


STRATEGIC PROSPECTS FOR USING INTERNATIONAL EXPERIENCE OF FOREIGN INVESTMENT IN ARMENIA: HOW EFFECTIVE IS REGULATION OF ATTRACTING INVESTORS FOR ECONOMIC GROWTH?

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Abstract

The article analyzes the strategic prospects for creating stable conditions for attracting additional volumes of foreign investment in the Armenian economy, which is due to the lack of own funds for sustainable social and economic development. The relevance of issues related to the role and place of foreign investment in Armenia, occurring due to the globalization of the world and regional economy, creating or limiting conditions for the movement of capital, has increased sharply in light of the sharp intensification of the policy of attracting foreign investment in the South Caucasus region. The practical experience of the transition period of the market economy of Armenia is summarized, as the country became more dependent on the level of regional and global integration. At this time, flows of foreign capital emerged not only in the form of government borrowings, but also in the form of diaspora transfers, assistance from international organizations, and the creation of joint ventures with Armenian entrepreneurs. Restrictions on obtaining high technologies, both in the form of goods and technical documentation, and in the form of direct investment, were gradually lifted.

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Introduction

The importance of investments in the process of economic development of the country and improving the welfare of the population is great. At the same time, some undesirable manifestations of investment processes may pose a threat to Armenia. The implementation of an effective investment policy (IP) is one of the most important issues for each country in the South Caucasus region.

The article shows that Armenia has a fairly liberalized investment policy, since the country has an ‘open door’ policy, but the investment picture is still far from desirable. Is the liberalized investment policy of Armenia capable of promoting sustainable development and investment reform? What are the features, goals and problems of the investment policy of Armenia? What are the priorities of the reform of effective investment policy?

Foreign investments play a significant role in the sustainable economic development of the host country. Investments enable to increase the production volumes, adopt cutting-edge manufacturing technologies and innovations and management experience, produce high-quality and competitive products in line with international standards, promote its diversification, create new employment opportunities, integrate into the global economy, etc. However, sustainable does not mean riskless. Alongside the positive effects of foreign investment policies on economic development and the growth of the host country’s economy (Wagner 2023), there are also potential negative effects and risks:

- displacement of national capitals and companies (the so-called ‘crowding-out effect’);
- facilitating capital outflow from the country based on transfer pricing;
- formation of disproportionate (non-constructive) development of the national economy;
- formation of a resource-dependent economy;
- risks associated with an increase in government debt;
- formation of economic and political dependence and loss of sovereignty, security problems, etc.

For example, many experts believe that the share of foreign investments (FI) in the country’s gross capital should not exceed 60-70%. The larger the volume of FI, the greater the degree of the country’s dependence. The higher the government debt, the less opportunity there is for sustainable economic development in the country (Ferrarini, Giugale and Pradelli 2022). In the 20th century, as in the 21st century, such countries are doomed to exist in perpetual debt to other countries, working exclusively for their benefit, selling national wealth and enriching other countries. This process can threaten the sovereignty of the country, and especially of small states (James Bernard Quilligan 2002).

Another example of the negative impact of Foreign Investments (FI): with uncontrolled investments, capital will be invested in industries that do not ensure efficient returns. This also applies to environmentally polluting production sectors

transferred from industrially developed to developing countries and countries with transitional economies that have relatively lax environmental protection standards, and so on. To shape a positive and prevent negative manifestations of FI, it is essential to implement effective economic policies: establishing a system of government control, regulation, incentives, restrictions, prohibitions, and the development of strategy and tools. Based on the importance of the aforementioned, the article discusses the features and issues of FI.

