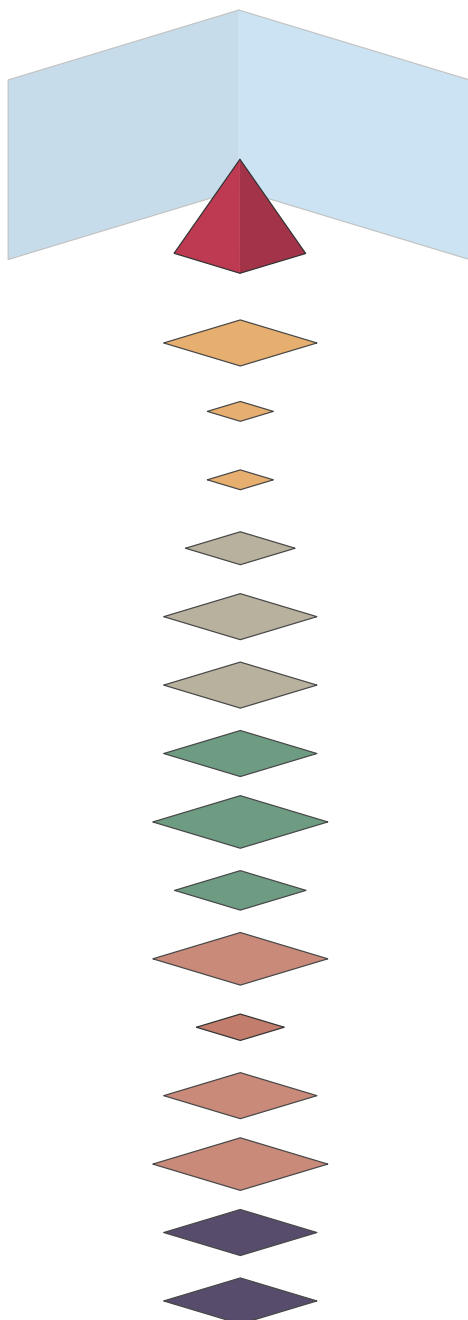
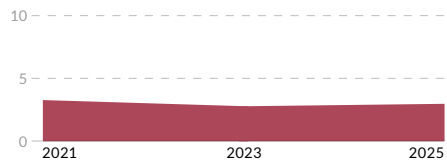


ARMENIA



3.02 $\nearrow 0.20$
CRIMINALITY SCORE

175th of 193 countries $\nearrow 7$
45th of 46 Asian countries $\nearrow 1$
8th of 8 Central Asian and Caucasian countries -



CRIMINAL MARKETS 3.13 $\nearrow 0.20$

HUMAN TRAFFICKING	3.50 $\nearrow 0.50$
HUMAN SMUGGLING	1.50 0.00
EXTORTION & PROTECTION RACKETEERING	1.50 0.00
ARMS TRAFFICKING	2.50 $\nearrow 0.50$
TRADE IN COUNTERFEIT GOODS	3.50 0.00
ILLCIT TRADE IN EXCISABLE GOODS	3.50 0.00
FLORA CRIMES	3.50 0.00
FAUNA CRIMES	4.00 0.00
NON-RENEWABLE RESOURCE CRIMES	3.00 $\nearrow 0.50$
HEROIN TRADE	4.00 $\searrow 0.50$
COCAINE TRADE	2.00 $\nearrow 0.50$
CANNABIS TRADE	3.50 0.00
SYNTHETIC DRUG TRADE	4.00 0.00
CYBER-DEPENDENT CRIMES	3.50 $\nearrow 1.00$
FINANCIAL CRIMES	3.50 $\nearrow 0.50$



CRIMINAL ACTORS 2.90 $\nearrow 0.20$

MAFIA-STYLE GROUPS	2.00 $\searrow 0.50$
CRIMINAL NETWORKS	3.00 0.00
STATE-EMBEDDED ACTORS	3.50 $\nearrow 0.50$
FOREIGN ACTORS	3.00 0.00
PRIVATE SECTOR ACTORS	3.00 $\nearrow 1.00$



