

ARMSWISSBANK | Private sector-led climate interventions

GCF REGIONAL DIALOGUE

with EASTERN EUROPE & CENTRAL ASIA



Republic of Armenia | Climate challenges

- ❖ Highly vulnerable to climate changes countries
- ❖ Frequent extreme weather events
- ❖ Most vulnerable sectors are : agriculture, human health, water, forestry, transport & energy

Republic of Armenia is committed to a stronger integration into the global agenda on climate change and joins global efforts



Republic of Armenia | most vulnerable sectors



Water resources



Agriculture



Hydro Energy



Natural ecosystem



Human health



Tourism

Republic of Armenia | Projects with GCF

FP225

CROSS-CUTTING

MULTIPLE COUNTRIES

E-Mobility Program

SAP014

CROSS-CUTTING

ARMENIA

Forest resilience of Armenia,
enhancing adaptation and rural
green growth via mitigation

FP140

MITIGATION

MULTIPLE COUNTRIES

High Impact Programme for the
Corporate Sector

FP086

CROSS-CUTTING

MULTIPLE COUNTRIES

Green Cities Facility

FP025

CROSS-CUTTING

MULTIPLE COUNTRIES

GCF-EBRD SEFF Co-financing
Programme


FP010

MITIGATION

ARMENIA

De-Risking and Scaling-up
Investment in Energy Efficient
Building Retrofits

ARMSWISSBANK | who we are?



Our way to a more sustainable future ...

The name “ARMSWISSBANK” stands for innovative, customer-centric and tailor-made corporate banking services in Armenia for almost 20 years. This brochure is a short summary of the activities of ARMSWISSBANK in the area of Sustainable development.

Sustainability has become a top priority in the twenty-first century. The concept is about social development towards awareness of fair treatment of our environment, which is also important for future generations. ARMSWISSBANK is known for its focus on ethical and sustainable finance, investing in projects and organizations with a positive social, environmental and cultural impact. This includes funding for renewable energy, waste management, resource efficiency and trade initiatives.

We have a strong commitment becoming the leader in promoting environmental and social sustainability in the financial sector of Armenia. Extremely hard on our sustainability strategy and our efforts are paying off.

But we're not done yet... To demonstrate our commitment to people and our planet, with support from our partner Multilateral Development Banks we're now upgrading our business strategy and internal procedures covering the following focus areas: Environment, Society, Resources management, as well as Community.

We support green energy transformation ...

Energy is at the heart of the climate challenge – and key to the solution. A large chunk of the greenhouse gases that blanket the Earth and trap the sun's heat is generated through energy production, by burning fossil fuels to generate electricity and heat.

ARMSWISSBANK finances investment projects in the renewable energy sector almost 15 years reduces reliance on fossil fuels and promotes alternative sources of energy that are clean, accessible, affordable, sustainable, and reliable. In just 5 years we transformed more, than 170 businesses from fossil fuel-dependence on renewable energy.

In partnership with several Multilateral Development Funds ARMSWISSBANK financed projects in the renewable energy sector with a total installed capacity of up to 200MWt, out of which almost 120 Mwt are Solar PV stations. The expertise of our employees, flexible and client-oriented approach towards financing such projects made ARMSWISSBANK one of the leaders in the sector. We cover almost 40% of the industrial scale Solar PV station portfolio in Armenia.



“Sharosolar” LLC is one of the first companies, that invested in industrial scale Solar PV stations. With the support of ARMSWISSBANK, the company founded 12MWt capacity Solar PV stations, which is an exemplary one. The company used cutting-edge technologies for these stations from leading producers. ARMSWISSBANK channeled favorable terms funding from German-Armenian fund (KfW Bank program) for these projects. “Sharosolar” LLC produces 21,600,000 Kwt of clean energy every year, which is equivalent to saving 15,310 tons of GHG emissions.

The success story of “SHARO SOLAR” LLC



ARMSWISSBANK | our experience

Saving energy for future sustainability ...

While renewable energy technologies also help accomplish the objectives of climate change mitigation, improving energy efficiency is the cheapest and often the most immediate way to reduce the use of fossil fuels.

There are enormous opportunities for efficiency improvements in every sector of the economy, whether it is buildings, transportation, industry or energy generation. Saving energy reduces air and water pollution and conserves natural resources, which in turn creates a healthier living environment for people everywhere.

Having a significant share of the corporate and SME portfolio, ARMSWISSBANK financed scalable projects for improving energy efficiency in business. This is a continuous process. The Bank has the internal capacity for the assessment and feasibility study of the energy efficiency of each project.

Our internal energy auditor provides opinions on energy efficiency in a frame of different projects of ARMSWISSBANK, including projects financed by Multilateral Development Banks.



ARMSWISSBANK is an active Partner Financial Institution in the frame of such programs, such as “EBRD GEFF Armenia”, “GAF Energy Efficiency Programme for MSMEs”, etc...

“Yerevan Chocolate Factory” CJSC is one of the best examples of transformation to energy-efficient technologies. With support of ARMSWISSBANK, this company significantly upgraded the efficiency of production, increased capacity and quality of products.



The Success Story of “Yerevan
Chocolate Factory” CJSC

ARMSWISSBANK | our experience

Greening the buildings...

As a style of living and cultural form, cities are on the up. For the first time, over half of the world's population today lives in cities and the trend of urbanization continues, particularly in emerging and developing countries, but also in highly developed industrial nations. This means that the city as a living space must become more diverse, more interconnected, more ecological, more liveable and in every respect more sustainable.

Financing of residential and commercial construction projects are one of our key areas. Research and statistics show, that a major part of GHG emissions come from buildings. As a preventive measure, we at ARMSWISSBANK encourage our developers to construct energy-efficient buildings.

