

**LAW**  
**OF THE REPUBLIC OF ARMENIA**

Adopted on 17 May 2000

**ON ORGANISING AND CONDUCTING INSPECTIONS**  
**IN THE REPUBLIC OF ARMENIA**

*(title amended by HO-172-N of 03 April 2001)*

**Article 1.        Scope and subject matter of the Law**

1. This Law shall regulate the relations pertaining to the organisation and conduct of inspections and examinations in commercial and non-commercial organisations, public institutions (including of a foreign legal person), a branch of a legal person or representative office registered in the Republic of Armenia or in foreign states and carrying out activities in the territory of the Republic of Armenia, local self-government bodies, as well as of the activities of individual entrepreneurs (hereinafter referred to as "economic operators") and in urban development facilities, and shall prescribe the unified procedure for conducting thereof.
2. Inspection shall be a procedure conducted based on the law, which verifies the reliability of the statements, calculations, baseline data and other documents (hereinafter referred to as a "statement") submitted by an economic operator, as well as the compliance of the actual activities of an economic operator with the requirements of the laws and other legal acts.
3. Examination shall be an internal procedure conducted in the inspection body based on the statements submitted by an economic operator for the purpose of verifying the accuracy of implementation of the requirements of the legal acts vesting powers of control of that body, except for field examinations provided for by the second paragraph of this part.

In cases provided for by Law of the Republic of Armenia "On protection of economic competition", the State Commission for the Protection of Economic Competition of the Republic of Armenia shall perform test purchases as prescribed by Annex No 2.1 to this Law, the results of which shall be used by an economic operator for the purpose of discussing the issue on the violation of Law of the Republic of Armenia "On protection of economic competition". The rights and responsibilities — provided for by this Law — of the officials of the economic operators and the entities conducting an inspection shall apply also in case of conducting examinations prescribed by this paragraph.

4. Inspections may be thematic — aimed at clarifying out the actual condition of separate elements in the activities of the economic operator, or complex — aimed at clarifying the entire financial and economic condition of an economic operator. Thematic inspections include the inspections of implementing the requirements of the legislation of subsoil use and environment, including the inspections of actual volumes of environmental taxation base and/or natural resources utilisation payment base and the limits (restrictions) thereof, inspections of activities carried out on the basis of a license to carry out certain types of activities, inspection of the state of compliance with the established economic norms, maintenance of security registers and operations therewith, inspections of currency-related operations, inspection of compliance with the requirements of normative documents related to sanitation and hygiene, as well as fire safety, inspections of the compliance with the requirements set for the control over the export of dual-purpose goods and transfer of dual-purpose information and products of intellectual activity, inspections conducted by the State Commission for the Protection of Economic Competition of the Republic of Armenia with regard to the accuracy of information submitted by the economic operator and/or the detection of actual activity and/or inspection of the execution of the decision of the State Commission for the Protection of Economic

Competition of the Republic of Armenia, inspections of the conformity of goods and technologies with presented baseline data and other similar inspections, inspections aimed at clarifying the actual state of the compliance with the requirements prescribed by the labour legislation and other legal acts containing norms of labour law, inspections aimed at the execution of pension legislation and the maintenance of the personal record registration databases, inspections of the organisation and execution of paid public works, inspections aimed at clarifying out the accuracy of financial data on the implementation of mandatory social insurance projects, inspections of the processes of applying minimum state social standards on child care and upbringing, inspections aimed at clarifying the actual state of compliance with the requirements prescribed by the legislation on the field of social assistance, and inspections aimed at clarifying the actual state of compliance with the requirements of the legislation on material reserves.

A complex inspection shall be an inspection of financial and economic activities, which is conducted by verifying whether accounting documents, financial statements, the balance sheet and original bookkeeping documents were filled in (compiled) accurately or not and shall be aimed at revealing the final or interim findings relating to the financial and economic activities of the operator being subjected to inspection with respect to the purposeful and efficient use of own and borrowed financial means and stocks. The exclusive right to require a complex inspection of financial and economic activities shall belong to the shareholders, stockholders, founders, or members of the economic operator, within the scope of powers vested thereto by law.

5. This law shall not apply to inspections conducted by the public authority acting as a party to the transaction within the scope of a contract concluded between the public authority and the economic operator on the basis of a civil law transactions concluded between the public authority and the economic operator.

6. This Law shall not regulate relations pertaining to supervision exercised by the Central Bank of the Republic of Armenia over the activities of banks, other persons having obtained a license by the Central Bank of the Republic of Armenia, as well as relations with regard to supervision exercised by the Central Bank of the Republic of Armenia in cases provided for by Law of the Republic of Armenia “On the fight against money laundering and terrorism financing”, relations with regard to audit carried out by the Audit Chamber, those with regard to customs control provided for by the Law of the Republic of Armenia "On customs regulation", tax control provided for by the Tax Code of the Republic of Armenia and relations with regard to supervision over the land use and protection, relations pertaining to supervision exercised by shareholders, equity holders, founders or members over the executive body of the economic operator, as well as relations with regard to supervision exercised by the executive body of the economic operator over the territorial and structural sub-divisions of the economic operator.

***(Article 1 as amended by HO-172 of 3 April 2001, HO-282 of 17 December 2001, HO-8-N of 24 September 2003, HO-103-N of 11 July 2004, HO-34-N of 8 December 2004, HO-186-N of 14 December 2004, supplemented, amended by HO-152-N of 8 December 2004, HO-250-N of 8 December 2005, supplemented by HO-28-N of 15 December 2005, HO-162-N of 7 July 2006, HO-108-N of 22 February 2007, amended by HO-10-N of 25 December 2006, supplemented, amended, edited by HO-214-N of 11 October 2007, amended by HO-237-N of 24 October 2007, supplemented by HO-297-N of 6 December 2007, HO-37-N of 8 April 2008, HO-121-N of 17 June 2008, HO-144-N of 21 August 2008, amended by HO-17-N of 4 February 2010, HO-45-N of 8 April 2010, supplemented by HO-81-N of 20 May 2010, supplemented, amended by HO-138-N of 12 April 2011, amended by HO-243-N of 23 June 2011, HO-309-N of 7 December 2011, amended, supplemented, edited by HO-242-N of 19 December 2012, edited by HO-127-N of 21 June 2014, amended, supplemented by HO-40-N of 7 May 2015,***

*amended by HO-85-N of 16 May 2016, HO-168-N of 24 November 2015, amended, edited, supplemented by HO-299-N of 21 December 2017, amended by HO-62-N 16 January 2018, HO-195-N of 21 March 2018, supplemented by HO-131-N of 4 March 2020, supplemented, amended by HO-369-N of 9 July 2020)*

*(Article with the amendments of Law [HO-93-N](#) of 3 March 2021 shall enter into force on 31 May 2021)*

## **Article 2. State inspection authorities**

1. The following authorities shall have the power to conduct inspections in the territory of the Republic of Armenia within the scope of their competences:

- Ministry of Transport, Communication and Information Technologies of the Republic of Armenia;
- Ministry of Nature Protection of the Republic of Armenia;
- Ministry of Energy Infrastructures and Natural Resources of the Republic of Armenia;
- Ministry of Territorial Administration and Development of the Republic of Armenia;
- State Revenue Committee adjunct to the Government of the Republic of Armenia;
- State Nuclear Safety Regulatory Committee adjunct to the Government of the Republic of Armenia;

