EU4Business

Annual Report

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

2025

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Foreword

Marta Kos

Commissioner
for Enlargement

For more than a decade, the European Union has stood alongside micro, small and medium-sized enterprises (MSMEs) across its Eastern Neighbourhood—Armenia, Azerbaijan, Georgia, Moldova, and Ukraine. In 2025, this partnership proved more important than ever, as the region continued to navigate profound geopolitical uncertainty and economic pressure.

At the heart of this cooperation lies a clear conviction: **resilient SMEs are essential to economic growth, job creation, and social stability**. Through the EU4Business Initiative, the EU continues to translate this commitment into concrete action, expanding access to finance, delivering targeted advisory services, and supporting reforms that foster a more enabling business environment.

Since 2017, EU4Business has helped unlock more than **€50 billion** in turnover for supported enterprises, engaging over **500,000 MSMEs** and contributing to the creation of more than **500,000 jobs**. Working closely with international financial institutions and 48 local banks, the initiative has delivered nearly **16,000 grants** and **18,000 loans**, while strengthening the capacity of local financial systems.

In 2025 alone, more than 70,000 MSMEs received support, generating €8.9 billion in turnover and creating almost 90,000 new jobs. The programme also facilitated €1.95 billion in financing, helping businesses remain competitive and resilient in a challenging economic environment. Taken together with Ukraine Investment Framework interventions, total SME support across the region now exceeds €1.4 billion.

Beyond these results, EU4Business continues to drive inclusive growth. Nearly **two in five supported enterprises are owned or led by women**, reflecting the increasing role of women entrepreneurs in shaping the region's economic future.

These achievements were realised against a complex backdrop. Ukraine remained under severe strain due to Russia's ongoing war of aggression, requiring sustained international support to preserve economic resilience. Moldova continued advancing on its European integration path while facing structural and external vulnerabilities. In the South Caucasus, Armenia and Azerbaijan operated in a complex environment, yet cautious optimism emerged following steps towards normalisation, opening new opportunities for regional cooperation, trade, and investment

At the same time, Georgia experienced significant democratic backsliding in 2025, including the adoption of restrictive legislative measures that severely constrained civil society, media freedom, and access to external funding. In response, the European Union reassessed its engagement and consequently suspended ongoing assistance, including EU4Business activities supporting public institutions.

Against this background, EU4Business continues to operate across the region where conditions allow. It does so within a broader strategic framework aligned with key EU and partner-country priorities, notably the Ukraine Investment Framework, the Moldova Growth Plan, and the Armenia Resilience and Growth Plan.

Underlying these efforts is a clear set of guiding principles: **resilience, reform, and connectivity**. In the Eastern Neighbourhood, EU support is increasingly focused on strengthening economic resilience while fostering deeper regional and cross-regional connectivity. In the South Caucasus, this includes a long-term vision of enhanced cooperation, linking the region more closely with the European Union to the west, and with Central Asia to the east, with significant potential for trade, infrastructure, and investment.

This approach is anchored in the EU's Connectivity Agenda, which aims to improve transport, trade, and digital links across the region and with the EU, and which provides a strategic framework for EU4Business interventions in support of private sector development and market integration. This includes supporting SMEs to internationalise through integration into global value chains and strengthening trade facilitation along the Trans-Caspian Transport Corridor.

Looking ahead, the European Union remains firmly committed to its partnership with the Eastern Neighbourhood. By supporting entrepreneurs, strengthening institutions, and fostering sustainable economic development, **EU4Business continues to lay the foundations for a more resilient, competitive, and prosperous region.**

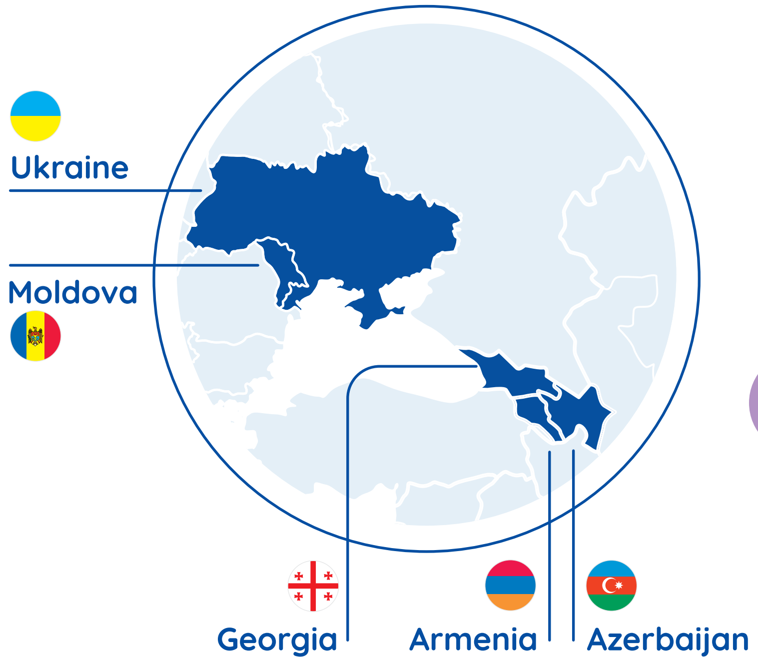
EU4Business Initiative:

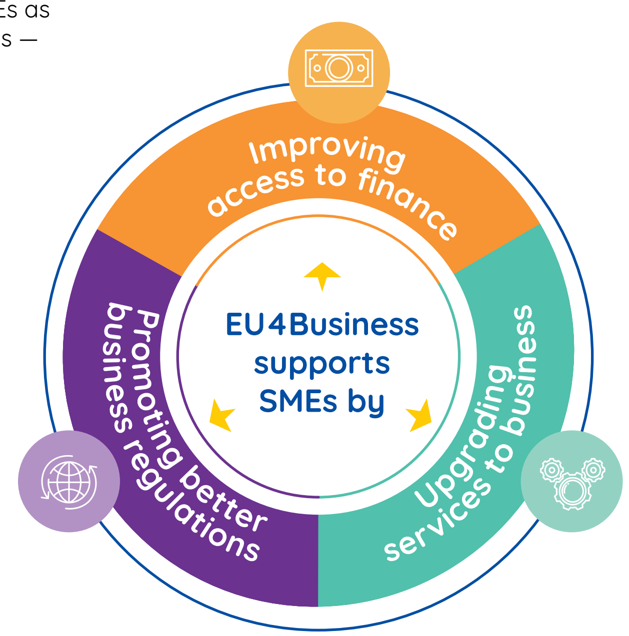
How EU supports SMEs in the EaP

About the Initiative

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 —





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

By the beginning of 2025, the Initiative had supported some 550,000 SMEs since its launch in 2016, helped create 500,000 jobs, provided approximately €2 billion in credits and grants to SMEs, helped generate €52 billion in additional turnover, and delivered increases in exports of up to 12.7%.

The EU4Business Initiative is supported by the EU4Business Facility that tracks results and produces annual reports for the overall Initiative, as well as for the five partner countries, but also engages in analysis of policy changes in our neighbours.

EU4Business Portfolio in 2025

The total budget of active EU support projects and programmes for SMEs in the Eastern Partnership countries reached in 2025

€1.432 billion

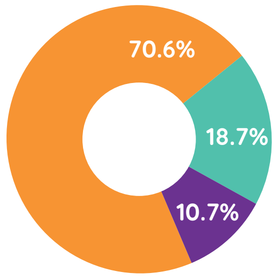
A significant increase compared with €1.071 billion in 2024. This reflects the inclusion of new SME support projects under the Ukraine Investment Framework (UIF) within the EU4Business portfolio.

109 active projects and programmes in 2025, compared with 120 in 2024

The number of active projects declined as the EU revised its approach in relation to Georgia. However, the total is expected to recover in 2026 as additional SME support projects under the Ukraine Investment Framework become operational. There were also reductions in the number of projects elsewhere, as fewer new projects were launched.

* This is the total value of contracts being implemented, not disbursements in 2025.

Breakdown by intervention



€1,011.1 million

€267.6 million

€153.3 million

A2F remains the largest pillar of the Initiative, and its share increased significantly in 2025 following the inclusion of financing programmes under the Ukraine Investment Framework (UIF).

A2F BDS BEE

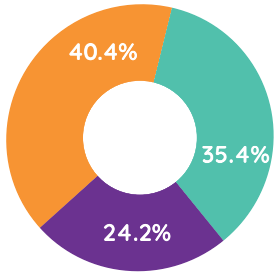
Breakdown by regional/ bilateral projects

Breakdown of bilateral projects by intervention in 2025

(% total value of budgets)

29.4%

€421.2 million



€170.0 million

€149.1 million

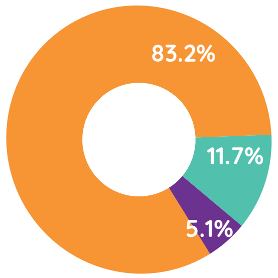
€102.1 million

Breakdown of active regional projects by intervention in 2025

(% total value of budgets)

70.6%

€1,010.8 million



€841.1 million

€118.4 million

€51.3 million

Bilateral projects accounted for 29.4% of the total active portfolio in 2025, while regional projects represented 70.6%, reflecting the inclusion of Ukraine Investment Framework (UIF) programmes.