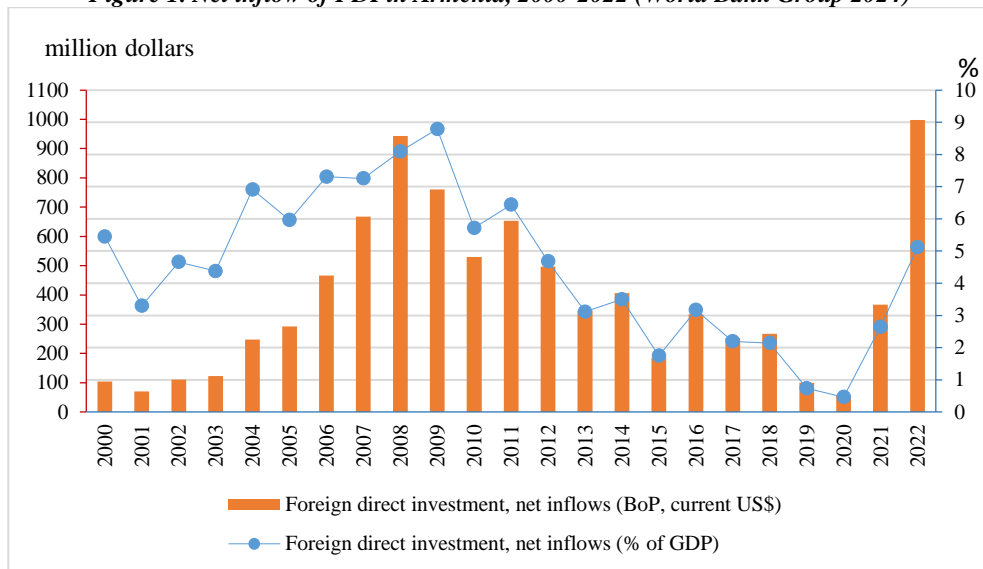
Methodology

The article examines various existing theoretical, analytical and research works, reports from international organizations (USAID 2022), World investment report 2021 (UNCTAD 2021), World investment report 2019. United Nations conference on trade and development UNCTAD (UNCTAD 2019) reports, etc.), statistical data (World Bank, The Heritage Foundation, OECD), expert assessments from research centers, doctoral dissertations, legislative acts, development strategies and programs.

In the article mainly employing statistical methods; the dynamics of investment flows in Armenia are identified, and peculiarities of investments in Armenia are discussed by countries and sectors. By employing logical reasoning methods, the article identifies the features, tasks, and problems of Armenia's investment policy and proposes ways to address them.

Features of RA investments

Small countries usually have a relatively high share of FI compared to GDP, primarily due to their small GDP volume and 'open door' policies. However, in Armenia, despite being a small country, such a trend is not evident. Investment flow indicators are unstable. A stable increase in FI was observed until 2008. This was the outcome of privatization initiatives as well as investment by resourceful diaspora individuals who channelled investments to high growth market segments. The economic and financial crisis halted the growth trajectory of Foreign Direct Investment (FDI) inflows to Armenia, and they have been trending downwards since their peak of \$944 million (9% of GDP) in 2008 (Figure 1). The reduced scope for privatization-related inflows as well as divestment in the banking sector associated with more stringent deposit requirements contributed to the downfall (UNCTAD 2019).

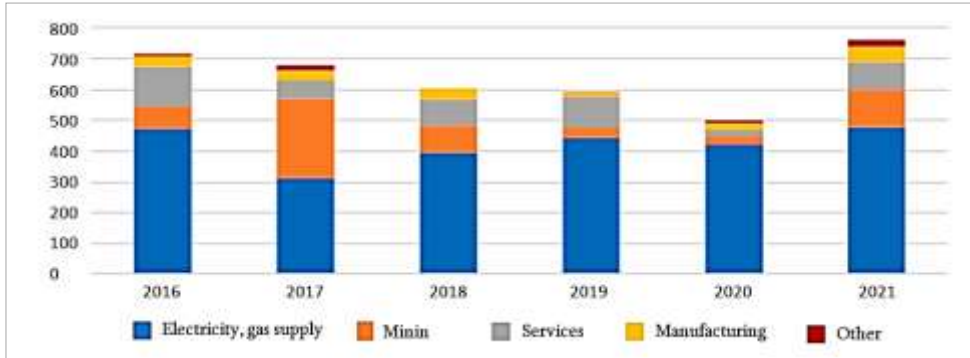
Figure 1. Net inflow of FDI in Armenia, 2000-2022 (World Bank Group 2024)