*(paragraph repealed by HO-369-N of 9 July 2020)*

*(paragraph repealed by HO-174-N of 21 March 2018)*

- Public administration body authorised by the Government of the Republic of Armenia in the sphere of pension security;

- Ministry of Finance of the Republic of Armenia;
- State Language Inspectorate of the Republic of Armenia;
- State Committee of Water Economy of the Ministry of Energy Infrastructures and Natural Resources of the Republic of Armenia;
- National Security Service of the Republic of Armenia;
- Ministry of Economic Development and Investments of the Republic of Armenia;

***(paragraph repealed by HO-174-N of 21 March 2018)***

- Ministry of Labour and Social Affairs of the Republic of Armenia;
- Ministry of Education and Science of the Republic of Armenia;
- General Department of Civil Aviation adjunct to the Government of the Republic of Armenia;
- State Commission for the Protection of Economic Competition of the Republic of Armenia;
- State bodies granting licenses;
- State Urban Development Committee adjunct to the Government of the Republic of Armenia;
- State Service for Food Safety of the Ministry of Agriculture of the Republic of Armenia;
- Inspection bodies of the Republic of Armenia.

In case of the need for conducting an inspection — upon the questions within the competence vested on the Central Bank of the Republic of Armenia by law — in the organisations licensed or registered by the Central Bank of the Republic of Armenia, the State Commission for the Protection of Economic Competition of the Republic of

Armenia shall apply to the Central Bank of the Republic of Armenia with a motion, which shall conduct an inspection in the mentioned organisation, and the opinion prepared based on the results thereof shall be provided to the State Commission for the Protection of Economic Competition of the Republic of Armenia.

The State Nuclear Safety Regulatory Committee adjunct to the Government of the Republic of Armenia shall plan and conduct the inspections through the procedure prescribed by the Law of the Republic of Armenia "On the use of atomic energy for peaceful purposes".

In case of changes in public authorities or in their powers, the powers of the mentioned authorities conducting an inspection shall be exercised by the successor authorities thereof or those having relevant powers.

The State Revenue Committee adjunct to the Government of the Republic of Armenia shall exercise tax control through the procedure prescribed by the Tax Code of the Republic of Armenia.

2. State inspection authorities shall conduct the inspections exclusively in compliance with the laws of the Republic of Armenia and within the powers conferred on them by those laws.
3. Intervention into the on-going economic activities of economic operators shall be prohibited during the inspections.

***(Article 2 amended by HO-453-N of 6 November 2002, HO-480-N of 11 December 2002, HO-12-N of 7 October 2003, HO-8-N of 24 September 2003, HO-90-N of 9 June 2004, HO-34-N of 8 December 2004, supplemented by HO-235-N of 15 November 2005, amended by HO-250-N of 08 December 2005, supplemented by HO-82-N of 22 February 2007, HO-108-N of 22 February 2007, amended by HO-237-N of 24 October 2007, supplemented by HO-121-N of 17 June 2008, amended by HO-180-N of 22 October 2008, supplemented by HO-138-N of 12 April 2011, HO-243-N of 23 June 2011, HO-258-N of 17 December***

*2014, HO-75-N of 12 May 2016, amended by HO-66-N of 1 March 2017, HO-205-N of 17 November 2017, supplemented by HO-299-N of 21 December 2017, amended by HO-174-N of 21 March 2018, HO-195-N of 21 March 2018, amended by HO-369-N of 9 July 2020)*

*(Article with the amendments of the Law [HO-93-N](#) of 3 March 2021 shall enter into force on 31 May 2021)*

## **Article 2.1. The risk-based inspection system and planning**

1. The risk-based inspection system is a complex of measures taken by the authorities conducting inspections for the purpose of planning the inspections.

The risk is the possibility of causing damage to the life and health of a person, the environment, property rights of the state, legal and natural persons, as well as the savings of natural and energy resources, taking into account the gravity of that damage.

The authority conducting inspections through the risk-based inspection system shall direct the inspections to the sectors and supervision objects with higher risk.

2. For the purpose of planning the inspections:
  - (1) the inspection authority shall — by examining the field of his or her supervision — develop criteria determining the level of risk of activities of the economic operators in the given field, which shall include the risk of the field of activity of the economic operator and/or the sum total of individual risks of the economic operator. The risk of the field of activity is an indicator which shall be calculated based on the importance and riskiness of the field of activity of an economic operator according to the possible negative consequences arising from the given activity. Where an economic operator carries out activities in several fields, the risk of the field shall be



calculated upon the data of the riskiest field. The calculation of the individual risk shall take into account the violations of the requirements prescribed by the legislation by an economic operator, the frequency of violations, the actions aimed at eliminating those violations, as well as other indicators characterising the activities of the economic operator.

For the purpose of planning inspections in the sector of urban development, the authority conducting the inspection shall, by assessing the type of the facility, develop criteria determining the level of risk of the urban development facility. While developing the criteria determining the level of risk of an urban development facility, the inspection authority may also assess the risk of the operators — constructor, designer, entities carrying out expertise, construction works, technical and designer supervision — carrying out urban development activities in the urban development facility through the procedure prescribed by law.

The general description of criteria determining the methodology and the level of risk of risk-based inspections shall be approved by the Government of the Republic of Armenia, and the procedure for calculation and assessment thereof shall be approved by the state inspection authority;

(2) the inspection authority shall maintain a database which shall include information on all the economic operators acting in the field of his or her supervision and on the assessment given to them upon the criteria determining the level of risk.

The Government of the Republic of Armenia shall approve the procedure for the exchange of information between state inspection authorities on economic operators in their databases;

(3) according to the assessment of criteria determining the level of risks, economic operators and in case of inspections conducted in the urban development sector — the urban development facilities, shall be classified under one of the following three groups:

- a. high risk;
  - b. medium risk;
  - c. low risk;
3. The inspection authority shall, according to the decrease of the level of risks, include in the high risk group up to twenty percent of the economic operators subject to inspection thereby.
4. The annual plan for inspections shall be developed taking into account the risk level of economic operators and shall include the following information:
  - (1) full names of the economic operators subject to inspection;
  - (2) date of the end of the last inspection conducted at each economic operator;
  - (3) risk level of each economic operator;
  - (4) period of conducting each inspection.
- 4.1. The annual plan for inspections conducted in the urban development sector shall include the following information:
  - (1) name of the urban development facility subject to inspection;
  - (2) full names (where applicable) of the economic operators carrying out urban development activities in an urban development facility subject to inspection as prescribed by law;
  - (3) date of the end of the last inspection conducted in the urban development facility subject to inspection;
  - (4) risk level of the urban development facility subject to inspection;
  - (5) period of conducting each inspection.
5. The annual plan for inspections shall be developed by the following proportionality:

- (1) economic operators included within the high risk group and in case of inspections conducted in the urban development sector - the urban development facilities, shall comprise at least seventy percent of the economic operators subject to inspections during the given year and in case of inspections conducted in the urban development sector - at least seventy percent of the urban development facilities;
  - (2) economic operators included within the low risk group and in case the inspections are conducted in the urban development sector - the urban development facilities, shall comprise maximum five percent of the economic operators — and in case of inspections conducted in the urban development sector - the urban development facilities — subject to inspections;
6. State inspection authorities shall approve the annual plan for inspections before 1 December of the year preceding the inspections.

