

 Early Warning System

EBRD-55803

FIF - EaP SMECI - Converse Bank



## Quick Facts

Countries	Armenia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-11-05
Borrower	Converse Bank CJSC
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 5.00 million
Loan Amount (USD)	\$ 5.00 million
Project Cost (USD)	\$ 5.00 million



## Project Description

As stated by the EBRD, the project consists of the provision of a senior loan to Converse Bank ("CB") of up to USD 5 million under the SME Competitiveness and Inclusion Programme in Eastern Partnership ("EaP SMECI") established by the EBRD in cooperation with the European Union ("EU") to be on-lent to eligible micro, small and medium sized enterprises ("MSMEs").

The project will enable CB to finance long-term investments of Armenian MSMEs in upgrading their production facilities and processes to achieve compliance with the EU standards, including investments in sustainable and green technologies, thus facilitating competitiveness of Armenian MSMEs in the European and domestic markets. In addition to long-term financing, eligible sub-borrowers will benefit from investment incentives upon successful completion of their investment projects. At least 70 per cent of all financed sub-loans are expected to be compliant with EBRD Green Economy Transition ("GET") approach.

The project will also include a new voluntary window Refugee Response Window for Armenia ("RRWA") dedicated and designed to address challenges faced specifically by displaced people as well as MSMEs in host communities. In addition to SMECI investment incentives, the RRWA will offer enhanced incentives to underserved, yet bankable refugee population, as well as MSMEs in host communities to integrate and on-board refugees into their workforce.



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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.

- [Converse Bank CJSC](#) (Financial Intermediary)



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## Private Actors Description

As stated by the EBRD, Converse Bank is a commercial bank focused on servicing business and retail segments in Armenia. Among the 18 banks, CB ranked 6th by total assets and 7th by loan portfolio, with market shares of 5.5% and 5.4% respectively, as of YE2023.



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## Contact Information

### Financial Intermediary - Converse Bank CJSC:

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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: FIF - EaP SMECI - Converse Bank \(Armenian\)](#)