The FDI inflows into the RA has also decreased as a result of purported instances of restrictive business practices and uncertainties associated with the recent political transition have contributed to a “wait-and-see” attitude among investors. As a result, average FDI inflows have almost halved. Moreover, in 2020, investment activity was adversely affected by restrictions related to the COVID-19 pandemic. In 2020, the net inflow of FDI amounted to only \$59 million. However, in 2021-2022, the gross inflow of FDI into Armenia increased. The year 2022 recorded the highest figure in the post-Soviet period (998 million US dollars, 5% of GDP). The reason for the increase in FDI is a consequence of geopolitical events (sanctions against Russia and Iran, the Russian-Ukrainian war), as a result of which many investment projects and companies migrated to Armenia.

The sectoral specificity of investments in Armenia causes concern. The main FDI-attracting sectors include electricity and gas supply with 62.6 percent of total FDI inflow in 2021 (\$476 million), mining (16 percent/\$122 million) and services (12.3 percent/\$94 million) (USAID 2022). While investors in the electricity and gas sectors are mainly market-seeking and strategic asset-seeking, in mining investments, they are natural-resource seeking (USAID 2022). As for investments in the manufacturing and high-tech industries, which are of key importance from the point of view of constructive reform of the national economy, their share is very small. The latter need government support and the creation of competitive advantages. This is one of the issues that concerns investment policy (IP) (Figure 2).

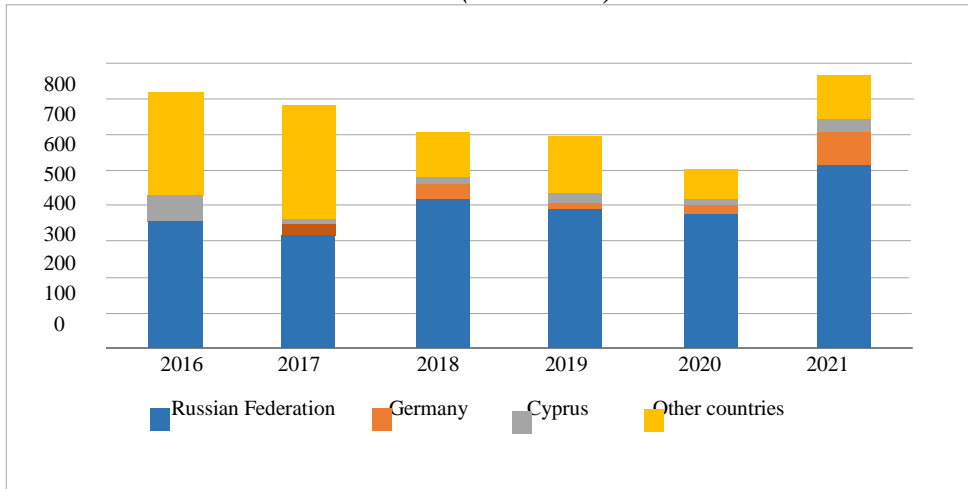
As with sectors, the origins of FDI are also quite concentrated. Russia is the largest foreign investor in Armenia, with a relatively stable share over the last years (Figure 3). In 2021, FDI inflows from Russia totaled \$512 million, or 67.3 percent of FDI inflows. Russian share increased even further. Russia mainly invests in Armenia’s electricity, natural gas supply, and telecommunications sectors.

Figure 2. Gross Inflow of FDI to the real sector of Armenia by sectors, 2016-2021, million dollars (USAID, 2022)



Armenia’s second largest investor is Germany with \$95 million of FDI in 2021. In the past, Germany’s FDI was concentrated in the mining sector. Other foreign investors in 2021 included Cyprus (5 percent), Italy (5 percent), and Argentina (4 percent).

