

### Information Summary for the Public

<b>Host Country:</b>	Republic of Armenia
<b>Name of Borrower:</b>	Ardshinbank CJSC (“Ardshinbank”)
<b>U.S. Sponsor:</b>	Bankworld, Inc.
<b>Foreign Sponsor:</b>	Mr. Karen Safaryan, the majority owner of Ardshinbank.
<b>Project Description:</b>	To fund the expansion of the bank’s SME lending portfolio.
<b>Total Project Cost:</b>	\$10,300,000
<b>Loan Provided Under OPIC-WorldBusiness Capital Framework Agreement:</b>	\$10,000,000
<b>Developmental Effects:</b>	<p>The Project is expected to have a highly developmental impact on the host country. Armenia has seen rapid progress in its investment environment, coming in 35th in the World Bank’s Ease of Doing Business ranking of 2015. However, constraints to SMEs continue to cause bottlenecks in the country’s economic growth. As of 2013, only 31% of small firms in Armenia had bank loans or a line of credit while a little over half of medium firms in Armenia holding bank loans or a line of credit. In recognition of this problem, part of the recent USAID Country Development Strategy for Armenia aims at increasing access to finance and supporting SMEs. The Armenian government has committed to increasing the share of SMEs in the overall GDP from 28% to 40% according to its 2015 SME Development Strategy.</p>
<b>Environment:</b>	<p>The Project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Loans from OPIC on-lending facilities to commercial banks for SME portfolio expansion are considered</p>

	<p>financial transactions and are screened as Category C projects under OPIC's environmental and social guidelines. The Project's activities are not vulnerable to climate change and therefore a climate change resilience assessment is not needed. Environmental, health, safety and social impacts are minimal. However, in order to insure that the Borrower's loans are consistent with OPIC's statutory and policy requirements those loans under OPIC's guaranty will be subject to conditions regarding use of proceeds.</p>
<p><b>U.S. Economic Impact:</b></p>	<p>The project is not expected to have a negative impact on the U.S. economy. Operational U.S. procurement associated with the project is expected to have a small, but positive, impact on U.S. employment. The project is expected to have a negative five-year U.S. balance of payments impact.</p>
<p><b>Workers Rights:</b></p>	<p>OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining. Standard and supplemental contract language will be applied to all workers of the Project. The Project will be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions. Loans to SMEs will be restricted with respect to the borrowers' operations, including the employment of minors and other applicable labor laws.</p> <p>The Project has a screening process for customer loan proposals against its environmental and social standards, including prohibitions on forced and child labor. The Project will be required to develop and implement a worker grievance mechanism and, equal opportunity/non-discrimination policy.</p>
<p><b>Human Rights:</b></p>	<p>OPIC issued a Human Rights clearance for</p>

	this Project on April 19, 2016.
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