Country portfolios

Country	Projects provided support to SMEs in 2025	Total value of EU support to SMEs in 2025	A2F	BDS	BEE	
Armenia	34	€158.6 million	€100.5 million	€46.0 million	€12.1 million	Following an increase in 2024, the overall portfolio returned closer to previous levels in 2025. The year also marked the second year of implementation of the EU-supported Armenia Growth Plan, an important framework guiding EU support.
Azerbaijan	27	€106.2 million	€73.2 million	€22.5 million	€10.5 million	A2F funding remained broadly stable, while the main changes in 2025 were reductions in BDS and BEE allocations.
Georgia	47	€299.2 million	€182.7 million	€66.4 million	€50.1 million	In response to the negative political developments in Georgia, the EU suspended direct financial assistance benefiting the authorities. Ongoing projects providing support to the private sector continued.
Moldova	38	€169.2 million	€88.2 million	€63.1 million	€17.9 million	A2F funding remained broadly stable, while funding for business development services increased. One factor may have been the need to prepare Moldovan SMEs for greater access to EU markets as Moldova progresses towards EU accession. The full impact of the 2024 Moldova Growth Plan is not yet fully apparent at the level of small businesses.
Ukraine	55	€698.8 million	€566.6 million	€69.6 million	€62.6 million	

The exceptional figures for Ukraine reflect the inclusion of Ukraine Investment Framework SME programmes and projects in the overall EU support portfolio. This trend is expected to continue in 2026 as additional UIF projects are contracted, particularly under A2F.

Overview by type of intervention

Access to Finance

EU support allocated to unlock access to finance in 2025 **€1,011.1 million**

Compared with €643.5 million in 2024

Much of this increase was due to the inclusion of SME support programmes of UIF.

A1	€217.0 million	Capped Loss Recovery
A2	€16.4 million	Interest Subsidy
A3	€30.4 million	TA to PFIs
A4	€266.8 million	Capped Guarantees
A5	€20.1 million	Currency Hedging Subsidy
A6	€194.8 million	SME Incentive Grants
A7	€100.1 million	Grants to SMEs
A8	€114.8 million	Structured Funds
A9	€50.7 million	Equity

The inclusion of Ukraine Investment Framework (UIF) SME projects led to a significant increase in two key instruments: A1 Capped Loss Recovery and A4 Capped Guarantees. The largest increases were recorded under these instruments, while allocations for A5 Currency Hedging, A6 SME Incentive Grants and A9 Equity remained unchanged. The increase in A2F allocations accounted for most of the overall growth in the Initiative's total portfolio.

Success stories

From Family Orchards to Global Markets: the Story of Susanna Hakobyan

Originating in family orchards in Armenia's Armavir region, a fruit-growing activity evolved into a dried fruit business. To reduce waste and losses, the family launched Sun Cheers. With EU4Business support, it improved its technologies, infrastructure, production capacity, and product quality, while also expanding into new markets.

Read full story

Types of Support Included in Access to Finance

A1 Capped Loss Recovery — This is a risk-sharing instrument in the form of a grant that the EU provides to an IFI. This grant is used by the IFI to partially cover the loss that any PFI, such as a local bank, would carry as a result of an SME not repaying part or all of its loan. This means that if an SME does not pay back the loan to the local bank, the EU grant for capped loss recovery can actually cover half of the loss of the bank. In this way, the local banks are more willing to disburse loans to SMEs, which are generally perceived as high-risk borrowers.

A2 Interest Subsidy — This instrument is a grant given by the EU to IFIs in order to lower the cost of their loans to SMEs in the EaP. The grant provides interest subsidies of up to 10%, which is applied to the regular interest rate at which the IFI lends to PFIs and further on to SMEs. The purpose of this instrument is to lower the final cost of finance for SMEs in the EaP.

A3 Targeted Assistance (TA) to PFIs — This instrument consists of consultancy services, mentoring, and specialised training provided to the local banks. It helps the local banks better understand the policies and procedures of the IFIs and improves the capacity of the local banks in their work with the SMEs.

A4 Capped Guarantees — This instrument consists of a guarantee given to IFIs in order to lower the risk of lending to SMEs via local PFIs. The guarantees reduce the need of SMEs to provide extensive collateral for loans from the local banks. These guarantees are generally capped at up to 25% of the total portfolio of the local bank and generally 70%-80% of each individual subloan.

A5 Currency Hedging Subsidy — This instrument is given to IFIs to enable them to disburse loans to PFIs (and ultimately to SMEs) in local currency as there is a risk from fluctuations in exchange rates. Due to the EU grant, the IFIs and subsequently the PFIs can offer loans in local currency to SMEs at a more competitive price, as the banks will not need to add the costs of protecting themselves from adverse changes in the exchange rates to the charges that they levy from the SMEs.

A6 SME Incentive Grants — SMEs sign a loan contract from one of the credit lines of the IFIs via the PFIs. After the loan is disbursed, there is a verification process to check if the loan was used for the purpose listed in the business plan. Once the verification report confirms compliance, a part of the loan is transformed into a grant, so that the total "cost" of financing is lowered. The most common incentive grants are between 10% and 15% of the loan value.

A7 Grants to SMEs — These grants are non-reimbursable and generally modest in value in order to support as many SMEs as possible. In general, SME grants are disbursed to target specific economic development goals such as development in rural areas, poor communities, or a response to various types of crises. These grants are usually disbursed through Non-governmental Agencies (NGOs) with links to targeted communities.

A8 Structured Funds — Typically, this involves direct loans or equity investment in a financial instrument or fund by the EU, rather than working in partnership with IFIs and PFIs. As the EU does not have the capacity to disburse direct loans to SMEs, this function is assigned to an intermediary. The most important EU investment in Direct Finance is shares in the European Fund for Southeastern Europe (EFSE).

A9 Equity — Equity is a direct investment instrument for funding SMEs by buying participation (shares) in the respective business, when it is a in the form of a company. This type of support instrument involves more risk.

Business Development Services

EU support allocated to improving business development services in 2025 **€267.6 million**

Compared with €271.1 million in 2024

B1	€166.3 million	Consultancy Services for SMEs
B2	€49.8 million	Capacity Building of BSOs
B3	€16.6 million	Incubators
B4	€3.7 million	Clusters
B5	€15.1 million	Trade Information
B6	€13.6 million	B2B Activities
B7	€2.5 million	Export Strategies

BDS allocations remained broadly stable. Funding for trade information increased significantly compared with 2024, while allocations for export strategies declined. Most of the remaining changes reflect the completion of existing projects and may change again as new projects become operational.

Success stories

From a Family Idea to a Global Brand:

How EU Support Helps Ukraine's Kormotech Grow Worldwide

Despite Russia's full-scale invasion, Ukrainian pet food producer Kormotech continues to expand internationally, exporting to 51 countries while keeping production in Ukraine.

Through the EU4Business Initiative, implemented by the EBRD, the European Union has supported Kormotech with advisory services to improve production efficiency, strengthen product development and enhance sustainability, as well as grants to increase energy efficiency. This support has helped the company become more competitive and resilient while accelerating its international growth.

Today, Kormotech is a global brand with ambitious export plans, demonstrating how EU4Business helps Ukrainian businesses innovate, grow and succeed even in times of war.

Read full story

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 commerces, SME associations, professional bodies, sector trade associations, training institutes, etc.) to deliver BDS services to SMEs. The capacity building is achieved though mentoring, training of 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 potential 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