Figure 3. Gross inflow of FDI to the real sector of Armenia by countries, 2016-2021, million dollars (USAID 2022)

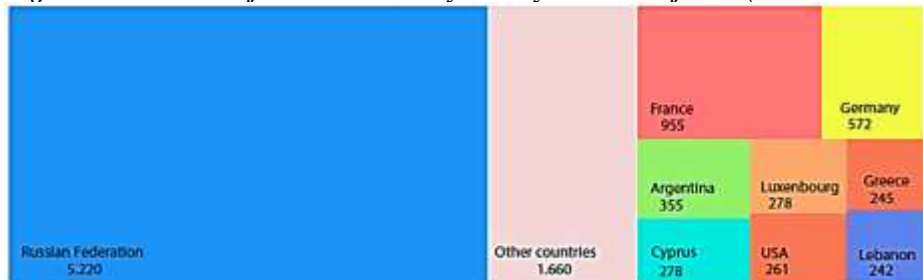


Another indicator used to assess Armenia’s largest investors is gross foreign direct investment flows. As Figure 4 shows, Russia accounts for almost 50 percent of total FDI flows, or \$5.2 billion, as of end 2021, followed by France (9 percent or \$955 million), and Germany (6 percent or \$572 million). Other major investors in Armenia’s economy are Argentina (4 percent or \$355 million), Cyprus (3 percent or \$278 million), Luxembourg (3 percent or \$278 million), and the U.S. (3 percent or \$261 million), (Figure 4) (USAID 2022).

In summary, FDI in Armenia is dominated by “market-seeking and/or strategic asset-seeking investments”, predominantly in the electricity and gas-supply sectors.

The number of countries that bring investments to Armenia is very limited with Russian investments ahead of all others (USAID 2022).

Figure 4. Gross FDI inflows to Armenia by country at the end of 2021 (in million US dollars)



Source: Statistical Committee of the RA (USAID 2022)

The role of investment policy in the process of implementation and regulation of investments

Many macroeconomic factors play a significant role in attracting foreign investments: the market capacity of the host country, the level of political security of the country, dynamics of the exchange rate of the national currency, geographical location, geographical and natural-climatic factors, level of infrastructure development, openness of the national economy, degree of integration with neighbors and the global economy, peculiarities of the business climate (production costs, tax system specifics, corporate tax rates, and other taxes, specifics of the system of financial incentives, cost and level of qualification of the workforce, level of development of transportation infrastructure, cost of rent and utilities, administrative procedures, assistance from local authorities in selecting local staff, obtaining financial incentives), etc.

Thus, the foundation of a country's investment attractiveness is based on numerous factors, among which IP (investment policy) holds special significance. State investment policy is a purposeful activity of government bodies and institutions aimed at influencing the investment market and redistributing capital flows to facilitate the resolution of issues of public importance, as well as attracting investments in priority areas of economic development (Wagner 2023; Khachatryan and Grigoryan 2024; Lakshminarayanan and Yepremyan 2023). The quality of a country's investment policies directly influences the decisions of investors, both domestic and foreign.

According to the logic of global processes in shaping the world economy and integrating national economies, in recent decades, there has been active liberalization of investment policies. Governments of countries continued to liberalize restrictions on international investments. However, in recent years, amid the contemporary geopolitical and economic situation, especially during the COVID-19 pandemic and subsequent years, some countries have observed an intensification of investment policy and a trend towards tightening investment regulations and restrictions related to national security.

