

# EU4Business

# Annual Report

EU Support to Micro-, Small and Medium Business  
in the Eastern Partnership



# Table of Contents

## Commissioner's Foreword.....03

## Introducing EU4Business .....04

Welcome to the New Look Report .....	05
EU4Business Initiative: How EU supports SMEs in the EaP.....	06
<b>Article:</b> New initiatives and new opportunities .....	10
EU4Business Portfolio in 2023.....	11
Overview by type of intervention.....	14
<b>Article:</b> Benefits of EU enlargement for micro, small and medium businesses .....	19

## EU4Business Results .....21

EU4Business Results in 2023.....	22
----------------------------------	----

## Results by Key Instruments.....26

### Results in Access to Finance .....27

<b>Article:</b> Women lead the way in business.....	30
<b>Article:</b> Innovative approaches to financing the private sector.....	32

### Results in Business Development Services .....34

<b>Article:</b> Greening businesses.....	37
<b>Article:</b> Digitalisation as a tool to boost business.....	38

### Results in Business Enabling Environment .....40

<b>Article:</b> Understanding and strengthening the SME Policy Framework .....	43
<b>Article:</b> Do IP rights benefit businesses in Georgia, Moldova and Ukraine?.....	44

## Visibility .....47

Annex 1: List of projects 2023.....	48
Annex 2: EU4Business Partners.....	52

# Foreword



Olivér Várhelyi

Member of the European Commission, European Neighbourhood and Enlargement



2023 proved challenging for the Eastern Partnership countries, marked by continued geo-political developments, economic uncertainty, and rising energy and food costs. The ongoing Russian war of aggression against Ukraine continued disrupting the movement of people, goods, and capital, along with causing direct and lasting damage.

Amidst the challenges, the Eastern Partnership countries have also seen positive developments. Ukraine, Moldova, and Georgia are working on their EU paths, and the EU and Armenia are committed to strengthening relations. Azerbaijan's upcoming hosting of the COP29 from 11 to 22 November 2024 is a testament to the region's potential.

The developments, coupled with the EU's support through initiatives like **EU4Business**, have created a **greater level playing field for businesses, increased transparency, and improved governance**.

The EU's holistic and proactive approach addresses various business needs, **aiding digital and green transitions, promoting trade** between Eastern Partnership countries and the EU, **easing access to finance** for MSMEs, and **supporting the economic empowerment of women**.

Remarkably, two out of five EU-supported SMEs in Eastern Partnership are owned or managed by women, a level comparable to or, in some cases, exceeding EU averages. EU-supported SMEs demonstrated performances well above their national averages, with an increase of 20% in turnover, 12% in exports, and 14% in employment.

Additionally, the EU introduced new instruments such as guarantees, blending, and initial steps in equity investment.

In 2023, the EU continued to deliver on the **Economic Investment Plan** for the Eastern Partnership, **mobilizing EUR 3.2 billion in public and private investments and bringing the total to EUR 10.5 billion**.

In this year's edition of our EU4Business report, we also look back at the long-term trends in the deployment of EU support to the private sector in the region. Evidence indicates that our partners have largely recovered from the COVID-19 pandemic and are also able to mitigate the impacts of conflict.

The EU's commitment to supporting the private sector is demonstrated by budgets that have almost tripled since 2017, by the fact that the number of projects and programmes has also increased nearly threefold since pre-COVID, and that our network of partnerships through which we implement these activities has more than doubled.

All of this is reflected in the fact that the EU now assists about one in ten MSMEs in the Eastern Partnership and that well **over half a million jobs have been sustained or created**.

With the launch of new initiatives, such as the **Ukraine Facility**, the **Resilience and Growth Plan for Armenia**, the **partnership with Azerbaijan on energy and connectivity**, and support on the **EU accession path**, the EU's commitment to the region is unwavering. This dedication ensures that the region will continue to grow and produce the results envisaged in the Economic and Investment Plan.

This is a dedicated and long-term partnership that works, providing a solid foundation for the future.

# Introducing EU4Business



## Welcome to the New Look Report

Welcome to the latest report on the results of the projects and programmes financed by the EU in support of the private sector, and specifically for micro-, small and medium businesses (MSMEs) under the EU4Business Initiative.

The following is new for this report:



### Title

The title has been changed to more accurately reflect the contents. As we report each year on the results for the previous calendar year, the name has changed from EU4Business Annual Report (year when report prepared) to EU Support to Micro-, Small and Medium Business in the Eastern Partnership in 2023. This and all future reports will be named after the year to which the results data relates, and not to the year of publication.



### Annexes

Annexes list all the programmes and projects funded under the EU4Business umbrella and include details of the implementing partners. You will also find cross-references to some of the key programmes and projects in the thematic articles and elsewhere in this report.



### Thematic articles

Previous reports dealt only with the results of projects and programmes that fell within the EU4Business Initiative. This year, we introduce thematic articles that are of interest or relevance to policy partners, business support organisations and MSMEs themselves outside this narrow definition. There are summaries on the following subjects:

- Changes in the policy context and new measures introduced by the EU that will impact MSMEs;
- How MSMEs will gain from enlargement and alignment: lessons from the past and the hopes of business for the future;
- Women leading in business;
- The green roots of business;
- How guarantees ease financing for SMEs;
- Digitalisation as a tool to boost business;
- Innovation and MSMEs;
- Reform of the business enabling environment – performance to date as analysed by OECD
- Boosting growth and innovation thanks to Intellectual Property rights – a new area of EU support.



### Websites

This report also introduces the new and revamped websites developed by the EU4Business Facility and key visibility platforms. Please go to [www.eu4business.eu](http://www.eu4business.eu) to access a wealth of country data, success stories and links to past and upcoming events.



# EU4Business Initiative: How EU supports SMEs in the EaP

Small and medium-sized enterprises (SMEs) in the Eastern Partnership region have the potential to create jobs and drive economic growth. Obstacles such as limited access to finance, burdensome legislation and difficulties entering new markets are hindering their progress.

The European Union's EU4Business Initiative ultimately serves SMEs as the beneficiaries of EU support in the Eastern Partnership countries –

- Armenia 
- Azerbaijan 
- Georgia 
- Moldova 
- Ukraine 



EU4Business supports SMEs by

Improving access to finance

Upgrading services to business

Promoting better business regulations

## Access to Finance (A2F):

- concessionary loans via national banks
- micro financing for household businesses
- small grants to SMEs
- training staff at national banks to better serve SMEs
- training SMEs in financial literacy

## Business Development Services (BDS):

- providing direct advice and training to SMEs
- training and capacity-building among national business support organisations (BSOs)
- establishing business incubators for start-ups
- developing business clusters for mutual support and development
- supporting governments in identifying new markets
- building capacities at export support organisations

## Business Enabling Environment (BEE):

- promoting regulatory reform and best practice
- building capacity amongst policy makers and regulators
- encouraging public-private dialogue
- informing business about reform processes and rules/procedures

# Policy Background and the 2023 State of Play



The resulting Joint Communication "Eastern Partnership Policy beyond 2020: Reinforcing Resilience - an Eastern Partnership that delivers for all" (March 2020) and Council Conclusions of May 2020 set out a new vision for the partnership. This communication underpinned the Economic Investment Plan (EIP) for the Eastern Partnership that commenced in 2021. This envisaged a budget contribution from the EU of €2.3 billion which could be used to leverage up to €17 billion in public and private investments.

## The EIP has the following objectives:

1. Enhanced transport connectivity.
2. Access to finance for Small and Medium Sized Enterprises.
3. Investments in equity to strengthen competitiveness and integration into EU value chains.
4. Support to the digital transition.
5. Health resilience and human capital development.
6. Investment in environment and climate resilience, including energy efficiency.

## The EU4Business Initiative projects and programmes

directly contribute

directly contribute

contribute with support

contribute with support

a possible positive impact

green business is involved

In partnership with international financial institutions (IFIs) the EU and its member states EIP related measures will, among others:

Provide at least

€1

billion of local currency financing for SMEs;

Support

500,000

SMEs (20% of all SMEs in the region);

Invest

€500

million of equity to help SMEs

Create quality jobs

Develop a specific programme for women in business

Support structural reforms

# Key results 2023

**€130.7 million**

was disbursed in 2023 to support SME growth in the Eastern Partnership

**€1.4 billion**

of loans were triggered in 2023, including the start of loans in local currency.

A series of instruments to facilitate financing was in place, reducing risks for the IFIs and the cost of borrowing for SMEs, whilst at the same time enhancing the capacity of PFIs acting as intermediaries between the IFIs and the SMEs.

On average, just under 80,000 SMEs per year are being supported by the EU in the currently five countries who are partners for the initiative. In 2023, the figure was

**67,264**

SMEs supported,

as there was a greater concentration on larger SMEs in this year.



Actions are gender sensitive, with

**42.5%**

of the supported SMEs owned or managed by women.



**79,931**

new jobs were created in 2023



There are more than

**543,961**

retained jobs

in supported SMEs at the end of 2023. This figure was negatively impacted by mobilisation and conflict.



## Equity contributions

have begun, starting with Armenia, but in addition, many SMEs receive grants, rather than loans, for their development.



## Structural reforms

are being implemented in terms of a better policy and regulatory environment, based on enhancement of capacity of the state regulatory bodies.



## Furthermore, reforms are more sensitive to SME needs

as a result of the extensive activities in the field of public-private dialogue.

## The overall value of the EU4Business Initiative is readily demonstrated by the turnover/income of supported SMEs.



At the end of 2023, the turnover of EU-supported SMEs was

**€8.2 billion**

in spite of economic shrinkage caused by conflicts in the region.



The increase in SMEs' turnover was

**€795.0 million**

**10.7%** ↑



Value of exports for supported SMEs was

**€1.1**

billion



Volume of export increased by

**2.6%** ↑



**1,262**

new exporters

engaged in exporting activities.



In addition, there will be added benefits for SMEs from the two new initiatives for in the form of the Resilience and Growth Plan for Armenia and The Ukraine Facility. Further details of these important interventions are given later in this report.



# New initiatives and new opportunities

In response to crises and conflicts, the EU has launched new initiatives in support of two partner countries: Armenia and Ukraine.

To help Ukraine in its recovery, reconstruction and modernisation efforts, the European Union has launched a new support mechanism for the years 2024 to 2027. Called the Ukraine Facility, it is a dedicated instrument which will allow the EU to provide Ukraine with up to EUR 50 billion in stable and predictable financial support over this three-year period. This financing is to support reconstruction, to ensure that essential services are delivered, to address the social consequences of the war, to stimulate private investment and to prepare Ukraine for EU accession.

## The Investment Facility will benefit businesses, including larger SMEs, as follows:

- It will establish a specific framework to scale up **investment in Ukraine's recovery and reconstruction**;
- To achieve this, the framework will enable investors to take advantage of **EU budget guarantees and a blend of grants and loans** from public and private institutions which will make investing in Ukraine more attractive;
- The Ukraine Investment Framework is equipped with **EUR 9.3 billion in guarantees and grants**. It is expected to mobilise up to **EUR 40 billion in public and private investments in Ukraine** over the coming years.

## The recent timeline of the facility's launch:

<b>6 February 2024</b>	The European Parliament and the EU Council reach a political agreement on the Ukraine Facility
<b>15 April 2024</b>	The Commission endorses the Ukraine Plan, a comprehensive reform and investment strategy for Ukraine for the next four years
<b>18 April 2024</b>	The EU sets up the Ukraine Investment Framework to boost investments for the recovery and reconstruction of the country
<b>24 April 2024</b>	The Commission disburses the second instalment of exceptional bridge financing to Ukraine under the Ukraine Facility, amounting to EUR 1.5 billion
<b>11 June 2024</b>	The EU signs new guarantee agreements to support Ukraine's recovery and reconstruction. The agreements, announced during the 2024 Ukraine Recovery Conference in Berlin, comprised EUR 1.4 billion in guarantees and grants, and are the first signed under the Ukraine Facility's Investment Framework
<b>28 June 2024</b>	The Commission disburses an additional EUR 1.9 billion to Ukraine in pre-financing under the Ukraine Facility, bringing the total EU support already transferred to Ukraine under the facility to EUR 7.9 billion.

### Areas that will clearly be of benefit to the MSME demographic are:

- Support reforms and investments in **skills and employment**;
- Support Armenia's **energy diversification and security** with more investments in renewables and a stronger transmission network with Georgia;
- Mobilise investments in **transport infrastructure** to develop Armenia's role as a logistics and transport hub in the region;
- Invest in **business development**;
- Contribute to Armenia's **diversification of exports** and support the promotion of Armenian exports.

# EU4Business Portfolio in 2023

**€986.9 million**

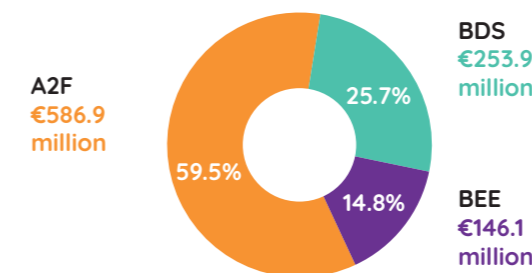
total Budget of EU support to SMEs in the Eastern Partnership countries in 2023

**114**

projects provided support to SMEs in 2023

A slight increase over the total of 110 in 2022

## Breakdown by Intervention

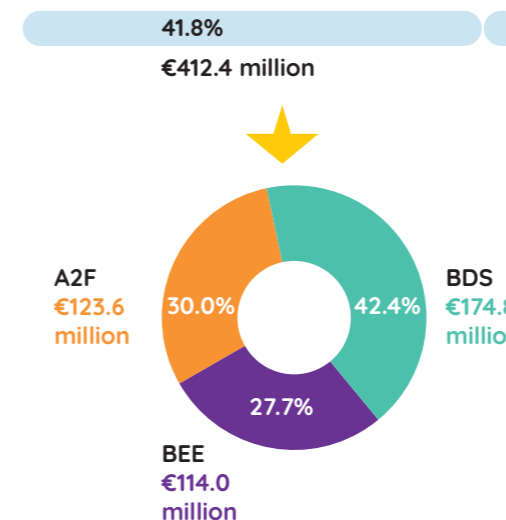


Access to finance remained the dominant pillar. MSMEs took advantage of all financial instruments, backed up by extensive consultancy services. The business enabling environment was critical for overall conditions for the MSME demographic, whilst in three of the partner countries, issues of future EU accession were becoming more apparent.

## Breakdown by regional/bilateral projects

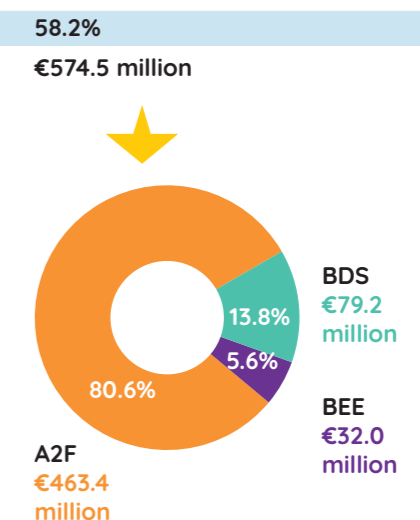
### Breakdown of Active Bilateral Projects by Intervention in 2023

(% total value of budgets)



### Breakdown of Active Regional Projects by Intervention in 2023

(% total value of budgets)



Regional projects included many of the key financial support mechanisms: these are long-term programmes that run in many cases beyond 2030.