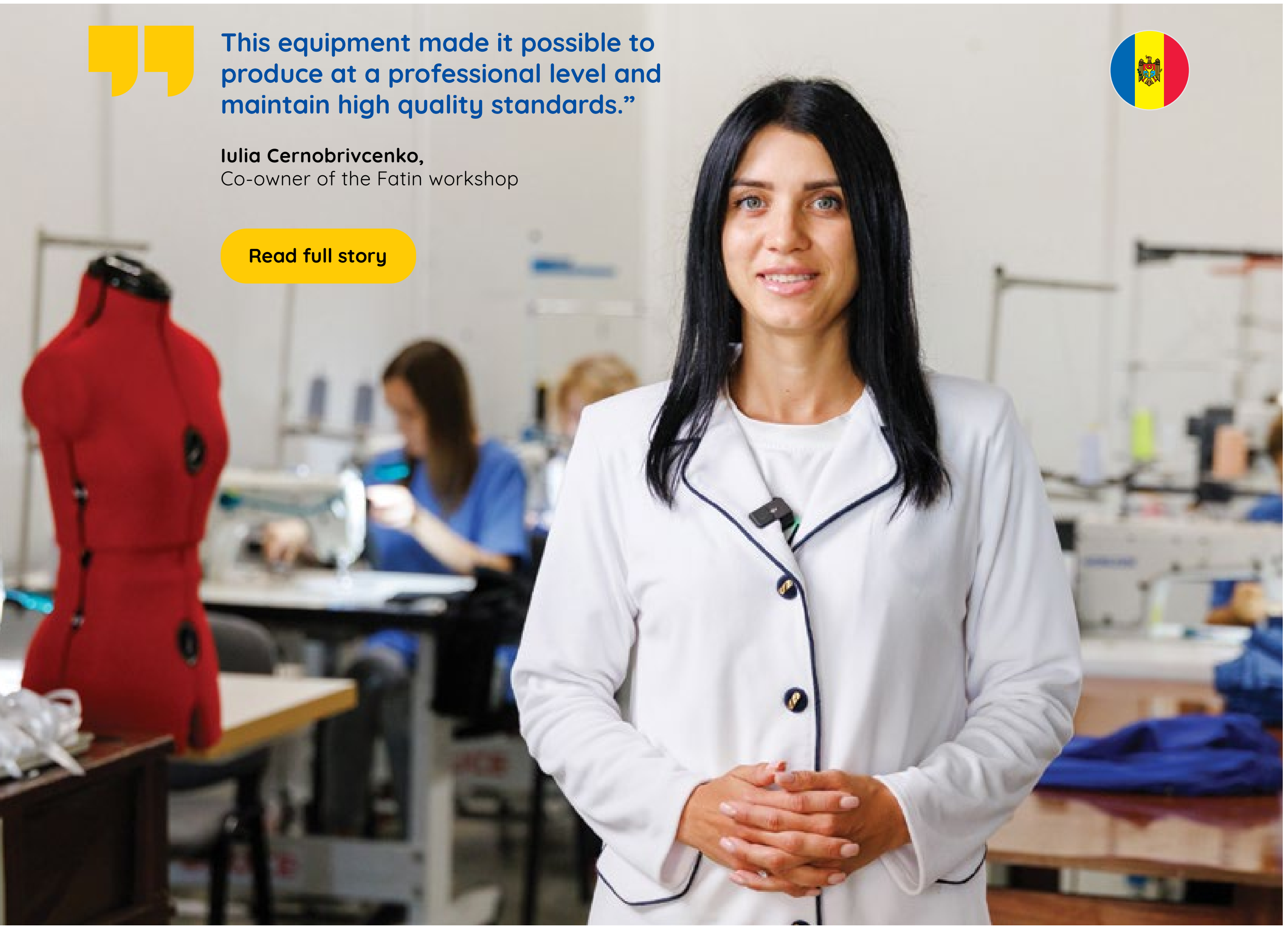
This instrument is typically based on studies, analysis, and stakeholder consultation that assesses national production, market requirements, and export constraints. Working with government and stakeholders, it builds a common sector or national approach to develop the exports of competitive products 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.

Success stories

From Home Sewing to a Thriving Workshop:

A Family Business Grows with EU Support in Tiraspol

Iulia Cernobrivcenko turned a small home-based sewing activity into a growing family business in Tiraspol with support from the European Union's EU4Business Initiative.



> This equipment made it possible to produce at a professional level and maintain high quality standards."

Iulia Cernobrivcenko,
Co-owner of the Fatin workshop

Read full story

During the pandemic, while on maternity leave, Iulia partnered with her mother, an experienced seamstress, to produce protective masks and later professional clothing for medical and service sector workers.

Through the EU4Business-supported Business HUB in Tiraspol, Iulia gained business training, mentoring and networking opportunities that helped her develop the company and identify new market opportunities. In 2025, the business received around €17,000 in EU4Business support, enabling the creation of a modern workshop equipped with industrial sewing and embroidery machines, steam generators and other professional equipment.

Today, the Fatin workshop produces workwear for healthcare professionals, beauty specialists and food service staff, while also creating local jobs and strengthening its market presence. The business continues to expand through improved branding, product development and plans for further automation and increased production capacity.

Business Enabling Environment

EU support allocated to improving the business enabling environment in 2025 **€153.3 million** — Compared with €156.2 million in 2024

C1	€56.9 million	Capacity Building of Policymakers / Regulators
C2	€22.0 million	Public-Private Dialogue
C3	€53.2 million	Regulatory Reform
C4	€21.2 million	Information and Communication to SMEs

There was little change in total BEE allocations between 2024 and 2025, and funding across the individual instruments remained broadly stable. However, allocations for government capacity building declined, reflecting developments in Georgia, where funding for this instrument fell by approximately €3 million. Funding for public-private dialogue also decreased, as this instrument also involved government partners.

Types of Support Included in Business Enabling Environment

C1 – 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 – 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 – 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 legislation, rules, and regulations with those of the EU. Approximation occurs in all five EaP countries, especially in candidate countries .

C4 – Information and Communication to SMEs

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

Article

EU Resilience and Growth Plan for Armenia:

Opening the New Chapter of Cooperation and Economic Development

The EU's Resilience and Growth Plan for Armenia, launched in April 2024, underpins the EU-Armenia Strategic Agenda. It aims to promote a more resilient Armenian society, bring Armenia closer to the EU, and invest in connectivity and business development.

The Global Gateway investment portfolio has reached over €2.5 billion in expected mobilized investment. The Plan sits within a broader framework of EU neighbourhood policy support that has already channeled tens of millions of euros into SME oriented programmes: this includes EU4Business, which alone triggered over 450 million euros in additional financing and supported roughly 25,000 Armenian SMEs between 2009 and 2021.[1 2]

Main financial elements

The Resilience and Growth Plan foresees a total disbursement of about **€270 million for 2024-2027, consisting of €200 million in grant assistance to support reforms and socio-economic resilience, and €70 million in investment grants to leverage private investment, focusing on connectivity, economic resilience, and business development**. As part of the Resilience and Growth Plan, in March 2026, the EU and Armenia signed a **€143 million financing agreement for 2025-2027**, which will be disbursed through technical assistance and a Multi-Sector Budget Support programme, incentivising targeted reforms including on export diversification, but also public policy, visa liberalisation and employment.[3]

Impact on local SME sectors

Through the Global Gateway, the **EU has been supporting SMEs' access to finance, energy efficiency solutions, the rehabilitation of education infrastructure and improved water management, among other sectors**. Recent EU supported programmes in Armenia have already demonstrated that modest SME targeted interventions can significantly raise turnover and employment. EU-backed SME projects generated around 27,000 new jobs and lifted total SME turnover by roughly 17 per cent. Upcoming support will target export diversification and trade facilitation.

[1] European External Action Service, Resilience and Growth Plan for Armenia 2024-2027, 2024.
[2] EU Neighbours East, "EU announces new €270 million Resilience and Growth Package for Armenia", 2024.
[3] ARKA News Agency, "Armenia and the EU signed a €140 million financial agreement for the Resilience and Growth Plan", 2026.

Article

Infrastructure and connectivity projects

The €143 million package reflects the priorities of the Resilience and Growth Plan, with a strong focus on export diversification and connectivity.

A central objective is to make Armenia's economy more resilient to external shocks, by strengthening its integration into regional and global value chains.

The launch of the EU-Armenia Connectivity Partnership on the occasion of the first EU-Armenia Summit on 5 May 2026 provides an important framework for closer cooperation on transport, energy and digital connectivity, supported by regular high-level dialogue and coordinated investment planning.

In June 2026, the EU, the European Investment Bank and the European Bank for Reconstruction and Development agreed to launch EU-funded feasibility studies supported through the Neighbourhood Investment Platform. These studies will help prepare future investments in strategic transport links and border infrastructure, supporting improved regional connectivity, more efficient trade routes and greater mobility as regional connections develop.

The Plan and the associated Team Europe initiatives also support investments in energy connectivity and the green transition, including stronger electricity interconnections with Georgia, renewable energy generation, and measures to enhance the resilience and reliability of Armenia's electricity grid.[4 5]

Together, these investments have the **potential to lower transport and logistics costs, shorten delivery times and improve market access for Armenian SME exporters and importers**. For instance, improvements in regional road corridors and digital trade platforms help SMEs comply with EU style standards and customs procedures, thereby easing access to the EU single market under the Comprehensive and Enhanced Partnership Agreement (CEPA). Empirical evidence from EU Borderless SME programmes suggests that even small scale support for trade fair participation, business matching, and digital export tools can yield outsized growth returns for SMEs, as seen in cases where Armenian firms have opened export channels into the EU, the United States, and other markets.[6 7]

Business environment and SME support

In addition to bilateral support channelled through the Resilience and Growth Plan, regional programmes such as EU4Business offer SME oriented instruments, such as extended credit line windows and technical assistance packages which finance business advisory services, modernisation grants, and access to finance schemes for Armenian small and medium sized enterprises. Recent incubation oriented calls, such as the "EU4Innovation East" grant programme in Armenia, channel EU funds into sector specific incubators (e.g., AgriTech, CyberTech, SpaceTech, FinTech), with total allocations of about €800,000 and grants of up to €200,000 per incubator.[8]

Social and regional stability projects

Social resilience is another priority sector of the Resilience and Growth Plan. **The Multi-Sector Budget Support incentivises reforms on jobs, skills and social inclusion and continues support to the integration of displaced Karabakh Armenians**. The "Resilient Syunik" Team Europe initiative, which has already **backed over 40 projects worth around €120 million by 2025 and is expected to grow beyond €200 million in total**, is one of the main regional stability vehicles linked to the broader resilience envelope.[9 10]

[4] Council of the European Union, EU-Armenia Partnership Agenda, 2025.
[5] PanARMENIAN.Net, "EU, EIB and EBRD launch investment platform for Armenia", 2026.
[6] Multiannual Indicative Programme 2021-2027 for Armenia, 2026.
[7] ARKA News Agency, "Armenia and the EU signed a €140 million financial agreement for the Resilience and Growth Plan", 2026.
[8] EU4Innovation East, "Grant call for applications opened in Armenia", 2026.
[9] Council of the European Union, EU-Armenia Partnership Agenda, 2025.
[10] EU4Armenia, 2025.