Changes may be made to the annual plan for inspections upon the consent of the Prime Minister of the Republic of Armenia.

7. When approving the annual plan for inspections or making amendments thereto, the information prescribed by points 1 and 2 of part 4, points 1-3 of part 4.1 of this Article shall be posted on the official website of the inspection authority within a three-day period following its adoption and enter into force after month following its.

***(sentence deleted by HO-195-N of 21 March 2018)***

By 20 January of each year the report on inspections and examinations conducted by the inspection authority during the previous year shall also be mandatorily posted on the official website of the latter; the report shall include the name of each economic operator inspected and/or examined during the reporting period, the state registration number, the taxpayer identification number (where applicable), and in case of

inspections conducted in the urban development sector — also the name of each urban development facility, information on the quantity of and grounds for inspections and examinations conducted at each economic operator, and in case of inspections conducted in the urban development sector — information on the quantity of and grounds for inspections and examinations conducted in each urban development facility. The [template](#) for the report on inspections and examinations conducted in the previous year shall be approved by the Government of the Republic of Armenia.

8. Regulations prescribed by this Article shall not extend to the inspections aimed at clarifying the actual state of compliance with the requirements of the legislation on material reserves.

***(Article 2.1 supplemented by HO-243-N of 23 June 2011, HO-242-N of 19 December 2012, amended by HO-299-N of 21 December 2017, HO-195-N of 21 March 2018, supplemented by HO-131-N of 4 March 2020, HO-369-N of 9 July 2020)***

***(Article with the amendments of [HO-93-N](#) of 3 March 2021 shall enter into force on 31 May 2021)***

***(In Article 2.1 of Law HO-60 (HHPT N 14 of 23 June 2000) of 17 May 2000, the words "of economy" shall be replaced by words "of economic development and investments" by Article 2 of Law HO-66-N (HHPT N 19, of 29 March 2017) of 1 March 2017 "On making amendments to the Law of the Republic of Armenia "On Organising and conducting inspections in the Republic of Armenia".***

***It is impossible to make the amendment as there are no words "of economy" in Article 2.1).***

### **Article 3. Purpose of inspections and the procedure of conduct thereof**

1. The purpose of inspection shall be to verify the credibility of reports submitted to state bodies or published on the basis of the law and other legal acts in the field of activities of the economic operator; exercise state control over the fulfilment of the requirements of the laws and other legal acts of the Republic of Armenia; protect the property rights of economic operators; and, in case of inspections assigned in accordance with the Criminal Procedure Code of the Republic of Armenia — also the clarification of the actual state of separate elements with regard to the activities of the economic operator.
- 1.1. All the inspections, except for inspections aimed at clarifying the actual state of compliance with the requirements of the legislation on material reserves of the State Commission for the Protection of Economic Competition of the Republic of Armenia, as well as control over the accuracy and lawfulness of the activities implemented to perform the State Budget of the Republic of Armenia, including the posting of state orders (of the process of procurement), shall be conducted exclusively on the basis of a checklists, which shall be approved by the Government of the Republic of Armenia.

The checklists shall be developed for each relevant field and type of activity on the basis of specifics of the field of inspection and activity of each inspection authority.

The checklists shall include an exhaustive list of requirements for economic operators prescribed by laws and other legal acts of the Republic of Armenia, the violation of which may cause damage to the life and health of a person, the animals, the environment, the property rights of individuals, legal persons or the state.

The questions of checklists shall be formed in accordance with the principle of minimum compliance and shall not include the requirements the compliance with which does not contribute to the reduction of risks arising from the activities of the economic operator.

The questions of checklists may not contain a direct reference to secondary legal acts. Legal norms, which serve as a basis for the formation of questions, shall be marked by a separate column in front of every question.

The checklists shall mandatorily be posted on the official websites of the relevant inspection authorities.

2. Prior to starting the inspection, the head (substituting official) of the relevant state authority shall issue an order or a letter of instruction about conducting inspection, which shall contain the name of the inspection authority; the full name of the economic operator subject to inspection, and in case of inspections conducted in the urban development sector — the name of the urban development facility subject to inspection; the position(s), name(s), surname(s) of the official (officials) conducting the inspection; the framework of questions provided for by the checklist that need to be clarified during the given inspection (questions with regard to the inspections aimed at clarifying the actual state of compliance with the requirements of the legislation on material reserves of the State Commission for the Protection of Economic Competition of the Republic of Armenia, as well as those with regard to the inspection in case of control over the accuracy and lawfulness of the activities implemented to perform the State Budget of the Republic of Armenia, including the posting of state orders (of the process of procurement)); the time period encompassing the inspection; the purpose of and the time limits for the inspection; the legal grounds for the inspection; in cases prescribed by part 3.1 of Article 4 of this Law — also the circumstances substantiating the necessity to conduct an inspection; and in cases of receiving a request or information prescribed by the same part — also data on person having provided it. Persons not mentioned in the order or the letter of instruction may not participate in the inspection. In case an official conducting the inspection is substituted by another person due to impossibility of carrying out his or her official duties, the substitution shall be carried out upon an order,

whereon the economic operator shall be notified through the procedure prescribed by this Article.

***(paragraph deleted by HO-299-N of 21 December 2017)***

In case of inspections conducted by the Ministry of Labour and Social Affairs of the Republic of Armenia on an as-needed basis or aimed at revealing cases of illegal employment, the powers to issue an order or a letter of instruction may be transferred to the Head of the State Labour Inspectorate of the Republic of Armenia upon the decision of the Minister of Labour and Social Affairs of the Republic of Armenia.

***(paragraph repealed by HO-309-N of 07 December 2011)***

3. Two copies of the order or the letter of instruction shall, at least 3 working days prior to the commencement of inspection, be submitted to the head of the economic operator or the official substituting him or her in a proper manner (in person or by post), except for supervision of compliance with the mandatory requirements provided for the organisers licensed (authorised) to organise lotteries, games of chance and pawnshops; supervision over the implementation or compliance with the requirements and conditions of the inspection body exercising supervision in the field of environmental protection (nature protection), of the legislation on environment and subsoil use by the person having a permission for manufacturing minerals, including those of subsoil use projects, contracts, programmes and expert opinion on the assessment of impact on environment; supervision by the inspection body exercising metrological supervision over the assaying, hallmarking, retail sales of articles of precious metals, refining of precious metals, manufacturing of bank gold and standardised bullions and metrological supervision of disposed goods; supervision implemented by the Ministry of Trade and Economic Development of the Republic of Armenia with respect to expired goods, except for trade of food products, as well as supervision of compliance of products with the requirements of normative documents, except for food services, except for the public food