During the pandemic years, regulatory and restrictive measures in investment policy were mainly implemented in developed and developing countries. Twenty-five

countries and the EU, nearly all of them developed economies, adopted or reinforced screening regimes for foreign investment (UNCTAD 2021). Nevertheless, the policy of liberalization, encouragement, or facilitation of foreign investments still constituted a significant part of all measures. Many countries, regardless of their level of development, simplified or optimized administrative procedures, and some countries expanded their investment incentive regimes to attract a greater amount of foreign investment. As a result of this diversity, a distinctive geographical mosaic of Investment Policy has emerged. The geographical picture of investment freedom is formed based on research conducted by the Heritage Foundation (2023). According to these data, the investment freedom index is relatively low in East and Southeast Asian countries. By this measure, many countries in this region fall into the category of ‘pressed’ countries, even though they are leaders among rapidly developing nations. The Investment Freedom Index for Armenia in 2023 is 75%, indicating a high degree of liberalization.

The FDI Regulatory Restrictiveness Index (FDI Index) is also an Important FDI Indicator that measures statutory restrictions on foreign direct investment in 22 economic sectors across 69 countries, including all OECD and G20 countries (OECD 2024b). Barriers to FDI are widespread across countries. There is no country with no restrictions on FDI, according to the FDI Index methodology, although the extent of restrictions varies across jurisdictions. Countries in the Asia-Pacific region tend to have higher scores under the Index on average with a greater propensity to screen inward investment and more frequent use of foreign equity limits at a sectoral level (the regime in export processing zones in these countries, which is often more liberal, is not captured in the Index).

EU countries collectively have the fewest restrictions on FDI. Larger countries also tend to be more restrictive, partly because they may be richer in natural resources, but also because they often have larger markets which offer host governments more scope to impose discriminatory conditions on investors without discouraging inflows (Misturai and Rouleti 2019). For most countries, sector-specific limits on foreign equity ownership have been the most common form of discrimination faced by foreign investors.

FDI restrictions tend to arise mostly in primary sectors such as mining, fishing and agriculture, but also in media and transport⁸.

Armenia ranks 11th to 12th in the FDI Regulatory Restrictiveness Index, with a score of 0.019 points. Minor restrictions exist in the Tertiary-0.038, Transport-0.167, Air-0.5, Media-0.25, Radio & TV Broadcasting-0.5, Business services-0.006, Accounting & Audit-0.025 sectors (OECD 2024a).

Some regional dimensions of the investment policy task

The main legal act regulating the investment sphere in the Republic of Armenia is the RA Law “On foreign investments” adopted in 1994. In the investment sphere, the RA Government is guided by the principles of ‘open door’ policy, liberalization of

⁸ The FDI Regulatory Restrictiveness Index (FDI Index). OECD International Direct Investment Statistics. <https://doi.org/10.1787/g2g55501-en>.

relations pertaining to investment activities, establishment of national and more favorable regimes for foreign investors, proper protection of investments, and other principles adopted in international advanced practice⁹.

National investment policy is implemented within the framework of the national foreign economic strategy. Its specificity depends on both the content and goals of the strategy for economic development and the predominant direction of foreign trade policy—import or export policy—as well as the balance between the trends in foreign trade policy, ranging from protectionism to liberalization (Wagner 2023).

The goals and expectations of Foreign Direct Investment in the Republic of Armenia are formulated in two key documents: Development Strategy of the Republic of Armenia for 2014-2025¹⁰ and Export-Oriented Industrial Policy of the Republic of Armenia¹¹. In the first document, the investment priority is the continuous improvement of the business investment environment, as well as the simplification of business and investment operations, and the reduction of government intervention, which is aimed at protecting the interests of investors. In the second document, the priority is the formation and development of leading, high-tech, and export-oriented industries.

The effectiveness of investment policy depends on the overall strategy of the country's effectiveness, especially the business and investment environment. Due to regional instability, difficulties arise in Armenia, which limits the tasks of defining national investment policies, strategies, formulated goals and priorities (USAID 2022). Within the framework of investment goals and priorities, criteria for evaluating investment program projects are formulated. The existing criteria are presented in the Decree of the RA Government “On the procedure for approving the selection, development, evaluation and determination of priorities of public investment projects”¹² applied to projects with a cost exceeding 1 billion dollars. For projects with a smaller budget, the Law “On the Budget System” applies.