Better buildings are more attractive to business owners and occupants of environmental benefits, improved comfort, higher efficiency and less waste, and lower operating costs which also positively impacts occupancy levels.

One of these projects is the "Luyser" residential complex. The residential complex is named "Luyser" (Luyser means Lights in Armenian) due to its bright and spacious apartments with lots of natural light. It has almost 600 apartments, which are energy efficient. "Luyser" residential complex received a passport of Energy Efficiency in the frame of UNDP program.

More details below....

The Success Story of "LUYSER" CJSC



ARMSWISSBANK | our experience

Modernizing agriculture to make the best use of non-renewable resources...

There is a concentrated effort to modernize the agriculture industry and data-driven weather intelligence is the key to sustainability. Managing the decision-making processes of farming have always been complex because there are so many different limiting factors that aren't within a farmer's control. The weather itself is chief among them... Sustainable agriculture is farming in such a way to protect the environment, to aid and expand natural resources and to make the best use of non-renewable resources.

Traditional farming is not a focus sector for ARMSWISSBANK, and we finance only smart agricultural projects. State subsidy programs accelerated the development of modern agriculture in Armenia. A significant number of smart orchards with drip irrigation systems, anti-hail nets and reservoirs, as well as modern greenhouses were founded during the past several years.

ARMSWISSBANK is one of the leading partner financial institution in the frame of these State subsidy programs. One of our remarkable projects is "AR Vines" LLC. This is one of the best examples of doing sustainable agricultural project and creating value chain in this sector.



With the support of ARMSWISSBANK, "AR Vines" LLC established 200 ha of intensive orchards of pistachio. The trees are irrigated by drip irrigation systems, and in frame of this project two huge reservoirs were constructed. "AR Vines" LLC founded the orchards in Armavir and Aragatsotn regions, created significant workplaces for women leaving in regions and is also one of the main buyers of agriculture goods from villagers.

Success story of "AR VINES" LLC



Addressing and managing waste ...



Office buildings, schools, stores, hotels, restaurants and other commercial and institutional buildings generate significant amounts of materials and waste. Materials and wastes often an overlooked opportunity to improve an organization's sustainability, prevent greenhouse gas emissions and reduce costs. Recycling is more than extending the life of landfills. It is about making the best use of the resources we have available and conserving those resources for future generations. It is about conserving water, energy, land and raw materials.

At ARMSWISSBANK we manage waste and use recyclable products. In particular

- we have shifted to paperless working mode and use as few papers as possible,
- at office we use pens and cups from recyclable materials
- packaging is also used from recycled papers
- at the end of the day we accumulate paper waste and pass it to relevant companies for re-use.

We promote investment projects, which have a waste management component in their activity. "ARTIK SHPP" LLC bought an old building of textile production in 2016 and invested over 4mln USD in the creation of a cotton spinning mill in the city of Maralik, Shirak region of Armenia.

In particular the factory produces cotton spinning mill from the waste of other productions (i.e. re-uses the material) and as a final product they produce cotton ropes, sheets, gloves, socks and towels. Apart from having a high level of waste management, this company uses renewable energy from solar PV plants installed on the roof of the factory (1MWt capacity).

This factory was financed and upgraded by ARMSWISSBANK.

More information below:

The Success Story of "ARTIK SHPP" LLC



Capacity building: our achievements and commitments....



Capacity building develops competencies and skills that can make our performance more effective and sustainable, thus increasing the potential of outcome. Knowledge is the key to success.

The future-oriented approach of ARMSWISSBANK constantly places new requirements on employees and partners. Continuous development is therefore essential in order to survive and thrive in a competitive market. This is the only way to enable processes to be tailored even more precisely to market, partners and customers. Consequently, ARMSWISSBANK offers a range of options for enhancing personal and professional skills.

One of our most scalable initiatives in the capacity building area was “Scaling up green finance practices in Armenia” readiness project. This was a strategic frameworks support for Armenia through ARMSWISSBANK, which was financed by Green Climate Fund. ARMSWISSBANK acted as a Delivery partner in this project and successfully completed in October, 2022.

The project was aimed at designing Green Finance Roadmap, as a key political document outlining current state, existing barriers to green finance development and establishing a comprehensive vision for green finance strategy contributing to implementation of Armenia’s NDCs and the Paris Agreement. The Roadmap’s goal is to scale up green finance by summing up the recommendations from all activities and outcomes of the Project, including the current situational stock-taking, best practices review, legal framework analysis, “green finance” manual preparation, private sector engagement and institutionalization of E&S approach in the financial sector.

Apart from the presented project, ARMSWISSBANK provides knowledge and experience-sharing seminars, training for its clients and employees. Our employees get online and offline thematic training, which helps them to scale up skills and knowledge.

ARMSWISSBANK | Proposed project under CP

Volume of the project	48,000,000 USD
Funding from GCF	40,000,000 USD
Contribution from ARMSWISSBANK	8,000,000 USD
Target sectors under facility	Energy access and power generation
	Low emission transport
	Green buildings
Duration for allocation	Up to 2 years
Breakdown of projects	Solar PV projects for up to 40 autonomous producers 15 MWt
	9 industrial scale Solar PV Plants 30 MWts
	Up to 100 electric vehicles
	Energy efficient residential buildings up to 500 apartments
	Upgrade of energy efficiency up to 35 entities

ARMSWISSBANK | Impacts

Up to 31,000
tons of avoided
CO2 annually

Raised
awareness

Shift from fuel
and gas to
clean energy

Mitigation of
climate change

Capacity
building

Exemplary
project for
future
development