

The tariffs perspective and cost recovery (Armenia)



**Tariff application by the companies
according to the established
procedure;**

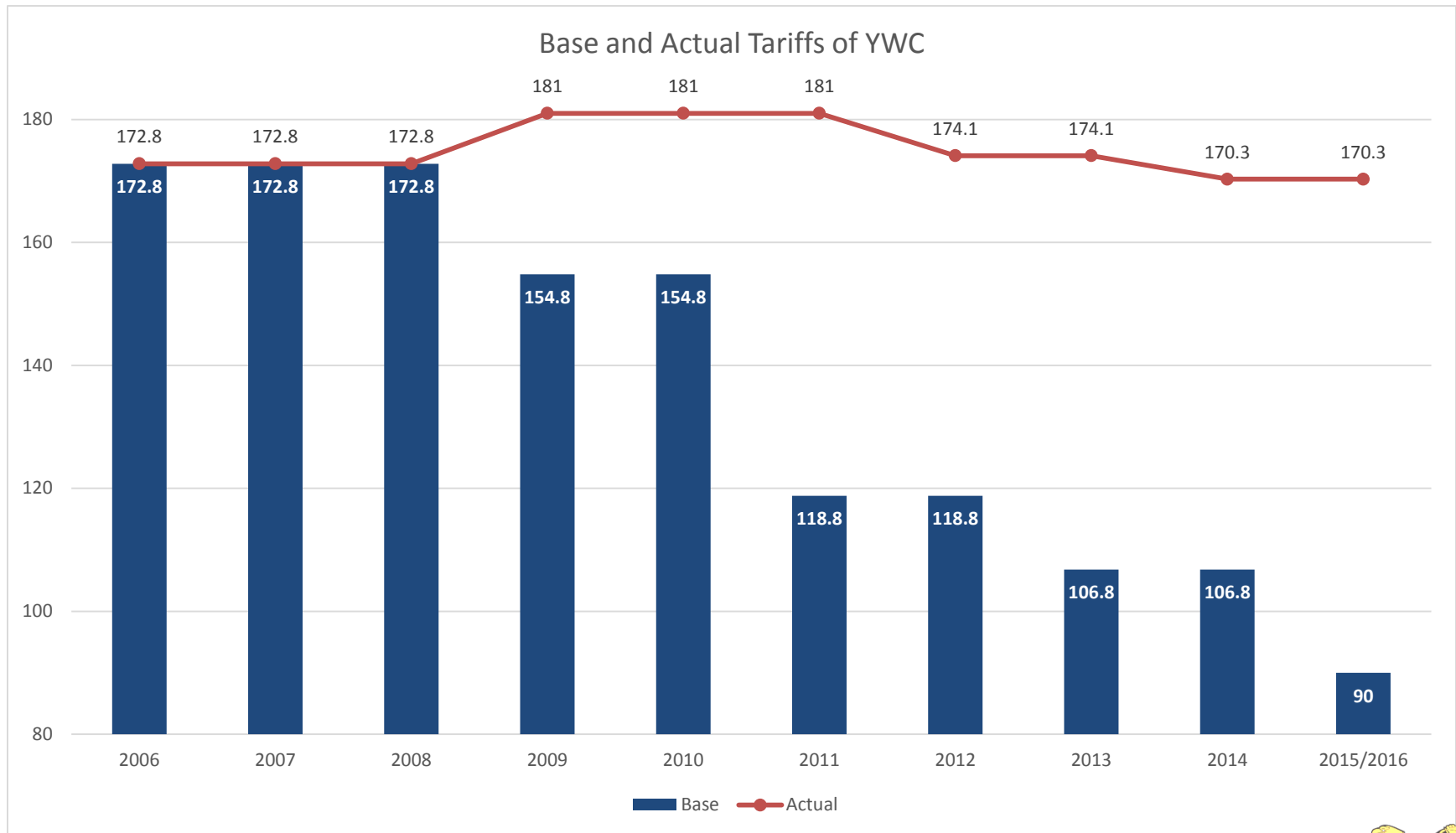
**Tariff adoption based on the bidding
results;**



