Responding to the Coronavirus Crisis
Update on Armenia (13/05/20)

**EBRD Policy Comparator**

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**Economic channels of disruption**

**Private consumption, commodity prices, remittances, tourism**
- Virus containment measures would hurt Armenia’s tourism sector, which is largely dependent on visits from diaspora.
- Likely drop in money transfers from abroad (roughly half of transfers are from Russia) will impact households’ disposable incomes.
- Low commodity prices will affect the economy directly via a decrease in exports of mining products, and indirectly through economic links with Russia.

**Crisis response measures to date**

Support for vulnerable population and businesses, particularly agriculture
- Total package of US$ 300 million (2.2% of GDP) announced.
- Support to companies operating in strongly impacted sectors and companies in the agriculture sector with subsidised loans for a specific purpose such as to pay salaries or taxes, or to finance raw materials or equipment.
- Postponement of mortgage loan repayments for 6 months, ban on turning off utilities in case of delayed payment, one-off support for families with minor children whose parents are laid off due to covid-19, and increased spending on healthcare as core social support measures.

**Selected crisis impact indicators**

**EBRD GDP growth outlook (May 2020)**
2020: -3.5%
2021: 5.5%

**Indicator of economic activity**
March 2020: -4.9% y/y

**Money transfers from abroad**
March 2020: -10.8%

**Goods exports**
March: -17.4% y/y

**Key short-term priorities**
Provide liquidity to the economy, particularly SMEs, and revenue support to vulnerable workers and other individuals.

To learn more about EBRD’s support to Armenia: [https://www.ebrd.com/armenia.html](https://www.ebrd.com/armenia.html)

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