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# The biggest German credit program for Armenia

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AZG Armenian Daily #167 - 14/9/2007

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79,5 mln Euros financial assistance to our country

In the framework of bilateral technical and financial cooperation the Government of the Federal Republic of Germany will provide 79,5 mln Euros for Armenia in 2007-2008, according to the contract signed on September 12 in Yerevan between Dr. Rolf Baldus, Head of Central Asia and South Caucasus Division at Federal Ministry of Economic Cooperation and Development of Germany, and RA Minister Finance and Economy Vardan Khachatrian.

"74 mln Euros of 79,5 mln Euros is provided for financial, and 5,5 mln Euros for technical cooperation programs", announced RA Minister of Finance and Economy Vardan Khachatrian at a press conference after the signature of the contract.

4 mln Euros of 74 mln Euros are provided as a grant, and 6 mln Euros - as preference credit directed to the development of the apartment building market of Armenia. 29 mln Euros are provided for the reconstruction of the hydro-electric power "Vorotan": one part of it (14,9 mln Euros) is a preference credit and the second part - trade credit (5,95 percent of interest, with 15 years time limit and 4 years of preference period). The mixed interest of the credit is 2 percent, according to the Minister.

14 mln 600 thousand Euros are provided for the reconstruction of the second high-voltage substation of Gyumri, and 20 mln 400 thousand Euros - for the construction of Armenia-Georgia high-voltage power line.

To the question if it is appropriate to build that line, when Georgia stopped to receive electricity from Armenia, Vardan Khachatrian answered that the line would not be built only for the trade of electricity, but for the solution of electricity issues in general.

Rudolf Baldus added that Georgia, in its turn, expressed a wish to build its part of the line. He also announced that the high-voltage power line would be built in the framework of the program "South Caucasus: entrepreneurship".

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