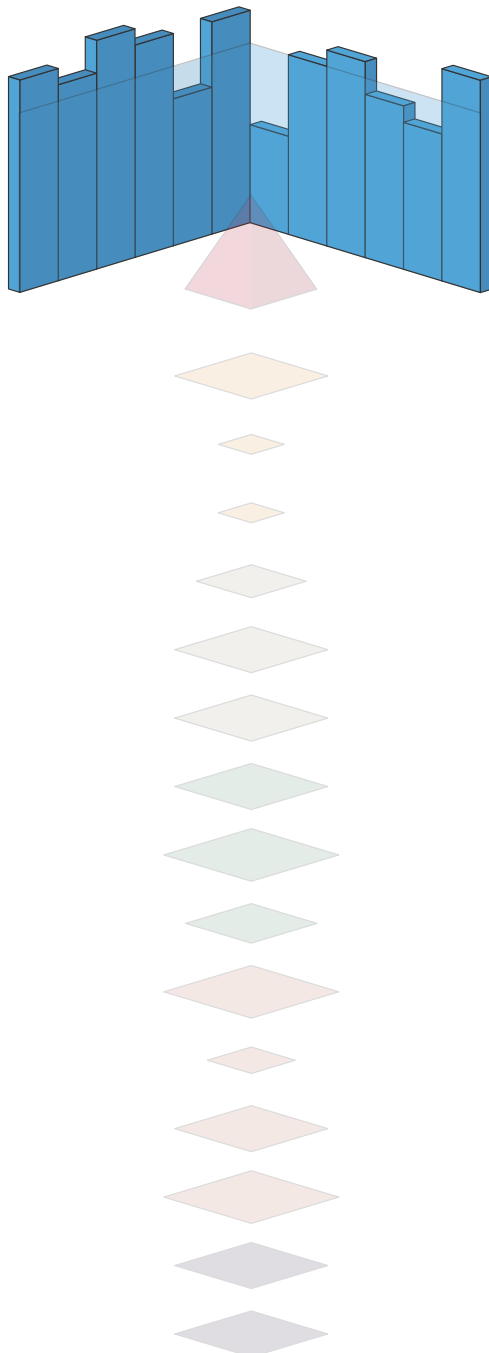
This project was funded in part
by a grant from the United
States Department of State.



Funded by
the European Union

ENACT is funded by the European Union
and implemented by the Institute for
Security Studies and INTERPOL, in
affiliation with the Global Initiative Against
Transnational Organized Crime.

 ARMENIA

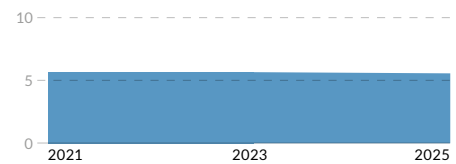


 5.63 ↘0.08
RESILIENCE SCORE

47th of 193 countries ⬆1

5th of 46 Asian countries ⬆1

1st of 8 Central Asian and Caucasian countries -



POLITICAL LEADERSHIP AND GOVERNANCE	6.50	↘0.50
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	6.00	0.00
INTERNATIONAL COOPERATION	7.00	0.00
NATIONAL POLICIES AND LAWS	6.50	0.00
JUDICIAL SYSTEM AND DETENTION	4.50	0.00
LAW ENFORCEMENT	6.50	0.00
TERRITORIAL INTEGRITY	3.00	0.00
ANTI-MONEY LAUNDERING	5.50	↘0.50
ECONOMIC REGULATORY CAPACITY	6.00	0.00
VICTIM AND WITNESS SUPPORT	5.00	0.00
PREVENTION	4.50	0.00
NON-STATE ACTORS	6.50	0.00



This project was funded in part by a grant from the United States Department of State.



ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.

CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Armenia serves as both a source and a destination for human trafficking, with most victims exploited for forced labour and sexual purposes. Domestic demand is high, and criminal networks profit primarily within the country. Vulnerable groups include women, children and labour migrants from India and Iran. Trends indicate underreporting and inconsistent victim identification, especially among male labourers abroad. Fluctuating official victim counts have been reported in recent years, while trafficking routes are influenced by visa-free travel, notably with Russia and the UAE.