Key results 2025 at a glance

€135.2 million was disbursed in 2025 to support SME growth in the Eastern Partnership

76,378
SMEs supported

€8.9 billion
income generated by EU-supported SMEs

43.0%
women-owned/managed enterprises

11.7%
growth in EU-supported SMEs' turnover

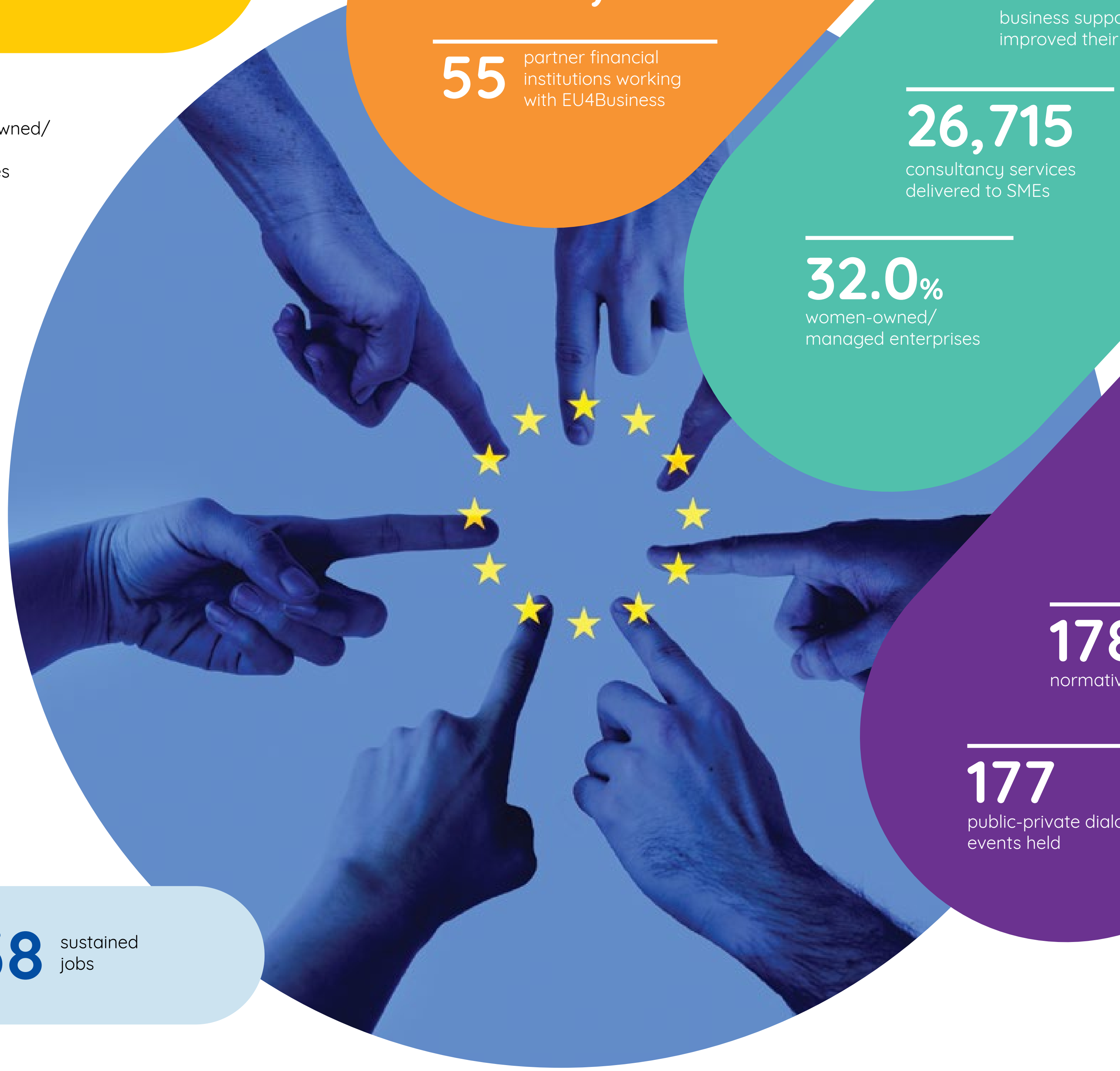
89,388
new jobs created in supported SMEs

+23.2%
increase in staff amongst EU-supported SMEs

2,431
EU-supported SMEs started exporting

+11.8%
increase in exports amongst EU-supported SMEs

474,038
sustained jobs



Access to Finance

46,590 SMEs received loans

48.9% women-owned/managed enterprises

€1.2 billion total value of loans triggered

€25,251 average loan size

55 partner financial institutions working with EU4Business

Business Development Services

290
business support organisations improved their capacity

26,715
consultancy services delivered to SMEs

32.0%
women-owned/managed enterprises

Business Enabling Environment

517
government institutions improved their capacity

178
normative acts changed

177
public-private dialogue events held

Article

The Ukraine Investment Framework and MSMEs Support

The Ukraine Investment Framework (UIF) is part of the EU's €50 billion Ukraine Facility. It aims at unlocking public and private investments contributing to Ukraine's recovery and reconstruction, while advancing on its EU integration. Its total budget is €9.5 billion and so far, the EU has committed €8.6 billion, which aims to mobilise a total of €25.7 billion of investment.

The Ukraine Investment Framework is guided by clear principles: effectiveness and transparency, Ukrainian ownership of priorities, coordination with donors, and alignment with EU climate and environmental standards. In practice, this means EU and Ukraine define priorities together. The UIF is guided by a Steering Board led by the European Commission and EU Member States, with Ukraine and the European Parliament involved as observers. All initiatives must match Ukraine's national recovery plan and public projects must be included in the Government's Dream State Single Project Pipeline to ensure coherence and accountability. Programmes are coordinated with international partners, and investments support both urgent recovery and long-term reconstruction.

European and international financial institutions implement programmes under the Ukraine Investment Framework by using EU guarantees, loans, grants and technical assistance to mobilise investment. Key implementing institutions are the

European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the International Finance Corporation (IFC), as well as national development banks such as the Polish Development Bank (BGK), German Development Bank (KfW), Italian Development Bank (CDP), which are also implementing other programmes within the EU4Business Initiative.

Under the UIF, a significant share of funding goes to SMEs and start-ups, contributing to the resilience and recovery of the Ukrainian economy. The Ukraine Facility Regulation enshrined a target of 15% of the UIF guarantee capacity that should be allocated to MSMEs, amounting to €1.17 billion. Currently, 62% of the target has been reached, representing €725.7 million in Guarantee. In total, the EU has mobilised €1 billion of support to SMEs, aiming at unlocking €6 billion in new investments. This amount of support has a systemic effect in Ukraine, taking into account the current total SME lending estimated up to €8 billion for 2025.

In order to support access to finance for MSMEs, EU guarantees and blending finance allow commercial banks in Ukraine to expand their SME lending portfolio, improve lending conditions, and facilitate access to finance for war-affected and vulnerable businesses. The EU programmes involve the EFIs in their risk-sharing mechanisms and a large network of local financial institutions in Ukraine, benefiting from EU guarantees.

Newly approved programmes specifically focus on war-affected businesses, meaning companies that have seen their asset destroyed by the war, companies led by or employing war veterans, Internally Displaced Persons (IDPs), as well as priority target groups such as women-led, youth-led enterprises, companies employing persons with disability. These programmes have a social inclusion objective in addition to facilitating access to finance for small and medium businesses.

Article

The UIF supports MSMEs through the following programmes:

EU4Business MSME Access to Green, Growth and Inclusive Finance

The programme supports Ukrainian micro, small and medium-sized enterprises with access to finance for recovery, growth, and green transition. With EU support and EIB implementation, local partner banks can provide loans on better terms to companies that keep people employed, invest in modern technologies, and expand into new markets. The initiative helps businesses weather the impact of the war, create jobs, and strengthen local economies while driving Ukraine's sustainable recovery

Financial Inclusion Recovery Programme with SME Competitiveness and Inclusion Programme

The programme expands access to finance for Ukrainian small businesses and households during the war and recovery. With EU guarantees and grants implemented by the EBRD, local partner banks and leasing companies can provide loans to those most in need, including small farmers, family-owned businesses, women- and youth-led enterprises, and companies investing in green technologies. This means more entrepreneurs can keep their businesses running, protect jobs, and invest in Ukraine's future.

