

**Григорян Донара Овиковна**

ЭКОНОМИСТ

Институт экономики им. М. Котаняна НАН РА

г. Ереван, Республика Армения

*Grigoryan Donara Hovik – First Level Economist,*

*M. Kotanyan Institute of Economics National Academy of Sciences,*

*Republic of Armenia, Yerevan*

## **ПРИТОК ПРЯМЫХ ИНОСТРАННЫХ ИНВЕСТИЦИЙ В АРМЕНИЮ ПО СЕКТОРАМ ПОСЛЕ ПРИСОЕДИНЕНИЯ К ЕАЭС**

***Аннотация:** в постсоветский период прямые иностранные инвестиции (ПИИ) являлись важным фактором для экономики Армении. Учитывая ограниченные природные ресурсы и размер страны, а также геополитическое положение Армении, прямые иностранные инвестиции сыграли важную роль в экономике, и, в частности, в наукоемких отраслях промышленности. В целом основные инвесторы заинтересованы в работе и инвестировании в те отрасли, которые, как считается, имеют сопоставимые преимущества, а также имеют большой экспортного потенциала данных стран. После присоединении к ЕАЭС, как показывает мое исследование, инвестиции были направлены в следующие 10 секторов, что подробно описано в статье.*

***Ключевые слова:** ПИИ, ЕАЭС, Армения, секторы, приток.*

## **FOREIGN DIRECT INVESTMENT INFLOW IN ARMENIA BY SECTORS AFTER JOINING TO EAEU**

***Abstract:** in the post-Soviet period, foreign direct investment (FDI) was an important factor for the Armenian economy. The limited natural resources and size of the country, as well as the geopolitical position of Armenia, foreign direct investment has played an important role in the economy, and, in particular, in knowledge-intensive industries. In general, the major investors are interested in operating and investing in those sectors, which are considered to have comparable advantages and also a great export potential of the given countries. After joining EAEU, as my research shows, the*

*investments were directed to the following 10 sectors, which is presented by details in the article.*

**Keywords:** *FDI, EAEU, Armenia, sectors, inflow.*

Armenia being a small open developing economy is trying to bring more foreign direct investors to Armenia and use the FDI for further development of economy since the very early years of its independence [1]. Correlation between FDI and GDP growth was discussed in many studies in the past literature, and most of the research done previously revealed similar results in terms of FDI having a positive impact on GDP. FDI is believed to create additional jobs in the economy increase gross domestic investment and finally to boost the exports from the country receiving the FDI (Meyer 2005). Both correlation and regression analysis show that the relationship between FDI and economic growth was weak during each quarterly. From this model is clearly that the FDI in each quarter impact not only on the economic growth of the same quarter, but also on the economic growth of the next 4 quarter: growth of FDI by 1 USD in each quarter causes 0.03% increase of economic growth in the same quarter, 0.049% increase in the next quarter, 0.05% increase in the next 2nd quarter, 0.039% increase in the next 3rd quarter and 0.02% increase in the next 4 quarter [2]. When analyzing a foreign direct investment, it is necessary to consider its geopolitical structure. Directly before the collapse of the USSR and during the first decade after Armenia regained independence, main foreign investors in the region were the Russian Federation, Greece, Canada and the United States. The situation has changed significantly within the next thirteen years. It is worth nothing that the geographic structure of foreign direct investment in Armenia is affected by the spatial distribution of the Armenian Diaspora. Below we present the inflow of foreign direct investments in Armenia by sectors in 2015–2017.

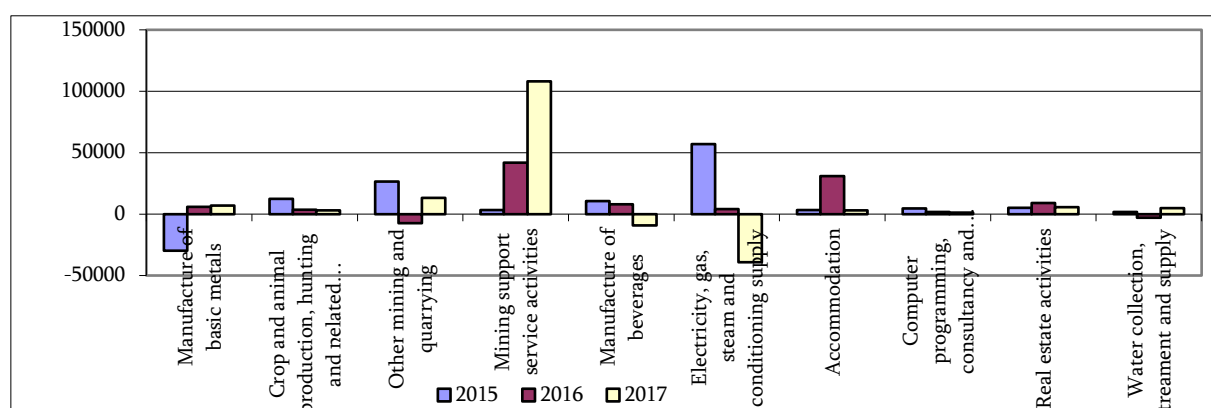


Chart 1. Foreign direct investments inflow in Armenia by sectors, 2015–2017

Thousand USD, according to NSS data

After joining EAEU as chart 1 illustrates the investments were directed to the following 10 sectors. We are going to show in which sectors of investment were negative, in which positive.

For example, in 2015 only in basic metals sector was negative about -29786.3 thousand USD. This means that dividends paid in the previous period in that area have been larger, than new investments made during period. Then the next sectors in this period was positive, and the highest point was in supply of electricity, gas and steam about 56943, 7 thousand USD, in this sector the main investors were Luxemburg (57490.7 thousand USD in 2015) and Russia (47305.7 thousand USD in 2015) and the lowest point was in supply of water collection and treatment about 1739, 4 thousand USD, and in this sector the major investor was France (10254, 6 thousand USD in 2015).

Then in 2016 other mining quarrying and water collection and treatment were negative, accordingly -7318, 5 thousand USD and -2827, 7 thousand USD. From the other hand the highest point in this period was in the mining support service activities about 41852, 8 thousand USD, and the main investors were Russia (2423.1 thousand USD in 2016), and United Kingdom (62604.9 thousand USD in 2016).

In 2017 manufacture of beverage and electricity, gas and steam had a negative indicator accordingly -9118, 9 thousand USD and -39066, 8 thousand USD. Unlike this sectors mining support service in 2017 had a significant indicator about 107940.3 thousand USD, which was the highest point comparing all these 10 sectors with each other. The primary investor was Jersey about 107888.2 thousand USD who was an offshore

zone. After joining the EAEU mining industry is the only sector where investment is rising and the main investor country in this sector is from offshore zone. In 2017, investment in this sector has increased almost 40 times compared to 2014. The volume of investments in other sectors of the Armenian economy is small or zero. And in some areas the net inflow of investments has a negative value, more money is going out than coming to Armenia. Before joining the EAEU, telecommunication and electricity, gas and steam production and distribution sectors have always been major investment sectors, but investments in the telecommunications industry have been exceptionally negative, and investment in electricity, gas, and steam production and distribution have dropped. In recent years, 2015–2017 the main investment was in the mining industries and the major investor was Lydian Armenia Company from Jersey. Before joining to EAEU the main investors were Russia, France, Argentina, Germany and Lebanon. Currently, Armenia is a country of opportunities with modern, educated, industrious human capital and various forms of cooperation with a number of countries. Initially it was assumed that accession to the EAEU would open many opportunities for Armenia, which will attract the attention of many investing countries.

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