# Armenia builds a Silicon Valley dream through youth education and diaspora support



In Armenia, efforts are underway to transform the nation into a high-tech hub akin to Silicon Valley, with a strong emphasis on early tech education and fostering innovation among the youth. This ambition is rooted in Armenia's longstanding tradition in mathematics and computer science, dating back to its Soviet-era status as a regional centre for these disciplines.

In the suburbs of Yerevan, the country’s capital, state schools are integrating advanced engineering and programming courses for children. For example, nine-year-old Slavik demonstrated a project involving a box with three LED lights, which he programmed himself, under the guidance of tech coach Maria. Nearby, 14-year-olds Eric and Narek presented a smart greenhouse that autonomously regulates temperature and fan speeds via a mobile application, while 11-year-old Arakel showcased a model home with an automated retractable clothesline designed to keep clothes dry during rain.

These projects are developed within Armath, a nationwide initiative launched in 2014 that offers students comprehensive training in robotics, coding, and 3D modelling through specialised labs established in schools. The programme, led by the Union of Advanced Technology Enterprises (UATE), which represents over 200 Armenian high-tech companies, now boasts 650 labs, 600 coaches, and approximately 17,000 active students across Armenia. Sarkis Karapetyan, chief executive of UATE, explained that Armath is part of a broader public-private partnership geared towards nurturing technological talent, aiming for 5,000 young engineers to emerge annually. He added, "We raise capital expenditure from the private sector, we go to the schools and establish Armath labs, we donate the equipment. And the government, the education ministry gives us a budget of $2m (£1.5m) annually to pay the salaries of the coaches."

Armenia, a landlocked country home to 2.7 million people in the South Caucasus, faces economic and geopolitical challenges including closed borders with Azerbaijan and Turkey. Despite lacking natural resources or sea access, the country is leveraging its Soviet-era expertise, such as from the Yerevan Scientific Research Institute of Mathematical Machines established in the 1950s, to catalyse its tech development. The government and private sector aim to capitalise on this heritage to establish Armenia as the Caucasus region’s leading technology hub.

Several Armenian tech companies have already gained international recognition. Picsart, an AI-powered photo and video editing platform launched in 2011 in Armenia, now operates dual headquarters in Yerevan and Miami and is valued at $1.5 billion. Other firms such as Krisp, specialising in audio-processing software, and Service Titan, a provider of business software that recently went public on the New York Stock Exchange with a valuation exceeding $10 billion, underscore the growing success of Armenian tech enterprises.

The Armenian tech ecosystem benefits significantly from its expansive diaspora, estimated at around 75% of Armenians worldwide living outside the country, many of whom are based in the United States, particularly California. Samvel Khachikyan, director of programs at SmartGate, a venture capital firm with bases in California and Armenia, highlighted the presence of Armenians in leadership roles in many top US companies. SmartGate facilitates Armenian startups’ entry into the US market, supporting founders through early-stage challenges by organising networking trips to Silicon Valley and Los Angeles. Khachikyan said, "Imagine an Armenian start-up, two young people deciding to go to the US to try to operate there, they have no connections, no knowledge about the culture how it works. It's gonna be hard, very hard. We are helping them, it's like the launch of the rocket, the first couple of seconds is the hardest."

Many Armenian startups also focus on their domestic market as they grow. Irina Ghazaryan, founder of Dr Yan, an app that simplifies healthcare access by enabling easier doctor appointment bookings, noted the app’s steady growth with a 25% monthly revenue increase. “We are almost break-even in Armenia and that gives us strength to start expanding to other markets, like Uzbekistan,” she said.

The tech sector in Armenia experienced an unanticipated boost following the 2022 Russian invasion of Ukraine. Thousands of Russian IT specialists relocated to Armenia, drawn by relative safety and friendly policies. US chipmaker Nvidia also moved its Russian office to Armenia. Vasily, a Russian IT consultant who moved to Armenia in 2023, estimated that the Russian IT community there now numbers between 5,000 and 8,000. This influx helped fill skill gaps in critical fields such as data processing, cybersecurity, and fintech. Vasily pointed out challenges, however, mentioning Armenia’s relatively high costs and the need for tax relief for IT firms to retain this talent pool.

Despite these challenges, broad optimism prevails regarding Armenia’s technological trajectory. With a combination of grassroots education initiatives, strategic diaspora connections, and a growing international business presence, Armenia is positioning itself as a burgeoning technology centre in the Caucasus region.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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