1
1082	Social Support for Disability	22.834.5	24,976.8	3	9.4
1088	Employment Programme	1.440.0	1,730.1	0.2	20.4
1098	Housing	8.008.7	12,006.8	1.3	49.9
1102	Pension Security	519 .641.1	560,271.5	62	7.8
1117	Development of Public Policy, Coordination and Monitoring of Programmes in the Social Protection Sector	8.636.5	8,232.1	0.9	-4.7

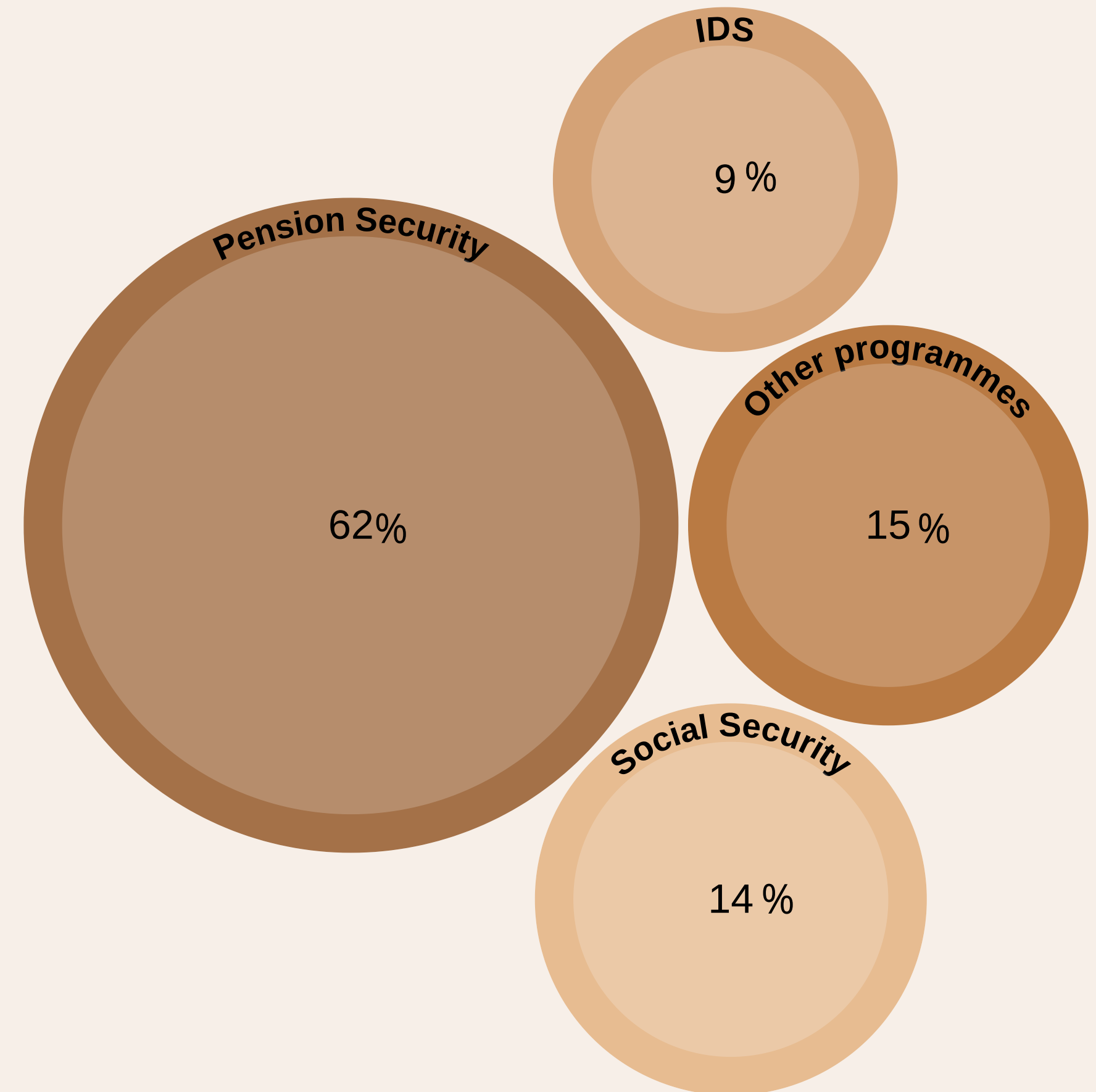
BUDGET PROGRAMMES IN SOCIAL PROTECTION

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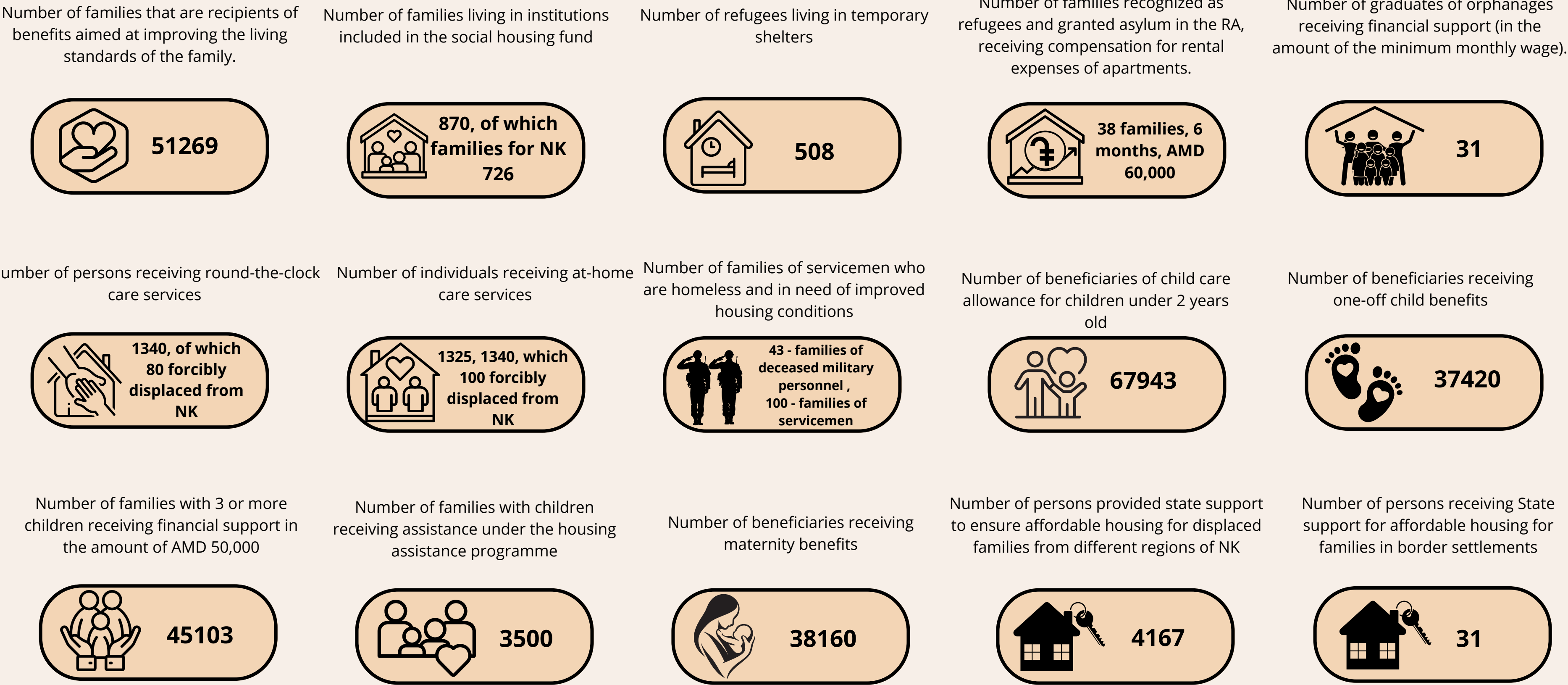
CODE	Programme	2024 AMD mln	2025 AMD mln	2025 %	2025/2024 %
1141	Support to Families, Women and Children	4.497.2	4,965.3	0.5	10.4
1145	Women's Issues, Support for Victims of Domestic Violence and Human Trafficking	0	157.8	0.02	100
1153	Social Protection Sector Development Programme	146.523	149.7	0.02	2.1
1160	Social Inclusion of Persons with Disabilities	2.504.8	3,300.6	0.4	31.8
1184	Deposits and other Compensation	803.4	1,010.0	0.1	25.7
1205	Social Security	108.381.0	122,676.5	14	13.2
1206	Reforms of the Social Protection System	603.7	0	0	-100
1225	Social Support to Individual Social Groups to resist Crises Situations, and to reduce and eliminate the Consequences of Emergency Situations	60.631.2	35,000.0	4	-42.3

SOCIAL PROTECTION BUDGET STRUCTURE BY PROGRAMMES

- The largest budget programme in the Social Protection sector is the Pension Security Programme to which 62% of budget is allocated.
- Budget programmes Social Security and Improving Demographic Situation (IDS) follow with shares of 14%, and 9% respectively.
- In total, the 3 (three) largest programmes ensure 85% of the Social Protection budget. The remaining 15 percent is provided through other programs, such as: Support for Vulnerable social groups and support for social groups in difficult life situations, Social support for temporary incapacity, Employment, Housing, Social support to individual social groups to resist crises situations, and to reduce and eliminate the consequences of emergency situation and other programmes.