EU Support for Ukrainian MSMEs Programme

The programme channels EU-backed guarantees through BGK to support Ukrainian MSMEs, especially those operating in war-affected regions. By lowering collateral requirements and sharing risks with local banks, it gives entrepreneurs access to loans they would otherwise not receive. This support helps businesses relocate to safer areas, repair war damage, and sustain jobs, while keeping economic activity alive in the most difficult conditions.

Lending to Micro and Small Enterprises via the EFSE Fund

The programme supports the restoration and relocation of war-affected companies, micro and early-stage entrepreneurship, businesses in de-occupied/front-line regions, and the adaptation of agricultural business. The EU is providing first loss capital of €45 million, €9 million in investment grants and €1 million in technical assistance via the German development bank (KfW) to generate investments expected to total €205 million.

MSME Access to Green, Growth and Inclusive Finance – Partial Portfolio Guarantee Programme

The programme helps Ukrainian micro, small and medium enterprises (MSMEs) access affordable finance to recover, grow and invest in greener and more inclusive business models. With EU guarantees implemented by the EIB Group through the European Investment Fund (EIF), local banks are able to lend to companies that otherwise struggle to get credit, including businesses affected by the war, located near frontlines, owned or managed by women, veterans or displaced people, as well as start-ups. By unlocking much-needed finance, the programme strengthens resilience, supports jobs, and opens opportunities for innovation and sustainable growth.

EU-Ukraine SME Access to Finance via EDFI MC

The programme helps expand access to finance for Ukrainian enterprises, including SMEs, mid-caps and equity funds, with a focus on resilience, green transition, agri-food, energy, manufacturing, transport and digitalisation. The programme, implemented through the Joint EDFI Ukraine Guarantee, mobilises European development finance institutions and private investors to sustain and grow Ukraine's private sector during and after the war. The EU is providing guarantees of €225 million and a grant of €14.5 million to generate investments expected to total €2.49 billion.

EU-EBRD Financial Inclusion Recovery Programme

The programme helps expand access to finance for Ukrainian micro, small and medium-sized enterprises through a wide network of partner banks. The programme combines EU guarantees, investment grants and technical assistance to de-risk lending and stimulate investment in modern and green technologies. It also targets vulnerable groups of entrepreneurs, including those affected by the war, and supports job creation and business resilience across the country. The EU is providing guarantees of €200 million and a grant of €117 million to generate investments expected to total €2.1 billion. This programme is an extension of the Financial Inclusion programme.

EU Support for Ukrainian Micro, Small and Medium-Sized Enterprises (MSMEs) – Phase 3

The programme aims at strengthening access to finance for Ukrainian enterprises and support their recovery, competitiveness, and integration into the EU market. The programme responds to the growing demand for stable long-term lending, addressing gaps in existing risk-sharing instruments by also reaching larger SMEs (SME+). Loans under the scheme will help companies maintain operations, invest in growth, and preserve jobs despite the ongoing war. The EU is providing guarantees of €100 million and a grant of €20.4 million via the Polish development bank (BGK) to generate investments expected to total €805 million.

Ukraine SME Recovery Programme

The programme helps restore and expand access to finance for Ukrainian small and medium-sized enterprises (SMEs), helping them recover from the war, maintain operations and invest in growth. Implemented with the European Bank for Reconstruction and Development (EBRD), the programme combines guarantees and technical assistance to de-risk lending and equity investments, enabling SMEs to rebuild, create jobs and adapt to new market conditions. The EU is providing guarantees of €41 million and a grant of €5.25 million to generate investments expected to total €154 million.

CDP FAO TERRA Ukraine

TERRA Ukraine aims at supporting the agribusiness sector stakeholders, namely agri MSMEs and SMEs+, through financial institutions operating in Ukraine. The EU provides a guarantee of €100 million and €5 million of Technical Assistance (TA). The TA will be managed by the FAO and used to support financial institutions in their agri-lending strategy and risk management practices, as well as to support agri-MSMEs in the introduction of sustainable practices and the enhancement of financial literacy. The programme is expected to generate investments of €353 million.

IFC MSME+ Growth Catalyst

MSME+ Growth Catalyst aims at supporting MSMEs and SMEs+ through intermediated lending, with a strong support to CAPEX investments and a focus on sustainable investments. The guarantee provided by the EU stands at €125 million, and will be accompanied by an Investment Grant (IG) of €15 million, with the objective of subsidizing investments covered by the guarantee targeting underserved groups and CAPEX investments, and a TA of €6.25 million for IFC to assist the financial institutions progressing on sustainable solutions offered to end-beneficiaries and on their strategy to enable access to finance to vulnerable groups. The programme is expected to generate investments of €621.25 million.

The outcomes of the UIF SME programmes will form part of the results that shall be included in future EU4Business reports, both for the overall EU SME support portfolio, but also future reports on Ukraine.

The Cross-Regional Connectivity Agenda

Strengthening resilience and driving sustainable economic growth across the Eastern Partnership region

On June 23rd 2026, the European Commission, represented by the Commissioner for Enlargement Marta Kos and Jozef Síkela, Commissioner for International Partnerships, held the high-level launch for the Connectivity Agenda Platform[1].

This follows the Cross-regional Security and Connectivity Ministerial Meeting in October 2025 that presented the ambitious Cross-Regional Connectivity Agenda, which aims to strengthen transport, energy and digital links between the European Union and Central Asia through the South Caucasus and the Black Sea region by coordinating strategic investments and regulatory cooperation. The Connectivity Agenda is a key part of the European Union's Global Gateway strategy, whose purpose is to boost smart, clean and secure connections in digital, energy and transport sectors, and to strengthen health, education and research systems across the world

The Global Gateway approach feeds into the Cross-Regional Connectivity Agenda that aims to improve links between the EU and Central Asia through Türkiye and the South Caucasus by coordinating strategic investments and regulations. The objective is to boost trade and socio-economic development through resilient and efficient transport, energy, and digital networks. Businesses, including SMEs, will benefit from enhanced opportunities for better transport links, digital business and better energy supply.

Marta Kos,
Commissioner for Enlargement

At a time of growing conflict, it is great to see so many countries come together around a shared project. We need reliable trade routes, and the Trans-Caspian Transport Corridor has emerged as exactly that. Trade along the route could increase fivefold over the next 15 years. To make this happen, we need to bring our efforts together. Many projects and initiatives are already under way. The Platform will connect them, fill the remaining infrastructure gaps and link the route from end to end."

[1] European Commission, "EU launches Connectivity Agenda Platform to strengthen links between Europe and Central Asia", 2026.

Key Priorities of the Connectivity Agenda

The focus of the Connectivity Agenda is on sustainable and resilient connections in four priority areas[2]:

Transport: strengthening the cross-regional Trans-Caspian Transport Corridor (TCTC) and the extension of our transport connections.

Digital: developing high-speed internet access to drive innovation, digital trade, and secure critical infrastructure.

Energy: improving energy links and accelerating renewable energy deployment to enhance energy security and diversification.

Trade: harmonising and digitalising customs procedures to simplify cross-border trade and deepen market integration.

Building on existing initiatives, the Connectivity Agenda will be central to resilience and future economic growth across the wider region. **For SMEs in the Eastern Neighbourhood and Central Asia, the benefits of implementing the Agenda are clear. It offers:**

Wider Markets: Faster transport and improved digital infrastructure will enable SMEs to reach customers and suppliers well beyond their immediate local markets.

Lower Costs: More efficient logistics, streamlined customs procedures and reduced transit times will help SMEs lower transport costs and minimise inventory and working-capital requirements.

Greater Digital Adoption: Reliable, high-speed connectivity will facilitate the uptake of cloud computing, digital payments and other digital tools, helping small businesses reduce IT costs and operate more efficiently. Better Integration into global value chains: Improved transport and digital corridors will make it easier for SMEs to connect with larger international value chains, multinational networks and foreign direct investment (FDI) hubs.

Jozef Síkela,
Commissioner for International Partnerships

"The Trans-Caspian Transport Corridor is becoming a vital bridge between Europe and Asia. With these new investment agreements, we are upgrading infrastructure, improving border crossings and helping create a route that is quicker, more reliable and better connected. This is not only about transport. It is about competitiveness, energy security and giving citizens and companies the confidence that trade and mobility can continue even in times of geopolitical pressure."

From Strategy to Action

To support these objectives, the Connectivity Agenda Platform will provide a framework for participating countries, international financial institutions and other stakeholders to coordinate investments and policy action across transport, energy, digital connectivity and trade. As part of efforts to further strengthen cooperation with the region, participants also agreed to improve the operational performance of the Trans-Caspian Transport Corridor. They invited the Commission to assess the corridor's functioning and identify priority actions to enhance its competitiveness.