sector, as well as inspections conducted by the Ministry of Labour and Social Affairs of the Republic of Armenia aimed at revealing cases of employment without concluding an employment contract or cases of non-inclusion of the terms provided for by points 1, 4, 5, 6 and 7 of part 1 of Article 84 of the Labour Code of the Republic of Armenia in employment contracts; inspections on an as-needed basis implemented by the Ministry of Labour and Social Affairs of the Republic of Armenia or the State Commission for the Protection of Economic Competition of the Republic of Armenia and/or inspections conducted by environmental protection inspection authorities, the State Nuclear Safety Regulatory Committee adjunct to the Government of the Republic in nuclear energy use facilities; inspections conducted by the Ministry of Healthcare of the Republic of Armenia with regard to the compliance with the obligations arising from the Law of the Republic of Armenia “On the Promotion of Breastfeeding and the Circulation of Infant Formula” at the economic operators carrying out activities in the field of drug circulation prescribed by law; inspections conducted with regard to the activities of medical care and provision of the quality of blood, its components, safety and transfusion care at the authorized persons carrying out medical care and services; inspections of water supply to the population and water use, use of chemicals and biological resources, good sanitary conditions at schools, pre-school institutions and residential areas conducted by the state authorities carrying out hygienic and anti-epidemic services; inspections conducted by the State Veterinary Inspection bodies of the Ministry of Agriculture of the Republic of Armenia aimed at revealing violations of veterinary and sanitary safety requirements pertaining to the processing, preservation, transportation and trade of products and raw material of animal origin, feed and supplements, as well as of maintenance, transportation, trade and slaughter of animals, violations of the legislation of the Republic of Armenia regulating the veterinary field, organisation and implementation of measures aimed at the prevention and elimination of animal diseases, diseases common for



people and animals; inspection conducted by authorities of the National Inspectorate for Plant Quarantine and National Inspectorate for Husbandry with respect to fight against quarantine pests, plant diseases and weeds; inspection of export from borderline railway stations, car stations, airports and other border points of materials imported from foreign countries without undergoing quarantine examination and relevant processing; inspections with respect to the failure to take measures aimed at fight against non-quarantine weeds by land-users, expired, poor quality and out-of-production chemical and biological plant protection substances, as well as to the cases of exceeding the maximum permitted level of residues of pesticides and fertilizers - not included in a relevant nomenclature and sold under prohibited conditions - in the soil or food products of plant origin; as well as in cases of inspections conducted by an appropriate state inspectorate operating within the structure of the authorised public authority in the sphere of agriculture with respect to cases of non-observance of the rules and requirements pertaining to means of transportation, workshops, warehouse and other areas used in the stages of production, processing and trade of food products, necessary technological equipments and performance of relevant technological processes, the requirements on food raw materials, water, auxiliary materials, food additives used for food production, materials intended to come into contact with food products and processed food products as well as the storing conditions thereof; inspections of ensuring the requirements for marking, and those aimed at revealing violations of the application of laws on food safety, fire safety in flammable mobile facilities and other legal acts adopted on the basis thereof. The latter shall be obliged to sign one copy by confirming that he or she has been notified on the conduct of the inspection. The signed copy shall be returned to the official of the state inspection authority.

4. The official (officials) conducting inspection shall not have the right to act beyond the scope of the purpose indicated in the order or instruction on conducting the inspection.

Inspection authorities, except for inspections aimed at clarifying the actual state of compliance with the requirements of the legislation on material reserves of the State Commission for the Protection of Economic Competition of the Republic of Armenia, as well as persons exercising control over the accuracy and lawfulness of the activities performed to implement the State Budget of the Republic of Armenia, including the posting of state orders (of the process of procurement), shall answer the questions included in the checklist exclusively intended for the given activity and shall verify the requirements for performing norms regulating them.

5. In case of emergence of new circumstances and necessities, the purposes and scopes of the inspection may be changed by the relevant state authority upon a written substantiation of the official (officials) conducting the inspection, and in case of inspections assigned in accordance with the Criminal Procedure Code of the Republic of Armenia — by an inquest body or an investigator upon a grounded decision. The head of the economic operator or the person substituting him or her shall be notified in writing about the changes, by being presented with a new order or letter of instruction attached to the previous order or letter of instruction.

***(Article 3 amended by HO-172-N of 3 April 2001, HO-282-N of 14 December 2001, HO-453-N of 6 November 2002, HO-480-N of 11 December 2002, HO-68-N of 25 December 2003, HO-186-N of 14 December 2004, HO-53-N of 24 December 2004, HO-150-N of 8 July 2005, HO-152-N of 8 July 2005, HO-218-N of 11 November 2005, HO-250-N of 8 December 2005, supplemented by HO-84-N of 23 May 2006, HO-162-N of 7 July 2006, HO-195-N of 27 November 2006, amended by HO-108-N of 22 February 2007, by HO-237-N of 24 October 2007, supplemented by HO-265-N of 13 November 2007, amended by***

*HO-297-N of 6 December 2007, supplemented by HO-144-N of 21 August 2008, amended, supplemented by HO-17-N of 4 February 2010, HO-243-N of 23 June 2011, supplemented by HO-276-N of 15 November 2011, amended by HO-309-N of 07 December 2011, HO-168-N of 22 June 2012, supplemented, edited by HO-242-N of 19 December 2012, supplemented by HO-108-N of 30 September 2013, HO-130-N of 21 June 2014, HO-179-N of 20 November 2014, amended by HO-40-N of 7 May 2015, HO-85-N of 16 May 2016, HO-92-N of 17 May 2016, HO-205-N of 17 November 2017, HO-299-N of 21 December 2017, HO-195-N of 21 March 2018, supplemented, amended by HO-220-N of 19 November 2019, supplemented by HO-131-N of 4 March 2020, HO-369-N of 9 July 2020)*

*(Article with the amendments of the Law [HO-93-N](#) of 3 March 2021 shall enter into force on 31 May 2021)*

#### **Article 4. Time limits for the inspection**

1. The time limits for one inspection at an economic operator may not be defined for more than 15 consecutive working days; moreover, the first day of inspection shall be considered to be the day when the inspection has actually commenced. The day of actual commencement of the inspection shall be considered to be the day when a relevant record has been made in the inspection registry maintained at the facility subject to inspection.

The inspection registry of the economic operator shall include information on inspections conducted during the year, the relevant state authority conducting the inspection, the composition of the officials conducting the inspection, and the issues, purpose and time limits of the inspection.

*(sentence deleted by HO-40-N of 7 May 2015)*

2. The time limit of the inspection must not exceed the time limit indicated in the order or letter of instruction on conducting inspection issued by the head (official

substituting him or her) of the relevant state authority. Where necessary, the time limit provided for by point 1 of this Article may be extended for up to 10 consecutive working days upon the order or letter of instruction of the head (official substituting him or her) of relevant state authority based on a written substantiation of the official conducting the inspection, whereas for economic operators having declared sales turnover or gross revenue of AMD 3,0 billion and more based on the results of any financial year of the period being inspected, the time limit may be extended for up to 75 consecutive working days. The head of the facility being inspected or the person substituting him or her shall be informed thereon. In case there is a need to clarify certain information during the inspection or where the documentation related to the inspection has been seized during an inquest, investigation or based on a court decision, or in case of a natural disaster or other unpredictable circumstances that make the conduct of the inspection impossible, the process of inspection shall be suspended upon the order of the official issuing the order to conduct inspection, based on a written statement of the official (officials) conducting inspection, until the grounds for suspension are eliminated, but not more than for 90 working days, and in case of making inquiries to foreign states and authorities carrying out criminal proceedings – not more than for 10 working days after receiving the answer to the inquiry, whereas in case the documentation related to the inspection has been seized during an inquest, preliminary investigation or based on a court decision — not more than for 10 working days after receiving the documentation back. The total duration of the actual time limit for the inspection may not exceed 30 consecutive working days, and whereas for economic operators having declared sales turnover or gross revenue of AMD 3,0 billion and more based on the results of any financial year of the period being inspected the duration may not exceed 90 consecutive working days (excluding the suspension period).

