Early Warning System

EBRD-57240

FIF - SMECI RRWA - ArmSwissBank

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Quick Facts

Countries	Armenia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2026-05-12
Borrower	ArmSwissBank CJSC
Sectors	Finance, Humanitarian Response, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 10.00 million
Loan Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 10.00 million

Project Description

As stated by the EBRD, the project consists of the provision of a senior loan to ArmSwissBank CJSC in the amount of up to USD 10m under the Armenia Refugee Response Window of the SME Competitiveness and Inclusion Programme in Eastern Partnership, to support refugee-owned and refugee-led businesses and encourage local firms to create employment opportunities for refugees and invest in their skills development, contributing to long-term inclusive impact.

The project aims to foster inclusive economic growth by supporting the entrepreneurial activities of refugees and displaced population, as well as incentivising local MSMEs to create employment opportunities for them. Aligned with the Programme's primary objective of helping MSMEs upgrade their operations to EU standards, the transaction will enable local companies to invest in modernising their production processes, with a particular focus on green technologies. These upgrades are expected to enhance the competitiveness of Armenian businesses in the European market, aiming to achieve at least 70% share of Green Economy Transition ("GET") aligned investments under the Programme.

The project includes a comprehensive technical cooperation support funded by the EU under the Programme. The objective of the technical cooperation is to assist financial intermediaries in Armenia, including ArmSwissBank, in successful implementation of the project, including marketing, pre and post finance assessment of sub-projects as well as general monitoring and reporting.

In addition, the loan is complemented by an EU-funded grant of EUR 2.4m, which will be allocated to eligible sub-borrowers as investment incentives. These incentives are designed to stimulate investments in technologies that meet EU standards, with a focus on sustainable and green technologies, while also supporting refugee-led businesses and promoting their integration into the local economy. The loan is further supported by a first-loss risk cover of up to EUR 0.9m, designed to partially compensate ArmSwissBank for potential losses on eligible sub-loans, thereby enhancing the bank's risk appetite for financing refugee-owned and led MSMEs. The FLRC will be provided by the EU under the "EU-EBRD Local Currency Programme".

Early Warning System Project Analysis

The EBRD categorized the project E&S risk as 'FI'.

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.

- ARMSWISSBANK CJSC (Financial Intermediary)

Private Actors Description

As stated by the EBRD, ArmSwissBank CJSCis a long-standing EBRD partner bank. It is the 10th largest bank in Armenia by total assets and the 11th by gross loan portfolio with 3.7% and 2.9% respective market shares as of YE2025.

Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: 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 or you can submit a complaint online using an online form at: 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