The human smuggling market in Armenia is small. It is mostly characterized by collaboration between private actors and corrupt officials, involving activities such as document forgery and visa manipulation. Reports suggest the country is not a major transit hub for irregular migration from other countries owing to militarized borders and few viable routes. However, Armenians and foreign nationals using smuggling routes to Europe often face debt and misinformation, heightening their vulnerability to exploitation and trafficking, particularly along routes passing through Belarus and Poland. There is no recent data on extortion or protection racketeering in Armenia, although Armenian criminal groups remain active in such activities abroad, particularly in the US and several European countries. Within Armenia, traditional extortion by thieves in law persists, although their domestic influence appears to be diminishing.

TRADE

Armenia's illicit arms trade is showing signs of expansion. Although trafficking linked to Nagorno-Karabakh has declined owing to stricter controls, illegal arms circulation within Armenia continues. A rise in firearms-related criminal cases was recorded in recent years, partly linked to the fallout from previous conflicts and the influx of displaced persons. Legal imports from Russia ceased in 2024, but alternative suppliers have emerged, raising concerns about clandestine acquisition. Historical weapons from earlier conflicts remain in circulation. Armenia is also involved to a limited extent in broader South Caucasus arms trafficking, with continued monitoring by international bodies.

Armenia functions primarily as a transit and distribution point for counterfeit goods, notably cigarettes, luxury items, alcohol and printed materials. Counterfeit trade is supported by transnational networks, including Armenian

gangs operating in Europe and the US, with some groups dismantled abroad. Armenia's strategic position along trade corridors linking China, Iran and Türkiye facilitates the influx of counterfeit goods. Russia is the main market for counterfeit Armenian cigarettes, although volumes have declined in recent years. Domestic enforcement remains limited, hampered by low public awareness and legislative gaps.

Similarly, the country remains a source for smuggled cigarettes, with established routes to Türkiye, Georgia, Germany, Iran and Iraqi Kurdistan. Smuggling is driven by low cigarette prices and economic hardship, particularly in border regions. Cigarette production reportedly occurs in small factories, with goods passing through Iran to reach northern Iraq. Meanwhile, Armenian authorities continue to intercept illegal tobacco imports from Iran, underscoring the scale of excisable goods trafficking.

ENVIRONMENT

Illegal logging in Armenia is relatively limited yet persistent, with demand for fuelwood in economically disadvantaged areas driving much of the activity. Forest degradation is widespread, particularly in border regions such as Tavush, where insecurity and economic hardship foster illicit timber harvesting. Despite official efforts to curtail this activity, including criminal prosecutions and monitoring technologies, enforcement faces challenges owing to corruption and weak institutional capacity. Estimates of the market's value vary widely, but incidents of illegal tree felling and timber seizures suggest notable ongoing activity. The illicit trade in wild flora also poses risks to biodiversity and endangered species.

Armenia has a considerable role as a transit country in the global trade of exotic and endangered animals, particularly from South Africa to Russia and the EU. Although domestic consumption is limited, demand among elites and links to broader trafficking networks support the flow of wildlife through the country. Domestic fauna crimes are moderately prevalent, with hundreds of poaching cases annually, particularly near border zones. Despite some local profits, especially from alleged caviar smuggling, wildlife trafficking in Armenia primarily benefits foreign criminal actors.

Armenia's involvement in the smuggling and illegal trade of non-renewable resources is growing. Organized groups – both domestic and foreign – traffic gold bars, jewellery and precious stones, often exploiting customs loopholes and corruption. Armenia is increasingly used as a transit country for gold and diamonds from Russia, especially since sanctions have been imposed following the Ukraine war. A notable trend involves melting smuggled Russian gold

into coarse chains for re-export. Diamond processing also shows irregularities, with underreported values and links to re-exports to the UAE and Belgium. Although seizures have increased, regulatory oversight is weak, and geopolitical tensions heighten the risk of illicit trade.