The act extending or suspending the time limit for suspension of the inspection, or the act extending the time limit for suspension of the inspection or recommencing it shall enter into force on the day following the day of submitting it to the operator being inspected.

3. Inspections by the same state authority at the same economic operator and in the same sector — depending on the risk level of the economic operator — and in case of inspections in the urban development sector in the same urban development facility — depending on the risk level of the urban development facility — shall be conducted at the following frequency:
  - (1) at operators with high risk level (and in case of inspections in the urban development sector — in the urban development facilities) not often than once in a year;
  - (2) at operators with medium risk level (and in case of inspections in the urban development sector — in the urban development facilities) not often than once in three years;
  - (3) at operators with high risk level (and in case of inspections in the urban development sector — in the urban development facilities) not often than once in five years.

A time limit calculated in years prescribed by this part shall expire in the corresponding month and on the corresponding day of the last year of the time limit.

When approving the annual plan for inspections for each year and/or making changes thereto, the frequency of inspections prescribed by this part shall be applied based on the levels of risk of the economic operators (and in case of inspections conducted in the urban development sector — of the urban development facilities) in accordance with the results of the year when the plan was approved and/or the changes were made.

The Government of the Republic of Armenia shall approve the list of organisations, where — depending on the level of importance of the sphere of their activity for the society and the state — the state inspection authorities exercising control over that field may, as an exception, conduct once in six months.

The inspection authority shall have the right to conduct inspections more than once during one year in urban development facilities and at economic operators carrying out road construction activities, wherein urban development activities are being carried out within the framework of state subsidy projects for the purpose of ensuring supervision over the quality of implementation of the works prescribed by those projects during the entire period of those works.

3.1. Restrictions prescribed by part 3 of this Article shall not extent to the cases where:

- (1) the time limit of the letter of instruction (letter of order), on the elimination of the shortcomings and violations detected by the previous inspection, issued to the economic operator by the person conducting the inspection or the state inspection authority within the framework of the competences prescribed by law has expired;
- (2) the state inspection authority has received a letter of instruction from the Prime Minister of the Republic of Armenia, an application from the citizens, legal persons, individual entrepreneurs and a written information from the state authorities or local self-government bodies on the following:
  - a. danger to cause damage to the life and health of the citizens, the lawful interests of legal and natural persons, state, to the animals or the environment, as well as danger of occurrence of emergency situations of natural and technogenic character;
  - b. causing damage to the life and health of the citizens, the lawful interests of legal and natural persons, state, to the animals or the environment, as well as on the occurrence of emergency situations of natural and technogenic character;

- c. violation of consumer rights (in case of application of those citizens whose rights have been violated);
- (3) the economic operator has failed to submit the reports prescribed by law on at least two reporting periods during the given or previous year;
- (4) the head of the economic operator or the official substituting him or her has submitted an application on conducting an inspection in his or her organisation;
- (5) ***(point deleted by HO-299 of 21 December 2017)***
- (5.1) ***(point deleted by HO-299 of 21 December 2017)***
- (5.2) inspections of actual volumes of environmental taxation base and/or natural resources utilisation payment base and the limits (restrictions) thereof at subsoil using economic operators, which are included in the annual plan for inspections of the tax authority in compliance with the Tax Code of the Republic of Armenia;
- (5.3) the authorised body of the field of subsoil use has submitted a relevant letter for the purpose of comparing the materials submitted for geologic investigation defined by the Subsoil Code of the Republic of Armenia with the actual work performed, as well as for obtaining information on the credibility thereof;
- (6) the Urban Development, Technical Standards and Fire Safety Inspectorate of the Republic of Armenia conducts inspections in high or the highest risk construction facilities provided for by the legislation regulating the field of urban development or the State Commission for the Protection of Economic Competition of the Republic of Armenia conducts inspections in accordance with the legislation on the protection of economic competition;

- (6.1) inspections aimed at clarifying the actual state of compliance with the requirements of the legislation on material reserves;
- (7) the economic operator having received a relevant license (permission) carries out activities of the field of organising lotteries, games of chance, on-line games of chance or casinos;
- (8) the fact that the economic operator has committed a violation has been revealed and substantiated during the inspection conducted at another economic operator;
- (9) the inspection has been ordered in compliance with the Criminal Procedure Code of the Republic of Armenia.

Only the issues which have served as a basis for conducting inspections shall be clarified during the inspections conducted in cases prescribed in points 1-9 of this part.

Application by which it is impossible to identify the applicant, as well as applications not containing data on the facts prescribed by point 2 of part 3.1 of this Article may not serve as a basis for conducting an inspection.

- 4. Where the legal grounds prescribed by this Law for conducting re-inspections exist, the inspection authority shall have the right to conduct a repeat inspection during the time period prescribed for one inspection provided for by part 3 of this Article. ***(sentence deleted by HO-299-N of 21 December 2017)***

Persons having submitted grounds for conducting a repeat inspection shall be held liable through the procedure prescribed by the legislation of the Republic of Armenia in case those ground are not confirmed (substantiated) by the repeat inspection.

***(Article 4 amended by HO-172 of 03 April 2001, HO-480 of 11 December 2002, HO-186-N of 14 December 2004, HO-28-N of 15 December 2005, amended by HO-214-N of 11 October 2007, supplemented by HO-167-N of 30 September***



*2008, supplemented by HO-17-N of 4 February 2010, amended, supplemented, edited by HO-243-N of 23/06/2011, supplemented by HO-299-N of 07 December 2011, amended by HO-168-N of 22 June 2012, supplemented, edited by HO-242-N of 19 December 2012, supplemented by HO-130-N of 21 June 2014, amended by HO-40-N of 7 May 2015, HO-85-N of 16 May 2016, HO-66-N of 1 March 2017, amended, edited by HO-229-N of 21 December 2017, supplemented by HO-131-N of 4 March 2020, edited, supplemented, amended by HO-369-N of 9 July 2020, supplemented by HO-401-N of 16 July 2020)*

*(Article with the amendments of the law [HO-93-N](#) of 3 March 2021 shall enter into force on 31 May 2021)*

#### **Article 5. Legal basis for conducting re-inspections**

A re-inspection shall be the inspection of the period inspected and questions inspected at the same economic operator conducted by the inspection authority for the second or more times; whereas a repeat inspection shall be the inspection conducted for the second or more times within the period prescribed by part 3 of Article 4 of this Law. Re-inspections of financial and economic activities may be conducted exclusively upon the written instruction of the Prime Minister of the Republic of Armenia, and in case of inspections assigned in accordance with the Criminal Procedure Code of the Republic of Armenia — upon a grounded decision of an inquest body or an investigator.

