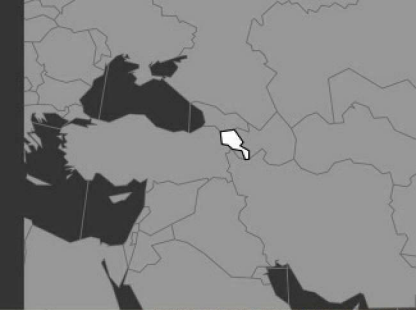


Armenia

GDP \$10.7 billion*

Population 3.0 million*



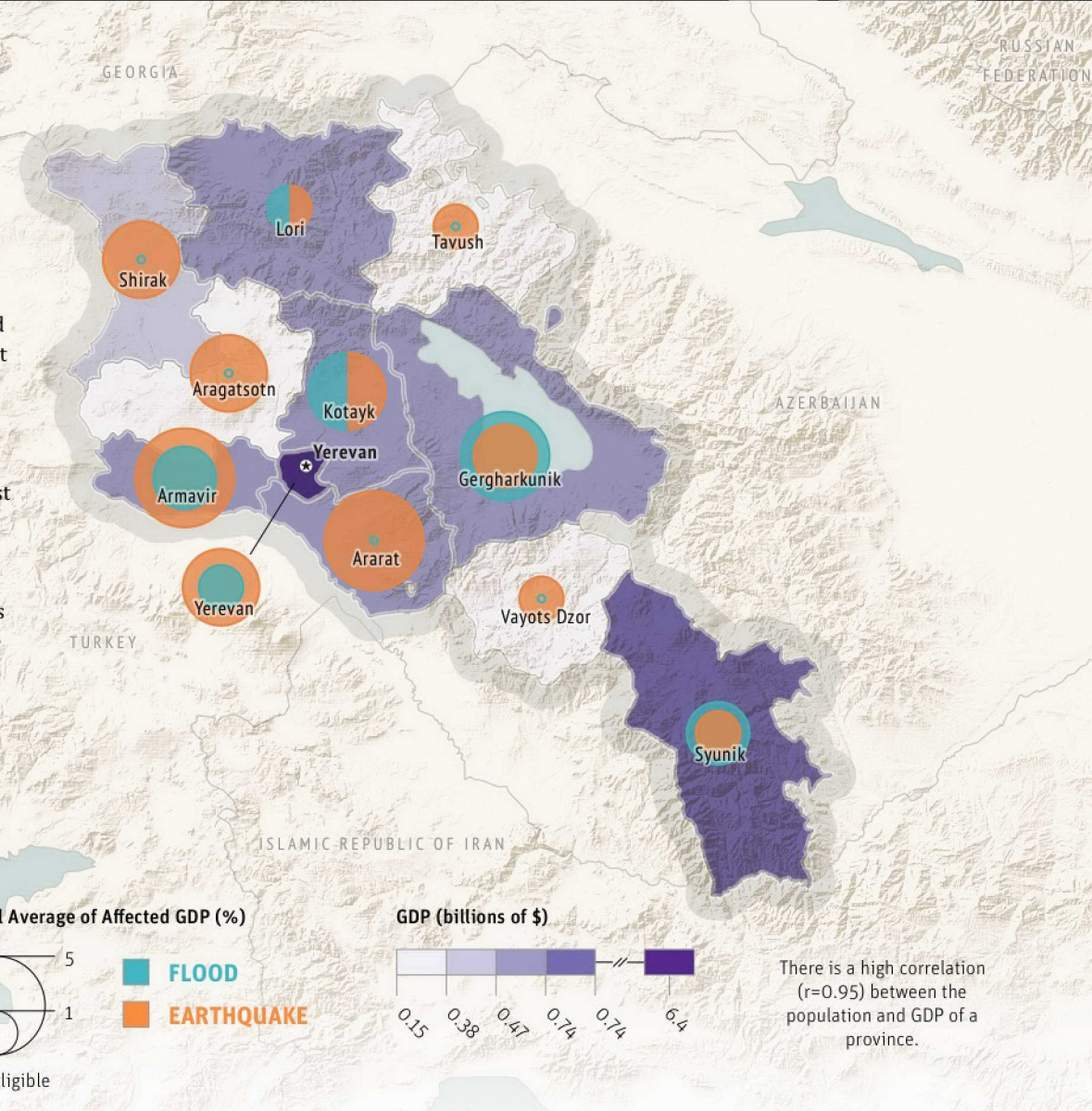
Armenia's population and economy are exposed to earthquakes and floods, with earthquakes posing the greater risk of a high impact, but lower probability event. The model results for present-day risk presented in this risk profile are based on population and gross domestic product (GDP) estimates for 2015. The estimated damage caused by historical events is inflated to 2015 dollars.

