

Productization Capability Modernization Project

The purpose of the project is to create access to affordable financial means for business owners to modernize productization capabilities and promote the import of new technologies to the Republic of Armenia, which will lead to an increase in the competitiveness of manufactured goods and services and an increase in labor productivity.

The target: Business entities operating in the specified fields.

- C "Manufacturing industry"
- B "Mining industry and exploitation of open mines " (except section 7)
- J "Information and Communication"
- F "Construction"
- H "Transportation and storage economy"
- M "Professional, scientific and technical activity"
- P "Education"
- Q "Health care and social services of the population"

Beneficiary: A private commercial organization registered and actually operating in the territory of the Republic of Armenia or an individual entrepreneur with a good credit and tax history.

The form of assistance: Loan/leasing rate subsidy provided by financial organizations operating in the territory of the Republic of Armenia.

Subject of loan/leasing: New (unused) machinery equipment and their components.

Currency: AMD or foreign currency.

Preferential period for repaying the loan/leasing principal amount - Up to 6 months.

Loan/lease repayment period:

| Loan/Leasing Amount Granted | Subsidy Period | Loan/Leasing Period |
|---|------------------|---------------------|
| An amount equivalent to up to 200 million drams | up to 42 months | up to 120 months |
| An amount equivalent to more than 200 million drams | up to 36 months. | |

The maximum subsidized amount of loan/leasing: 1,000,000,000 AMD.

- Preferential conditions: For the entrepreneur who has invested 200 million drams or more in the statutory capital from January 1, 2021 to the moment of submitting the application for support, the subsidized maximum amount of loan/leasing is five times the amount of the investment made in the statutory capital, but no more than 10 billion drams, and in case of lending in foreign currency, the currency equivalent to 5 billion drams.

Loan/leasing rate subsidy amount:

| Purpose | Currency | Amount of subsidy |
|---|------------------|-------------------|
| Device, equipment, component loan | AMD | 8% |
| | Foreign currency | 6% |
| Leasing of devices, equipment, components | AMD | 10% |
| | Foreign currency | 8% |

In order to obtain a loan/leasing within the framework of the project, any business owner who meets the conditions stipulated by the project may submit an application to a financial organization, and, in case of satisfaction, he will be subsidized for the loan/leasing rate, according to the rules established by the project.

Project deadline: December 31, 2023.