

Economic Modernization Program



Goal

To provide affordable financial means for entrepreneurs in order to modernize the capacity of production, increase the productivity of the organization and promote the implementation of new technologies, as well as digitalization and business advisory and consulting for the increase of productivity of production.



Beneficiary

A commercial organization or an individual entrepreneur operating in targeted areas and registered and operating in the territory of the 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 (unutilized) machinery and equipment, digitalization of business processes and engagement of business advisory & consultants in the targeted sectors.

Subsidy Terms

Leasing

Armenian Dram/Foreign Currency

Currency	Contract period	Subsidy period	Subsidy rate
Armenian Dram	Up to 120 months	Up to 42 months	10%
Foreign Currency	Up to 120 months	Up to 42 months	8%

Loan

Armenian Dram/Foreign Currency

Currency	Contract period	Subsidy period	Subsidy rate
Armenian dram	Up to 120 months	Up to 42 months	8%
Foreign Currency	Up to 120 months	Up to 42 months	6%



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 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 case of foreign currency lending 5 billion Armenian drams (Except for the F & D targeted sectors).



Target Sectors



B Mining and quarrying



C Manufacturing Industry



F Construction



H Transportation and storage



D Provision of electricity, gas, steam and
air of good quality



N 77 Rent and Leasing



J Information and communication



M Professional, scientific and technical activities



Q Human health and social work activities



I55 Organization of Accommodation

Excluding those business entities which organize
the accommodation within the administrative borders
of Yerevan



P Education



G 45.2 Technical Service and repair of the cars

Partner Financial Institutions

- ARMBUSINESSBANK
- ACBA BANK
- ARMECONOMBANK
- AMERIABANK
- ARARATBANK
- ID Bank
- INECOBANK
- HSBC BANK ARMENIA
- UNIBANK
- ACBA LEASING
- VTB-ARMENIA BANK
- ARDSHINBANK
- ARMSWISSBANK
- BYBLOS BANK ARMENIA
- CONVERSE BANK
- EVOCABANK
- CARD AGROCREDIT
- KAMURJ
- 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 or implement digitalization of the production or engage business consultant for the further increase of the production 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, as well as for digitalization of the business processes and engaging business advisory and consultants for the increase of the production 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.

