
Banks To Provide More Credits Due To New Policy Of Supervision

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"The new policy of the Central Bank of Armenia is directed to make softer the supervision of banks, which will contribute to the increase of the bank credits and spread of bank services in the provinces and villages of Armenia", announced the Head of the Central Bank Department of the Financial System Supervision Policy and Analyses Davit Sargsian at a press conference on September 6. He also mentioned that the banking system of Armenia passes to its third period of development: the first period finished in 1995-1996, when trade banks started their activities in Armenia (at that time 70 banks acted in Armenia), the international standards were implemented in the system during the second period, and the aim of the third period is to increase rapidly the financial mediation: growth of the credit values and availability of the financial services.

"In the beginning of this year the Central Bank made softer its policy of realization normatives of banks; due to that policy the banks increased their credit values by 27 billion AMD", mentioned Davit Sargsian.

Another package of normative changes will spur on the financial services in the provinces of Armenia with the help of the itinerant activity; it means that the representatives of the banks will travel by the villages and give credits.

The above-mentioned changes will contribute to the growth of the credit values by 60 per cent.

It is foreseen to record a big growth in the market of mortgage crediting: an increase of 30-35 percent in the sphere of agricultural and industrial crediting.

The credit interest will fall down according to the Head of the Department of the Financial System Supervision Policy and Analyses. It has a decrease of 0,5 percent in the eight months of this year. The business credit interests decreased to 14-14,5 percent, and the consumer credits from 21 percent to 19 percent