Evaluation criteria of the public investment projects are:

- impact on the human capital,
- public significance of the infrastructure,
- compliance with the strategy of the sector,
- the influence of project on climate change,
- the project's risk level,
- economic internal rate of return (EIRR).

The existing criteria for evaluating investment program do not take into account the importance of a whole range of goals and priorities that could contribute to

⁹ Ministry of Economy of the RA. 2024. “Investment Policy.” Accessed April 20, 2024. <https://mineconomy.am/page/96>.

¹⁰ Resolution of the Government of the RA “The 2014-2025 strategy of Armenia's development”, March 27, 2014, No 442-N (in Armenian). Accessed April 20, 2024. <https://www.gov.am/files/docs/1322.pdf>

¹¹ Extract from the minutes of the session of the Government of the RA “On giving approval to the export-directed industrial policy strategy of the Republic of Armenia”, December 15, 2011, No 49 (in Armenian). Accessed April 20, 2024. <https://www.irtek.am/views/act.aspx?aid=65893>

¹² Resolution of the Government of the RA “On approving the procedure for the selection, development, evaluation and prioritization of public investment programs”, February 9, 2023, No 175-N (in Armenian). Accessed April 20, 2024. <https://www.arlis.am/documentview.aspx?docid=174111>

constructive changes in the economic development and investment policy of the country. The reason is the lack of a clear formulation of the economic development strategy and IP.

Investment policy is excessively liberalized. Prohibitions and restrictions are minimal. Regulation is primarily carried out through general incentives. However, these are mostly weak factors and are rarely considered the main reason for attracting investments.

The total value proposition a country offers that address the investor's key investment drivers—for example, labor market, operating costs, real estate, etc. — are also important for attracting investments. Also, incentives that offset some of the costs and difficulties in realizing these drivers (for example, offsetting the costs of recruiting, training, and employing workers) can be very attractive to investors (Wagner 2023). There is practically no sectoral, including industrial investment policy. In the investment policy of the RA, there are minor restrictions and control in certain sectors, as well as some sectoral incentives (mostly in the form of tax and customs duty exemptions or reductions, financial support) in agriculture, healthcare, R&D, and IT (USAID 2022).

Sectoral policy is a necessary prerequisite for constructive reform in structural restructuring. Such policy is implemented in many countries, particularly in developed and rapidly developing ones. For example, in China, FDI projects are divided into five types: encouragement, restriction A, restriction B, prohibition, and permission, using corresponding tools. In the absence of sectoral IP in the national economy, sectors oriented towards natural resources and the domestic market are formed and developed (including strategic sectors).

Efficiency-oriented productions are not of interest to foreign investments. They represent a national interest, and the introduction of investments into these productions is impossible through a system of general incentives. Creating competitive advantages and investment interests in them is possible only through stimuli adapted to the production specifics and active government support (in many cases, through state initiative and collaboration). At the same time, a system of prohibitions and restrictions is necessary to regulate foreign investments of interest since their large volumes or significant involvement in the national economy lead to serious negative consequences, such as the 'Dutch disease' effect, economic dependence, environmental issues, etc. For sectoral policy, it is necessary to group sectors and industrial branches (productions) and develop the corresponding investment toolkit. Such a proposal is presented in the Investment Reform Roadmap of Armenia report, but only for the development of incentive systems (USAID 2022).

The investment policy of the RA is not revised in accordance with global and regional economic and geopolitical changes and trends, and the level and stage of the country's economic development is not taken into account. Industrial policy should sensitively respond to changes and undergo revision and reform. Industrial policy should sensitively respond to changes and undergo revision and reform.

IP should also be developed in the context of the industrial policies of neighboring countries to gain competitive advantages. General incentives do not create competitive advantages because they are similar to the incentives of other countries. In our case, the

problem is further complicated by the fact that neighboring countries have additional, more favorable factors in the presence of similar incentives.