Re-inspections may be conducted where any of the following grounds exists:

- (a) when liquidating the economic operator;
- (b) upon the request of the head of the economic operator;
- (c) upon the written instruction of the Prime Minister of the Republic of Armenia;
- (d) where the judgment having entered into force confirms the criminal actions of the previous inspection authority who has committed the above-mentioned actions during the conduct of the inspection;

- (e) upon the request of state authority authorised in the field of state property privatisation, where the need for inspection is conditioned by the implementation of preliminary works of privatisation of an economic operator with state participation or with more than 51 percent state participation;
- (f) in cases provided for by sub-point (h) of Article 7 of this Law;
- (g) ***(sub-point deleted by HO-480-N of 11 December 2002)***
- (h) in case provided for by point 3 of Article 11 of this Law;
- (i) in cases provided for by points 1-9 of part 3.1 of Article 4 of this Law;
- (j) in case re-inspection is ordered in compliance with the Criminal Procedure Code of the Republic of Armenia, the re-inspections shall be conducted within the limits which served a ground for rendering a decision.

***(Article 5 amended by HO-172 of 3 April 2001, HO-453-N of 6 November 2002, HO-68-N of 25 December 2003, HO-186-N of 14 December 2004, HO-480-N of 11 December 2002, amended by HO-214-N of 11 October 2007, supplemented by HO-17-N of 4 February 2010, amended by HO-243-N of 23 June 2011, supplemented by HO-242-N of 19 December 2012, edited by HO-2-N of 5 February 2013, edited, amended by HO-299-N of 21 December 2017)***

## **Article 6. Summarisation of inspection results**

1. The inspection authority shall — during 10 working days after the end of the time limit indicated in the inspection order or letter of instruction — summarise the inspection results based on the inspections aimed at clarifying the answers to the questions of the checklist, the authorities, inspections aimed at clarifying the actual state of compliance with the requirements of the legislation on material reserves of the State Commission for the Protection of Economic Competition of the Republic of Armenia, as well as based on the order or letter of instruction in

case of control over the accuracy and lawfulness of the activities performed to implement the State Budget of the Republic of Armenia, including the posting of state orders (of the process of procurement). In case of detecting no violations, the inspection authority shall compile a statement and in case of detecting violations — a draft act. The statement shall — signed by the official having conducted the inspection — be properly (in person or by post) submitted to the head of the economic operator or the official substituting him or her within 3 working days. The person having conducted the inspection shall — within 3 working days — submit the draft act properly (in person or by post) to the head of the economic operator or the official substituting him or her for the purpose of submitting objections.

The head of the economic operator or the official substituting him or her shall study the draft act within 5 working days.

In case no objections are submitted by the head of the economic operator or the official substituting him or her within the time limits prescribed by the second paragraph of this part, the inspection authority shall draw up the act and submit one copy thereof — signed by the official conducting the inspection — to the head of the economic operator or the official substituting him or her properly (in person or by post) within 3 working days after the end of the time limit.

In case the head of the economic operator or the official substituting him or her submits objections on the draft act within the time limit prescribed by the second paragraph of this part, the inspection authority shall study them and within 3 working days after receiving the objections submit one copy thereof — signed by the official conducting the inspection — to the head of the economic operator or the official substituting him or her properly (in person or by post) for signing it. Objections submitted by the head of the economic operator or the official substituting him or her shall be attached to the act and be the integral part thereof.

In case the head of the economic operator or the official substituting him or her refuses to sign the act, a relevant note thereon shall be made in the act.

Where the economic operator is a state organisation or an organisation with a state share, one copy of the act shall be sent to the superior state administration body.

The official of the inspection authority shall — upon the inspection act, within its competences prescribed by law — give the economic operator letters of instruction (orders) regarding the elimination of detected violations and shortcomings by defining time limits for the elimination thereof.

2. In case no violations are detected, the following shall be recorded in the statement drawn up: the date and place of drawing up the statement, names of the relevant state authority conducting the inspection and the economic operator, the composition of the officials conducting the inspection, the purpose, time limits and results of the inspection.

The following shall be specified in the act:

- (1) name of the act, number, year, month, day and place of drawing it up;
- (2) name of the state inspection authority;
- (3) date and number of the order or letter of instruction to assign an inspection;
- (4) position(s), name(s), surname(s) of the official(s) conducting the inspection;
- (5) name of the economic operator subject to inspection, as well as the name, surname of the official of the latter or of the person substituting him or her;
- (6) date, place and time period of conducting the inspection;
- (7) expert opinion — in case of conducting an expert examination during the inspection. The expert opinion shall be attached to the act and be the integral part thereof;

- (8) name, date of adoption, serial number of the checklist, within the framework of the questions included wherein the inspection has been conducted, as well as questions of the checklist, the answer whereto served as a basis for recording the violation, except for cases of control over the State Commission for the Protection of Economic Competition of the Republic of Armenia, as well as control over the accuracy and lawfulness of the activities performed to implement the State Budget of the Republic of Armenia, including the posting of state orders (of the process of procurement);
- (9) detected violations, descriptions of violations, time limit of the violation (if it is possible to determine) and legal norms the requirements of which have not been met;
- (10) relevant legal grounds for applying liability;
- (11) notes on the receipt of the objections submitted by the head of the economic operator and the official substituting him or her.

Where the violations detected during the inspection and the liability imposed on the economic operator based thereon are based on comparative examinations and analysis made by the inspection authority with respect to prices applied by other operators or among themselves, being in similar conditions, a statement on such examination and analysis shall also be attached to the inspection act.

3. Provisions of the Law of the Republic of Armenia "On fundamentals of administrative action and administrative proceedings" shall apply to the proceedings on the inspections, unless otherwise provided by this Law.

4. ***(part repealed by HO-40-N of 7 May 2015)***

***(Article 6 amended by HO-480-N of 11 December 2002, HO-68-N of 25 December 2003, amended by HO-28-N of 15 December 2005, edited by HO-243-N of 23 June 2011, supplemented by HO-242-N of 19 December 2012, HO-130-N of 21 June 2014, amended by HO-40-N of 7 May 2015, HO-299-N of***

*21 December 2017, HO-195-N of 21 March 2018, supplemented by HO-131-N of 4 March 2020)*

*(Article with amendments of the Law [HO-93-N](#) of 3 March 2021 shall enter into force on 31 May 2021)*

#### **Article 7. Rights of persons conducting the inspection**

While exercising their powers, persons conducting the inspection shall have the right to:

- (a) unimpeded access, with the representative of the economic operator, to subdivisions of the economic operator being inspected;
- (b) request documents, data and other information, explanations, statements of information, which immediately relate to the purposes of the inspection conducted within the scope of their competence;
- (c) involve, where necessary, the professionals of the economic operator in the inspections upon the consent of the head of the economic operator or a person substituting him or her;
- (d) define time limits for the elimination of the revealed shortcomings and violations which do not entail criminal or administrative liability;
- (e) submit recommendations to the management of the state body appointing an inspection for undertaking relevant measures with respect to the abuses or other violations revealed within the scope of the inspection, which entail criminal or administrative liability;
- (f) take documents, copies, photocopies, objects, samples and other necessary materials that directly relate to the purposes of the inspection and do not impede the smooth operation of the economic operator. When taking documents, the officials conducting the inspection shall seal the copies thereof and provide them to the representatives of the economic operator;

- (g) carry out measuring activities related to the purpose of the inspection, control checks with respect to the accurate functioning of weighing, measuring and other similar tools and equipments;
- (h) carry out counter inspections at the other party to transaction with the sole purpose of ascertaining the legitimacy of the execution of the given transaction to justify money transactions, accuracy of accounts and calculations of the economic operator subject to inspection;
- (i) request from the head of the economic operator or the person substituting him or her to conduct inventory taking of assets and responsibilities within the framework of the questions indicated in the inspection order. Involve relevant employees and specialists of the economic operator in the process of inventory taking;
- (j) require, where necessary, references, copies of documents on movement of transactions accounts of the economic operator being inspected from the authority registering rights to property, tax, customs and other state authorities, organisations in accordance with the procedure prescribed by the legislation of the Republic of Armenia;
- (k) involve, at any stage of inspection, relevant specialists and translators specialised in the field of economic activity implemented by the economic operator with a view to clarifying specific issues.