DRUGS

Armenia serves as a transit country for heroin trafficking, connecting Afghanistan, Iran, the Caucasus and Europe. Although the country is not a major global hub, its role is notable owing to its proximity to Iran and cooperative smuggling networks involving Iranian, Russian and Armenian actors. Drug-related crimes increased significantly in recent years, with thousands of heroin trafficking cases recorded. Heroin is primarily smuggled through the Meghri border crossing and continues towards Georgia. Domestic consumption is limited, and most profits accrue to foreign suppliers. Despite improved cooperation with Iranian authorities, Armenia struggles to stem the market's growth amid regional instability and shifting trafficking routes. Armenia also functions as a transit point for cocaine trafficking between Latin America, Europe, and Asia, albeit to a limited extent. Despite domestic consumption being moderate, enforcement actions and international cooperation have uncovered both individual couriers and criminal organizations using Armenia as a transit route. The closure of Ukrainian ports may further increase Armenia's relevance in the cocaine trade.

With regard to cannabis, Armenia functions mainly as a source country, with indoor cultivation primarily by domestic actors whose products are destined for foreign markets. Although domestic consumption is moderate, the cannabis trade is entrenched, as shown by large-scale cultivation cases. Following territorial losses in Nagorno-Karabakh, Armenian production may have declined. Online drug sales facilitated by encrypted messaging applications are a significant distribution method. As for the synthetic drug trade, Armenia serves mainly as a transit country, with methamphetamine being the most commonly seized substance. Domestic production is minimal, but imports – primarily from Iran – feed trafficking routes towards Europe and Australia. Several recent seizures involved multi-kilogram quantities, often linked to smuggling networks and online platforms. Despite arrests, enforcement efforts are hindered by corruption, suggesting that larger criminal groups remain undetected. Market profits largely benefit foreign actors, particularly Iranian and Russian networks.

CYBER-DEPENDENT CRIMES

Cybercrime in Armenia is moderately consolidated and growing, even though the market's full scale remains unclear. The country has become a direct target for cyber-attacks, particularly of state-sponsored operations, often linked to geopolitical tensions with Russia and Azerbaijan. Ransomware, spyware and malware attacks targeting entities including

government bodies – by both foreign and domestic actors – has increased. Despite institutional responses, such as creating legal cooperation points, vulnerabilities remain in both public and private infrastructure. Armenia has also seen a rise in cryptocurrency theft and cryptocurrency mining, raising concerns over regulatory gaps.

FINANCIAL CRIMES

Financial crimes in Armenia are widespread and varied, including investment and payment fraud, as well as tax evasion. Call-centre scams, embezzlement schemes and undeclared financial transfers are common, with some involving high-level political figures. Tax evasion remains a major issue, undermining public revenue and service delivery. Both local and international actors are involved, reflecting a transnational dimension. Some schemes enabling illicit financial flows are carried out with increased sophistication, with methods ranging from using fake contracts and legal entities to routing funds through tax accounts and digital wallets.

CRIMINAL ACTORS

The activity of mafia-style groups in Armenia is low, with most activity occurring abroad, primarily in the EU. Although these groups have traditionally been involved in irregular migrant smuggling, drug smuggling and counterfeiting, challenges due to a weak economy limited their domestic opportunities. Since the 2018 Velvet Revolution, internal mafia groups have dwindled, with many leaders fleeing or reducing their activities. Law enforcement efforts and economic constraints have significantly curbed organized crime, with Armenian criminal groups increasingly shifting operations to Russia. The involvement of Armenian criminal networks in organized crime has also remained minimal, mostly because of a lack of resources and Armenia being a transit country of illicit trade rather than the source or destination. Despite that, complicity or neglect by mid-level officials in enforcing regulations still allows some criminal networks to operate with relative impunity.