## Country portfolios

**Armenia**

37 projects provided support to SMEs in 2023

Total value of EU support to SMEs in Armenia in 2023

**€169.2 million**

A2F €107.2 million  
BDS €48.3 million  
BEE €13.7 million

Finance accounted for almost two thirds of support in Armenia. This partner country is particularly notable for the fact that it includes support to equity operations with small companies.

**Azerbaijan**

31 projects provided support to SMEs in 2023

Total value of EU support to SMEs in Azerbaijan in 2023

**€111.6 million**

A2F €72.4 million  
BDS €24.4 million  
BEE €14.9 million

For both Azerbaijan and Armenia, the operating environment was impacted by Nagorno-Karabakh war.

**Georgia**

50 projects provided support to SMEs in 2023

Total value of EU support to SMEs in Georgia in 2023

**€308.4 million**

A2F €181.5 million  
BDS €75.8 million  
BEE €51.1 million

Georgia remained one of the top two partners in terms of the extent and financing of support through EU4Business. It also has a pole position given recent developments in the field of accession to the EU.

**Moldova**

37 projects provided support to SMEs in 2023

Total value of EU support to SMEs in Moldova in 2023

**€156.6 million**

A2F €84.0 million  
BDS €52.9 million  
BEE €19.7 million

EU4Business support for Moldova remained robust, as did general performance, although this partner country is caught up in the fall-out from the Russia's invasion of Ukraine. Nonetheless, the EU maintains a strong commitment to the economic development of this future member state.

**Ukraine**

46 projects provided support to SMEs in 2023

Total value of EU support to SMEs in Ukraine in 2023

**€241.2 million**

A2F €141.9 million  
BDS €52.6 million  
BEE €46.7 million

Ukraine is a key partner for the EU beyond the remit of the EU4Business Initiative, but activities and results naturally reflect the impact of the Russia's aggression. EU4Business helps mitigate the strongly negative impact of the war.

The sum of projects per country is not equal to the number of projects in EaP (114) because the regional projects are active in more than one country.

## Success stories



### EU4Business and Eurochambres help bring Georgian wine-stone jewellery to the world

Wine Diamond makes brooches, rings, earrings, and other types of jewellery using wine crystals, giving immortality to each year's vintage. The wine stone's colour mirrors that of the wine itself. For example, Rkatsiteli white wine exhibits a yellowish hue, while Saperavi red boasts a deep purple tone.

Wine Diamond products are now reaching beyond Georgia's borders with the help of a EU4Business: Connecting Companies (EU4BCC) project implemented by Eurochambres. In May 2023, Tamar Abuladze participated in an exchange programme to Italy, where she was hosted by the renowned wine critic Carmelo Sgandurra. During her stay, Abuladze collaborated

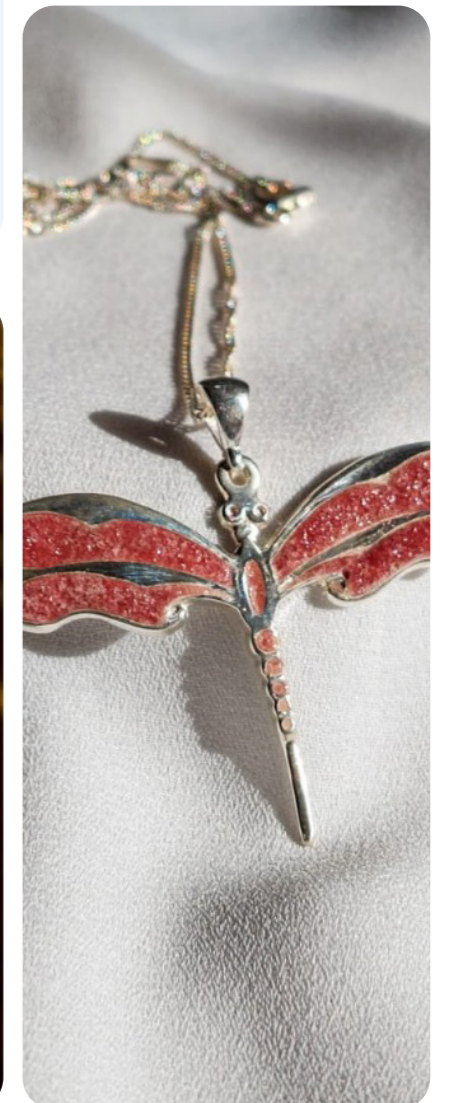
with him in promoting her products, engaging with people, and establishing new ties in the wine industry across Italy. She got an order for pomegranate brooches from an Italian company that wanted to send gifts to their corporate clients.

Initially, Abuladze believed that her products would primarily resonate with older generations, who typically favour bold and chunky jewellery. However, recent market research revealed that her main clientele consists of young, adventurous individuals with a penchant for innovation who prefer smaller, more delicate pieces. She made design changes to her collections that have resulted in about a **30% increase in sales**.



**It was a highly educational experience for me. Through this exchange programme, I identified gaps and mistakes in my own company that I hadn't previously recognized.**

**Tamar Abuladze**  
founder of Wine Diamond



[Read full story](#)

# Overview by type of intervention

## Access to Finance

**€586.9 million**

EU support allocated to unlock access to finance in 2023



Grants remain a key tool for support to MSMEs, many of whom have limited access to capital and problems in servicing long-term debt. Overall, the EU4Business Initiative offers a range of flexible tools that address these two key problems of this demographic.



### Success stories

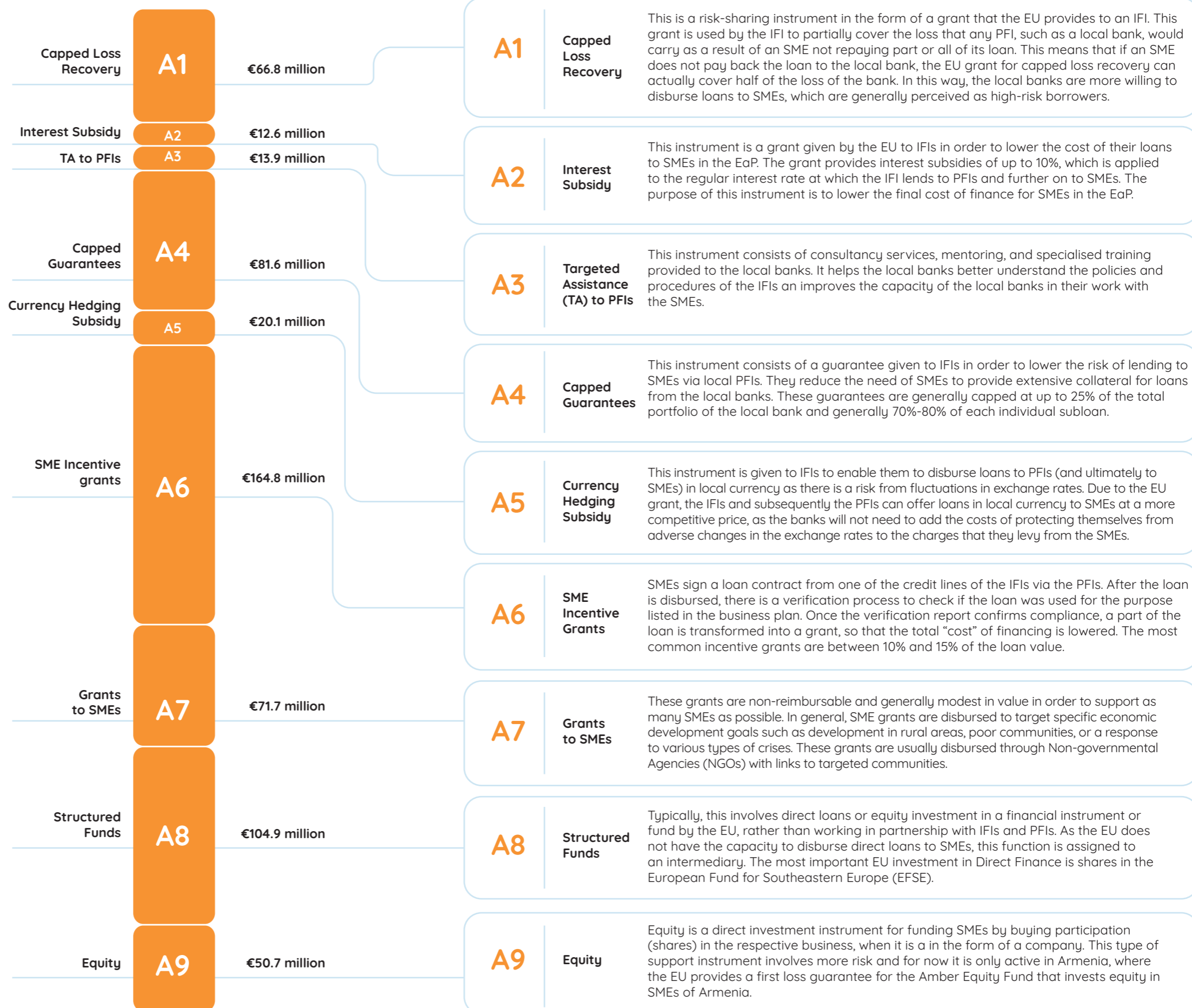


#### Lifesaving Repairs: EU4Business helps re-launch diagnostic centre for cancer patients in Zaporizhzhia



[Read full story](#)

## Types of Support Included in Access To Finance

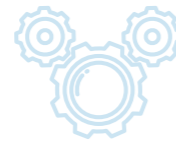




# Business Development Services

**€253.9 million**

EU support allocated to improving business development services in 2023



MSMEs are active users of general business consultancy services that then result in business plans and investment proposals applied to the search for finance under our A2F instruments. At the same time, strengthened BSOs also feed into this advisory pipeline, so that BSO support can become a multiplier for consultancy services to MSMEs.



## Success stories



### From Plastic Production to a Circular Economy



[Read full story](#)

Consultancy services for SMEs

**B1**

€163.0 million

Capacity Building of BSOs

**B2**

€41.2 million

Incubators

**B3**

€11.4 million

Clusters

**B4**

€13.3 million

Trade Information

**B5**

€4.1 million

B2B Activities

**B6**

€17.6 million

Export Strategies

**B7**

€3.4 million

## Types of Support Included in Business Development Services

**B1**

**Consultancy Services for SMEs**

The EU4Business Initiative aims to increase directly the knowledge and skills of SMEs in the EaP countries through the direct provision (fully or partly paid) of non-financial business services. These can range from basic start-up and registration, accounting, marketing, input supply to technology and product development, training and technical assistance, infrastructure support, and advocacy. These services can be delivered through both international and/or local consultants, in both private firms/ individuals, and/or business support organisations.

**B2**

**Capacity Building of BSOs**

This instrument aims at increasing the capacity of Business Support Organisations (such as chambers of commerce, SME associations, professional bodies, sector trade associations, training institutes, etc.) to deliver BDS services to SMEs. The capacity building is achieved through mentoring, training trainers, advisory services, and study tours that enhance existing services, create new ones, or improve organisational structures.

**B3**

**Incubators**

A business incubator is an organisation designed to accelerate the growth and success of entrepreneurial companies through an array of business support resources and services that could include physical space, capital, coaching, common services, and networking connections.

**B4**

**Clusters**

This instrument involves group support to SMEs involved in the same field of activity but at different positions in the value chain or with common interests. The basis of the cluster approach is the synergy of creating a more effective value chain within the cluster.

**B5**

**Trade Information**

This instrument provides SMEs already exporting, exporting infrequently, or those interested in exporting with the range of information needed to move closer to exports. This instrument can include producing brochures, guides, market report or developing tools for accessing online resources and intelligent searches. It covers market information, marketing guides, and market access requirements.

**B6**

**Business to Business (B2B) Activities**

The instrument helps SMEs to make specific contact with nominally interested buyers in the target export markets. This can include participation in online buyer auctions, trade fairs, inward and outward trade missions, buyer meetings, etc. EU support can range from organisation, logistics, preparation and advice, as well as covering the costs of travel and/or stand and event costs.

**B7**

**Export Strategies**

This instrument is typically based on studies, analysis, and stakeholder consultation that assesses national production, market requirements, and export constraints. Working with government and stakeholders, it builds a common sector or national approach to develop the exports of competitive products in the target markets. In addition, this instrument can also include support in coordination with implementation of the strategy itself as well as national visibility and branding, support programmes, and stakeholder dialogue.



## Business Enabling Environment

€146.1  
million

EU support allocated to improving the business enabling environment in 2023



Policy capacity and regulatory issues are increasingly related to alignment with the EU, especially in Georgia, Moldova and Ukraine.

C1

€57.0 million

### Capacity Building of Policymakers and Regulators

EU4Business interventions aim at strengthening the capacity of staff of various government agencies to ensure better, more transparent, and open policies and regulations that affect business, whilst ensuring appropriate controls in the five EaP countries. This can include making and amending policies, laws, and administrative procedures based on need and risk assessment. EU4Business interventions deliver direct advisory, mentoring services, and study tours to the relevant staff involved in policymaking.

C2

€25.2 million

### Public Private Dialogue (PPD)

PPD is an instrument for more inclusive and targeted policymaking. Specifically, it involves effective consultation and collaboration between government and the private sector and/or its representatives, in order to achieve effective reform and administration of regulations that affect SMEs.

C3

€50.5 million

### Regulatory Reform

Through this instrument, EU4Business interventions support the EaP countries to improve the regulatory environment based on the best practices and to align their SME related legislations, rules, and regulations with those of the EU. Approximation occurs in all five EaP countries, but it is more intensely applied in Georgia, Moldova and Ukraine, as they are future member states of the EU.

C4

€13.4 million

### Information and Communication to SMEs

EU4Business interventions support governments to inform SMEs on reforms and implications for their business and steps to compliance with regulatory reform.

### Types of Support Included in Business Enabling Environment

Article

# Benefits of EU enlargement for micro, small and medium businesses



Photo: <https://audiovisual.ec.europa.eu/>



**The citizens of countries that want to join (the EU) are Europeans – just like those of today’s Union. Because we all know that geography, history and common values bind us. So, completing our Union also has a strong economic and geopolitical logic. If you look at the history of the last enlargement rounds, you see that they have shown that there are enormous benefits both for those countries which access the European Union and the European Union itself. Basically, we all win. You can see that for the new members, their citizens and businesses, there is access to our four freedoms, access to our Single Market, citizens can travel, businesses have new markets. And all of this is a powerful lever to increase prosperity and therefore stability in these countries.”**

President of the European Commission Ursula von der Leyen

## EU accession provides positive effect, standard of living increased by third, GDP per capita more than doubled

The results of past and present EU enlargement processes suggest that EU accession produces significant gains. More importantly, these gains appear to be long-lasting and increasing over time.