More than 60 percent of Armenia's population lives in urban environments. The country's GDP was approximately US\$10.7 billion in 2015, with most derived from services and industry (together about 80 percent) and agriculture generating the

remainder. Armenia's per capita GDP was \$3,550.

This map displays GDP by province in Armenia, with greater color saturation indicating greater GDP within a province. The blue circles indicate the risk of experiencing floods and the orange circles indicate the risk of earthquakes in terms of normalized annual average of affected GDP. The largest circles represent the greatest normalized risk. The risk is estimated using flood and earthquake risk models.

The table displays the provinces at greatest normalized risk for each peril. In relative terms, as shown in the table, the province at greatest risk of floods is Gergharkunik, and the one at greatest risk of earthquakes is Armavir. In absolute terms, the province at greatest risk of both floods and earthquakes is Yerevan.



TOP AFFECTED PROVINCES



FLOOD

ANNUAL AVERAGE OF AFFECTED GDP (%)

Gergharkunik	4
Kotayk	3
Syunik	2
Armavir	2
Yerevan	1
Lori	1
Ararat	1
Vayots Dzor	0
Tavush	0
Shirak	0



EARTHQUAKE

ANNUAL AVERAGE OF AFFECTED GDP (%)

Armavir	5
Ararat	5
Yerevan	3
Shirak	3
Aragatsotn	3
Kotayk	3
Gergharkunik	2
Vayots Dzor	1
Lori	1
Syunik	1

Annual Average of Affected GDP (%)



FLOOD (blue circle)
EARTHQUAKE (orange circle)

GDP (billions of \$)



There is a high correlation (r=0.95) between the population and GDP of a province.

The most devastating flood in modern Armenia since it gained its independence in 1991 occurred in 1997. It killed four people, affected about 7,000, and caused \$12 million in damage.

This map depicts the impact of flooding on provinces' GDPs, represented as percentages of their annual average GDPs affected, with greater color saturation indicating higher percentages. The bar graphs represent GDP affected by floods with return periods of 10 years (white) and 100 years (black). The horizontal line across the bars also shows the annual average of GDP affected by floods.

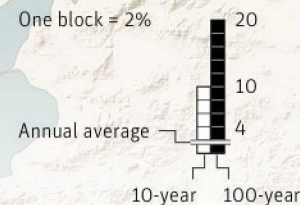
When a flood has a 10-year return period, it means the probability of occurrence of a flood of that magnitude or greater is 10 percent per year. A 100-year flood has a probability of occurrence of 1 percent per year. This means that over a long period of time, a flood of that magnitude will, on average, occur once every 100 years. It does not mean a 100-year flood will occur exactly once every 100 years. In fact, it is possible for a flood of any return period to occur more than once in the same year, or to appear in consecutive years, or not to happen at all over a long period of time.