In Armenia, corruption is present at all levels of the state apparatus, with low-level officials facilitating crimes such as illegal migration, arms trafficking and cybercrimes. At the medium level, there is complicity in enforcing regulations, while elite figures may either participate in or turn a blind eye to criminal activities. Politicians are often linked to cartelized sectors, including the trade of goods such as sugar and alcohol, where corruption intersects with state and criminal interests. Cases involving military and judicial officials point to systemic abuses of power, with high-ranking figures facilitating criminal operations for personal gain. Foreign actors are also engaged in criminal activities in Armenia. For the most part, these are Iranian groups implicated in the trafficking of heroin, synthetic drugs and, to a lesser extent, cocaine; and Russian companies working

with state-embedded actors to exploit non-renewable resources. Nevertheless, the Russian players' involvement has reportedly declined since Azerbaijan regained full control of Nagorno-Karabakh in 2023.

The involvement of private-sector actors in criminal activities is limited, but typically centres on laundering or investing illicit proceeds in sectors such as tourism, trade markets and businesses dealing with excisable goods such as

tobacco, alcohol and counterfeit products, as well as natural resources such as flora and fauna. Transnational connections between Armenian entities and those in neighbouring countries (e.g., Russia, Georgia and Iran) facilitate illegal activities such as arms trafficking, smuggling of gold and diamonds, drug trafficking and cyber-dependent crimes. In addition, some private tobacco companies in Armenia have been implicated in the production of counterfeit cigarettes.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Armenia's political landscape has been marked by a significant transformation since the 2018 protests and elections, with efforts focused on addressing corruption, opaque policymaking and a flawed electoral system. Despite improvements in governance, military pressures from Azerbaijan, especially following the 2023 defeat of Nagorno-Karabakh forces, have exacerbated challenges. Legislative efforts include anti-corruption reforms, although state-embedded organized crime persists. In addition, issues such as human trafficking and human rights abuses persist. Despite international cooperation, particularly with the EU, Armenia's governance faces pressure from both internal and external factors. Furthermore, in recent years, public trust in the Armenian government has declined, largely owing to its perceived failure to communicate effectively with citizens, especially on security issues. The situation in Nagorno-Karabakh has deepened this distrust, as many Armenians view national security as their top priority and doubt the government's ability to address their concerns and lead effectively. Since the 2018 Velvet Revolution, significant strides have been made in anti-corruption reforms, but progress has slowed owing to inconsistent enforcement and rising crime rates. Key anti-corruption measures include the Anti-Corruption Committee and the Anti-Corruption Court, supported by the EU with significant financial aid for electoral, legal and border management reforms. However, challenges persist, including corruption risks linked to ties between politics and business, a lack of transparency in law enforcement, and concerns over election financing. In addition, corruption continues to be present across all levels of the state, with officials – from low-level bureaucrats to high-ranking elites – facilitating or ignoring organized crime. Although challenges remain, the country has shown positive momentum, with increased anti-corruption efforts leading to more investigations and cases being brought to court, reflecting a growing institutional commitment to reform.

Armenia demonstrates commitment to international cooperation on organized crime through treaty ratifications,

bilateral agreements and participation in global initiatives. For instance, the country has signed multiple UN conventions on organized crime, corruption and drug trafficking, although it has yet to ratify the Arms Trade Treaty and the Single Convention on Narcotic Drugs. Armenia's collaboration with Europol further strengthens efforts to combat cross-border crime. Cooperation with the EU was also crucial to advancing reforms in governance, public administration and the judiciary. Moreover, recent developments indicate potential for normalization in relations with Azerbaijan and possibly establishing diplomatic relations. Armenia has adopted several national policies, primarily supported by EU funds, aimed at reforming its judicial, legal and police systems, as well as combating organized crime and corruption. For instance, legal measures targeting criminal organizations, especially 'thieves in law', have been strengthened, with significant amendments to the Criminal Code, including harsher penalties for organized crime activities. However, much of the government's focus following the Nagorno-Karabakh conflict was on stabilizing the country economically, socially and politically. Armenia's human smuggling laws remain inadequate, although efforts are underway to align them with European standards. In response to increasing relevance of cyber criminality, the country has been working on cryptocurrency regulations and enhancing cyber security, including the creation of a national centre for information security.