These long-lasting benefits included access to EU targeted funding, greater access to education – leading to further development of human capital and a skilled workforce – and faster advances in innovation based on programmes such as EU Horizon and the more effective introduction of innovative products and processes into production, including at the level of MSMEs.

It must be noted that as a result of the last EU enlargement in May 2004, when Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia (the EU-10) became members, between 2004 and 2019, the GDP per capita of most of these countries more than doubled. Poland’s economic growth accelerated after its entry to the EU, and between 2004 and 2022 its nominal GDP increased by nearly 170%, to US \$688.13 billion, according to World Bank data.<sup>1</sup>

Almost a third of the current level of these countries’ standard of living can be attributed to their accession to the EU, which is about half of the increase in GDP per capita between 2004 and 2019.

This is a very large positive effect, solely due to changes in policies, regulations, elimination of trade barriers, and so on.

**As a result, the overall economic impact of the 2004 integration process on the EU-10 was much more pronounced than its impact on the “old” EU member states.**

<sup>1</sup> Coricelli, F, N Campos, and L Moretti (2014), “How much do countries benefit from membership in the European Union?”, VoxEU.org, April. <https://www.consilium.europa.eu/en/infographics/2004-enlargement-facts-and-figures>

Following the pattern of the 2004 enlargement process, for enterprises in Georgia, Moldova and Ukraine the introduction and enhancement of the free movement of goods, services, capital and labour implies (improved) access to (new) markets and resources, but also stronger competition on domestic markets, which will spur innovation and boost efficiency.

In addition, the general legal and institutional framework in Georgia, Moldova and Ukraine is already changing due to their regulatory and economic convergence policies and a new system of business support. The continuously increasing stability of their institutional and legal environments will undoubtedly attract further FDI (not only from the EU but also from non-EU countries) to the new candidate countries, especially small-scale investments in those of their regions bordering EU member states. Moreover, the sectoral pattern of investment is expected to shift from low-skill and labour intensive towards more sophisticated activities.

This continuous alignment with EU legislation in the candidate countries has been seen to increase the effectiveness, efficiency and reliability of their entire institutional framework, such as the functioning of administrative authorities, the courts, or macro-economic policy. Specific improvements for businesses are expected, for example in the fields of corruption, legal proceedings or public procurement procedures.

The adaptation of regulations in the financial sector will facilitate the SMEs' access to finance. The acceptance of the *acquis* (the EU's body of law) will also ensure that the EU's SME policy approach is transferred to the responsible authorities in the candidate countries, for example, through setting up national SME support or development agencies, or by the adoption of other EU SME-support schemes. In general, the candidate countries are already well advanced in adjusting their legal and regulatory frameworks.

**From the perspective of SMEs, in the candidate countries the enlargement process is already opening new markets, clients and business opportunities. The liberalisation of foreign trade is bringing about new export opportunities, and manufacturing and wholesale firms are set to benefit the most from this. The economic links between the EaP countries and the EU have been strengthened - in 2022, the EU was the destination for 58% of the EaP countries' exports, compared to 43% a year before.<sup>2</sup>**

As a result of rising export volumes, larger manufacturing SMEs in a few specific industries and SMEs in regions bordering the EU will gather most immediate benefits, although indirect export may be important for smaller businesses as well. The further reduction of transaction costs will facilitate direct exporting by smaller firms and provide new opportunities for small-scale FDI activities.

Transport firms (road haulage being an SME-dominated industry) have already been profiting from the growing exchange of goods between current and future member states, while the SME-dominated tourism sector will also benefit substantially. Many small- and medium-sized providers of business, IT and technical services are already positively affected by growing demand in the course of accession preparations, while in the candidate countries infrastructure investments - supported by EU financial aid - are providing business opportunities for domestic SMEs in the construction and technical services sectors.

Finally, from the perspective of small, locally based suppliers and sub-contractors in the candidate countries, investments conducted by EU companies (often LSEs) - e.g. production plants and subsidiaries - represent important new clients as well.

**This general optimism about the enlargement process is evident in various surveys conducted among local business communities.**

- **Businesses strongly support gradual integration into the EU single market before accession**, and they expect positive economic effects from EU accession - particularly through better access to European markets and increased inflow of foreign direct investment (FDI).
- **The business community is also optimistic about their post-accession prospects.** Some 95% of companies consider that EU membership will have a very positive or positive impact on their business.
- To further enhance their export opportunities, with the EU, **local businesses are in the process of working to come into compliance with EU legislation, as they recognise that this compliance will improve the overall operation of their companies.<sup>3</sup>**

<sup>2</sup> <https://prismua.org/en/english-together-for-resilient-sustainable-and-integrated-economies-in-the-eastern-partnership-region-state-of-play-in-2022-and-recommendations/#:~:text=The%20economic%20links%20between%20the%2098%20bn%20in%20both%20years>

<sup>3</sup> <https://www.eurochambres.eu/publication/eu-enlargement-the-business-perspective/>

# EU4Business Results



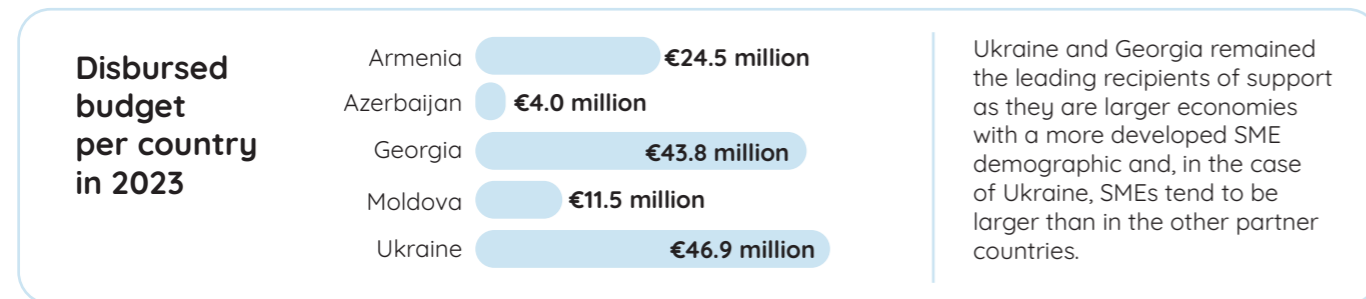
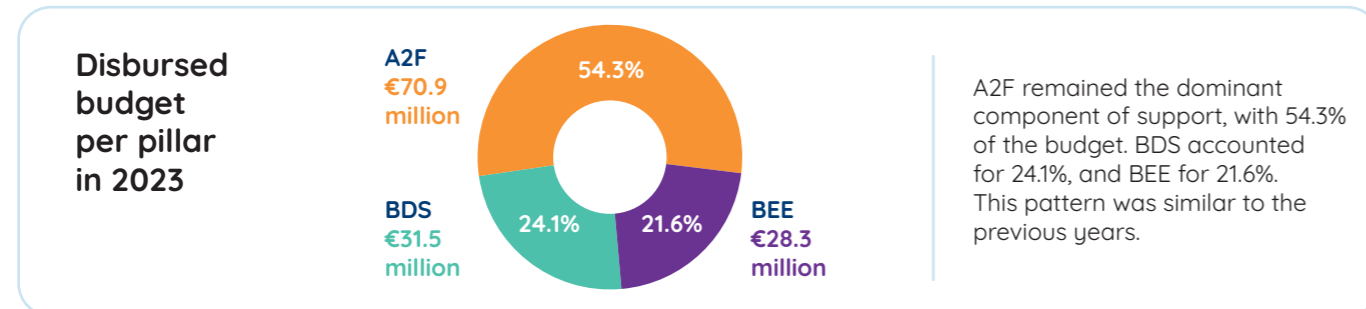
# EU4Business Results in 2023

## Disbursed budget

**€130.7 million** was disbursed in 2023 to support SME growth in the Eastern Partnership



This was higher than in 2022 (€125.4 million) but not very substantial bearing in mind increases in costs.



## Number of SMEs supported

**67,264**



SMEs supported by the EU in 2023

This was lower than in 2022, when the figure was over 78,000. This reflects the problems faced by SMEs in the zones of conflict (Ukraine, Nagorno-Karabakh). Also there was a tendency for more support to larger SMEs, i.e. less to micro businesses that make up the vast majority in the total SME demographic. As noted, SMEs tend to be larger in Ukraine, with many mom-and-pop businesses in the other partner countries.



As in the previous years, there was a strong demand both for financial and technical support by SMEs. We anticipate that this pattern will continue and that BDS services related to access to the EU market will increase, given the future accession of Georgia, Moldova and Ukraine. This will be a lengthy process, but the successful businesses will be those that prepare and gear up earlier.

Support to improvement of the business enabling environment is crucial, but benefits business as a whole, not just SMEs. How many SMEs benefit is therefore unclear, but it must be noted that direct support through the other pillars reaches one in ten SMEs, with many of the other nine in ten as potential beneficiaries of BEE.

## Women in business

**42.5%**

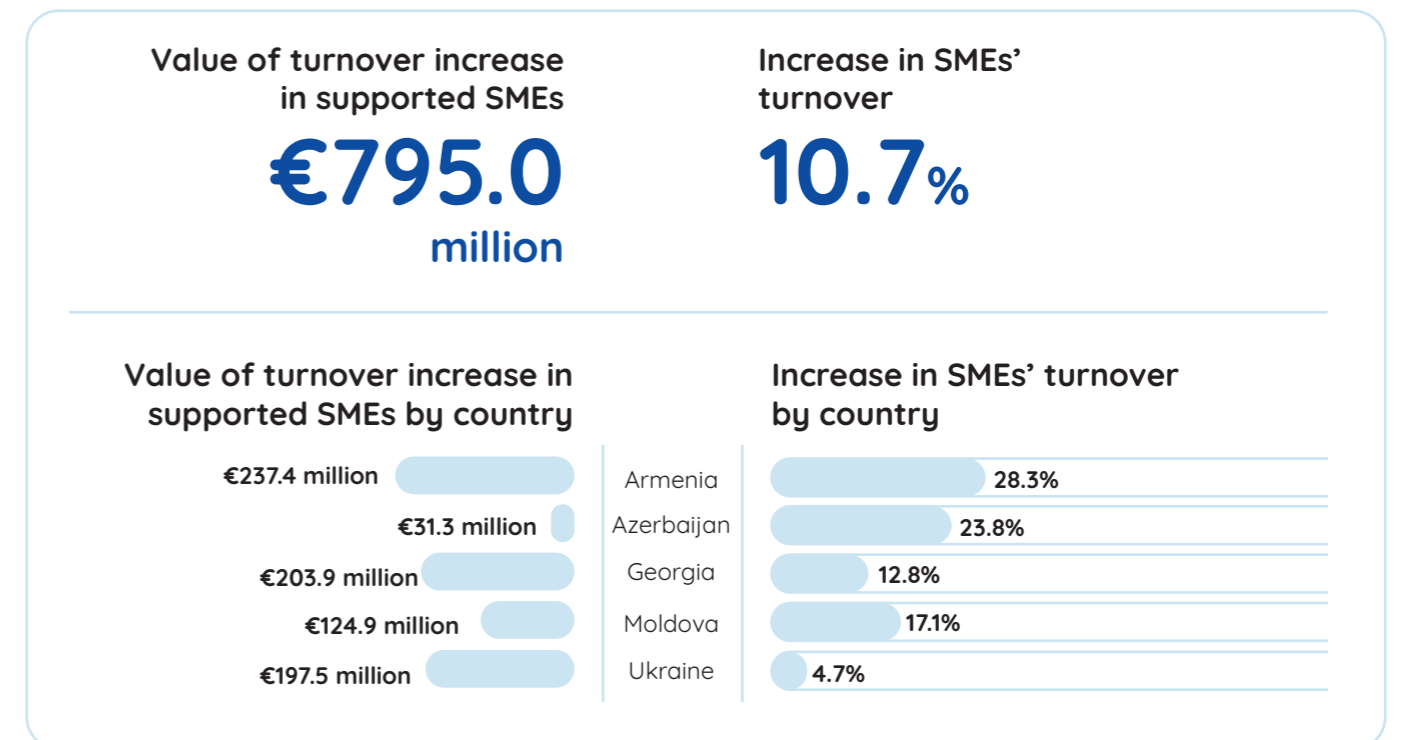
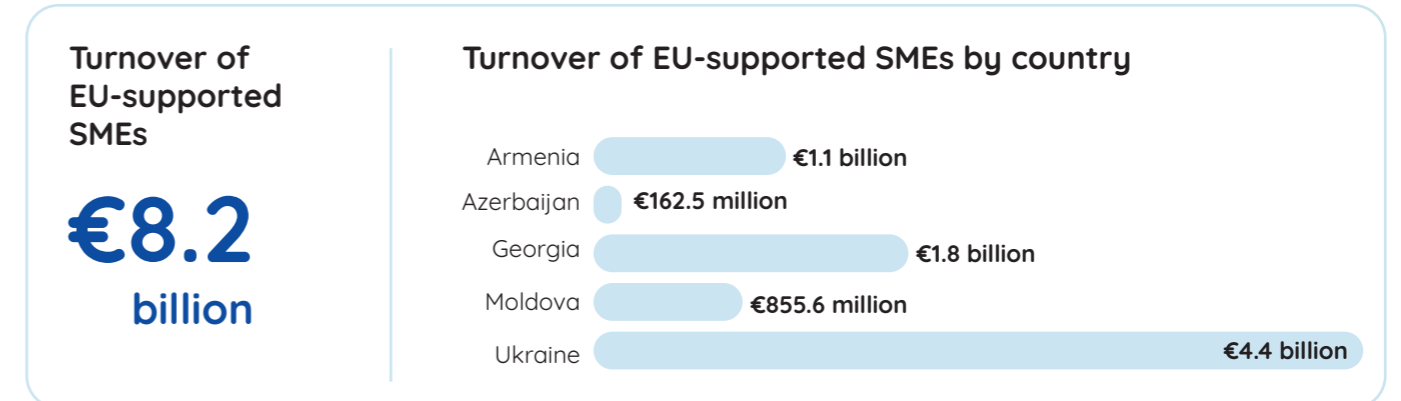
share of women-owned/managed enterprises in the Eastern Partnership in 2023



The high figure for Ukraine may reflect mobilisation of men due to Russia's war of aggression against Ukraine, but we note a significant increase for Azerbaijan, where the figure for 2022 was only 14%.



## SME turnover



In both cases, results were down on 2022. This is attributable to the two conflicts in the region (Nagorno-Karabakh and Ukraine) and the disruption in value chains that this involves. We would also note that substantial increases in energy costs have negatively impacted SME bottom line results: these are also related to the wars.