***(Article 7 amended by HO-480-N of 11 December 2002, HO-152-N of 8 July 2005, supplemented by HO-28-N of 15 December 2005, HO-17-N of 4 February 2010, amended by HO-242-N of 19 December 2012)***

## **Article 8. Responsibilities of persons conducting the inspection**

1. The person (persons) conducting inspection shall be obliged to:
  - (a) observe the requirements of the laws and other legal acts of the Republic of Armenia relating to inspection;

- (b) not disclose, without the written consent of the official of the economic operator, information on transactions of the economic operator, any programme or project relating to the activities thereof, information on inventions, utility model and industrial design and any other information that has become known to him or her (them) during the inspection and that the economic operator intended to keep in secret and the person (persons) conducting inspection is (are) aware or may be aware of the intention of the economic operator, as well as information considered as a commercial secrecy (hereinafter referred to as "information").

Within the meaning of this Law "disclosure of information" shall mean publication or dissemination of information through mass media or in other way in writing or orally, or passing it to a third party or parties;

- (c) respect the rights and interests of the economic operator provided for by laws and other legal acts;
- (d) refrain from impeding the smooth functioning of the economic operator;
- (e) familiarise the officials of the economic operator with their rights and responsibilities;
- (f) follow, during the inspection, exclusively the laws and other legal acts published in the "Official Journal of the Republic of Armenia" and the "Official Journal of Departmental Normative Acts of the Republic of Armenia", if the publication thereof is required at the time of entry into force;
- (g) response — during the inspection, within 3 working days — in writing to any written inquiry, by the head of the economic operator or the person substituting him or her, related to the inspection of the time period when the economic operator is being inspected;
- (h) ***(point deleted by HO-299 of 21 December 2017)***



2. In case documents, items, samples and other necessary materials pertaining directly to the purposes of inspection are temporarily taken, a record shall be drawn thereon specifying the time limit for the return thereof. A copy of the record shall be provided to the head of the economic operator or the person substituting him or her.
3. Persons conducting inspection shall be liable for maintenance of the qualitative and quantitative integrity and timely return of documents, items, samples and other relevant materials temporarily taken.
4. Lead-sealing of warehouses, buildings, cash registers, energy sources, equipment, devices, etc. during the inspection shall be prohibited, unless they impede the smooth functioning of the economic operator.

*(Article 8 supplemented by HO-172 of 3 April 2001, HO-480-N of 11 December 2002, HO-2-N of 5 February 2013, amended by HO-299-N of 21 December 2017)*

*(Article with the amendments of [HO-115-N](#) of 3 March 2021 shall enter into force on 1 July 2021)*

#### **Article 9. Rights of officials of economic operator**

The officials of the economic operator shall have the right to:

- (a) prohibit the inspection (provision of documents to the persons conducting inspection), where the persons conducting the inspection have violated the requirements of Articles 3 and 4 of this Law, by submitting a written notice to the state inspection authority on the same day;
- (b) familiarise with inspection acts;
- (c) submit explanations, clarifications, file motions, appeal the actions of the persons conducting the inspection in accordance with the law;

- (d) demand compensation of damages inflicted as a consequence of unlawful actions of persons conducting the inspection;
- (e) refuse to comply with requirements that are beyond the scope of the competences of the persons conducting the inspection, the purposes and plans of the inspection;
- (f) involve, at any stage of the inspection, specialists, experts, auditors, lawyers with a view to protecting the interests of the economic operator being inspected.

**Article 10. Responsibilities of officials of an economic operator**

The officials of the economic operator shall be obliged to:

- (a) refrain from hindering the inspection process, comply with the lawful requirements of persons conducting the inspection;
- (b) submit, upon the request of the person conducting the inspection, the required documents, data, provide photocopies (costs of photocopying shall be covered by the inspection authority), copies thereof and other information. Upon withdrawal of the request, but no later than in three years, the documents shall be returned to the economic operator;
- (c) ensure necessary conditions for the activities of persons conducting the inspection;
- (d) eliminate, within the defined time limit, the shortcomings and violations indicated in the act of inspection results, notifying thereon, in writing, the authority conducting the inspection
- (e) *(point deleted by HO-299 of 21 December 2017)*

*(paragraph deleted by HO-299-N of 21 December 2017)*

*(Article 10 amended by HO-480-N of 11 December 2002, supplemented by HO-242-N of 19 December 2012, amended by HO-299-N of 21 December 2017)*

**Article 11. Liability of persons conducting the inspection and appealing against actions**

1. Persons conducting inspections in violation of the requirements of this Law shall be held liable as prescribed by the legislation of the Republic of Armenia.
2. Actions of persons conducting inspection, as well as the act drawn up as a result of the inspection may — unless otherwise prescribed by law — be appealed within a period of two months to the state authority, whereto the person (persons) conducting the inspection is (are) directly subordinate, or to the Appeal Commission provided for by the Law of the Republic of Armenia "On inspection bodies" or to court. The head of the economic operator or the official substituting him or her may refuse to allow continuing the inspection until the response to the claim is received, except for cases prescribed by point 3 of Article 3 of this Law and the inspections assigned in accordance with the Criminal Procedure Code of the Republic of Armenia.
3. Appeals shall be examined by way of superiority, and decisions thereon shall be rendered no later than within 30 calendar days from the day of receipt of the appeal. In case no response is given to the appeal within the time limit prescribed, the arguments referred to in the appeal shall be deemed accepted. Calculation of the time limit prescribed by this point shall start on the first working day following the day the written appeal is received at the relevant authority.
4. In case the head of the economic operator or the official substituting him or her disagrees to the adopted decision, he/she shall have the right to appeal to the court.
5. The decision of an inquest body or an investigator on ordering an inspection in accordance with the Criminal Procedure Code of the Republic of Armenia shall be appealed against through the procedure prescribed by the Criminal Procedure Code of the Republic of Armenia, whereas actions of the person conducting the inspection performed during the inspection and the act drawn up

as a result of the inspection — through the procedure prescribed by parts 2-4 of this Article.

6. The decisions rendered by way of superiority with regard to the decision provided for by this Article may be appealed against to the Appeal Commission provided for by the Law of the Republic of Armenia "On inspection bodies".