- inflation,
- exchange rate,
- energy cost,
- water consumption level,



TASK FORCE to explore ways of contributing to the Sustainable Development Goals



WSS tariffs in Armenia

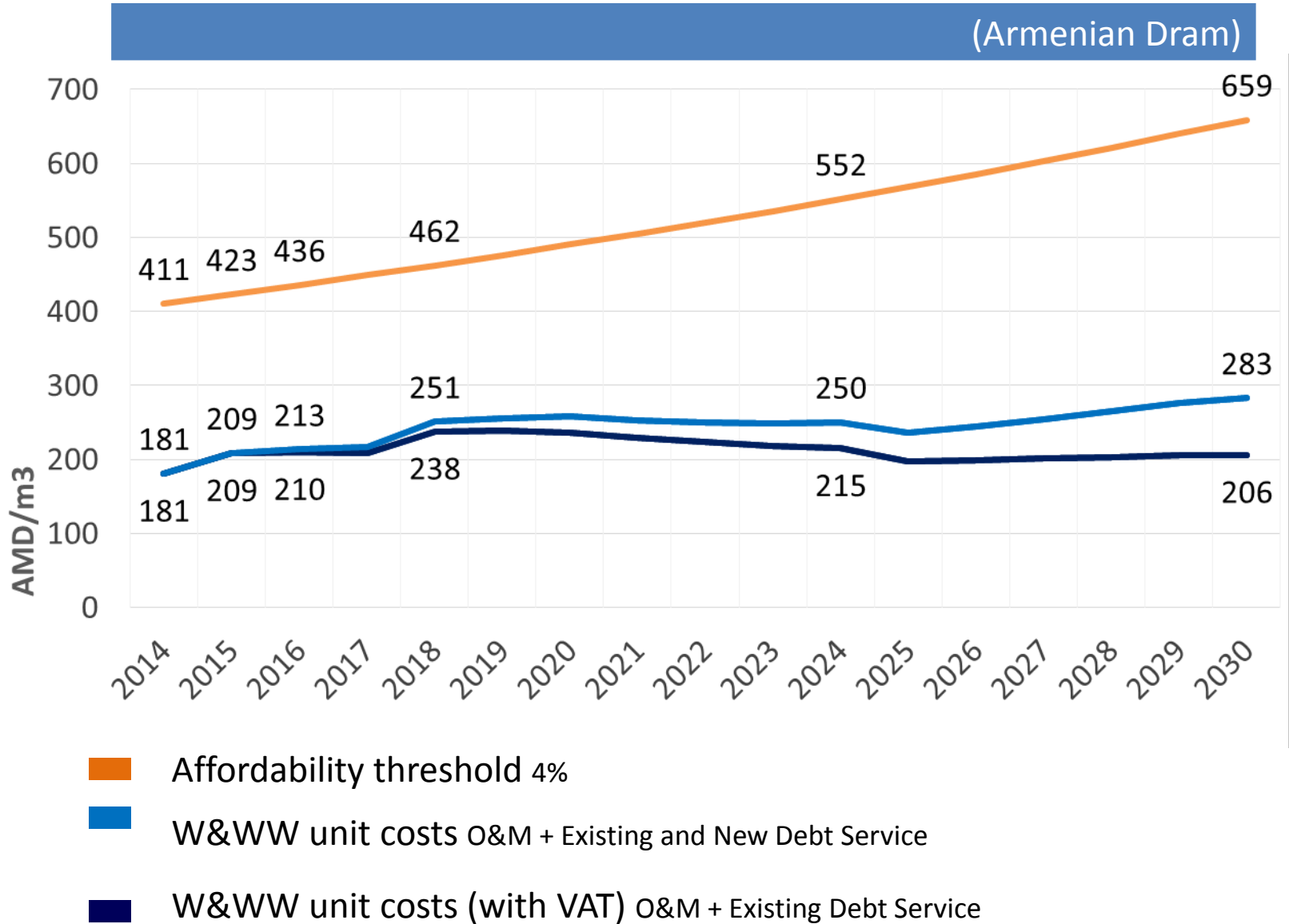
(US Cent)

Name of Companies	2004	2016
YWC	18	35
AWSC	29	37
“Nor Akunq” CJSC	31	41
“Shirak” CJSC	24	35
“Lori” CJSC	25	37
Average		36



- **Tariff level generally is low,**
- **Some utilities are still receiving subsidies from state budget,**
- **The Government takes the responsibility for major investments in the sector,**
- **The government intention to put the sector's further development on the full commercial principle will bring an unaffordable level of tariff in the secondary towns and villages,**





- **unified tariff for 15 years (2017-2031)**
- **tariff has to be cost-covering, with no subsidy provided from the state budget;**
- **financial debt/loan liabilities undertaken by the Government shall be covered by tariff;**
- **tariff shall be accessible for the households;**
- **tariff includes the mandatory capital works;**
- **tariff includes all the expenses of the lessee and a reasonable profit;**
- **possibility of annually tariff adjustment ,**



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THANK YOU

