

REPORT ON 2021-2023 NATIONAL ASSESSMENT RISKS OF FINANCING OF PROLIFERATION OF WEAPONS OF MASS DESTRUCTION IN THE REPUBLIC OF ARMENIA

This document was prepared using the methodology developed by the Interagency Committee on Combating Money Laundering, Terrorism Financing and Financing of Proliferation of Weapons of Mass Destruction in the Republic of Armenia, and approved at the 41st session of the Interagency Committee held on 27 December 2024.

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ABBREVIATIONS

AML/CTF Law	Republic of Armenia Law on Combating Money Laundering and Terrorism Financing
DNFBP	Designated non-financial business or profession
EU	European Union
FATF	Financial Action Task Force
FMC	Financial Monitoring Center of the Central Bank of Armenia
Interagency Committee	Interagency Committee on Combating Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction, established by decision of the Prime Minister of the Republic of Armenia No 45-A of 17 January 2019
IRI	Islamic Republic of Iran
ML	Money Laundering
MOD	Ministry of Defense of the Republic of Armenia
MOE	Ministry of Economy of the Republic of Armenia
MOFA	Ministry of Foreign Affairs of the Republic of Armenia
NRA	Report on 2021-2023 National Assessment of Risks of Money Laundering and Terrorist Financing in the Republic Of Armenia
NSS	National Security Service of the Republic of Armenia
PF	Financing of Proliferation of Weapons of Mass Destruction
SRC	State Revenue Committee of the Republic of Armenia
TF	Terrorism Financing
TFS	Targeted Financial Sanctions
UNSC	United Nations Security Council
US	United States of America

KEY FINDINGS

1. The key findings of the analysis of PF threats are as follows:
 - 1) Armenia is not a major manufacturer of controlled or military items and technologies;
 - 2) Strict border controls are enforced for the import, transit and export of dual-use goods, while for their export, strict licensing regimes, requiring the issuance of export permits by the authorized body, are in place;
 - 3) During the review period, no permits for export of dual-use goods to the IRI and North Korea were issued, and no cases for the indirect exports of dual-use goods to these countries have been detected;
 - 4) During the review period, no criminal cases have been initiated for the proliferation of WMD or its financing, and the competent authorities have not received any intelligence or other alerts about such possible cases;
 - 5) Reporting entities have not identified matches with the names of PF-related designated persons, nor of cases of possible connections with them.
2. The key findings of the analysis of PF vulnerabilities are as follows:
 - 1) The Republic of Armenia is a member of a wide range of international treaties or regimes for CPF;
 - 2) On 5 February 2015, the Government of the Republic of Armenia adopted and has implemented the 2015-2020 National Action Plan for Implementation of UNSC Resolution 1540;
 - 3) The Republic of Armenia continued to participate in many international programs and initiatives for capacity building in the areas of export control, countering PF and its financing, including in various trainings and workshops organized with the participation of stakeholder agencies and the private sector of the Republic of Armenia;
 - 4) The domestic lists of materials and intellectual property subject to export control and licensing in the Republic of Armenia are comprehensive and are consistent with the standards developed under EU and the Wassenaar Arrangement;
 - 5) Decision No 808-N of 25 May 2023 of the Government of the Republic of Armenia defines the list of 50 sensitive non-dual use goods, included in the Common High Priority List, developed by the US, EU, United Kingdom and Japan, that are exported from the Republic of Armenia and transported in transit through the territory of the Republic of Armenia; the export and transit of which follows the same export and transit control regime and procedures as designated for dual-use goods;
 - 6) The interagency committee established by Decision of the Prime Minister of the Republic of Armenia of 2011 to ensure and regulate the fulfillment of the requirements deriving from the Convention on the Prohibition of the Development, Production, Stockpiling and use of Chemical Weapons and on their Destruction discussed a series of issues concerning the legislative measures undertaken; the administrative measures undertaken to execute the Convention, further legislative reforms to be undertaken, as well as the required priority measures undertaken by the Republic of Armenia to

implement the Convention, which were stated in the Report of the Secretary General of the Organization for the Prohibition of Chemical Weapons in 2022;

- 7) Whereas the Armenian legislation requires mandatory implementation of the sanctions imposed by the UNSC only, reporting entities adequately follow the sanctions imposed by the USA and the EU;
 - 8) No transactions were carried out with North Korea in accordance with the UNSC Resolution 1718 and the FATF public statements;
 - 9) Armenian banks provide to persons interconnected with the IRI strictly limited banking services, which are not subject to restrictions regarding correspondent relationships and/or sanctions imposed on the IRI.
3. PF threats and vulnerabilities are assessed as low (1 point). According to Paragraph 30 of the “Methodology for 2021-2023 National Assessment Risks of Money Laundering and Terrorist Financing in the Republic Of Armenia”, **the residual risk of PF is assessed as low.**