

ANALYSIS OF THE INDICATOR OF ECONOMIC ACTIVITY OF THE REPUBLIC OF ARMENIA FOR 2022

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During the period from January to December 2022 an unprecedented double digits increase of the indicator of economic activity was recorded in Armenia compared to the period from January to December 2021. It is essential to understand the main reasons of this phenomenon to efficiently leverage the occurred opportunities and neutralize the emerged threats to continue developing the recorded economic growth.

Keywords: indicator of economic activity; GDP; Russian-Ukrainian conflict; cashless transactions.

АНАЛИЗ ПОКАЗАТЕЛЯ ЭКОНОМИЧЕСКОЙ АКТИВНОСТИ РЕСПУБЛИКИ АРМЕНИЯ ЗА 2022 ГОД

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В период с января по декабрь 2022 года в Армении был зафиксирован беспрецедентный двузначный рост показателя экономической активности по сравнению с периодом с января по декабрь 2021 года. Необходимо понять основные причины этого явления, чтобы эффективно использовать появившиеся возможности и нейтрализовать возникшие угрозы для продолжения развития зафиксированного экономического роста.

Ключевые слова: показатель экономической активности; ВВП; российско-украинский конфликт; безналичные расчеты

The indicator of economic activity for the period from January to December 2022 compared to the period from January to December 2021 was 114.2 %, which is an increase of 14.2 % compared to the period from January to December 2021 [1, p. 7]. The highest increase in the structure of GDP for the period from January to December 2022 compared to the period from January to December 2021 was recorded in the «Services» sector, making 28.2 % [1, p. 7]. In the period

from January to December 2022, the volume of the «Services» sector was 2,575,790.8 million AMD [1, p. 7] in contrast to the volume of 1,879,261.1 million AMD recorded in the period from January to December 2021 [2, p. 7]. In the period from January to December 2022, the largest share in the volume of the structure of the «Services» sector went to «Financial and insurance activities» category, making 30.1 %. [1, p. 61], the increase of which was 49.3 % compared to the period from January to December 2021 [1, p. 59]. At the same time, the largest increase in the «Financial and insurance activity» category in the period from January to December 2022 was recorded in the «Banking activity» sub-category, making 67.7 % compared to the period from January to December 2021 [1, p. 59]. This level of growth can be explained by two main reasons. The first is due to the Russian-Ukrainian conflict, which began on February 24th, 2022, as a result of which many citizens from Russia, Ukraine and Belarus moved to Armenia. The second main reason is due to the RA Law «On Non-Cash Payments» adopted on January 18th, 2022 and came into force on July 1st, 2022, within the framework of which transactions exceeding 300,000 AMD became possible exclusively in a cashless way [3, article 4, section 1]. And the increase of the other «Insurance» sub-category of «Financial and insurance activities» category in the period from January to December 2022 was 21.5 % compared to the period from January to December 2021 [1, p. 60]. In the period from January to December 2022, the second largest share in the volume of the structure of the «Services» sector went to the «Information and Communication» category, making 18 % [1, p. 61], the increase of which was 42% compared to the period from January to December 2021 [1, p. 58]. At the same time, the largest increase in «Information and Communication» category in the period from January to December 2022 was recorded in the sub-category «Information Technologies», making 75.7 % compared to the period from January to December 2021. In addition, «Information Technologies» sub-category recorded the highest growth among all the sub-categories of «Services» sector [1, p. 58]. This level of growth is largely due to the same Russian-Ukrainian conflict, as a result of which many information technology specialists and entrepreneurs from Russia, Ukraine and Belarus moved to Armenia and continued their activities from Armenia starting employment or establishing new enterprises in Armenia. In particular, the increase in the number of employees of «Information technologies» sub-category in the period from January to November 2022 was 38.2 % compared to the period from January to November 2021 [1, p. 132]. And the number of applications to benefit from the privilege established by the RA law «On State Support in the Field of Information Technologies» has increased dramatically in the period from January to December 2022, amounting to 1,451. For comparison, the total number of applications from January 2015 to December 2021 was 1,145 [4].

In the period from January to December 2022, the volume of the «Services» sector in the GDP structure was only less compared to the volumes of «Trade» and «Industry» sectors, which respectively amounted to 4,370,287 million AMD and 2,683,553.9 million AMD [1, p. 7]. The second highest increase in the structure of GDP for the period from January to December 2022 compared to the period from January to December 2021 was recorded in «Trade» sector, making 17 % [1, p. 7] which can also be explained by the massive relocation of citizens of Russia, Ukraine and Belarus to Armenia who increased the trading in Armenia.

So, we may conclude that the double digits increase of the indicator of economic activity was largely due to massive relocation of citizens of Russia, Ukraine and Belarus to Armenia caused directly or indirectly by the Russian-Ukrainian conflict and to a certain extent due to the newly adopted RA Law “On Non-Cash Payments” which increased the volume of cashless transactions.

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