To support the implementation of the Connectivity Agenda, the Commission has concluded statements of intent with international financial institutions expected to mobilise up to €2 billion for investments in transport infrastructure, border crossing points and trade facilitation across the Black Sea region and the South Caucasus. These investments will strengthen cross-border connectivity, reduce barriers to trade and support the development of more efficient and resilient transport links along the corridor.

Apostolos Tzitzikostas,
Commissioner for Sustainable Transport and Tourism

"Competitive economies depend on strong transport networks and connectivity. By mobilising up to €2 billion in strategic investments, we are modernising transport infrastructure, strengthening border crossings and facilitating trade. This will unlock economic opportunities for Europe and its partners in Central Asia, the South Caucasus and the Black Sea region, boost resilience and deliver tangible benefits for businesses and citizens alike."

[2] European Commission, "EU strengthens cross-regional cooperation with Black Sea countries, the South Caucasus and Central Asia", 2025.

EU4Business Results in 2025

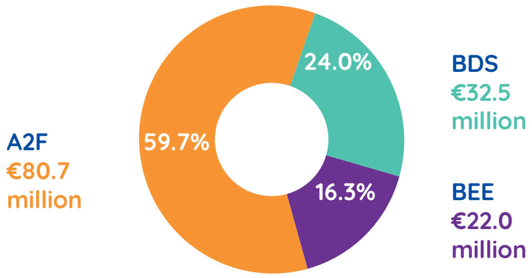
EU4Business Results in 2025

Disbursed budget

€135.2 million was disbursed in 2025 to support SME growth in the Eastern Partnership

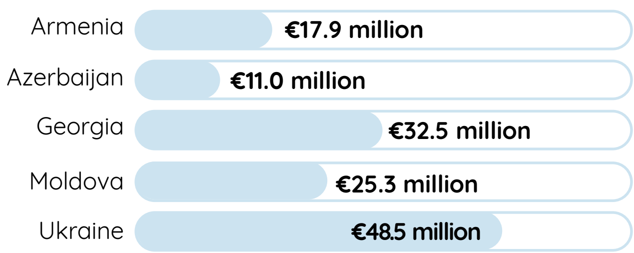
This was lower than in 2024 (€169.5 million). This decrease can largely be explained by a combination of factors, including the continued war in Ukraine, the political situation in Georgia, and the fact that several projects were still in their early implementation phase, with limited disbursement activity. The lower level of disbursements is reflected in the reduced number of supported SMEs and related KPIs. However, the decline in these indicators was less pronounced than the reduction in disbursements.

Disbursed budget per pillar in 2025



A2F remained the dominant component of support, with 59.7% of the budget. BDS accounted for 24.0%, and BEE for 16.3%. This distribution was broadly consistent with 2024.

Disbursed budget per country in 2025



Ukraine and Georgia remained the largest recipients of EU support, reflecting the size of their economies and SME sectors. In Ukraine's case, SMEs also tend to be larger than in the other partner countries. Furthermore, 2025 saw the launch of the Ukraine Investment Framework, which is expected to significantly reshape the distribution of EU support from 2026 onwards.

Our stakeholders

The Directorate-General for Enlargement and the Eastern Neighbourhood (DG ENEST)

The Directorate-General for Enlargement and the Eastern Neighbourhood (DG ENEST) is a department of the European Commission responsible for taking forward the EU's Enlargement and Eastern Neighbourhood policies. DG ENEST works closely with the European External Action Service and the line DGs in charge of thematic priorities.

In the enlargement area, DG ENEST assists those countries with a perspective to join the EU. DG ENEST closely monitors the progress of enlargement countries and supports accession negotiations. The DG manages the bilateral relations of the Union with candidates and potential candidates, with a strong focus on reforms related to the rule of law, economic governance and public administration reform.

DG ENEST manages the bulk of the Union's financial and technical assistance to the countries that are candidates or potential candidates for EU membership, as well as countries or peoples in the EU's Eastern neighbourhood, including Armenia, Azerbaijan and Belarus. The DG supports reform and democratic consolidation and promotes EU values, policies and interests in this region, strengthening prosperity, stability and security in and around Europe.

Find more information

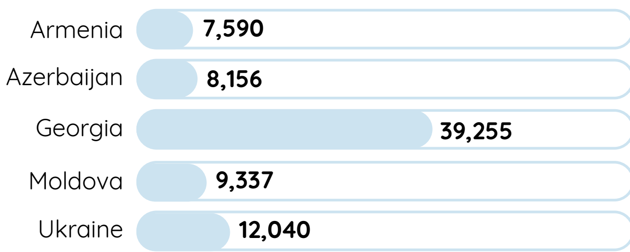
Number of SMEs supported

76,378

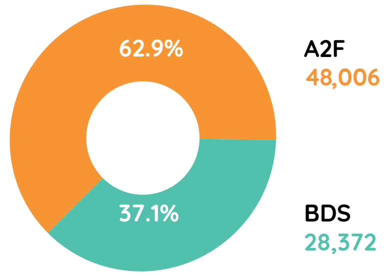
SMEs supported by the EU in 2025

This was lower than in 2024, when more than 80,000 SMEs received support. The lower number of supported SMEs reflected the reduction in disbursed funding. However, the decline in the number of SMEs supported was less pronounced than the reduction in disbursed funding, suggesting that more SMEs were reached per euro disbursed in 2025. There was also a shift towards supporting larger SMEs, with relatively fewer micro-enterprises receiving support. As noted previously, SMEs in Ukraine tend to be larger than in the other partner countries, where micro-enterprises account for a much larger share of the SME sector.

SMEs supported by country



SMEs supported by pillar***



*** While improvements to the Business Enabling Environment (BEE) would support and benefit a whole range of SMEs, this has not been included in the analysis as it is difficult to exactly quantify the number of beneficiaries and the specific impact of reforms.

As in previous years, there was strong demand from SMEs for both financial and technical support. We expect this trend to continue as the EU Connectivity Agenda advances, creating new opportunities for businesses to engage in cross-border trade, investment and regional value chains. As connectivity between the EU, the Eastern Neighbourhood, Türkiye, the South Caucasus, the Black Sea region and Central Asia strengthens, SMEs are likely to seek greater support to improve their competitiveness, build the capacities needed to access new markets and make full use of emerging opportunities.

Support for improving the business enabling environment remains crucial, although its benefits extend beyond SMEs to the wider business community. The exact number of SMEs benefiting from these reforms cannot be quantified. However, direct support through the other pillars reaches around one in ten SMEs, while many of the remaining businesses are likely to benefit indirectly from improvements to the business enabling environment.

Success stories

How a Carpentry Workshop Brought a Family Back to Moldova

Ludmila Donica transformed her late father's carpentry tradition into a modern family business with EU4Business support. EU funding provided essential equipment and training, helping the workshop expand its product range and improve quality. The business has created new opportunities while bringing her family back together at home.

Read full story

Women in business

43.0% Share of women-owned/managed enterprises in the Eastern Partnership in 2025

Share of women-owned/managed enterprises by country

Armenia	70.4%
Azerbaijan	71.0%
Georgia	35.8%
Moldova	37.7%
Ukraine	34.3%

The high figure in Armenia reflects the significant expansion of the Women in Business project. In addition, the majority of the small agribusinesses supported under the project are owned or managed by women. By comparison, the corresponding figure for the EU is around 33%.

SME turnover

Turnover of supported SMEs **€8.9 billion**

Turnover of EU-supported SMEs by country

Armenia	€1.2 billion
Azerbaijan	€0.3 billion
Georgia	€3.0 billion
Moldova	€1.7 billion
Ukraine	€2.7 billion

Increase in SMEs' turnover **11.7%** Average growth of EU-supported SMEs in 2025

Increase in SMEs' turnover by country

Armenia	20.5%
Azerbaijan	12.0%
Georgia	9.8%
Moldova	14.0%
Ukraine	9.0%

The overall EaP figure increased from 10.6% in 2024 to 11.7% in 2025. The performance of most partner countries broadly followed the patterns observed in 2024, with the notable exception of Armenia, which recorded significantly stronger turnover growth.

Exports

Value of exports for supported SMEs **€1.7 billion**

Value of exports for EU-supported SMEs by country

Armenia	€157.8 million
Azerbaijan	€63.0 million
Georgia	€344.2 million
Moldova	€185.0 million
Ukraine	€915.4 million

Ukraine and Georgia recorded the highest export values among EU-supported SMEs, reflecting the larger size of their economies and SME sectors compared to the other partner countries.

Increase in export volume **11.8%**

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

Armenia	7.6%
Azerbaijan	10.4%
Georgia	8.0%
Moldova	9.9%
Ukraine	14.6%

Export volumes increased across all partner countries in 2025. This reflects the continued strong export performance of EU-supported SMEs and suggests that EU4Business interventions, including support related to the DCFTA, continue to strengthen trade links between the EU and the Eastern Partnership region.