*(Article 11 amended by HO-172-N of 3 April 2001, amended by HO-480-N of 11 December 2002, amended, supplemented by HO-17-N of 4 February 2010, amended by HO-243-N of 23 June 2011, supplemented by HO-130-N of 21 June 2014, HO-258-N of 17 December 2014, amended by HO-40-N of 7 May 2015, HO-299-N of 21 December 2017)*

**Article 12. Compensation for the damages inflicted on the economic operator as a result of unlawful actions of the bodies conducting the inspection**

Damages caused to the economic operator, including lost profits inflicted as a consequence of unlawful actions of inspection authorities shall be subject to compensation at the expense of the State Budget through the procedure prescribed by the legislation of the Republic of Armenia and within the time limit prescribed by the Law of Republic of Armenia "On budgetary system of the Republic of Armenia".

**Article 12<sup>1</sup>. Specifics of inspections conducted with regard to the activities of persons carrying out insurance activities**

*(Article repealed by HO-250-N of 8 December 2005)*

**Article 13. Entry into force of the Law**

This Law shall enter into force from 1 July 2000.

After the Law enters into force, the laws and other legal acts regulating the relationships regarding the organisation and conduct of inspections shall be effective in so far as they do not contradict the requirements of this Law.

**President  
of the Republic of Armenia**

**R. Kocharyan**

12 June 2000

HO-60

**Annex 1**

**to the Law of the Republic of Armenia  
"On organising and conducting  
inspections in the Republic of Armenia"**

**PROCEDURE FOR CONDUCTING EXAMINATION OF RECORDING  
THE SUBSTANTIATION OF TAX OFFSETS AND/OR REFUNDING,  
THE CORRECTNESS OF INFORMATION SUBMITTED THROUGH  
THE PROCEDURE PRESCRIBED BY LAW**

*(annex repealed by HO-299-N of 21 December 2017)*

**Annex 2**

**to the Law of the Republic of Armenia  
“On organising and conducting  
inspections in the Republic of Armenia”**

**PROCEDURE FOR CARRYING OUT TEST PURCHASES BY TAX AUTHORITY**

*(annex repealed by HO-299-N of 21 December 2017)*

## **Annex 2.1**

### **to the Law of the Republic of Armenia "On organising and conducting inspections in the Republic of Armenia"**

#### **PROCEDURE FOR CONDUCTING TEST PURCHASES BY THE STATE COMMISSION FOR THE PROTECTION OF ECONOMIC COMPETITION OF THE REPUBLIC OF ARMENIA**

- 1.1. This Procedure shall define the procedure for conducting test purchases aimed at detecting by the State Commission for the Protection of Economic Competition (hereinafter referred to as "the Commission") the credibility of the information submitted by the economic operator and/or the actual activities of the economic operator and/or supervising the performance of the decision of the Commission in cases provided for by the Law of the Republic of Armenia "On Protection of Economic Competition".
- 1.2. Test purchase shall be the examination performed by the Commission for the purpose of establishing the price, quality, quantity, other characteristics of goods, revealing the actual actions or conduct of the economic operator.
- 1.3. The following shall serve as basis for conducting a test purchase:
  - (a) a communication of the relevant employee of the Commission on conducting test purchase, addressed to the Chairperson of the Commission;
  - (b) information obtained from a third party through the procedure prescribed.
- 1.4. The test purchase shall be conducted based on the order of the Chairperson of the Commission, wherein the grounds, purposes of conducting a test purchase, data on (name, place of location) the economic operator, place, time limits and data on (name, surname, position) the official conducting the test purchase shall



be indicated, verified by the seal of the Commission. Moreover, in case the test purchase is conducted by another person (upon the written consent of the person), the data (passport details in case of a natural person and tax identification number of the taxpayer, name and place of location in case of a legal person) on that person shall also be indicated in the order.

- 1.5. After the test purchase the order shall be submitted to the head of the economic operator or the person substituting him or her.
  - 1.6. Based on the results of the test purchase a record in the form prescribed by the Commission shall be drawn up in two copies. The following information shall be included in the record: the number, date of the order, the place of drawing up the record, the place and the time of conducting the test purchase, the name, surname and position of the official (officials) conducting the test purchase; in case the test purchase is conducted by another person — the record shall also include the data on that person, the data on (name, place of location of) the economic operator indicated in the order, and the obtained results. The record shall be signed by the persons conducting the test purchase and the employee selling goods, providing services and/or making monetary calculation on behalf of the economic operator. One copy of the record shall be submitted to the head of the economic operator or the official substituting him or her, who shall submit his or her objections, if any, in writing.
2. Test purchase conducted by the Commission shall be financed at the expense of funds provided for by the State Budget for the Commission, and the procedure for disposing of goods acquired as a result of test purchases shall be approved by the Commission.

***(Annex supplemented by HO-138-N of 12 April 2011, supplemented, amended by HO-251-N of 23 March 2018)***

***(Article with the amendments of the Law [HO-93-N](#) of 3 March 2021 shall enter into force on 31 May 2021)***

**Annex 3**

**to the Law of the Republic of Armenia  
“On organising and conducting  
inspections in the Republic of Armenia”**

**PROCEDURE FOR CARRYING OUT EXAMINATIONS BY THE TAX AUTHORITY  
FOR THE PURPOSE OF RESPONDING TO INQUIRIES OF THE AUTHORISED  
BODIES OF FOREIGN STATES, AS WELL AS FOR REIMBURSING TAX AMOUNTS  
CHARGED FROM INCOME RECEIVED FROM SOURCES  
OF THE REPUBLIC OF ARMENIA BY NON-RESIDENTS  
OF THE REPUBLIC OF ARMENIA IN ACCORDANCE WITH THE PROVISIONS  
OF INTERNATIONAL TREATIES OF THE REPUBLIC O ARMENIA**

***(annex repealed by HO-299-N of 21 December 2017)***

**Annex 4**

**to the Law of the Republic of Armenia  
“On organising and conducting  
inspections in the Republic of Armenia”**

**PROCEDURE FOR CARRYING OUT MEASUREMENT OF VOLUMES  
OF PRODUCTION OF GOODS, EXCACTION AND SALES OF MINERALS,  
GOODS TURNOVER AND PROVISION OF SERVICES AT ECONOMIC OPERATORS,  
END PRODUCTS, DEFICIT IN GOODS, AS WELL AS THE ACTUAL SALES PRICES  
(TARIFFS) (INCLUDING AVERAGE SALES PRICES).**

***(annex repealed by HO-299-N of 21 December 2017)***

**Annex 5**

**to the Law of the Republic of Armenia  
“On organising and conducting  
inspections in the Republic of Armenia”**

**PROCEDURE FOR DUCUMENTATION OF TRANSACTIONS OF ACQUIRING  
GOODS AT THE TURNOVER TAXPAYERS CARRYING OUT TRADE  
(BUYING AND SELLING) ACTIVITY, AS WELL AS FOR CONDUCTING  
INSPECTIONS OF DECLARATIONS ON TAXPAYERS HAVING DELIVERED GOODS  
TO THE TURNOVER TAXPAYERS AND HAVING FAILED TO SUBMIT A RELEVANT  
DOCUMENT PRESCRIBED BY LAW AND ON THE GOODS ACQUIRED OR  
INSPECTIONS OF VERIFYING DATA ENTERED INTO THE ELECTRONIC SYSTEM  
OF THE TAX AUTHORITY**

***(annex repealed by HO-40-N of 7 May 2015)***