The territorial differentiated investment policy of the RA should also undergo revision. Currently, the investment stimulation system is implemented in border areas and free economic zones. In the conditions of polarized economic development in Armenia, a primary task is the development of investment priorities and a new toolkit in accordance with territorial characteristics.

The enclave nature of investments is also a problem. Foreign investments follow the logic of a unified economic space and are not interested in integration into the national economy. Essentially, foreign investments operate entirely on imported products, without connections to local servicing and accompanying components or the creation of subsequent production cycles, do not exhibit a multiplier effect, and do not contribute to the formation of territorial production complexes (or clusters). These investments represent economic enclaves. To establish the principle of the unity of the global economy, several international structures (OECD, APEC, IMF, WTO, especially TRIMS) have at the institutional level formulated a system of requirements, prohibitions, and restrictions. For instance, prohibitions on the presence of a local component in production, restrictions on export control, prohibitions on income repatriation limitations, requirements for export liberalization, etc.

In contrast to these requirements, there are numerous other means and instruments of investment policy through which specific outcomes can be achieved, i.e., the integration of foreign productions into the national economy. There is a need for the development of appropriate tools in Armenia's IP for small, medium, large, and extra-large productions. Although small and medium productions are more responsive (flexible) to economic changes, they are artisanal or handmade productions with limited development capabilities and a weak multiplier effect. Large and extra-large productions play a crucial role in the sustainable and rapid development of the national economy and the diversification process. In countries with transitional economies and third countries, the incentive system primarily operates for small and medium productions; however, the regulation mechanisms for large and extra-large productions are either weak or ignored.

One of the priorities of Armenia's IP is the export direction of investments within the framework of an export-oriented industrial policy. Emphasizing exports without considering other priorities (import substitution, the significance of industrial centers, territorial and sectoral priorities, etc.) makes constructive structural restructuring of the national economy impossible. This, in turn, is a key principle of economic development. In other words, there is a need to develop the export direction of investment policy. In a broad sense, the responsibility for the effectiveness of the investment policy lies with the Ministry of Economy of the Republic of Armenia. However, for attracting investments, the presence of a specialized structure is also important. In the past, this function was entrusted to the Business Armenia foundation.

Currently, the Enterprise Armenia Fund (Investment Support Center) is operational. Following the principle of a 'single window', it provides comprehensive support to local and foreign investors, offering information on investment opportunities and conditions in Armenia, assistance in dealing with government bodies, consultation on

necessary resources and potential local partners, and more. It is worth noting that the Enterprise Armenia Fund does not receive state funding to carry out these functions, whereas the Business Armenia Fund used to receive approximately 1 billion Armenian drams annually from the state budget. To enhance the effectiveness of industrial policy, institutional reform is necessary.

Reforms in IP are also necessary at all stages of investment implementation. Recently, screening and monitoring of investments have gained significant importance. These tools are primarily applied in sectors of strategic importance (Manukyan and Ktoyan 2019). The main obstacle to investments is the unpredictability and inconsistency of actions by government authorities (World Bank Group 2015).

The diaspora is Armenia's key competitive edge. There are an estimated 7.2 million Armenians living in 137 countries. Diaspora foreign direct investment – DFDI – is a major resource for Armenia. An analysis reported by the World Bank for 1994 to 2004 found that 69 per cent of foreign investors were diaspora related and 68 per cent of companies with FDI had diaspora ties. The importance of the diaspora has almost certainly broadened over time. More recent research on the role of DFDI is not available. It is fair to note that the strong presence of DFDI is not a result of pro-active targeting of potential investors among the diaspora. Also, some very notable contributions by the diaspora have been philanthropic rather than direct investment.

Armenia has virtually unrivaled access to talent and business connections across all sectors (UNCTAD 2019), and consistent and effective efforts are needed to expand the use of diaspora investment potential.

