
Araratbank And Izmirlyan Foundation Sign \$4 Million Contract Under Programme Of Business Credit Co-Financing In Armenia

ArmInfo - 26/6/2007

Araratbank and Izmirlyan Foundation signed a \$4 million contract under the programme of business credits co-financing in Armenia, Tuesday. Chairman of Araratbank Board Ashot Osipyan said at a press conference that the signatories will give \$2 million each under the contract.

He said that a single customer credit limit is \$250,000-1 million, the repayment term being 5 years. The annual interest is 14% and lower. Business credits will be issued in terms of Armenian dram and US dollar. The programme is aimed at creating new jobs, which implies crediting of the organisations and enterprises that are potential future VAT payers, Osipyan said.

For his part, Jacques Sarkissian, Senior Vice President of Izmirlyan Foundation said that despite the success of the programme with Black Sea Development Bank, the Foundation adopted a decision to stop it as the bank will issue larger infrastructure credits. In this connection, the Foundation is searching for a financial partner to create new jobs. The Foundation has singled out Araratbank as an active and dynamically developing bank that has a great potential. He did not rule out the possible continuation of the programme and increase in the funding.

Araratbank is among top ten banks in Armenia by authorized capital (3.440 bln AMD on April 30 2007). It is one of the 6 participants in the programme of German KfW bank and effects transactions on cash service of the Treasury of the Ministry of Finance and Economy. The bank has launched activity in ensuring plastic card services. Since June 18 2007, Araratbank is a government agent for state debt management. On May 31 2007, the bank's assets totaled 13.7 bln AMD, liabilities - 9.5 bln AMD, total capital - 4.2 bln AMD. Among the bank's clients are 5,000 natural persons and 500 legal entities. It has 4 affiliated banks.

Izmirlyan Foundation is an investment organisation founded in 1994. In Armenia it contributed to implementing programmes in the spheres of education and health. Since 1999, Izmirlyan Foundation implements a programme of small and middle-size enterprise crediting. The experts of the Foundation say that some 5,000 new jobs were created in the country due to the programmes implemented by the Foundation.