Number of new exporters **2,431**

Number of new exporters by country

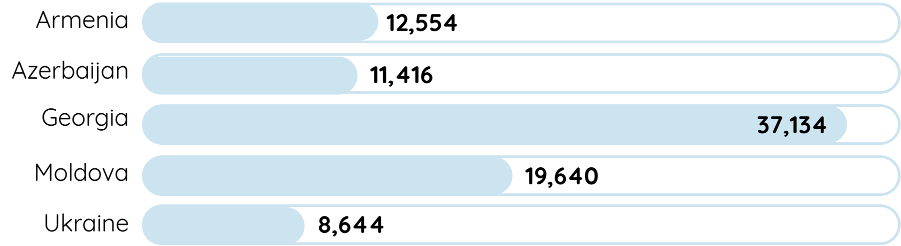
Armenia	163
Azerbaijan	61
Georgia	1,403
Moldova	482
Ukraine	322

This was lower than in 2024, but it may not represent a longer-term trend, as many SMEs that entered export markets in previous years were likely focused on consolidating their export activities in 2025.

Employment and job creation

Number of new jobs created in EU-supported SMEs **89,388**

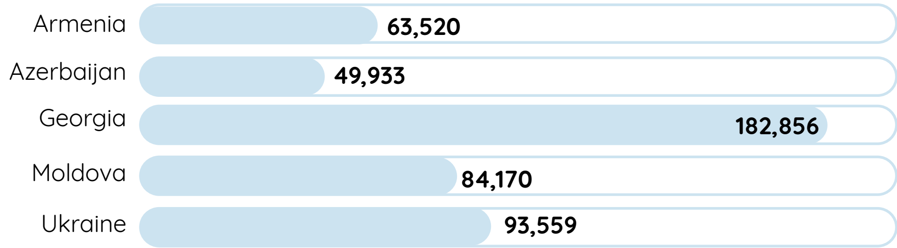
Number of new jobs created by country



Compared with 2024, when more than 120,000 new jobs were created by EU-supported SMEs, the number of new jobs declined by around 26%. Job creation may become more challenging over time, as many countries are experiencing labour shortages, particularly in blue-collar occupations. This has been identified by many donors as one of the reasons for increasing investment in TVET programmes.

Number of sustained jobs in EU-supported SMEs **474,038**

Number of sustained jobs by country



This was almost 28% lower than in 2024, when the figure stood at 654,454. As noted previously, labour shortages and mobilisation may have put pressure on labour markets and employment, while struggling businesses may not have been able to maintain stable employment.

Success stories

How a Woman Mayor Transformed the Village of Peresecina with European Support

Valentina Buzu transformed the community of Peresecina through transparent leadership and EU4Business support. By involving residents in decision-making, she built trust and addressed key issues such as infrastructure and water supply. Investments in education and social services have improved quality of life and strengthened the community.

Read full story

Success stories

EU Helps Georgian Bread Baker

Revive Community Near Administrative Boundary Line with South Ossetia

In the Georgian village of Perevi, located near Administrative Boundary Line with South Ossetia, Nana Kapanadze turned a personal struggle into a business supporting her entire community.

A family doctor by profession, she began baking bread for local residents after access to fresh bread became limited following the 2008 war, which led to economic hardship and depopulation in the village.

Through the EU4Business-supported EU4Dialogue grant programme, Nana purchased professional baking equipment and opened a small bakery that now supplies Perevi with around 200-300 loaves of bread daily. The bakery has become both a vital local service and a source of hope for the community.

Building on this success, Nana and her family plan to open a small restaurant offering traditional Georgian food and pastries, with the potential to create 7-8 local jobs. Her story demonstrates how EU4Business support helps strengthen livelihoods, encourage entrepreneurship and create economic opportunities in conflict-affected communities.

Read full story

The grant support I received is an inspiration for other women.

Nana Kapanadze,
Founder of a local bakery in Perevi

Article

OECD Competitiveness Outlook 2026:

Strengthening competitiveness through EU4Business support in Armenia, Republic of Moldova, and Ukraine

The OECD will soon publish the Competitiveness Outlook 2026: Armenia, Republic of Moldova and Ukraine, a comprehensive analysis developed with the support of the European Union within the framework of the EU4Business initiative.

The publication represents a concrete result of the work carried out through EU4Business projects, which support partner countries in strengthening competitiveness, improving the business environment and advancing sustainable economic development.

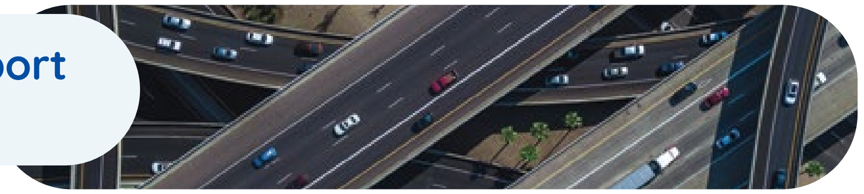
In particular, the EU4Business: Empowering Trade and Competitiveness in the Eastern Partnership project has contributed to the preparation of this important assessment by supporting the collection of evidence, analysis and policy insights needed to better understand competitiveness challenges and identify reform priorities across the region.

The OECD Competitiveness Outlook provides an in-depth analysis of the policy settings and institutional factors that shape competitiveness in Armenia, the Republic of Moldova and Ukraine.

The assessment focuses on three key areas:

1 Business environment

2 Trade and transport connectivity



3 Labour markets and skills

Through this analysis, the Outlook identifies strengths, remaining challenges and priority areas where further reforms can support productivity growth, investment and long-term economic resilience.

Article

Key areas

1 Strengthening the business environment

The OECD findings show that all three countries have made significant progress in strengthening the business environment through reforms in investment policy, financial markets, state-owned enterprises (SOEs) governance and competition policy. **EU alignment and approximation processes have been major drivers of reform**, resulting in stronger strategic frameworks and institutional design.

At the same time, important challenges remain. Future efforts will need to focus on translating improved policy frameworks into stronger private sector development, expanding access to finance beyond traditional banking channels, and ensuring that competition frameworks are supported by effective enforcement mechanisms and adequate institutional capacity.

2 Improving trade and transport connectivity

Reforms in trade and connectivity have contributed to closer integration with European markets. Countries have advanced customs digitalisation, trade facilitation measures and regulatory harmonisation, while investing in transport and logistics infrastructure.

Nevertheless, important bottlenecks remain, particularly in multimodal connectivity, infrastructure quality, logistics performance and cross-border cooperation among border agencies. Fostering sustainable growth will require continued investment in connectivity, deeper integration into European trade and transport networks, stronger cross-border cooperation, and greater incorporation of sustainability objectives into policymaking.

3 Investing in skills and human capital

Labour markets have shown resilience despite significant economic and demographic pressures. Governments are modernising employment services, strengthening active labour market policies and expanding support for vulnerable groups.

At the same time, demographic decline, migration, labour shortages and persistent skills mismatches continue to constrain productivity growth. Strengthening lifelong learning systems and improving links between education and labour market needs will be essential to ensure that workers have the skills required for a competitive, innovative and sustainable economy.

Turning reforms into results

Across all three pillars, the assessment identifies a common challenge: **ensuring that ambitious reform agendas translate into effective implementation and tangible results**. Limited administrative capacity, fragmented institutional responsibilities and weak monitoring and evaluation systems continue to constrain the impact of reforms.

Looking ahead, strengthening competitiveness will depend on the successful implementation of reforms across the three policy pillars. Key priorities include improving the business environment by attracting higher-quality investment, developing transparent and diversified financial markets, strengthening SOEs governance and competition enforcement, deepening transport and trade connectivity through both infrastructure investment and regulatory reform, and equipping workers with the skills needed to enhance productivity, innovation and the green and digital transition.

Across all areas, stronger whole-of-government coordination, clearer institutional mandates, enhanced administrative capacity, and more robust monitoring and evaluation systems will be essential to ensure that reforms deliver tangible benefits for businesses and citizens.

The forthcoming OECD Competitiveness Outlook 2026: Armenia, Republic of Moldova and Ukraine will provide a detailed analysis of these issues together with country-specific recommendations to support governments in strengthening competitiveness and fostering sustainable economic growth.

Results in Access to Finance

Disbursed budget in A2F

€80.7 million EU funds disbursed for improving access to finance, compared to €106 million in 2024 — a decrease of 24%.

59.7%
of the total disbursed budget in 2025

Access to finance remains the largest component of the EU's support to SMEs, reflecting the continued strong demand for finance among SMEs. Its share of the total disbursed budget declined slightly from 62.4% in 2024 to 59.7% in 2025. However, this does not yet reflect the substantial SME financing expected under the Ukraine Investment Framework, as the first financing agreements were signed only in late 2025.

A2F disbursed budget by country

Armenia	10.6%	€8.5 million
Azerbaijan	8.2%	€6.6 million
Georgia	18.6%	€15.1 million
Moldova	19.0%	€15.3 million
Ukraine	43.6%	€35.2 million

Ukraine was the largest recipient, reflecting the larger size of its economy and SME sector. This pattern was broadly consistent with 2024, although it is expected to change significantly in 2026-2027 as financing under the Ukraine Investment Framework becomes operational.

