

Economic Modernization Program

Goal



To provide affordable financial means for entrepreneur in order to modernize the production capacity and increase the productivity of the organization.

Beneficiary



A commercial organization or an individual entrepreneur operating in targeted areas and registered and operating in the territory of Republic of Armenia.

Form of assistance



Subsidy of interest rates for loan or leasing, provided by partner financial institutions.

Applicability criteria



The subsidy is applicable for the purpose of purchasing new (unused) devices and equipment in targeted sectors.

Subsidy Terms

Leasing

Armenian Dram/Foreign Currency

Currency	Contract value	Subsidy period	Subsidy rate	Term
Armenian Dram	Up to 200 million	42 months	10%	120 months
	200 million and more	36 months		
Foreign Currency	Up to 200 million	42 months	8%	
	200 million and more	36 months		

Loan

Armenian Dram/Foreign Currency

Currency	Contract value	Subsidy period	Subsidy rate	Term
Armenian dram	Up to 200 million	42 months	8%	120 months
	200 million and more	36 months		
Foreign Currency	Up to 200 million	42 months	6%	
	200million and more	36 months		



Up to 180 days

Supply time subsidy



Up to 6 months

Principal repayment grace period



Up to 1 billion
Armenian drams*

The maximum subsidized part of the loan/leasing is 1 billion Armenian drams

* In the case of an investment of more than 200 million drams in the share capital, the maximum loan/leasing amount is set at 5 times the investment, but not more than 10 billion Armenian drams or in the case of foreign currency lending, 5 billion Armenian drams.

Target Sectors



B Mining and quarrying



C Manufacturing



F Construction



H Transportation and storage



J Information and communication



M Professional, scientific and technical activities



P Education



Q Human health and social work activities

Partner Financial Institutions

- ARMBUSINESSBANK
- ACBA BANK
- ARMECONOMBANK
- AMERIABANK
- ARARATBANK
- ID Bank
- INECOBANK
- KAMURJ
- UNIBANK
- ACBA LEASING

- ARDSHINBANK
- ARMSWISSBANK
- BYBLOS BANKARMENIA
- CONVERSE BANK
- EVOCABANK
- CARD AGROCREDIT
- HSBC BANK ARMENIA
- ARMENIAN LEASING COMPANY
- FARM CREDIT ARMENIA
- DEVELOPMENT AND INVESTMENTS CORPORATION OF ARMENIA



Participation Procedure



1. Financial institution

The procedure starts with partner financial institutions. The entrepreneur that wants to purchase new machinery and equipment applies to a partner financial institution of the Ministry of Economy.



2. Obtaining a loan/leasing

The financial institution evaluates the creditworthiness and solvency of the applicants and provides them with a loan/leasing for the purpose of acquiring new machinery and equipment at a subsidized rate.



3. Subsidy

After the approval of the loan, the financial organization submits the subsidy request of the Ministry of Economy, and receives the subsidy in accordance with the conditions of the decision.