If the 10- and 100-year bars are the same height, then the impact of a 10-year event is as large as that of a 100-

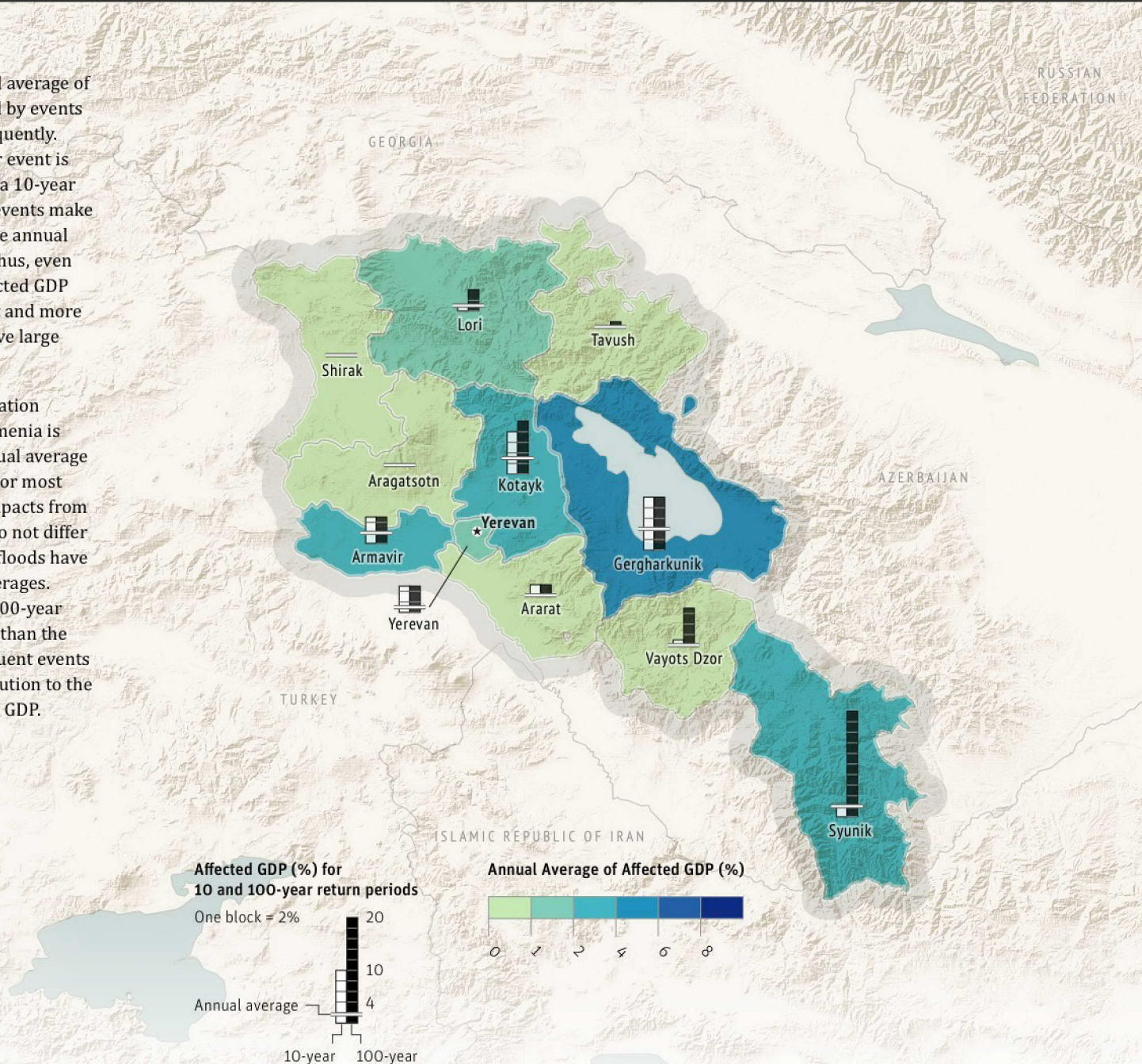
year event, and the annual average of affected GDP is dominated by events that happen relatively frequently. If the impact of a 100-year event is much greater than that of a 10-year event, then less frequent events make a larger contribution to the annual average of affected GDP. Thus, even if a province's annual affected GDP seems small, less frequent and more intense events can still have large impacts.

