



Millennium Challenge Account - Armenia

From Classroom To Adoption Through Credit

Gagik Babakhanyan owns a 470 square meter glass greenhouse in the Geghanist community, which is not very far from the capital, Yerevan. His big family – mother, wife and three sons, one of them married – lives in a large house and is fully engaged in farming. Gagik's desire to have more crops and better profit made him turn to MCA-Armenia for an AMD 6 million loan to enlarge the greenhouse by an additional 200 square meters, to renovate the heating and ventilation systems and replace the glass. Gagik Babakhanyan is well aware of all the possibilities of cooperation with the MCA-Armenia program. He is among those first farmers who participated in Water-to-Market trainings, who installed drip irrigation system in his greenhouse, who cooperated with ACDI/VOCA and started to experiment with non-traditional vegetables such as broccoli, kohlrabi, and sweet corn. Now he is trying to shift to an organic production.

“I am very much interested in the MCA-Armenia program and what it offers to a farmer. Nowadays agriculture is rapidly developing and I have to watch out if I want to get more profit. We are a big family and all of us are working hard for better yield and income.”,- says Gagik.

Gagik got his loan 3 months ago for 10 percent interest rate from Converse Bank, one of the financial organizations selected for the first year of the credit program. Soon he will finish the renovation works and intends to make full use of the enlarged greenhouse and the new heating system starting this winter. This time he will plant tomatoes and cucumbers in January, instead of late February, as he used to. He will be able to harvest in early spring and sell it for a higher price, say at AMD 1000 per kilo instead of AMD 600 per kilo. “So this year, I



*The whole family is taking care of the garden:
father and son working in the greenhouse*



Renovation of the greenhouse is ongoing

expect that my profit will be much higher as compared with past years”, he says.

Currently, MCA-Armenia has around 125 stakeholders for agricultural credits component and has already disbursed \$1.5 million. Loans are mainly directed to gardening, upgrading greenhouses, machine and irrigation technologies, acquiring new seeds and seedlings, purchasing agricultural machinery, cattle breeding and processing.