Conclusion and discussion

The processes of foreign investment in post-war Armenia are taking place in very contradictory and complex conditions, which reflects both the transition of the world economy to a new phase of globalization and regionalization, and the specific problems characteristic of the development of the economy of a small country. The military, political and economic problems specific to Armenia have been compounded by the economic transformation downturn associated with the transition to a market economy.

The research has shown that the volumes of foreign investments in the Armenia are limited and concentrated in a few sectors, primarily focused on raw materials, market outlets, and strategic areas that do not contribute to constructive restructuring of the national economy. There is also a high concentration of foreign investments from investing countries. For example, the leading country in investment is Russia.

IP plays a significant role in the investment regulation process. The development of the national economy and the reform of its sectoral structure largely depend on the effectiveness of IP. Ensuring their effectiveness is a complex and multifaceted process. The need to revise the RA IP is evident. This process should be continuous and constantly adapted to global and regional geopolitical and geo-economic changes and trends, as well as aligned with the country's level of development. Many legislative acts are outdated and need to be updated. The RA IP should be implemented in three directions: 1. policy to enhance the overall investment environment, 2. sectoral investment policy, 3. territorial investment policy.

A liberalized IP is not a guarantee of attracting investments. The liberalization of small countries is perceived in some professional circles as a natural and positive phenomenon. According to this perspective, the 'open door' policy is considered the best way to attract investments. In their opinion, prohibitions and restrictions on IP can be fatal for countries with a small domestic market and limited opportunities. However, in our assessment, the 'open door' policy without strategic limitations and prohibitions, coupled with a system of common incentives, is not the best way to attract investments and implement constructive reforms. Without strategic prohibitions and restrictions in the national economy, productions oriented towards natural resources and consumers, as well as strategic production, will form and develop. However, large volumes and involvement of foreign investments in these productions carry significant risks. While short-term positive changes may result from such investments, serious problems may arise in the long term: the 'Dutch disease' effect, profit leakage, economic and political dependence, environmental issues, and so on. It is essential to realize that the problem lies not only in the volume of investments but also in attracting the desired investments. While investments can have a positive impact on economic development, they also bring serious risks, even existential problems. In our view, the weak application of the toolkit of state regulation, control, prohibitions, and restrictions, justified by the increase in investment volumes, is not a positive but rather a worrisome phenomenon.

At the same time, in parallel with the tools of prohibitions and restrictions, there is a large toolkit of incentives, the effective use of which can help ensure a large flow of investments in the desired areas and directions. General incentives do not create substantial investment opportunities, as they are similar to the general incentives of other countries and thus cease to be a competitive advantage. If other countries have different positive factors influencing investment attractiveness, the significance of general incentives is further diminished. The implementation of sectoral and territorial policies, the development and application of corresponding incentives with active government participation and involvement, are key to success. This will ensure both an increase in the flow and the formation and development of desired investment directions.

The implementation of this task is most likely for the Republic of Armenia in the conditions of a numerous and globally widespread diaspora. There are challenges in harnessing the potential, fostering collaboration, engaging, and gaining the trust of the diaspora. Serious efforts are required to regulate and strengthen the relations between the homeland and the diaspora.

IP in the RA will achieve significant results if measures are taken to improve the investment environment and other factors influencing investments, as economic development is a cohesive system, and the effectiveness of IP depends on overall efficiency

Thus, considering the existing problems in the investment policy of the Republic of Armenia, we believe that its modernization is highly relevant. It is necessary to establish a national ideology with narratives such as 'national revival' and the 'Armenian dream', and a policy based on the logic of national development should be constructed.

Supplementary material

The supplementary material for this article can be found at <https://doi.org/10.46991/JOPS/2024.3.7.087>

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Conflict of interests

The authors declare no ethical issues or conflicts of interest in this research.

Ethical standards

The authors affirm this research did not involve human subjects.

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