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# Can Armenia Become A Financial Center?

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"Armenia has real potential to become a financial center in the region.

I strongly believe in this prospect and I'm sure this idea must become the guideline of our work in the coming years," the president announced during the first financial banking conference hold in Dilijan.

Though the idea to become a financial center in the region is far not new, such high level announcement has been made for the first time. The important thing is that practical steps are already being made in this direction and the construction of the Funding Exchange and Central Bank Study Center in Dilijan testifies to this fact.

Thus in essence not only the base of the formation of the regional financial-study center is laid, but also the first steps are taken for the country's proportional development. It is not a secret that the economy is strictly centralized in Yerevan.

To become a financial center, Armenia really has a dynamically developed and a stable banking system. A productive legislative field is formed for the banking activity, which has created favorable conditions for the flow of the foreign investments in our country. The positive developments in this direction are evident. Especially during the recent one-two years a serious interest of foreign capital towards Armenian is really noticeable. Whereas not only the capital of the existing banks is completed by the foreign financial means but there is also a requirement to open new banks.

The factor of the Diaspora is a very good advantage for Armenia to become a financial center. To make this advantage practical the idea of establishing a pan-Armenian bank has been proposed, which needs to be discussed.

Prime Minister Tigran Sargsyan says the existence of the professional potential is also a great advantage for Armenia to become a financial center. And, the most important thing is that the readiness to become such a center is the basis of the political will to make necessary reforms.

Of course we can't say that all the conditions exist in Armenia, in order to become a financial center. There are lot's of problems that we must solve. The most important problem here is the one linked with the currency market. The steps taken in this sphere during the recent years didn't give any positive results; the currency market is not completely accomplished. But the steps taken in this direction inspire hope that the situation will change very swiftly. Last year a famous intentional company managed Armenia's funding exchange. The entrance of Stockholm exchange can finally promote the accomplishment of the currency market in Armenia.

The next obstacle is linked with the accumulated pensions and investment funds, which are not formulated in Armenia.

It is worth mentioning that Georgia also pretends to become financial center of the region. Of course Armenia's banking system is one step forward from the Georgian, but during the recent years serious reforms are being made in Georgia's banking system, which can change the situation.

But Armenia must do its best to achieve its goal otherwise tomorrow it will

be very late.