The annual average population affected by flooding in Armenia is about 40,000 and the annual average GDP about \$100 million. For most provinces, in which the impacts from 10- and 100-year floods do not differ much, relatively frequent floods have large impacts on these averages. For the few in which the 100-year impacts are much greater than the 10-year impacts, less frequent events make a significant contribution to the annual average of affected GDP.

Affected GDP (%) for 10 and 100-year return periods



Annual Average of Affected GDP (%)



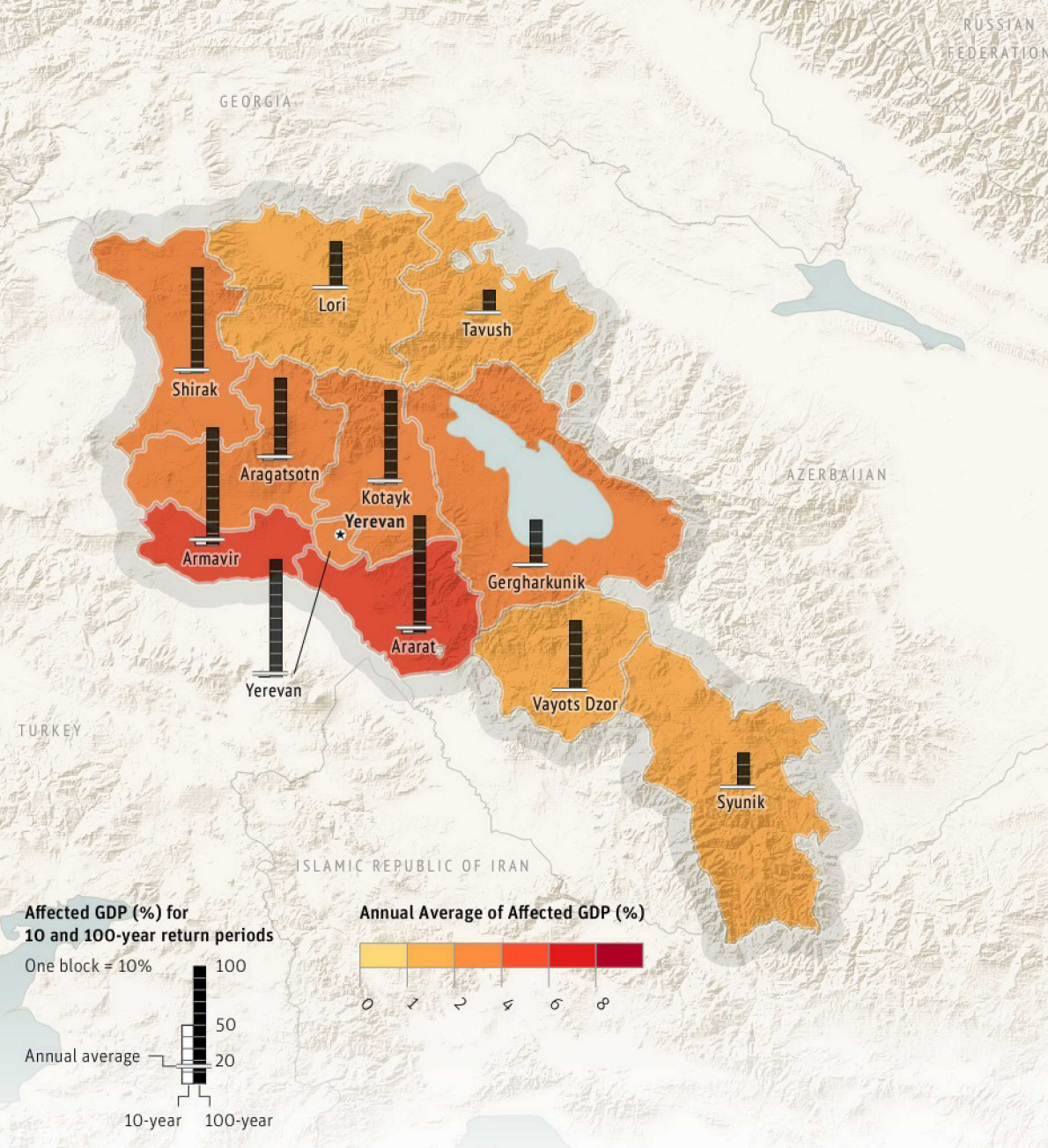
Armenia's worst earthquake since 1900 took place in 1988 in Spitak, with a magnitude of 6.8. It caused about 25,000 fatalities and more than \$30 billion in damage. A 1931 earthquake in Zangezur, with a magnitude of 6.3, killed over 2,800 people.

