

 Early Warning System

EBRD-55641

GCF GEFF Regional - GEFF Armenia II - Araratbank



## Quick Facts

<b>Countries</b>	Armenia
<b>Financial Institutions</b>	European Bank for Reconstruction and Development (EBRD)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	U
<b>Voting Date</b>	2024-10-15
<b>Borrower</b>	Araratbank OJSC
<b>Sectors</b>	Energy, Finance, Industry and Trade
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 3.75 million
<b>Loan Amount (USD)</b>	\$ 3.75 million
<b>Project Cost (USD)</b>	\$ 5.00 million



## Project Description

As stated by the EBRD, the project consists of the provision of a senior loan to Araratbank of up to USD 5 million, of which up to USD 3.75 million to be provided by the European Bank for Reconstruction and Development and up to USD 1.25 million by the Green Climate Fund under the GCF-Green Economy Financing Facility (GEFF) Regional Programme.

The proceeds of the loan will be used for financing investments in climate change mitigation and adaptation technologies by local private sector commercial sub-borrowers in a gender-responsive way, in line with the standards and reporting requirements of the GEFF in Armenia. 100 per cent of the loan proceeds will be related to Green Economy Transition investments. AB will benefit from Technical Cooperation in form of trainings, capacity building and support for project implementation from the dedicated programme consultants.

The operation will benefit from TC support financed by the GCF and the Climate Investment Fund. The objective of the TC is to assist financial intermediaries in Armenia, including AB, with capacity building, marketing, project assessment and general monitoring and reporting. Furthermore, investment incentives to AB's clients, granted by the Scaling-up Renewable Energy Programme in the amount of up to USD 0.5 million will be deployed to stimulate climate change mitigation and adaptation projects with significant positive externality and to encourage early movers to adopt innovative technologies to reach a critical mass.

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## Early Warning System Project Analysis

The EBRD categorized the project risk as FI.



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## Investment Description

- European Bank for Reconstruction and Development (EBRD)

## Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [ARARATBANK OJSC](#) (Financial Intermediary)



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## Private Actors Description

As stated by the EBRD, Araratbank OJSC is a long standing EBRD partner bank. AB is a mid-sized bank in Armenia, ranking the 10th largest by total assets and the 9th by loan portfolio with 4.4% and 3.9% respective shares in the system as of YE 2023.



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## Contact Information

### Financial Intermediary - Araratbank OJSC:

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## ACCESS TO INFORMATION

You can request information by emailing: [accessinfo@ebrd.com](mailto:accessinfo@ebrd.com) or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

## ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: [pcm@ebrd.com](mailto:pcm@ebrd.com) or you can submit a complaint online using an online form at:

[http://www.ebrd.com/eform/pcm/complaint\\_form?language=en](http://www.ebrd.com/eform/pcm/complaint_form?language=en)

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>



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## Bank Documents

- [Translation: GCF GEFF Regional - GEFF Armenia II - Araratbank \(Armenian\)](#)