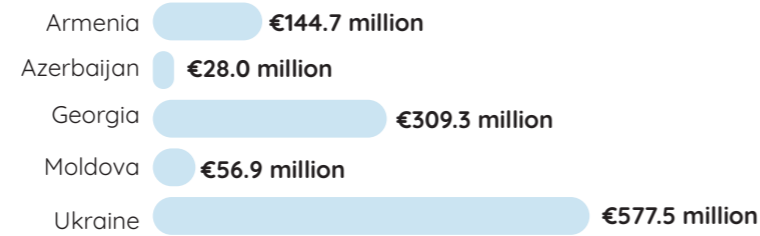
## Exports

### Value of exports for supported SMEs

€1.1 billion



### Value of exports for EU-supported SMEs by country



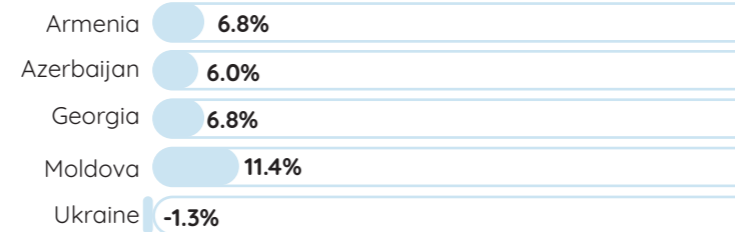
Ukraine and Georgia were the largest export economies, but this is a reflection of the overall size of their economies compared to the other partner countries.

### Increase in volume of export

2.6%



### Increase in volume of export amongst EU-supported SMEs by country



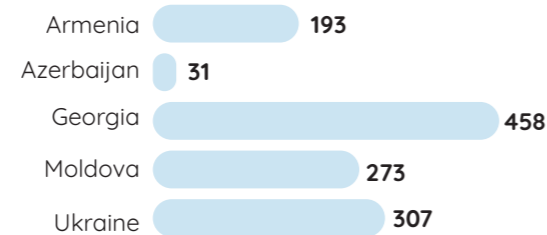
As can be seen, the reduction in Ukrainian exports due to the war, such as loss of port access and damage or wear and tear to infrastructure, dragged down the overall results in exports for supported SMEs that had been +12% in the previous year.

### Number of new exporters

1,262



### Number of new exporters by country



This was lower than in 2022, but may not represent a trend, as those entering export markets earlier may have been establishing continuous business in 2023.

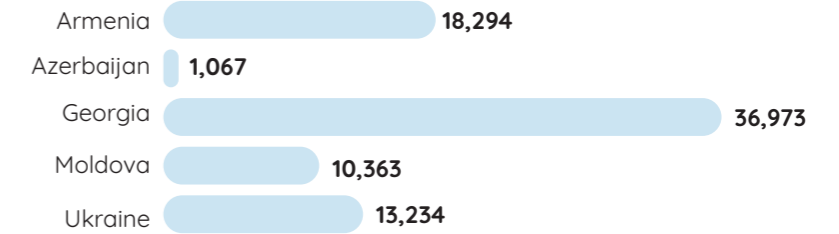
## Employment and job creation

### Number of new jobs created in supported SMEs

79,931



### Number of new jobs created by country



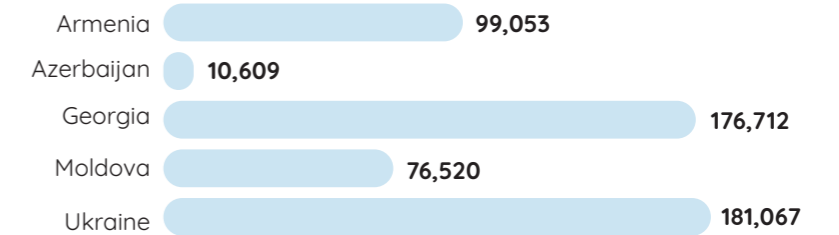
In comparison with 2022, when over 83,000 new jobs were created, there was a decline of about 4% over the previous year. But this has to be seen against shrinkage of some of the economies due to conflict and the corresponding mobilisation of many adults: we say "adults" as women accounted for over 45,000 military personnel and another 17,000 in service roles in the Ukrainian armed forces in January 2024. Creating new jobs may be harder over time: there are shortages of those able to work in many blue collar professions.

### Number of sustained jobs

543,961



### Number of sustained jobs by country



This was almost 10% lower than in 2022, when the figure was 600,538. As noted previously, labour shortages and mobilisation may have put pressure on the job market and employment.

### Success stories



EU grant helps write success story of modern digital dental laboratory in Cahul

[Read full story](#)



In general, what we see in 2023 is a trend in the whole region (except for Azerbaijan) to concentrate support towards growth of existing SMEs, rather than the creation of new businesses. This means support to larger SMEs with more employees, therefore more sustained jobs appear in the statistics, but a lower number of SMEs supported.

# Results by Key Instruments

Access to finance

Business Development Services

Business Enabling Environment



## Results in Access to Finance

### Disbursed budget in A2F

€71.0 million

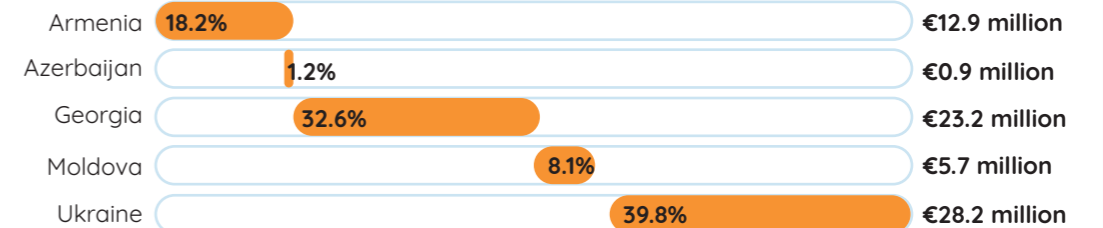
EU funds disbursed for improving access to finance for SMEs in the EaP

Access to finance is the largest part of the support that the EU provides to SMEs, reflecting demand for capital for development of this sector.

54.3%

of the total disbursed budget in 2023

### A2F disbursed budget by country



Ukraine and Georgia are the two largest recipients, reflecting the larger economies and higher numbers of SMEs overall.

### Total finance offered to SMEs

32,465

SMEs benefited from access to finance



46

local financial institutions were partners in this flow of funds, but also received support from the EU, via the IFIs, in improving their operations and management.

Out of the total of €71.0 million

€50.1 million

was disbursed through International Financial Institutions (IFIs) – IFIs were able to use this to leverage around € 1.4 billion that was available for financing business.

### Grants and loans received

1,892

SMEs received grants 44.9% women

€7,405 average per grant

30,573

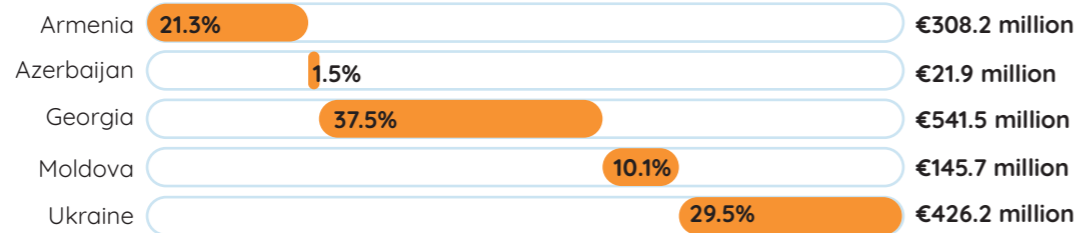
SMEs received loans 32.8% women

€40,422 average size of loan

## Loans triggered

€1.4 billion

### Loans triggered by country



## SMEs supported by type of A2F instruments

Instrument title	Number of SMEs supported	Percentage
A1 Capped Loss Recovery	1,021	3.1%
A4 Capped Guarantees	6,883	21.2%
A5 Currency Hedging Subsidy	6,072	18.7%
A6 SME Incentive grants	1,919	5.9%
A7 Grants to SMEs	1,892	5.8%
A8 Structured Funds	14,670	45.2%
A9 Equity	8	0.0%

Most SMEs benefitted from access to structured funds, guarantees and currency hedging to protect them from changes in exchange rates. But grants were also important, being a key source of finance for capital investment.

## Organic Export making Europeans fall in love with Ukrainian honey

[Organic Export](#) is one of the leading Ukrainian honey exporters. The company spent almost 10 years developing its distribution network, directly contracting over 3,500 beekeepers in Ukraine to supply raw honey. It created one of the best and most advanced laboratories for monitoring honey quality in the country.

Due to Russia's war of aggression against Ukraine, the company was significantly affected by the loss of numerous suppliers trapped under occupation, as well as products that were lost when en route to supermarkets in eastern regions. On the other hand, access to European

supermarket shelves has become much easier, as major EU retail market players have become receptive to Ukrainian products, and quotas were removed.

However, additional resources were needed to capitalise on these opportunities. Thanks to the EU4Business Guarantee within the programme implemented by the European Investment Bank, a Ukrainian bank extended a **EUR 1 million** loan to Organic Export. The funds helped fill the company's working capital gap and allowed them to build capacity in order to start exporting to Norway and then Sweden.

Thanks to this support, we managed to increase honey shipments to European countries. Our products are now available in over 1,000 Norwegian supermarkets. Overall, compared to pre-war 2021, Ukrainian honey exports to the EU have increased by 25%.

**Eduard Krychfalushiy**, founder and director of Organic Export

## Success stories



[Read full story](#)

## Success stories



## Tasty business in Moldova: nutritional bars and walnut paste with honey

Ion Dulgheru from Todiresti, a village in Ungheni District, in west-central Moldova, is a young entrepreneur who decided to develop a business in the food industry. He runs a company specializing in the production of nutritional bars, and walnut paste with honey and cream and freeze-dried fruits.

Dulgheru is now one of the 75 entrepreneurs from Cahul and Ungheni regions who benefited from a grant programme. As part of the "EU4Moldova: Focal Regions" programme supported by the EU4Business Initiative, and implemented by UNDP and UNICEF, Ion Dulgheru obtained financial assistance worth **EUR 30,000**. The funds were used to purchase a packaging line, a large-capacity mixer, and cold rooms.

As part of this programme, we purchased a packaging line, a large-capacity mixer and cold rooms, and this has allowed us to increase the quantity and quality of the product.

**Ion Dulgheru**, entrepreneur



[Read full story](#)

# Women Lead the Way in Business

Since the EU began supporting the private sector in 2005, and even more so since 2017, it has consistently focused on enhancing women’s roles in business. A key indicator of success is the share of MSMEs receiving support that are owned and managed by women. Starting in 2025, the EU will also assess the share of women in jobs created and sustained through its initiatives.

Eastern Partnership (EaP) countries have made sustained efforts to support women entrepreneurs. While the effectiveness of these measures varies, all countries have implemented a range of support initiatives, primarily promoted online through official SME agency and business association websites. These initiatives focus on entrepreneurial learning policies and institutional arrangements, addressing both formal education and lifelong learning. They also include women-specific support services, policy frameworks, and gender-sensitive data collection.

## On a national level, EaP countries have also begun supporting women’s entrepreneurial activities:



### Armenia:

The country has started collecting data on SME skills and women’s entrepreneurship, improving coordination among support providers. The Ministry of Economy, the Investment Support Centre fund, and banks have worked to ease access to finance through preferential interest rates for aspiring entrepreneurs.



### Azerbaijan:

Seventeen women’s resource centres have been established in various regional centers, providing training and consultancy services to help women launch their businesses.



### Georgia:

A pilot programme was launched to support women’s employment broadly, integrating economically inactive women into the labour market and fostering their involvement in agriculture. The SME Development Strategy for 2021-2025 includes new priorities for women’s entrepreneurship.



### Moldova:

The SME support agency launched a gender-tailored accelerator programme, Women in Business, in 2019. This programme, which includes training, mentoring, and co-financing, has helped aspiring women entrepreneurs gain managerial skills and increase their access to resources, services, and technologies. A new follow-up Women’s Economic Empowerment Programme is planned.



### Ukraine:

Diia.Business serves as a one-stop shop for women’s entrepreneurship, offering a consolidated view of available support measures and a source of inspiration and information for women to start their own businesses. It includes various educational programmes, such as the Visa-sponsored She’s Next programme, which offers information on finance, accounting, digital technologies, and marketing.



## The private sector and international donors have also played active roles in supporting women entrepreneurs.

The EU remains at the forefront of these efforts, particularly through the “Women in Business” (WiB) programme implemented by the EBRD. This programme helps women-led small and medium-sized businesses access the finance and know-how they need to grow. It provides credit lines to local banks for women-led SMEs, alongside business advice to enhance competitiveness. The programme also offers training, mentoring, and other support to enable women entrepreneurs to share experiences and learn from each other.

To date, the WiB programme has signed 20 credit lines, providing a total of US\$ 126.1 million (€113.4 million) to 13 Partner Financial Institutions (PFIs) within the EaP region. These PFIs have issued 8,509 sub-loans to women-led MSMEs, surpassing the target of 3,000 sub-loans, with a total value exceeding US\$ 218.5 million (€197.3 million). In 2023 alone, three credit lines totaling US\$ 24 million were signed with banks in Georgia and US\$ 10 million with a financial institution in Armenia.

These efforts have resulted in 85% of all loan support going to micro women-led enterprises (1 to 9

employees); 51% of all loans to start-ups and first-time loan customers; and 50% of loans directed towards SMEs outside main urban centers. In terms of non-financial services, the WiB initiative has implemented 626 business advisory projects, trained 1,319 women entrepreneurs in key entrepreneurial skills through workshops, and enrolled 80 women entrepreneurs in a mentoring programme.

Business associations also play a major role in supporting these efforts. For example, Azerbaijan’s “Scale Up Accelerator for Women Entrepreneurs” is a public-private initiative co-implemented by the women’s entrepreneurship development association (AQSA). The Georgian Chamber of Commerce and Industry has collaborated with UN Women on projects promoting gender equality and women’s empowerment in the workplace. International organizations such as United Nations Development Programme (UNDP) significantly contribute to these efforts across various countries, participating in programmes like accelerators and small-grant projects with local SME associations.





# Innovative approaches to financing the private sector

The MSME sector and the economies of the Eastern Partnership countries are evolving dynamically, so it is essential for the EU to develop new types of financial support for them, and to constantly adapt to their needs.

Under the [Economic and Investment Plan \(EIP\)](#) formulated in 2021, the EU aims to attract more investment, particularly from businesses and private investors operating in the Eastern Partnership countries. The EU directs public funding to lower the risk associated with investing in strategic sectors, which encourages lending to small businesses and incentivises the private sector to innovate and reach the most vulnerable.

The European Fund for Sustainable Development Plus (EFSD+) is a key financial toolbox to support the deployment of the EIP and mobilise strategic and sustainable investment. EFSD+ makes available EU budgetary guarantees and blended finance, channelled through partner International Financial Institutions (IFIs). These IFIs are mostly EU and multilateral development banks, which have the necessary expertise to implement investment projects in partner countries.

## EFSD+ budgetary guarantees

EFSD+ guarantees are one of the main instruments designed by the EU to mobilise private investment. In short, an EU budgetary guarantee is a contractual arrangement by which the EU agrees to cover the losses a lender may face due to a borrower's default. In this case, the EU sets aside a sum of money that will be paid out only if a loss occurs. The guarantee is therefore not a grant.