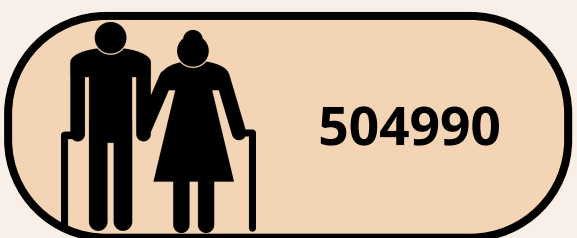


EXPECTED PERFORMANCE INDICATORS IN 2025

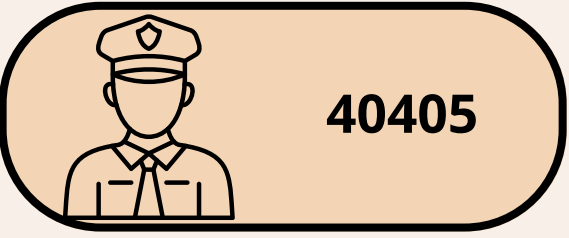


EXPECTED PERFORMANCE INDICATORS IN 2025

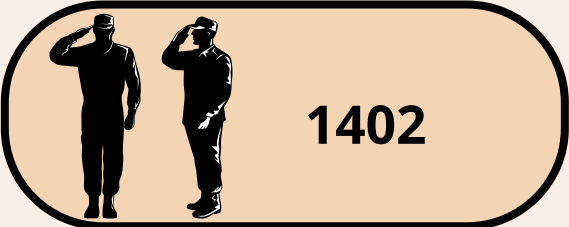
Labour pensions,
number of pension beneficiaries



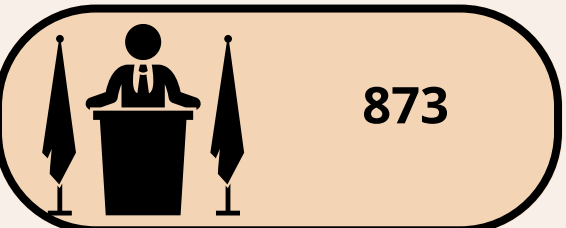
Pensions to military officers and their families, number of
pension beneficiaries



Pensions to soldiers and members of their
families, number of pension beneficiaries



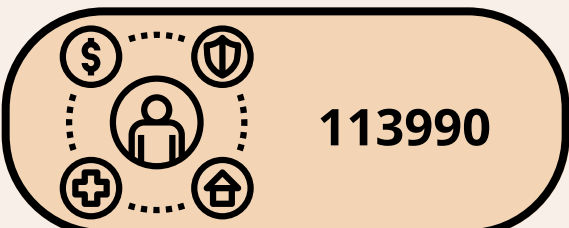
Pensions assigned by the RA Laws,
number of pension beneficiaries



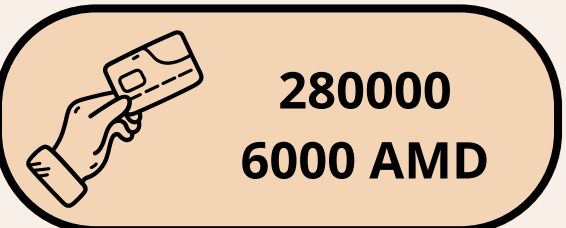
To the pension accounts of the participants of
cumulative pension, number of participants



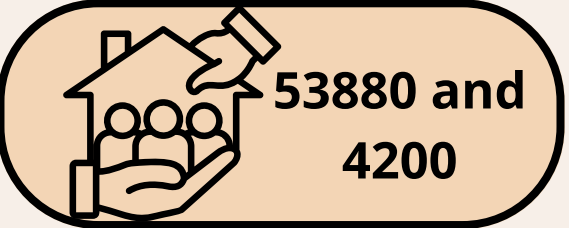
Social benefits for old-aged, disabled or survivor
social beneficiaries' death, beneficiaries



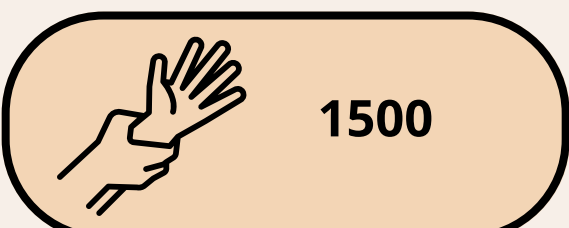
Provision of refund to pensioners from the
non-cash payments, number of beneficiaries
and the sum of refund



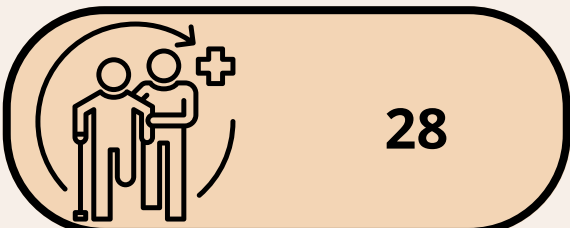
Provision of social support to forcibly displaced persons
from NK and solving the housing issues, number of
beneficiaries



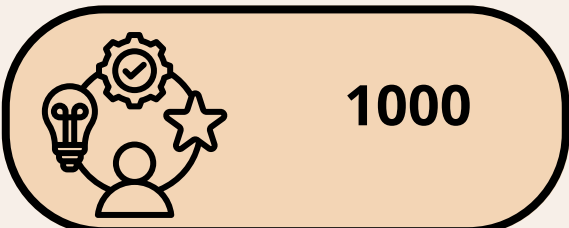
Services of support centers for victims of
domestic violence, number of beneficiaries



Social and psychological rehabilitation of visually
impaired of persons, number of beneficiaries



Providing support for the organization of short-term training courses and gaining
work experience for forcibly displaced persons from NK in 2023, number of
beneficiaries





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