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Farm Credit Armenia UCO CC



NEWSLETTER

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Issue 3

Cooperation for the benefit of all



Training on Risk Management for Board and Management Team

From June 30 to August 1, “Farm Credit Armenia” UCO CC by the support of USDA hosted trainers from the US who conducted training on risk management for FCA Board of Directors and



management team, among them professor from Texas A&M University Dr. John Penson and Chief Risk Officer of Opportunity International Lynn Exton.

The topics of the training covered principals of risk management; particularly they disclosed the topics related risk assessment, risk appetite, risk matrix, as well as the importance of stress testing. They also emphasized the role of internal audit and discussed about the functions of Audit committee. The training was the combination of a theory

and the best practice, which was advised to adopt at FCA. A case study on Starbank entitled “Audit committee and failed internal controls” was also the practice part of the organized training. The trainings were very informative, useful and necessary both for Board members and management team in the field of risk management and will contribute to better organizing Audit committee works and manage the possible risks.

FCA branch expansion

“Farm Credit Armenia” is the only financial cooperative in Armenia, providing accessible financial services in RA regions. Farmers and rural residents are our clients, who are also our member-shareholders. In 2011 FCA started its branch expansion strategy and opened first branch in Armavir marz. Recently FCA opened a representative office in Masis city, Ararat marz taking into consideration the fact that more than 400



member-borrowers are from that region, totaling the loan portfolio 875 mln AMD and 13 tractors leased. The representative office gives an opportunity to be close to customers for better understanding their needs, to be convenient for meeting them, and also it is a kind of marketing. Later on we will transform it into a branch. FCA experience shows that opening branches and representative offices in regions is justified and contributes to the growth of the organization.

Success story of our member-borrower



Henrik Yevreyan from Hovtashat village, Ararat region is one of the successful borrowers of “Farm Credit Armenia” UCO CC, who enlarged his business with the financial recourses received by FCA. Mr. Yevreyan is engaged in fish breeding activities, mainly trout breeding. He breeds fish starting from caviar that obtains from importing firms. He implements wholesale trade of fish. He started his operations in 2008 when he acquired 4400 sq.m. land together with his cousin and started fish ponds building

operations. With the first two loans issued by FCA in 2011 he drilled artesian water wells, acquired fish fodder, water counter device, build a pipeline in order to distribute water to his fish ponds. With the third loan by FCA in 2012 he acquired 3200 sq.m. land and enlarged the territory of fish ponds which at present time comprises 7600 sq.m. The volume of sales were increased 10 times as of 2011 and now it is 3 times more than in 2011. Henrik Yevreyan is a vivid example of successful fish breeders in Armenia and he insures that FCA has contributed to his success and progress of his business activities.



On September 18 FCA is celebrating its 5th anniversary

Farm Credit Armenia UCO CC



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