The terms of the guarantees aim to ensure alignment with EU, national and regional priorities. They can contribute to climate change mitigation and adaptation, resource efficiency and the circular economy; but they also boost MSME lending by commercial banks and risk capital through investing in funds that lend to or invest in small companies. Guarantees can also foster better access to education, health or microfinance.

Overall, the flexibility of EFSD+ guarantees allows for a rapid response to crisis situations – such as the COVID-19 pandemic – or uncertain environments such as that of Ukraine due to the ongoing Russian war of aggression. They also attract great interest of stakeholders such as private investors and funds.

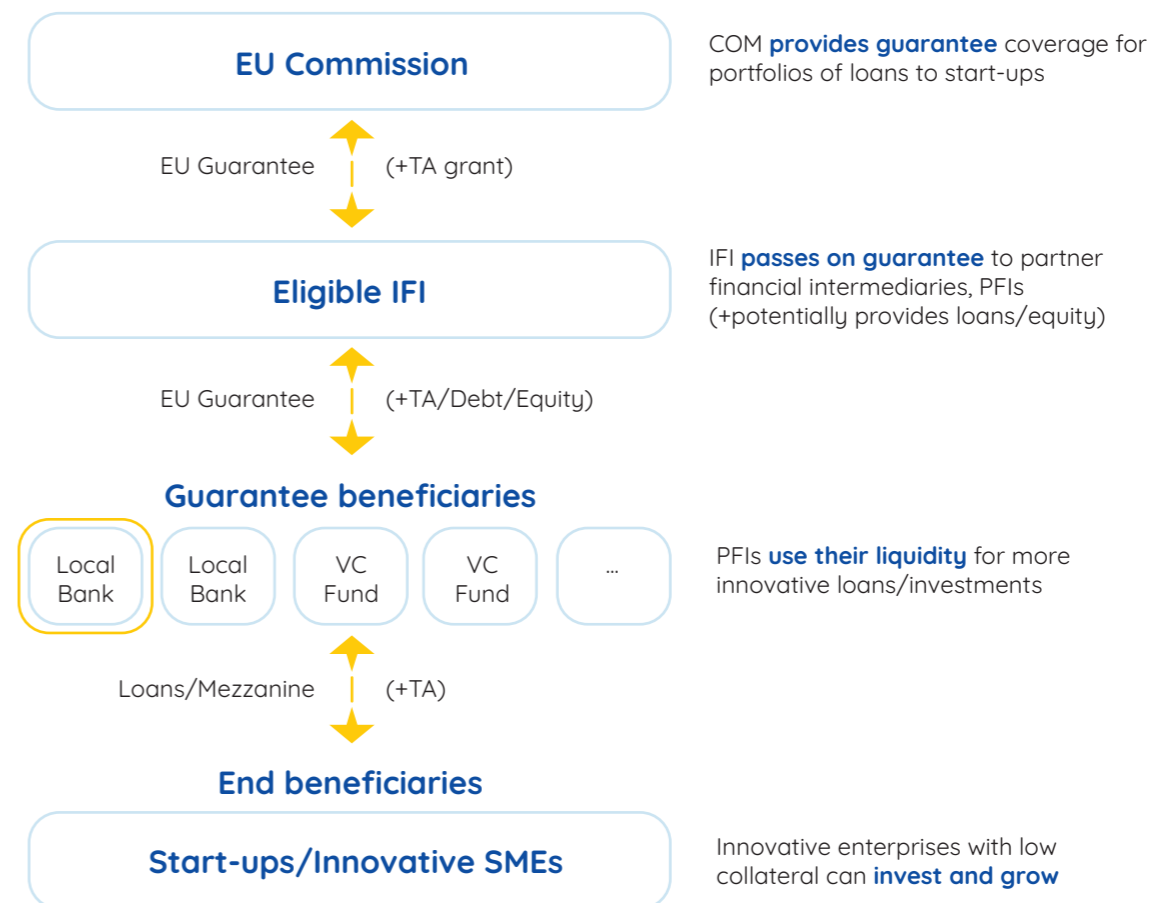
### Advantages of guarantees for all parties involved:

- ➔ **Capital relief** (providing an opportunity to lend more) for the lender (usually local banks or international financial institutions)
- ➔ **Credit enhancement** (providing an opportunity to borrow under better conditions) for the borrower (usually an investor or SMEs)
- ➔ **Remuneration and/or larger-scale development** impact for the guarantor (the EU in this case)

### As an example

The EFSD+ guarantee agreement with the European Investment Bank (EIB) on access to finance, allowed the EIB to cover the MSME portfolio of TBC Bank Georgia with an amount of EUR 5 million. By protecting the local banks when lending to SMEs, the EU guarantee de-risks lending operations and steers the bank towards specific target groups and/or policy objectives. For example, they might target young, female and migrant entrepreneurs, including refugees, returnees and internally displaced persons.

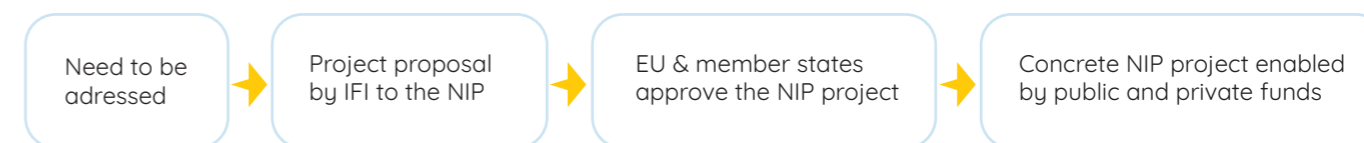
## Sample Guarantee Scheme – SME Innovation



## Blending: The Neighbourhood Investment Platform (NIP)

For particularly innovative projects or where guarantees cannot address market failures, the EU makes available grants and prepaid EU financial instruments which are combined or “blended” with International Financial Institutions’ loans to make these projects viable. These EU grants and financial instruments are typically used to lower the overall cost of an investment project, or as technical assistance to improve the project implementation, while also enhancing its sustainability, climate-proofing and development impact. As in the case of guarantees, EU blended finance is channelled through partner IFIs that submit their investment proposals to the Neighbourhood Investment Platform (NIP).

This project-based approach makes the blending instrument very flexible and tailor-made to the needs of partner countries. The SME Competitiveness (SMCEC) programme, also known as the EU4Business EBRD credit line, is a good example of a blended project. The SMCEC programme approved a total amount of EUR 468 million in credit lines in the EaP region, and 1,403 sub-loan issues to SMEs as of the end of 2023. The sub-loans were used mainly in the agriculture and agro-industry sectors, but also in the retail and services, manufacturing, transport, food and beverage, and medical sectors.



# Results in Business Development Services

## Disbursed budget in BDS

€31.4 million

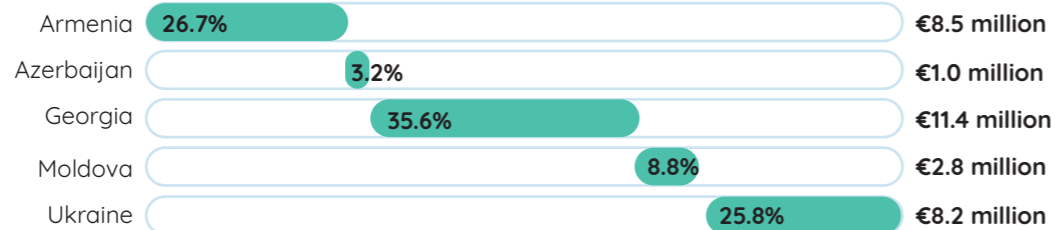
EU support disbursed to improve the skills of SMEs in the EaP



SMEs displayed a high level of demand for business services: these backstopped development from start to maturity of many SMEs.



### BDS disbursed budget by country



Although SMEs in Georgia were main consumers, Ukraine and Armenia were also key beneficiaries. However, comparison between countries may not reflect real underlying demand, as SMEs only use these services when they need them, rather than on a continuous basis.

## SMEs supported with business development services

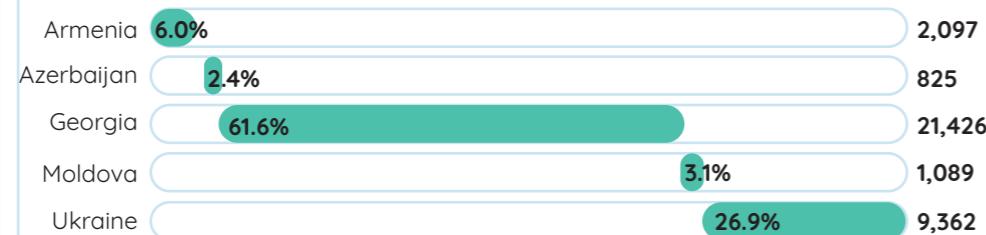
34,799

SMEs supported with BDS



\*some benefitted from more than one service type

### SMEs supported in skills development by country



## SMEs supported by type of BDS instruments

Instrument title	Number of SMEs supported	Percentage
B1 Consultancy services for SMEs	31,614	90.8%
B3 Incubators	1,707	4.9%
B4 Clusters	426	1.2%
B6 B2B activities	1,052	3.0%

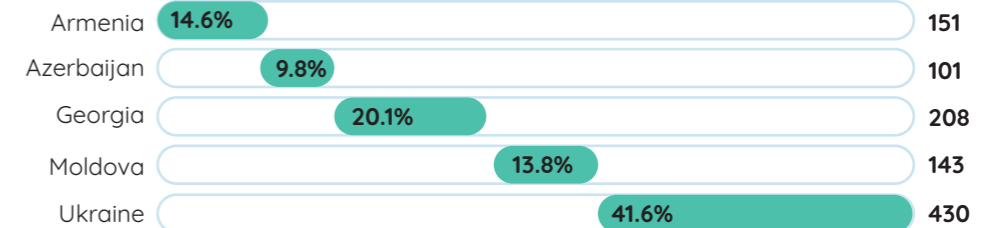
## Supported BSOs

1,033 BSOs were supported



BSOs are key intermediaries delivering services to SMEs, so the EU support to them is a way of reaching more SMEs than would be possible via a direct approach. Also, by supporting BSOs, the EU builds up the capacity of the partner countries to assist SMEs.

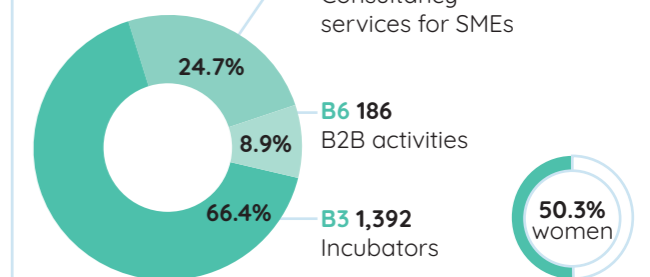
### Supported BSOs by country



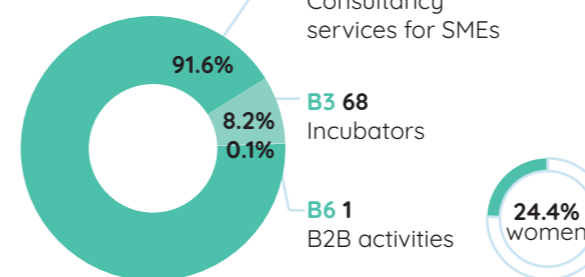
## SMEs supported by BDS instruments by country

BSOs provide a wide range of services, and the graphs show what services were most in demand in each country. General consultancy was the most popular with the one exception of Armenia, where incubation was the most popular topic.

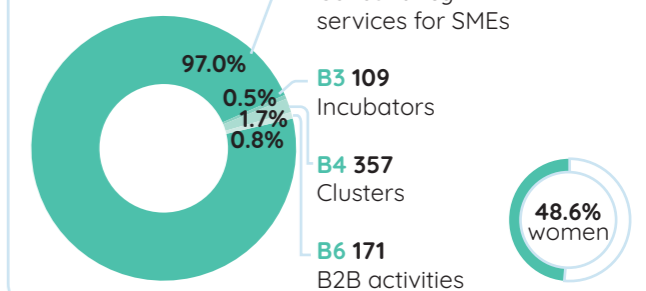
### Armenia



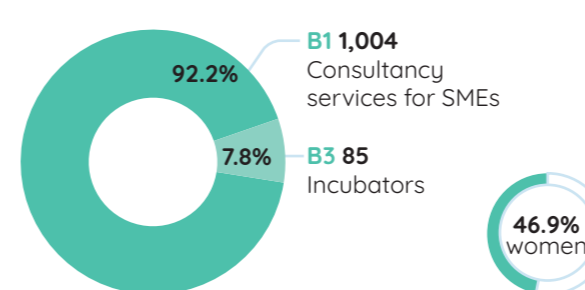
### Azerbaijan



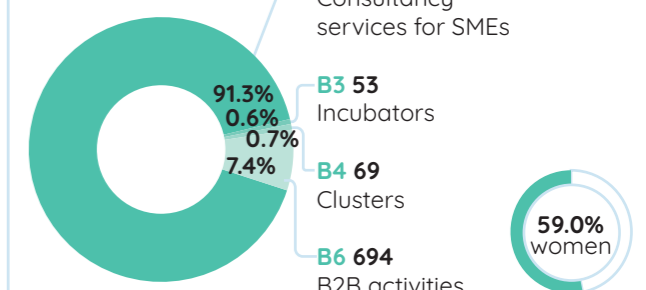
### Georgia



### Moldova



### Ukraine





### Turning a hobby into business: how Vusala Akhmadova from Tovuz helps women and children develop



English teacher Vusala Akhmadova, a resident of Tovuz in western Azerbaijan, opened the Edu Prime education academy in her hometown. This private educational institution prepares children for primary school and develops them intellectually and physically. In doing so, Vusala managed not only to make a significant contribution to the development of education in rural areas, but also to become a successful entrepreneur.

Vusala received support through the EU4Business programme funded by the European Union. As part of a project supporting business development in rural areas, Vusala took part in training on self-assessment and improving self-esteem, gaining useful information for business planning and other important issues.



**Our courses have been operating since 2018. Here, in addition to English, there are also lessons in other foreign languages, computer and medical courses, pre-school training, and a kindergarten. At the moment, 120 students are studying at our academy, and English is one of the most demanded areas.**

Vusala Akhmadova, entrepreneur

[Read full story](#)

## Greening businesses

For enterprises all over the world, engaging in a green transformation means more than regulatory compliance and image gains. It is a way to become more competitive due to higher resource productivity. Increasing resource productivity is also important for climate resilience and economic resilience overall. This is true for large and small enterprises alike, although small and medium-sized enterprises (SMEs) face many specific challenges. Most importantly, they lack the financial capacity to invest in green business practices.

In the Eastern Partnership (EaP) countries, where SMEs represent over 98% of enterprises, their potential to act as agents of growth, including of greener growth, remains largely untapped. Yet, measurable progress has been observed across all EaP countries regarding both the availability of instruments supporting SMEs greening and the response from enterprises who started adopting greener practices.

