
EIB Global signs €236 million loan to finance construction of Sisian-Kajaran road

2024/11/29 09:42 στην κατηγορία INTERNATIONAL

The European Investment Bank's global arm (EIB Global) has signed a loan of up to €236 million with Armenia to co-finance the construction of the Sisian-Kajaran road, a crucial segment of the north-south transport corridor.

This project is set to become a gamechanger for Armenia and the South Caucasus region, significantly improving transport connectivity between the European Union, Middle East and Asia.

This climate-resilient piece of infrastructure will contribute to climate change mitigation by reducing travel distances, vehicle operating costs and road accidents. Enhanced road safety is another key feature of the project, which will offer safer and faster routes for travellers and goods. The project will facilitate access to both domestic and international markets, and contribute to the sustainable socioeconomic development of the less well-connected Syunik province in the south of the country.

“This transformative project will become a major artery in the region's transport network, providing Armenia with better access to global markets and helping to shape a more interconnected, resilient future,” said EIB Vice-President Teresa Czerwińska, who is responsible for EIB operations in Armenia. “This is the largest ever finance contract between the EIB and Armenia. We are pleased to be supporting this project that will promote sustainability, boost economic resilience and strengthen connectivity between Europe, Asia and the Middle East.”

Head of the EU Delegation to Armenia Ambassador Vassilis Maragos said, “This project is another example of Team Europe support under the EU's Economic and Investment Plan (EIP) for Armenia. Further mobilisation of funding under the EIP for sustainable investments with due care of climate change and road safety targets will be key as we prepare the ambitious new EU-Armenia Partnership Agenda”.

Republic of Armenia Minister of Finance Vahe Hovhannisyan said, “Construction of the Sisian-Kajaran road will be a major boost to Armenia’s economic growth, strengthen both regional and international connectivity, improve transportation safety and efficiency, and play a crucial part in the country’s broader infrastructure development objectives.”

Republic of Armenia Deputy Prime Minister Mher Grigoryan expressed his “gratitude to the EIB for its participation in the construction of the Sisian-Kajaran road. This road is an integral part of the Government of Armenia’s Crossroads of Peace Project, which aims to ensure sustainable connectivity and, consequently, cooperation and stability in the wider region”.

As a flagship project of the EU Global Gateway initiative and the EU Economic and Investment Plan for the Eastern Partnership, the construction of the Sisian-Kajaran road will bolster economic growth, regional security and environmental resilience. It will also be a key link in the Trans-European Transport Network corridor.

(EIB)