



Project Data Sheet

Project 52168-001

Project Name	Increasing Gender-Inclusive Lending to Micro, Small, and Medium-Sized Enterprises Project			
Project Number	52168-001			
Borrower / Company	Armeconombank OJSC			
Country / Economy	Armenia			
Location	Nation-wide			
Type or Modality of Assistance	3899	Loan	Ordinary capital resources	USD 15.00 million Committed
Operational Priorities	OP1: Addressing remaining poverty and reducing inequalities OP2: Accelerating progress in gender equality			
Sector / Subsector	Finance / Small and medium enterprise finance and leasing			
Gender	Gender equity			
Responsible ADB Department	Private Sector Operations Department			
Responsible ADB Division	Portfolio Management Division, PSOD			
Responsible ADB Officer	Arshad, Basit			
Project Sponsor(s)				
Description	The transaction involves a loan of up to \$15,000,000 to Armeconombank OJSC (AEB) for the Increasing Gender-Inclusive Lending to Micro, Small, and Medium-Sized Enterprises Project in Armenia.			
Objectives and Scope	The project entails the Asian Development Bank (ADB) providing longer-tenor financing to AEB to support AEB's lending operations to micro, small, and medium-sized enterprises (MSMEs) in Armenia, with a focus on areas outside the national capital, Yerevan, and on MSMEs owned by women. By improving access to finance, the project is expected to support the expansion of small businesses and the generation of additional jobs, which in turn will contribute to poverty reduction.			
Status of Development Objectives	In progress. Deal team is coordinating with AEB and PSTS to rectify calculation of outstanding loans (SME and women-led SMEs) in 2020. Once resolved, it is expected that development objectives will be atleast 80% on tracked			
Status of Operation/Construction	Operation loan fully disbursed and repaying. The company is performing well in 2022.			

Linkage to Country/Regional Strategy	AEB's emphasis on lending to segments with high potential for employment and income generation will support inclusive growth. ADB funds will help AEB provide loans to MSMEs to meet their investment needs and support overall growth. The increased focus on lending to MSMEs owned by women delivers the strategic operational priority of increasing women's economic empowerment as articulated in ADB's operational priority 2 (accelerating progress in gender equality). This is consistent with the government's efforts to promote growth and economic diversification, and with ADB's country partnership strategy for Armenia, 2019-2023.
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Safeguard Categories

Environment	FI
Involuntary Resettlement	FI-C
Indigenous Peoples	FI-C

Summary of Environmental and Social Aspects

Environmental Aspects	AEB's social and environmental management policy guides the bank's activities and operations and defines its principles and approach regarding environmental and social assessment procedures. The management responsibilities in upholding this policy are also laid out in the document. The policy commits AEB to the adoption of robust safeguards and management practices, aligned with the practices of international financial institutions, to avoid, minimize, and mitigate adverse environmental and social impacts associated with subprojects.
Involuntary Resettlement	AEB's portfolio includes financial services for trade, food and service, production, agriculture, and tourism. A few transactions of 10,000,20,000 involve transport and communications, while some transactions of 100,000,200,000 involve construction companies. These business activities are unlikely to entail any physical or economic displacement as a result of land acquisition using eminent domain laws, or restrictions of access on lands or natural resources, or any displacement of nontitled users of privately purchased land.
Indigenous Peoples	The project is not expected to generate any impacts on indigenous peoples.
Stakeholder Communication, Participation, and Consultation	AEB's market analysis involves interactions with current and prospective clients to understand their needs and to develop products and outreach activities that will ensure that these needs are met. AEB will need to ensure that its environmental and social management system (ESMS) includes the development of mitigation and management measures through meaningful stakeholder consultation.

Timetable for assistance design, processing and implementation

Concept Clearance	24 Jul 2018
Credit Committee Meeting	17 Jan 2020
Approval	24 Mar 2020
Last PDS Update	04 Oct 2022