The European Union, together with several international partners, including UNIDO, OECD, and UNEP, provided technical support for enabling such progress. As a result, **legislation has been brought in line with the EU acquis in areas such as green procurement** (in Georgia and Moldova), **waste management** (in Armenia, Georgia, the Republic of Moldova), and **extended producer responsibility** (in Ukraine). **Pilot projects for mapping industrial waste** have also been implemented in Azerbaijan, Georgia, and Ukraine.

In order to **simplify regulatory compliance**, on General Binding Rules (GBRs) for the poultry sector has been prepared in Georgia. The GBRs consist of a set of simple binding guidelines for the Georgia's poultry sector to help reduce the environmental impact of small and medium farming operations while encouraging improved efficiency.

For **increasing awareness and capacity**, online platforms were established in Azerbaijan and Moldova to provide SMEs with clear information on how they can improve their resource efficiency and environmental performance. By completing an online questionnaire, businesses are provided with customised recommendations based on the characteristics of their enterprise.

Furthermore, enterprises have received tailored expert guidance to enhance resource and energy efficiency and embrace eco-innovative business strategies in key sectors. Based on this work, some 200 success stories about greening SMEs were published. In particular, potential annual savings of €4.32 million from resource efficiency measures identified at 81 pilot companies in

Georgia, Moldova, and Ukraine. In total, 128 companies received tailored expert advice with €8.1 million identified as potential savings.

Financial tools for SMEs may include developing transparent green focused public procurement schemes and by creating access to various financial resources. The regulatory environment can also be tailored to support green transition by rewarding companies that exceed environmental standards. All these SME transitional schemes can be supported in parallel by an informational campaign providing pertinent assistance in green practice compliance methods, dissemination of best practices and the benefits and the positive impact that these practices can have on SMEs bottom line.

It is the financial incentives that are seen as playing a significant positive role in promoting the benefits of green transition. Moldova in 2020, for example, successfully introduced two financial incentive programmes for greening SMEs introduced by the local SME agency ODA (the "Greening Programme for SMEs" and the "Energy Efficiency Programme for SMEs"). As part of these schemes, SMEs are provided training, consultancy support, information materials in order to identify targeted green solutions and introduce concrete actions to increase the 'greening' effect in their production processes. This technical assistance is provided in conjunction with grants up EUR 75 000 for investment in machinery and equipment using alternative energy sources. As a result of this successful scheme in the period November 2020 – August 2022, 85 companies from diverse sectors benefited from such grants.<sup>1</sup>

Also, the EU is contributing to the [Finance and Technology Transfer Center for Climate Change \(FINTECC\)](#), implemented by EBRD. This programme helps SMEs and mid-cap companies to reduce their impact on the environment, as well as their energy and water costs by adapting innovative and green technologies. FINTECC offers investment incentives for such technologies, as well as partially free technical assistance and Climate Innovation Vouchers (CIVs).

### Useful resources:

[Online training on EU best practices in environmental compliance assurance - EU4ENVIRONMENT](#) and others on [EU4Environment website](#)  
[Case Studies | EBRD FINTECC](#)

<sup>1</sup> National Commission for Financial Markets of the Republic of Moldova (2023), Supervised entities, [https://www.cnpf.md/storage/old\\_site\\_files/file/Entitati\\_Supraveghere/2017/Lista\\_pers\\_licen\\_autor\\_ro\\_12\\_06\\_17.docx](https://www.cnpf.md/storage/old_site_files/file/Entitati_Supraveghere/2017/Lista_pers_licen_autor_ro_12_06_17.docx).

# Digitalisation as a tool to boost business

## Why digitalisation matters

The process of digitalisation has been seen as a one of the main drivers to achieve much needed expansion among SMEs and increase their efficiency. Digital technologies provide SMEs with access to strategic resources, such as financing through peer-to-peer lending and borrowing platforms. Digitalisation also enables SMEs to expand their customer reach and access global markets through e-commerce platforms, reducing transport costs and making services internationally tradeable, which in turn leads to increased customer bases, revenues, and productivity, while lowering marginal costs. An emphasis on enhancing digitalisation increases a business's agility and resilience, enabling it to gain a competitive advantage and better weather crises.

## Platforms and services boosted in partner countries

Fully cognizant of the importance of fostering innovation and digitalisation, EaP countries have already made great strides in digitalising their government services, combining existing and emerging digital technologies to improve the quality, efficiency and effectiveness of the services they provide to citizens and businesses. Dedicated platforms have been set up for businesses specifically to help SMEs and entrepreneurs communicate with public administrations and cut red tape. These "single digital portals" or "digital one-stop shops" are single entry points for accessing digital government services and reducing redundancy in public administration requests. All EaP countries have made digitalisation a policy priority. They have been developing policy frameworks using multi-stakeholder approaches. They have enhanced their business support services for the digital transformation of SMEs; provided improved digitalisation of financial services and launched various e-government services.



### Ukraine

In Ukraine for example, the digitalisation process, which was already a policy priority before the war, continues to advance, with the IT sector showing impressive resilience in wartime. In 2020, Ukraine launched an ambitious online portal of government services that vastly improved citizen-to-government interaction. Accurately dubbed the "state in a smartphone," the Diia portal allows a citizen with a unique ID and digital signature to use their smartphone to conduct a range of transactions, including filing and making tax payments, registering a vehicle, communicating with medical personnel, accessing medical records, opening a bank account, registering a birth, starting a business, and much more. Additionally, since its launch Diia has further integrated the digital and analogue spheres with Diia Education and Diia Business – digital education learning services available both on a smartphone and in the physical classroom, and business services available both online and in physical business centres. As of January 2024, [the number of Diia users had reached 19.9 million](#), which is a nearly 30% increase since the outbreak of war.



### Azerbaijan

In Azerbaijan, the Centre for Analysis of Economic Reforms and Communications launched the Baku E-Commerce Academy programmes, with the aim of providing SMEs with educational services containing information on business registration and the principles of major global e-commerce platforms.



### Georgia

Similarly, as part of Georgia's overall digitalisation efforts, Enterprise Georgia and AITG are proposing targeted programmes to increase the willingness of SMEs to use e-commerce as a distribution channel.



### Moldova

Businesses in Moldova, meanwhile, are also benefiting from rapid efforts to digitalise the country's expanding internationalised SME environment. Several initiatives have been launched, namely: an e-commerce programme facilitated by the Moldovan Organization for Small and Medium Enterprise Development (formerly ODIMM, now ODA), a virtual academy for entrepreneurs with the support of the EU, and an ODA-approved SME digitalisation programme to access business development services and small-scale technology investments. Moldova also plans to launch an early warning mechanism based on EU practice.

# The Partners are Harmonising with the EU

These EaP digitalisation efforts are harmonised with the EU's plans to expand digitalisation and boost innovation in the EU member countries. Simultaneously, the EU4Digital Initiative is contributing to achieving the Eastern Partnership (EaP) objective of a resilient digital transformation, which consists of four main distinct policy elements, namely, digital infrastructure, eGovernance, the digital economy, and innovation and cybersecurity.

## Digitalisation and Trade Opportunities

In the context of the EU's economic and Investment Plan for the EaP countries, the EU4Digital with its eTrade component is playing a pivotal role in enhancing SME trading opportunities. The eTrade network facilitates the digitalisation of the entire SME import-export cycle. This is achieved through the further harmonization of EaP partners' legislation for eCommerce, eCustoms and eLogistics with that of the EU; boosting cross-border (EU-EaP) eCommerce sales; extending pilot scheme in place for cross-border eTrade among partners with the EU; developing a roadmap for a Digital Transport Corridor (eFTI deployment) in two selected EaP countries; developing a pilot eCommerce

virtual warehouse for EaP products to be placed for sale on markets abroad and to complete cross-border delivery; and the launch of an eCommerce accelerator, which is intended to further eCommerce harmonisation.

The innovative cross-border digital tool eTrade is already greatly simplifying export procedures through paperless trade and electronic logistics, reducing border delays, increasing the security and transparency of operations, cutting administrative costs and revenue losses through fraud, and improving the competitiveness of the digital economy.

## Linked Actions – Digitalisation and Innovation

These digitalisation efforts are also closely aligned with furthering the innovation capacity of the EaP countries and accelerating their transformation into more innovation-driven and knowledge-based economies, unlocking their human capital as well as their entrepreneurial and research potential – thereby increasing their competitiveness. Innovation is viewed as crucial to boosting economic competitiveness and to addressing global challenges such as climate change or sustainable development. The aim of EU4Innovation, a new EU initiative, is to boost the innovation capacities of the EaP countries. This EU-funded regional project (covering Georgia, Moldova, Armenia, Azerbaijan, and Ukraine) is implemented by Expertise France and will have a duration of four years. The initiative will strengthen the innovation ecosystems of the Eastern Partnership countries, with a focus on enhancing the maturity and sustainability of the start-up ecosystem, promote convergence with the EU's own market and start-up ecosystems, and provide targeted support to Ukraine's strong digital tech sector.

Also, in April 2024, in order to further expand innovation capacity in the EaP region, the EU through its EU4Digital Facility launched new activities to support innovation clusters throughout the region. These coalitions of start-ups, small- to medium-sized enterprises (SMEs), research and knowledge dissemination organisations, not-for-profits and other related economic actors stimulate innovation, share knowledge and support collaboration, contributing to technological and economic development. EU4Digital's new innovation cluster activities are part of the ICT Innovation thematic area, which connects EaP and EU start-up ecosystems, in line with the facility's wider goals of harmonising the region's digital markets and facilitating their integration into the EU Digital Single Market.



# Results in Business Enabling Environment

The EU accepts that SMEs thrive most in environments where there is a level playing field for business and the regulatory environment and is less burdensome. So, a substantial share of EU support to SMEs is dedicated to creating and supporting a business-conducive environment.

## Disbursed budget in BEE

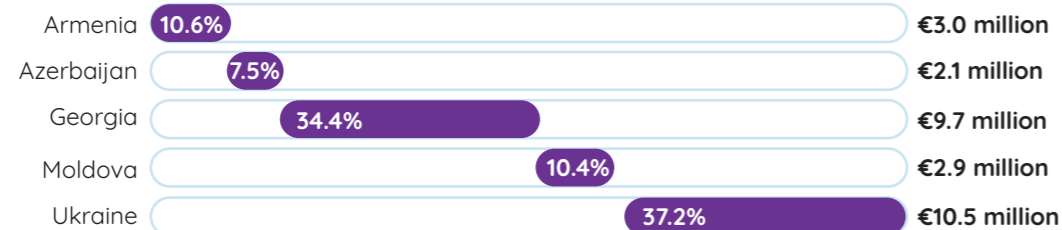
**€28.3 million**

EU support was disbursed to improve the business environment in the EaP

21.7%

of the total disbursed budget in 2023

### BEE disbursed budget by country



## Regulators/governments capacitated

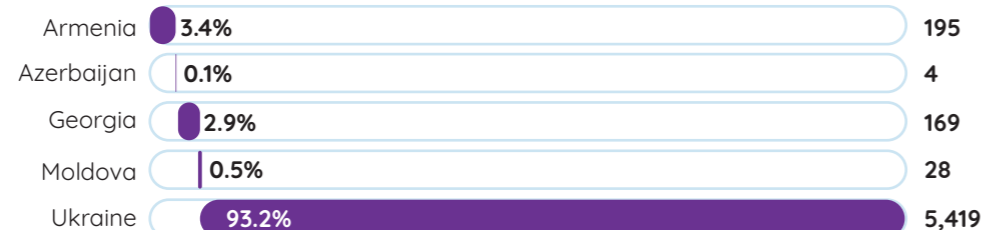
**5,815**

government institutions, including policy-makers, regulators and enforcement agencies had their capacities improved in the EaP



So that they could play a more effective and positive role in economic development.

### Regulators/government agencies capacitated by country



## Laws/regulations changed

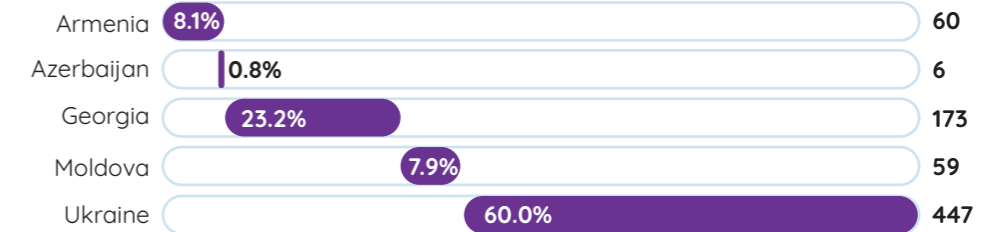
**745**

laws, regulations and procedures were reformed in the EaP



To ensure that the overall legislative and regulatory environment was positive for business.

### Laws/regulations changed by country



## Public-private dialogue events held

**408**

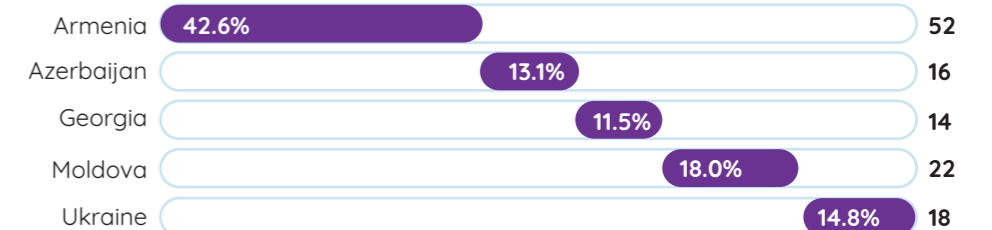
public-private dialogue events were supported across the EaP



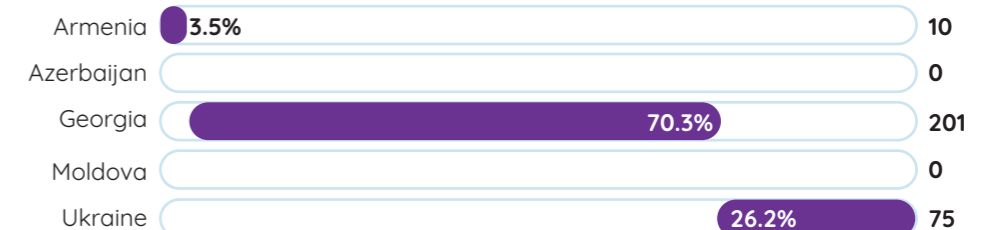
This dialogue helps government understand the needs of stakeholders and to reflect these needs in policy. Most of these events were held at country level, so were related to the specific needs of individual partner countries.

## Country/regional PPD events by country

### Number of country PPD events



### Number of regional PPD events



Success stories 



Rising from ashes: Trostianets in Sumy Oblast fights for recovery after occupation



Trostianets, a small town in Sumy region, spent 31 days under Russian military occupation in 2022, and was literally ravaged. The community lost \$121 million in direct damage to infrastructure.