This map depicts the impact of earthquakes on provinces' GDPs, represented as percentages of their annual average GDPs affected, with greater color saturation indicating higher percentages. The bar graphs represent GDP affected by earthquakes with return periods of 10 years (white) and 100 years (black). The horizontal line across the bars also shows the annual average of GDP affected by earthquakes.

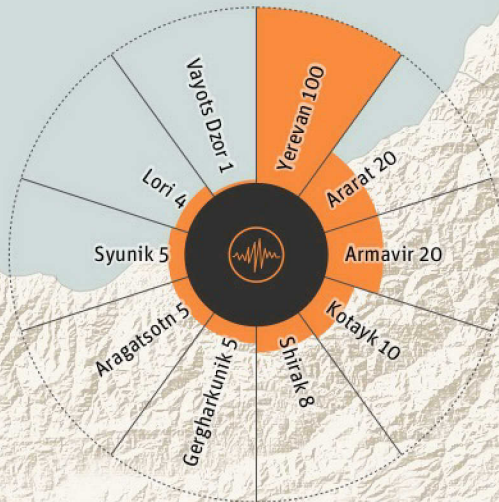
When an earthquake has a 10-year return period, it means the probability of occurrence of an earthquake of that magnitude or greater is 10 percent per year. A 100-year earthquake has a probability of occurrence of 1 percent per year. This means that over a long period of time, an earthquake of that magnitude will, on average, occur once every 100 years. It does not mean a 100-year earthquake will occur exactly once every 100 years. In fact, it is possible for an earthquake of any return period to occur more than once in the same year, or to appear in consecutive years, or not to happen at all over a long period of time.

If the 10- and 100-year bars are the same height, then the impact of a 10-year event is as large as that of a 100-year event, and the annual average of affected GDP is dominated by events that happen relatively frequently. If the impact of a 100-year event is much greater than that of a 10-year event, then less frequent events make larger contributions to the annual average of affected GDP. Thus, even if a province's annual affected GDP seems small, less frequent and more intense events can still have large impacts.

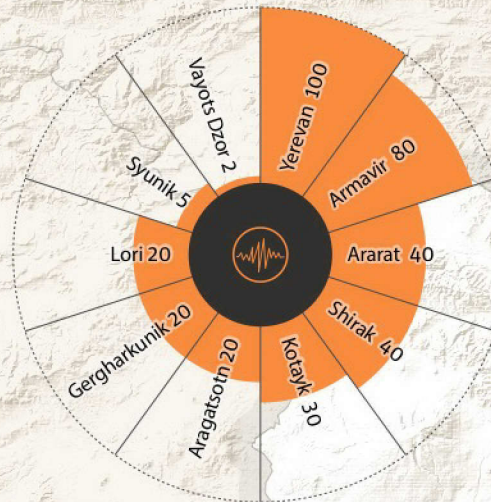
The annual average population affected by earthquakes in Armenia is about 90,000 and the annual average affected GDP about \$300 million. The annual averages of fatalities and capital losses caused by earthquakes are about 400 and about \$200 million, respectively. The fatalities and capital losses caused by more intense, less frequent events can be substantially larger than the annual averages. For example, an earthquake with a 0.4 percent annual probability of occurrence (a 250-year return period event) could cause nearly 10,000 fatalities and \$6 billion in capital loss (about 60 percent of GDP).