CRIMINAL JUSTICE AND SECURITY

Armenia has made meaningful progress in modernizing its judicial system, including the restructuring of key judicial bodies in line with its national strategy for judicial and legal reforms, aiming to bring the system closer to international and EU standards. Government efforts to enhance judicial efficiency have been assessed positively; however, challenges such as limited resources and ongoing concerns about corruption remain. The prison system also continues to face human rights issues, including overcrowding and abuse. Despite ongoing reform efforts, gaps in healthcare,

persistent underfunding and the influence of criminal subcultures in prisons pose significant obstacles.

In the past five years, serious crimes in Armenia have risen, mainly because of changes in crime classification and enhanced law enforcement detection. The crime-solving rate has increased, with authorities shutting down online drug markets and seizing illegal firearms. Police reforms, approved by the government, include re-establishing the Ministry of Interior, creating new patrol police, and increasing oversight. Despite improvements, corruption appears to remain an issue within the police force, with many Armenians lacking trust in law enforcement. The EU is funding a project to support further law enforcement reforms. Armenia faced significant challenges following its loss of territory in the Nagorno-Karabakh conflict, including Azerbaijan questioning the country's territorial integrity. While Armenia's closed borders with Türkiye and Georgia reduce its vulnerability as a transit point for trafficking, its open border with Iran continues to pose risks, particularly in relation to narcotics smuggling, highlighting ongoing challenges to the country's territorial control and security.

ECONOMIC AND FINANCIAL ENVIRONMENT

Armenia has made strides in strengthening its anti-money laundering (AML) legislation in recent years, with provisions introduced to subject legal entities to criminal penalties for money laundering and a centralized bank account register being established. Furthermore, Armenia has banned cash transactions in gambling and imposed stricter regulations on gambling advertising, aiming to reduce criminal activity in the sector. Moreover, the Central Bank's financial intelligence unit has a critical role in addressing financial crimes. However, the country continues to face challenges in meeting international AML standards. In addition, concerns remain over the potential use of Armenia's banking system by Iranian and Russian criminal groups, particularly in the wake of sanctions against Russia.

Armenia's economy showed notable improvement in recent years, driven by expatriate remittances, rising copper prices and a business-friendly monetary policy. Armenia's economic environment shows overall moderate economic freedom. However, industrial sluggishness, financial instability and global tensions pose economical risks, although strong cooperation with the EU, which is Armenia's largest export market, is beneficial. Armenia also receives substantial support through EU initiatives such as EU4Business and EU4Digital. The country has prioritized reforms to boost competitiveness, attract investments and grow exports. However, poor enforcement of labour protections, informal sector employment and persistent cronyism remain challenges.

CIVIL SOCIETY AND SOCIAL PROTECTION

Armenia faces significant challenges in the protection of victims of organized crime, with inadequate legal and institutional support. Efforts to combat modern slavery have shown some progress, with frameworks in place for victim support, but law enforcement training and victim assistance remain insufficient. Despite these challenges, the government and NGOs are working to provide rehabilitation and social services to victims. For instance, in recent years the National Centre for Addiction Treatment has improved its facilities and offers social and psychological support to its clients, in line with international standards.

The country has implemented measures to prevent organized crime in recent years, especially human trafficking, with the government allocating funding for initiatives such as awareness campaigns targeting various groups, including students and asylum seekers. However, Armenia has not made significant strides in reducing demand for commercial sex or regulating labour recruitment agencies, limiting its efforts to prevent forced labour. Moreover, the e-platform for anonymous corruption reporting, while useful, lacks protection for whistle-blowers.

Although the Armenian government has expressed readiness to protect human rights groups and NGOs from hate speech and discrimination, challenges persist, particularly in the protection of journalists and civil society organizations (CSOs). A lack of funding and resources hampers the work of CSOs, especially those focused on organized crime, policing, and criminal justice. Despite documented improvements in press freedom in 2024, the media environment remains constrained, suffering from increasing polarization, disinformation and hate speech. Challenges such as self-censorship and pressure on independent journalists also persist. Although incidents of violence against journalists have decreased in recent years, issues such as media access restrictions and incomplete information from state bodies continue to affect media independence.

This summary was funded in part by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the authors and do not necessarily reflect those of the United States Department of State.