Trostianets Businesses Support Centre, initially “housed” in a local library, took on the important role of first assisting local businesses become operational again, and later of promoting entrepreneurship among the town’s residents – most of whom had never owned a business before. Initially, the Centre provided counselling in new tax legislation and accounting. And then launched training programmes for entrepreneurs.

The local government helped them find a space to accommodate all their projects, donors covered the cost of its renovation,

and the purchase of the necessary equipment was funded by Mayors for Economic Growth (M4EG) – a joint European Union and UNDP initiative.

It was as part of that initiative that the centre recently launched a project to support small and medium-sized businesses, called “Increasing the Involvement of the Citizens of Trostianets in Business Activities Through Creating a Business Training and Counselling Centre.” One of the key objectives in launching the centre is to create and equip a space where business owners can get advice on applying for grants to kick-start their operations. The centre also gives advice on SMM and internet marketing, developing social media strategies, tax optimisation, and more.



**We’re going to have to be self-reliant, and encourage people to start small businesses that they can later grow into something bigger.**

**Ruslan Bova**, head and initiator of an NGO called Centre of European Integration of the Slobzhanshchyna

[Read full story](#)

# Understanding and strengthening the SME Policy Framework in the EaP countries

Under a regional programme implemented by the OECD, the EU financed the latest edition of the SME Policy Index in the Eastern Partnership Countries. This study is a unique benchmarking tool for assessing and monitoring progress over four years in the design and implementation of SME policies that align with EU and international best practice.

## Some of the key findings relating to change since 2020 are:

**National digitalisation:** Eastern Partnership (EaP) countries have prioritised the integration of digitalisation in their policies and have been developing policy frameworks to achieve this, although these differ in nature and scope. Among them, Armenia is the only country in the region to have already adopted a National Digital Strategy (NDS).

**SME skills:** All EaP countries have made progress in this area since the previous assessment. Notable advancements were observed in Moldova and Ukraine, which have been catching up with Georgia.

**Institutional framework for MSME strategy:** The EaP region has made incremental progress in this dimension since 2020. However, sectoral gaps persist. By the end of June 2023, Georgia was the only country implementing a dedicated strategy covering the period 2021-2025.

**Access to finance:** Since 2020, many governments have put in place new or larger support mechanisms for access to finance, enacted legal reforms to simplify SMEs’ use of non-bank financing solutions, and conducted more regular assessments of financial literacy.

**Operational Environment:** Since 2020, the operational environment for SMEs in the EaP region has improved overall. All EaP countries have made significant progress by increasing their provision of e-government services. Ukraine’s Diia initiative is seen as the most advanced tool in this regard, providing a wide range of e-services accessible throughout the country. Digital government platforms are also operational in Armenia, Georgia, and Moldova.

**SME Internationalisation:** Since the 2020 assessment, almost all EaP countries have improved their performance in this area. These efforts are reflected by the adoption of export promotion programmes, mainly facilitated by SME agencies, investment promotion agencies, and dedicated departments within their Ministries of Economy.

**Bankruptcy and Second chance:** The EaP region’s progress in the areas of bankruptcy and second chance has been uneven. However all countries, with the exception of Armenia, have demonstrated some improvement since the 2020 assessment.

**Business Development Services:** Apart from Armenia, all countries bolstered their SME support agencies and expanded their services. Smaller countries, such as Moldova and Georgia, manage their support programmes directly through their SME agencies, whereas larger ones like Ukraine are opting for a more decentralised model leveraging external actors in the ecosystem for business support.

**Women in business:** There has been progress. While data on women’s entrepreneurship remains limited, available insights do shed light on persisting challenges, despite notable improvements.

**Innovation:** The focus has shifted towards diversified financial support for innovative SMEs, notably in Ukraine. However, overarching policy frameworks for innovation, especially those tailored for SMEs, remain underdeveloped.

[View full report](#)

# Do IP rights benefit businesses in Georgia, Moldova and Ukraine?

The European Union Intellectual Property Office (EUIPO) and the European Commission's Directorate-General for Neighbourhood and Enlargement Negotiations are supporting Georgia, Moldova and Ukraine in strengthening their intellectual property (IP) rights framework. The EU4IP project uses IP as a strategic asset to empower businesses to innovate and become more successful. This will drive economic growth and support the candidate countries for EU membership in the area of IP rights.

## What is intellectual property?

Intellectual property (IP) refers to creations of the mind, such as inventions, literary and artistic works, designs, symbols, names and images used in commerce. It is a vital component of today's knowledge-based economy, playing a crucial role in fostering innovation and creativity.

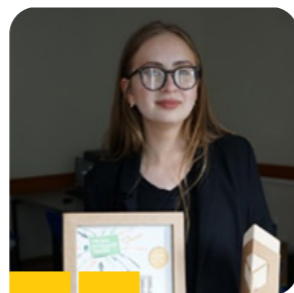
## Types of IP

- **Patents** protect technical inventions and grant the inventor exclusive rights for a set period.
- **Utility models** offer a simpler, shorter-term form of protection for novel inventions.
- **Copyright** automatically protects original creative works, from literature to software.
- **Trademarks** distinguish the source of goods or services, including names, logos and even sounds or smells.
- **Registered designs** protect the ornamental design of objects.
- **Trade secrets** protect confidential business information.
- **Geographical indications** identify quality or reputed products from a specific region.
- **Other IP rights** include plant variety rights, databases and semiconductor topography designs.

## Why is IP important for businesses?

Regardless of size, businesses can benefit significantly from protecting their IP. This helps to:

- prevent competitors from copying innovations and designs, providing a competitive edge;
- build brand recognition and consumer trust;
- secure exclusive rights, enhancing marketability and investment appeal;
- protect brand identity and product differentiation, which is crucial for maintaining market share.



(Image: Andrei Moraru)

**Oxana Zaporoniu**, Innovative Designer and World Intellectual Property Organization IP Youth Ambassador from the Republic of Moldova

“After protecting my intellectual property, I feel more confident and safer as an innovative creator, and that's worth it. The process of registering my industrial design turned out to be easier than I thought it would be. Many novice university students don't know what IP is, but it is so important for them to learn about it, and it is so helpful to apply for protection.”

## IP: an economic driver

The 2022 study on [IP-rights-intensive industries and economic performance in the EU](#) showed how pivotal IP is to the economy:

- 29.7% of EU jobs are in IP-intensive industries;
- 47% of the EU's GDP is attributable to these industries;
- IP-intensive industries pay 41% higher salaries than other sectors.

In addition, the 2022 SME Scoreboard shows that 93% of small- and medium-sized enterprises (SMEs) with registered IP report positive impacts, such as improved reputation and better long-term prospects.

## Supporting IP systems in the region: EU4IP



EU4IP inaugural conference in Chisinau, 25 March 2024

The [EU4IP](#) project, funded by the European Commission and the EUIPO, aims to strengthen IP rights frameworks in Georgia, Moldova and Ukraine. This involves preparing these countries for EU membership by fostering innovation, creativity and free competition, and promoting economic and cultural development through improved IP protection.

The project's comprehensive approach includes the following:

- **Improving the legal and policy framework:** EU4IP supports the development of robust IP legal and policy frameworks, ensuring the effective implementation of IP provisions in trade agreements and in the EU accession process;

- **Strengthening IP institutions:** The project provides extensive capacity building for the Georgian, Moldovan and Ukrainian national IP offices, modernises IP administration tools, and harmonises regional practices with [European Union Intellectual Property Network](#) (EUIPN) standards;
- **Promoting IP awareness and SME capacity:** EU4IP runs awareness campaigns and educational programmes to highlight the benefits of IP. It enhances the capacity of SMEs by offering training, support services and developing IP education and e learning materials;
- **Improving cooperation on IP enforcement:** The project builds the capacity of enforcement authorities and conducts studies to support evidence-based IP policy-making and best practices in the fight against IP infringements, such as counterfeiting and piracy.

## Is IP relevant for me?



EU4IP Meeting with students - Academy of Economic Studies of Moldova, 26 March 2024

Many businesses are unaware of their IP. Protect your IP to prevent others from using your ideas, products or services without permission. The [IP Scan](#) online tool helps SMEs to unlock their IP potential with a self-assessment feature. The tool guides SMEs through the evaluation process so they can focus on the most relevant aspects of IP protection, unearthing potential areas of IP protection that SMEs had not considered, and emphasising the importance of protecting their IP assets.

## About the EUIPO

The [EUIPO](#) is an EU agency based in Alicante, Spain. Marking its 30th anniversary in 2024, the EUIPO has been handling EU trademarks since 1994 and registered Community designs since 2003. As from December 2025, the EUIPO will manage the registration of geographical indications for craft and industrial products. It is also responsible for international cooperation in IP, and operates the [European Observatory on Infringements of Intellectual Property Rights](#).

The EUIPO plays a vital role in supporting the [EUIPN](#) and participates in various international EU-funded projects operating under agreements with the European Commission to create a balanced IP landscape. Visit the EUIPO's [international IP cooperation website](#) to learn more about EU4IP and other initiatives, or directly contact [EU4IP@euipo.europa.eu](mailto:EU4IP@euipo.europa.eu).

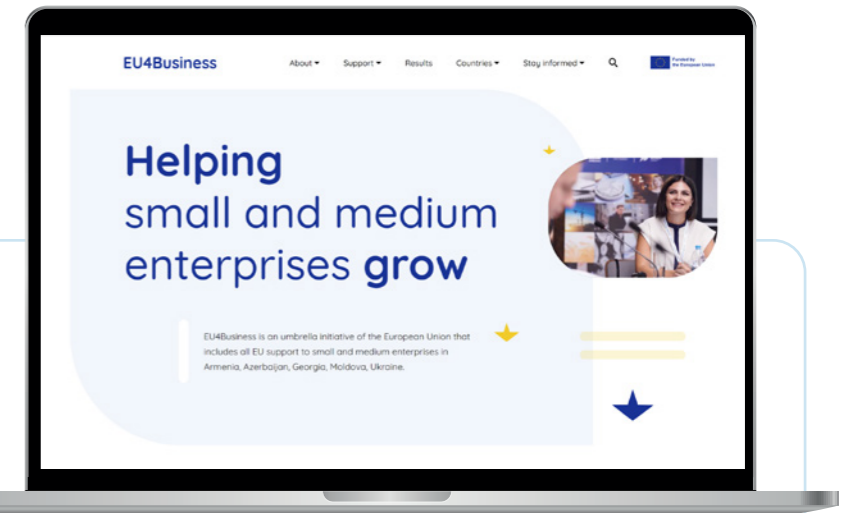
# Visibility



## Visibility: take note of EU4Business communication channels

### Websites

We have relaunched a bunch of EU4Business websites to make them more user-friendly and informative for you.



**Central website**  
for EU community, partners and peers

[www.eu4business.eu](http://www.eu4business.eu)

#### What's new and useful there?

- New look in line with updated branding guidelines
- Updated structure for easier navigation
- Interactive sections with portfolio and results statistics – choose the dimension and trace the figures' dynamics by years
- Explanation of EU4Business pillars and key support instruments
- Lots of useful materials – projects, resources, stories, video explainers, photos and more

Find more details of the EU4Business portfolio, results, success stories, library of reports and other useful materials.

[Visit website](#)

**EU4Business local webpages**  
for SMEs and Business Support Organisations

[eu4business.am](http://eu4business.am)

[eu4business.az](http://eu4business.az)

[eu4business.ge](http://eu4business.ge)

[eu4business.md](http://eu4business.md)

[eu4business.org.ua](http://eu4business.org.ua)

#### What's new and useful there?

- Details on EU4Business opportunities
- Active projects in the country
- Lots of useful materials – ongoing opportunities and calls, news, stories, reports, useful resources and more

### Newsletter

Subscribe to our bi-monthly newsletter to be in the know of ongoing calls, key news, success stories and project updates.

[Subscribe](#)



### Success stories and videos

We keep on creating lots of exciting materials about SMEs that benefited from EU support and multiplying them in partnership with EU Neighbours East and EU Delegations in the Eastern Partnership countries. We welcome the projects under the EU4Business umbrella to keep us in the loop of their achievements – and we will help pitch a story to the world!

[Watch](#)



# Annex 1: List of projects 2023

Title	Total Budget	Start date	End date	Type of the Project	Areas of Intervention		
					A2F	BDS	BEE
Armenia SME Finance and Advice Facility	€15,380,000	2015	2029	Bilateral	•	•	•
R2D Syunik: Recovery, Resilience, Development for Syunik	€9,000,000	2023	2027	Bilateral	•	•	•
Building sustainable apparel and agribusiness value chains in Armenia	€2,000,000	2023	2026	Bilateral		•	
EU TUMO Convergence Centre	€12,500,000	2018	2025	Bilateral		•	
Establishment of a Technology and Creative Industries Hub in Kapan	€1,000,000	2022	2025	Bilateral		•	
Support to Quality Infrastructure in Armenia	€4,000,000	2022	2025	Bilateral			•
Creative Accelerator Program (CAP)	€3,000,000	2022	2025	Bilateral	•	•	
EU4SEVAN	€5,000,664	2020	2024	Bilateral		•	
EU for Increasing Migrants' Potential to Act for Development of Armenia	€3,500,000	2020	2024	Bilateral	•	•	
Enhancing private sector-led economic growth in Dilijan and adjacent communities	€1,000,000	2022	2024	Bilateral		•	
Administration Agreement between the EC on behalf of the EU and the IBRD concerning part II Europe 2020 Promgrammatic SDTF No. TF073433: Support to Economic Governance, Business Environment and Justice Functional Review	€2,500,000	2021	2024	Bilateral			•
Enhancing economic development of Ijevan through leveraging PPP and creating local eco-system for innovative development	€640,800	2022	2024	Bilateral		•	•
Innovative Tourism and Technology Development for Armenia (EU ITTD)	€13,500,000	2019	2024	Bilateral	•	•	•
EU Green Agriculture Initiative in Armenia (EU-GAIA)	€9,700,000	2019	2024	Bilateral	•		
Sustainable rural development for improved livelihoods in less developed regions of Azerbaijan	€5,000,000	2024	2027	Bilateral	•	•	•
Support to the Government of Azerbaijan on trade related activities, WTO accession negotiations, strengthening quality infrastructure (QI) and digital management system	€2,534,165	2024	2027	Bilateral			•
EU-Azerbaijan Business Forum 2024-2026	€297,426	2023	2026	Bilateral		•	•
Azerbaijan Rapid Technical Assistance Facility (AZTAF)	€5,250,000	2021	2025	Bilateral		•	•
Promoting Competitiveness, Collaboration and Modernization in Fruit and Vegetable Sector in Lankaran Region	€3,250,000	2021	2024	Bilateral		•	•
EU Support to Lankaran-Astara Economic Region of Azerbaijan	€2,396,000	2021	2024	Bilateral		•	•
Developing innovation-driven and sustainable civil society in Azerbaijan	€3,000,000	2020	2023	Bilateral		•	•
Inclusive Access to Markets	€5,000,000	2023	2027	Bilateral	•	•	•
Creative Compass Georgia	€4,650,000	2023	2027	Bilateral	•	•	•
Administration Agreement between the European Commission on behalf of the European Union and the International Bank for Reconstruction and Development concerning the Part II Europe 2020 Programmatic Single-Donor Trust Fund (No. 074061)	€3,000,000	2023	2026	Bilateral		•	•
Support to SME Digitalisation	€6,000,000	2023	2026	Bilateral	•	•	•