EARTHQUAKE
ANNUAL AVERAGE CAPITAL LOSS (MILLIONS \$)

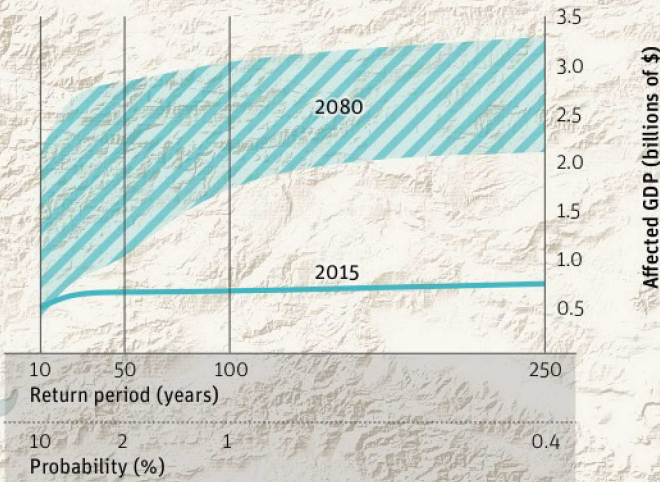


EARTHQUAKE
ANNUAL AVERAGE FATALITIES

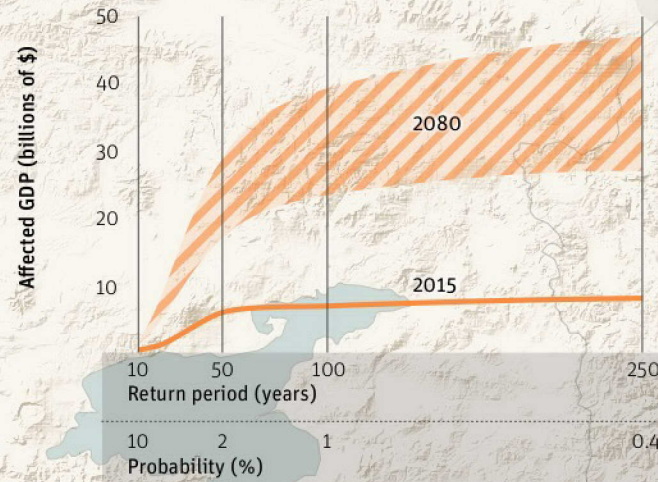


The rose diagrams show the provinces with the potential for greatest annual average capital losses and highest annual average numbers of fatalities, as determined using an earthquake risk model. The potential for greatest capital loss occurs in Yerevan, which is not surprising, given the economic importance of the province.

FLOOD
EXCEEDANCE PROBABILITY CURVE, 2015 AND 2080



EARTHQUAKE
EXCEEDANCE PROBABILITY CURVE, 2015 AND 2080



The exceedance probability curves display the GDP affected by, respectively, floods and earthquakes for varying probabilities of occurrence. Values for two different time periods are shown. A solid line depicts the affected GDP for 2015 conditions. A diagonally striped band depicts the range of affected GDP based on a selection of climate and socioeconomic scenarios for 2080. For example, if Armenia had experienced a 100-year return period flood event in 2015, the affected GDP would have been an estimated \$700 million. In 2080, however, the affected GDP from the same type of event would range from about \$2 billion to about \$3 billion. If Armenia had experienced a 250-year earthquake event in 2015, the affected GDP would have been about \$9 billion. In 2080, the affected GDP from the same type of event would range from about \$30 billion to about \$50 billion, due to population growth, urbanization, and the increase in exposed assets.

All historical data on floods and earthquakes are from, respectively, D. Guha-Sapir, R. Below, and Ph. Hoyois, EM-DAT: International Disaster Database (Université Catholique de Louvain, Brussels, Belgium), www.emdat.be, and the National Geophysical Data Center/World Data Service (NGDC/WDS), Significant Earthquake Database (National Geophysical Data Center, NOAA), doi:10.7289/V5TD9V7K. Damage estimates for all historical events have been inflated to 2015 US\$.