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> The operation, backed by European Fund for Sustainable Development Plus (EFSD+), will be on-lent via local financial institutions with the support of the German-Armenian Fund.
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> The funding will back companies operating in areas outside Yerevan, women-led businesses and green projects.
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> Around 500 enterprises are expected to benefit from this loan, sustaining about 14 000 jobs.

The European Investment Bank’s development arm, EIB Global, has signed a €100 million loan with the Central Bank of Armenia to increase access to finance for micro, small and medium-sized enterprises (MSMEs) and mid-caps. The agreement – signed in Yerevan by Central Bank of Armenia Governor Martin Galstyan and Head of Division at EIB Global Marion Hoenicke – is backed by the European Fund for Sustainable Development Plus (EFSD+).

The funds will be channelled through the Central Bank of Armenia and on-lent to eligible companies via participating commercial banks and universal credit organisations. Implemented by the German-Armenian Fund, the programme is expected to support around 500 enterprises and sustain approximately 14 000 jobs. At least 45% of the financing will be extended to businesses outside Yerevan, at least 30% will support enterprises promoting gender equality and at least 40% will be directed to green projects.

This strategic partnership underscores the European Union's commitment to promoting economic growth, resilience and sustainable development in Armenia, fostering a brighter future for its MSMEs and mid-caps. It is also in line with Armenia’s Resilience and Growth Plan, announced by President von der Leyen in April 2024, particularly its second priority: investing in connectivity and businesses.

This operation builds on four previous EIB credit lines totalling €220 million intermediated via the Central Bank of Armenia, which have broadened access to finance for Armenian MSMEs and strengthened economic resilience.

Director for Neighbourhood East and Turkey at the European Commission's DG ENEST said:

"Support to Armenia's MSMEs is not an isolated effort — it's at the heart of the EU's Resilience and Growth Plan, helping build a stronger, more diversified, and future-ready Armenian economy, ultimately bringing Armenia closer to the EU."

EU Ambassador to Armenia Vassilis Maragos added:

"This EIB operation will channel affordable finance to hundreds of Armenian businesses. Its emphasis on regional development, gender equality and green projects reflects shared priorities and delivers practical benefits for people and communities."

EIB Vice-President Teresa Czerwińska, who oversees the Bank's operations in Armenia, said:

"Today, with the backing of the European Union, we are providing a fifth loan to the Central Bank of Armenia, a valued and long-standing partner of the EIB. This transaction aims to strengthen Armenia's economic resilience by ensuring reliable funding for small businesses, with a particular focus on women entrepreneurs and green initiatives. By supporting underserved MSMEs, our efforts will help foster a more inclusive and sustainable economy throughout Armenia."

Governor of the Central Bank of Armenia Martin Galstyan said:

"Our partnership with the EIB has significantly expanded access to finance for Armenian SMEs. Building on the success of the Armenian Economic Resilience Program — which supported mainly SMEs in the production sector, accounting for over 70% of total funding and creating around 1,450 new jobs — this new €100 million facility will further strengthen our efforts to support businesses investing in green projects, promote women's economic participation, and drive regional development."

Under the facility, the Central Bank of Armenia will allocate funds to participating financial institutions in line with programme criteria and targets, ensuring streamlined delivery of

finance to eligible SMEs and mid-caps across Armenia.

Background information

About EIB Global

The European Investment Bank (EIB) is the long-term lending institution of the European Union, owned by its Member States. It finances investments that contribute to EU policy objectives. EIB Global is the EIB Group’s specialised arm devoted to increasing the impact of international partnerships and development finance. Within Team Europe, EIB Global fosters strong partnerships alongside fellow development finance institutions and civil society, and brings the EIB Group closer to people, companies and institutions through its offices across the world.