Title	Total Budget	Start date	End date	Type of the Project	Areas of Intervention		
					A2F	BDS	BEE
Capacitated Agricultural Practices and Consumer Awareness (CAPCA)	€1,762,266	2023	2025	Bilateral	•	•	•
Green Guria: Supporting Local Democracy and Rural Development for Inclusive and Resilient Green Growth	€2,000,000	2022	2025	Bilateral	•	•	•
Accelerated Rural Development in Imereti & Kakheti	€2,976,868	2022	2025	Bilateral	•	•	•
European Neighbourhood Programme for Agriculture and Rural Development in Georgia (Phase IV) Budget Support Contract	€31,000,000	2020	2025	Bilateral		•	•
Support to the Food Safety and Sanitary & Phytosanitary (SPS) Sector in Georgia under ENPARD IV (European Neighbourhood Programme for Agriculture and Rural Development in Georgia Phase IV)	€9,000,000	2021	2025	Bilateral	•	•	•
Catalysing Economic and Social Life in EU Focal Regions of Georgia	€4,500,000	2022	2025	Bilateral	•	•	
Joint EU-UN Programme for Rural Development in Abkhazia, Phase III (ENPARD IV)	€1,750,000	2022	2024	Bilateral	•	•	
Strengthening Capacity of the Competition Agency of Georgia	€1,200,000	2022	2024	Bilateral			•
Ensuring further progress of SPS and food safety system in Georgia	€1,450,000	2020	2024	Bilateral			•
Strengthening of institutional as well as human capacities of Georgian National Agency for Standards and Metrology (GEOSTM) according to the international/EU best practices	€1,400,000	2021	2024	Bilateral			•
Economic Development of Oni Municipality via Business Clusters Creation and Investment Attraction	€315,262	2022	2024	Bilateral		•	
Bolnisi Business Model-Expanding Success and Inspiring Local Governments for Economic Development	€150,000	2022	2024	Bilateral		•	•
Economic and Business Development in Georgia - Budget Support contract	€21,250,000	2018	2023	Bilateral	•	•	•
Green Economy: Sustainable Mountain Tourism and Organic Agriculture (GRETA)	€3,000,000	2018	2023	Bilateral		•	•
EU innovative action for private sector competitiveness in Georgia	€5,000,000	2019	2023	Bilateral		•	•
The DIGITAL RE4M Programme to foster COVID-19 recovery of SMEs	€1,850,000	2020	2023	Bilateral	•	•	•
Clusters 4 Development - Better Business Sophistication in Georgia	€5,300,000	2019	2023	Bilateral		•	
Support to MSMEs sector in the Republic of Moldova: BGK amortised loan to ODA - FACEM Fund	€1,000,000	2024	2030	Bilateral	•	•	
EU for Sustainable, Innovative, Green and Competitive Economy (EU4SMEs)	€8,000,000	2023	2026	Bilateral	•	•	
Improving the standards compliance through increased national capacities for residue monitoring	€1,500,000	2023	2026	Bilateral		•	•
EU4Moldova Local communities - economic and skills development	€1,092,050	2022	2025	Bilateral	•	•	•
Inclusive economic empowerment of focal regions of the Republic of Moldova	€23,000,000	2019	2025	Bilateral		•	
Harnessing the CSOs' potential to promote and develop the social entrepreneurship in Moldova	€1,000,000	2022	2025	Bilateral	•	•	•
EU4Moldova: Local Communities Development (LEADER)	€2,500,000	2021	2024	Bilateral	•	•	•

Title	Total Budget	Start date	End date	Type of the Project	Areas of Intervention		
					A2F	BDS	BEE
Start up City Cahul	€6,800,000	2020	2024	Bilateral	•	•	
European Union confidence Building Measures Programme V (2019-2022)	€9,400,000	2019	2023	Bilateral			•
Rural SME policy support window	€2,191,000	2020	2023	Bilateral	•	•	•
LEADER approach for rural prosperity in Moldova	€1,000,000	2020	2023	Bilateral		•	
EU Support for Ukrainian MSMEs	€10,000,000	2023	2036	Bilateral	•		
Support to the Partial Credit Guarantee Fund (PCGF) under the land reform	€11,850,000	2023	2026	Bilateral	•		•
Competition and State aid rules and practices alignment with the EU Acquis	€3,300,000	2023	2026	Bilateral			•
EU4Business: Network of Business Support Centres in Ukraine	€40,000,000	2016	2025	Bilateral	•	•	
EU4Business: SME Policies and Institutions Support (SMEPIS) Ukraine	€3,999,200	2023	2025	Bilateral		•	•
Inclusive, competitive and sustainable value chain development in agriculture, fisheries and forestry	€18,750,000	2021	2025	Bilateral	•	•	•
Supporting Ukraine in rebuilding and recovery	€996,965	2022	2025	Bilateral		•	•
EU4Business: SME Recovery Programme Ukraine	€10,000,000	2022	2025	Bilateral	•	•	
New Economy of Ivano-Frankivsk (NEF) – supporting emerging innovative economic activity clusters in Ivano-Frankivsk	€999,900	2022	2025	Bilateral		•	•
Institutional and Policy Reform for Smallholder Agriculture	€7,000,000	2021	2025	Bilateral		•	•
Implementation of EU practices for accounting, financial reporting and audit in Ukraine	€2,000,000	2020	2025	Bilateral		•	•
Pyriatyn community value chains in dairy and berry clusters to support youth and rural residents economic empowerment and enable local green growth	€904,582	2022	2025	Bilateral	•	•	•
Fostering economic growth in Kamyanets-Podilskyi hromada	€137,457	2022	2025	Bilateral		•	•
M4EG II Grant contract with Mamalyha Village Council “Connecting communities – for sustainable economic growth (ConCom4EG)”	€366,390	2021	2024	Bilateral		•	
Improvement of legislation, control and awareness in food safety, animal health and welfare in Ukraine	€6,300,000	2019	2024	Bilateral			•
EU Integration Campaign for Rapid Business Reorientation	€59,960	2023	2024	Bilateral			•
EU4Business: SME Competitiveness and Internationalization	€15,500,000	2020	2024	Bilateral	•	•	•
Strengthening the institutional capacity of the Ministry for Development of Economy, Trade and Agriculture (META) of Ukraine in the field of National Quality Infrastructures (NQI)	€1,200,000	2021	2023	Bilateral			•
Strengthening the regulation and supervision of the non-bank financial market	€4,500,000	2017	2023	Bilateral			•
EFSE – EU4Business: Local Currency Lending to MSEs in the Eastern Partnership	€39,921,000	2020	2041	Regional	•		
Promoting Green Lending in the Eastern Partnership	€32,855,000	2020	2040	Regional	•		
GGF L Shares for Georgia: Promoting Green Local Currency Lending	€10,355,000	2019	2040	Regional	•		
EU4Business – The EU Local Currency Partnership Initiative: the European Fund for Southeast Europe (EFSE)	€50,320,000	2018	2039	Regional	•		
2018 NIP decision share – Green for Growth – Extension to Neighbourhood East II	€5,162,849	2018	2039	Regional	•		
Green for Growth – Extension to Neighbourhood East II	€6,157,151	2018	2039	Regional	•		

Title	Total Budget	Start date	End date	Type of the Project	Areas of Intervention		
					A2F	BDS	BEE
“EU4Business Guarantee Facility” financed from the general budget of the European Union under the Neighbourhood Investment Platform	€41,495,000	2020	2035	Regional	•		
SMEs Competitiveness in Ukraine and Moldova – NIP contract	€20,910,400	2023	2032	Regional	•	•	
EFSD+EBRD guarantee for Armenia	€550,000	2023	2031	Regional	•		
EIB-04 SME Finance Facility – EIB window	€5,100,000	2010	2030	Regional	•		
EFSD – FMO Guarantee for Georgia	€1,230,000	2023	2030	Regional	•		
ESDF FMO Armenia Guarantee	€4,650,000	2023	2030	Regional	•		
Eastern Partnership SME Finance Facility – Phase II KfW	€5,200,000	2017	2030	Regional	•		
EU EBRD Local Currency Initiative	€6,216,000	2021	2030	Regional	•		
DCFTA SME Direct Finance Facility	€10,220,000	2014	2029	Regional	•	•	
Grant for the DCFTA Initiative East – Local Currency Solution Programme	€5,300,000	2018	2029	Regional	•		
EFSD + – FMO Guarantee for AM top up	€950,000	2023	2029	Regional	•		
Women in Business Phase II	€8,000,000	2023	2029	Regional	•	•	
DCFTA Initiative East (EIB) (can also be referred to as DCFTA Facility by EIB)	€62,746,000	2016	2028	Regional	•	•	
EU4Business EBRD Credit line (SME Competitiveness Programme in Eastern Partnership – 2019 funds)	€42,675,049	2019	2028	Regional	•		
EFSD+EBRD Guarantee for Georgia	€1,770,000	2023	2028	Regional	•		
EFSD+Proparco Guarantee for Moldova	€2,500,000	2023	2028	Regional	•		
EFSD Proparco Guarantee Georgia	€3,100,000	2023	2028	Regional	•		
FINANCE AND TECHNOLOGY TRANSFER CENTRE FOR CLIMATE CHANGE (FINTECC) – EU4CLIMATE window	€15,400,000	2020	2027	Regional	•		
NASIRA Guarantee Program	€1,365,000	2022	2027	Regional	•		
EFD IFC guarantee in Ukraine	€2,500,000	2023	2027	Regional	•		
EU4Business EBRD Credit line (EU Deep and Comprehensive Free Trade Area (DCFTA) Facility, EBRD DCFTA Programme)	€38,900,000	2017	2027	Regional	•	•	
Eastern Partnership SME Finance Facility – Phase II EIB	€5,200,000	2017	2027	Regional	•		
EFSD+EBRD guarantee for Armenia	€280,000	2023	2027	Regional	•		
PROPARCO Guarantee Program	€10,650,000	2022	2027	Regional	•		
EU4Business EBRD Credit line (SME Competitiveness Programme in Eastern Partnership – 2018 funds)	€52,908,951	2019	2026	Regional	•		
EBRD Advice for Small Businesses, Team Europe EaP window	€14,976,000	2020	2026	Regional		•	
EU4Business EBRD Credit line (EU Deep and Comprehensive Free Trade Area (DCFTA) Facility, EBRD DCFTA Programme)	€19,430,000	2016	2026	Regional		•	•
EU-EBRD Country-specific Investment Climate Reviews and Action Plans for Eastern partnership (EaP) countries Phase II	€1,200,000	2022	2025	Regional			•
Mayors for Economic Growth 2 TA	€10,000,000	2021	2024	Regional		•	•
EU4BUSINESS: Connecting Companies	€6,498,205	2019	2024	Regional		•	
EU4Business: From Policies to Action Phase II	€2,900,000	2020	2024	Regional			•
Eastern Partnership Trade Helpdesk	€3,700,000	2019	2024	Regional		•	
EU4Environment – Mainstreaming and Circular Economy – Results 1 and 2	€9,700,000	2018	2024	Regional		•	•
Structural Reform Facility: World Bank component	€1,500,000	2018	2024	Regional			•
EFSD – IFC guarantee for Ukraine	€3,750,000	2023	2027	Regional	•		
Armenia Economic Resilience Facility	€6,300,000	2022	TBD	Regional	•		

# Annex 2: EU4Business Partners

Over 60 partners are implementing EU4Business projects and programmes

## Member State Governments and Agencies

- Austrian Development Agency (ADA)
- Consumer Rights protection Center (Latvia) – Twinning Consortium
- Czech Accreditation Institute – Twinning Consortium
- Czech Agriculture and Food Inspection Authority – Twinning Consortium
- Czech Metrology Institute – Twinning Consortium
- Czech Office for standards, Metrology and Testing – Twinning Consortium
- Czech Trade Inspection Authority – Twinning Consortium
- Deutsche Gesellschaft Fur Internationale Zusammenarbeit (GIZ) GmbH
- KfW
- Latvian Standard – Twinning Consortium
- National Body for Standards and Metrology (NBSM)
- Partikas Un Veterinaraish Dienests SIDA
- The Italian Accreditation Body (Accredia), Spanish Metrology Centre (CEM)
- Goethe-Institut e.V.

## EaP Government Agencies and NGOs

- Anti-Violence Network of Georgia Union
- Armenian General Benevolent Union Fund (AGBU Fund)
- Bolnisi Municipality
- Bukovynyan Regional Development Agency
- Caucasus Environmental NGO Network Association
- CO:WO / The community workspace (Co-Wo LLC)
- Creative Armenia (CA)
- Dilijan Community Center (DCC)
- Dilijan municipality
- DIS Properties Charitable Foundation (DISP)
- Executive Committee of Ivano-Frankivsk City Council
- Executive Committee of the Pyriatyn Town Council
- Fundatia Rezentanta Fundatiei Fundacja Solidarnosci Miedzynarodowej
- Georgian Farmers Association
- Ijevan Municipality
- Initiatives for Development of Armenia (IDeA) Foundation
- Kamyanets-Podilsky City Council Executive Committee
- Mamalyha Village Council
- Armenia Ministry of Economy (MoE)
- Municipality of Kapan community
- NGO Better Regulation Delivery Office
- Oni Municipality
- Organization for the Entrepreneurship Development (ODA)
- SAKARTVELO
- Solidarity Fund PL in Moldova
- Spilka Ukrainskyh Pidpryemtsiv (SUP NGO)
- The East European Foundation
- Union of advanced technology enterprises (UATE)
- Union of Employers of Information and Communication Technologies (UEICT)
- YEREVAN – TUMO Center for Creative Technologies
- Enterprise Georgia LEPL
- National Food Safety Agency (ANSA) – Moldova
- Kyiv School of Economics Institute
- Mamalyha Village Council and Bukovynyan Regional Development Agency

## International Consultancies

- Civitta
- COWI Belgium SPRL
- Ecorys
- Hulla & Co Human Dynamics Kg
- Instituto De La Calidad SA
- NIRAS Sweden AB
- Vakakis and associates
- WeGlobal
- DMI Associates
- WYG Consulting Ltd

## International Organizations

- Bank Gospodarstwa Krajowego (BGK)
- EBRD
- EIB
- International Bank for Reconstruction and Development
- International Trade Centre (ITC)
- Kredobank S.A.
- Lietuvos Respublik
- NASIRA
- OECD
- PROPARCO
- The International Centre For Migration Policy Development
- TUF
- World Bank
- FMO
- International Finance Corporation (IFC)

## International NGOs

- Eurochambres
- The Food and Agriculture Organization of The United Nations (FAO)
- United Nations Development Programme
- United Nations Industrial Development Organization (UNIDO)



# EU4Business