Success stories

Brewing Change: How an Azerbaijani SME is Building a Specialty Coffee Business in a Tea-Loving Nation

The lack of centralised financial management became a real obstacle to development for 42 Coffee Roasters – an Azerbaijani coffee producer that offers a specialty coffee experience to local coffee enthusiasts.

Since the very beginning, the company's goal was to build direct online sales of "ready-to-go" products, like fresh coffee, and also growing the business.

Support from EBRD and the EU through the EU4Business Initiative made it possible. As a result, labour productivity and company turnover both increased by 12%, and the accounts receivable collection period decreased by 90%.

Today, 42 Coffee Roasters has a significantly stronger operational foundation to support future growth, helping shape a more modern, digital and quality-focused coffee market in Azerbaijan.

Read full story

Total finance offered to SMEs

48,006
SMEs benefited from access to finance supported by the EU

58,154 in 2024

48.9% were owned or managed by women

35.1% in 2024

The share of women-owned or managed enterprises was higher under A2F than across the other pillars or EU4Business overall.

55
local financial institutions participated in delivering this financing. They also received EU support, through IFIs, to strengthen their operations and institutional capacity. This was slightly higher than in 2024 (48 partners).

Of the total €80.7 million disbursed,
€65.7 million
was channelled through International Financial Institutions (IFIs). This enabled IFIs to leverage around €1.2 billion for SME financing, primarily through 55 local partner financial institutions (PFIs).

SMEs received grants or loans and these were as follows:

Grants

1,416
SMEs received grants as opposed to 2,162 in 2024

64.8% women

€6,308
average per grant

The average grant size was lower than in 2024, when it exceeded €8,000.

Loans

46,590
SMEs received loans as opposed to 55,992 in 2024

48.5% women

€25,251
average size of loan fell by 27%, from €34,800 in 2024.

Success stories

KidsLand – from an Adult's Vision to Children's Joy

Mihail Gavrilenco turned his idea of creating a safe play space for children into a successful business with EU4Business support. Financial assistance and mentoring helped him open a modern play centre equipped with interactive and creative areas. Today, KidsLand is a popular space for local families, offering children a place to play and learn.

Read full story

Loans triggered

€1.2 billion

Overall, EU financing leveraged €1.2 billion in loans to SMEs by mobilising additional non-EU funding.

Loans triggered by country

Armenia	14.5%	€172.5 million
Azerbaijan	2.0%	€24.2 million
Georgia	35.9%	€426.1 million
Moldova	10.3%	€122.3 million
Ukraine	37.3%	€443.8 million

The distribution across the five partner countries changed little compared with 2024. Ukraine's share declined, while additional financing mechanisms for Ukraine also emerged outside the EU4Business framework. This distribution is expected to change from 2026 onwards, as financing under the Ukraine Investment Framework (UIF) for SMEs will be reflected in future annual reporting.

SMEs supported by type of A2F instruments

	Instrument title	Number of SMEs supported	Number of SMEs supported
A1	Capped Loss Recovery	23,655	49.3%
A4	Capped Guarantees	8,969	18.7%
A5	Currency Hedging Subsidy	6,706	14.0%
A6	SME Incentive grants	518	1.1%
A7	Grants to SMEs	1,416	2.9%
A8	Structured Funds	6,741	14.0%
A9	Equity	1	0.0%

Nearly half of all supported SMEs benefited from capped loss recovery instruments. Guarantees, currency hedging subsidies and structured funds also represented significant forms of support, while grant-based instruments accounted for only a small share.

Success stories

From Veterans to Rebuilders: How EU Support is Powering Ukrainian Businesses

Veteran-founded businesses – snack producer Peanut Butter TOM and construction company Vivat Invest – have scaled up their operations with the help of EU-funded grants. The entrepreneurs invested in new industrial equipment, optimised energy use and created dozens of jobs in both frontline and rear regions.

Read full story

Success stories

The EU Helps Pizza Mizza

Redefine Azerbaijan's Casual Dining Landscape

Founded in 2014 by brothers Aslan and Anar Hajiyev, Pizza Mizza began as a small family-run start-up and has grown into one of Azerbaijan's leading pizzeria chains.

While the brand gained popularity early on, the company faced challenges related to branding, digital visibility and customer experience.

Through the EU4Business initiative, Pizza Mizza received tailored business advisory support that helped the company redefine its brand identity, modernise restaurant interiors and packaging, and strengthen its digital presence. The support also helped the founders rethink their business model and improve the dine-in experience.

The transformation delivered strong business results. Dine-in orders increased from 22% to 38%, daily sales grew 14-fold, and the average order value doubled. Today, Pizza Mizza operates 14 branches and holds a 16% market share in Azerbaijan. Building on this success, the company is now preparing to open nine additional branches, introduce new operational systems and continue expanding its presence in the region.

Now, with the European Union supporting our growth, we have the structure and systems to expand – while staying true to who we are."

Aslan Hajiyev,
Co-founder of Pizza Mizza

Read full story

Results in Business Development Services

Disbursed budget in BDS

€32.5 million

EU support disbursed to improve the skills of SMEs in the EaP, only slightly below from 2024 level in absolute terms.

24.0% of the total disbursed budget in 2025

SMEs continued to demonstrate strong demand for business development services, which helped strengthen their competitiveness and support business growth.

BDS disbursed budget by country

Armenia	21.5%	€7.0 million
Azerbaijan	8.1%	€2.6 million
Georgia	29.2%	€9.5 million
Moldova	21.7%	€7.1 million
Ukraine	19.5%	€6.3 million

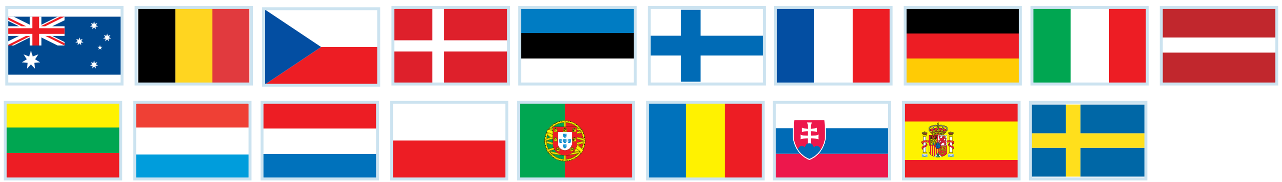
Georgia remained the largest recipient of BDS support, while Armenia, Moldova and Ukraine also benefited substantially. However, cross-country comparisons may not fully reflect underlying demand, as SMEs typically access these services in response to specific business needs rather than on a continuous basis. Year-on-year comparisons should therefore be interpreted with caution.

Our stakeholders

EU Member States Supporting MSMEs in the Eastern Partnership

Although this report focuses on support for MSMEs managed by DG ENEST, it is important to recognise the significant contribution made by EU Member States through their bilateral programmes. Several Member States also contribute to the implementation of the EU4Business Initiative, including through co-financing. Notable examples include Germany's KfW and GIZ. Other EU Member State agencies include:

Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Poland, Portugal, Romania, Slovakia, Spain, Sweden.



SMEs supported with BDS

28,372 in 2025 increased from 21,992 in 2024, partly because more SMEs may have been reached indirectly through Business Support Organisations (BSOs).

32.9% managed or owned by women, compared with a higher share under A2F.

*Some SMEs received more than one type of business development service.

SMEs supported in skills development by country

Armenia	4.1%	1,164
Azerbaijan	1.4%	406
Georgia	66.3%	18,796
Moldova	13.4%	3,812
Ukraine	14.8%	4,194

Georgia accounted for almost two-thirds of all SMEs supported in skills development due to a high demand by Georgian SMEs. Whether this pattern continues into 2026 remains to be seen based on the developments in Georgia.

SMEs supported by type of BDS instruments

	Instrument title	Number of SMEs supported	Number of SMEs supported, %
B1	Consultancy Services for SMEs	26,715	94.2%
B3	Incubators	851	3.0%
B4	Clusters	196	0.7%
B6	B2B Activities	610	2.1%

Consultancy services remained by far the most widely used BDS instrument in 2025, continuing the pattern observed in previous years. These services covered a wide range of business needs, ranging from business planning for start-ups to complex management, marketing and export advisory support.

Supported BSOs

290 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 general capacity of the partner countries to assist SMEs.

Supported BSOs by country

Armenia	7.9%	23
Azerbaijan	0.3%	1
Georgia	50.4%	146
Moldova	35.9%	104
Ukraine	5.5%	16

SMEs supported by BDS Instruments by country

BSOs provide a wide range of services to SMEs. The table below shows which types of support were most in demand across the partner countries. Consultancy services remained the dominant BDS instrument in every country, although Armenia recorded the highest share of SMEs supported through incubators.

	Instrument title	Number of SMEs supported	Number of SMEs supported, %	Managed or owned by women
	Armenia			53.4%
B1	Consultancy services for SMEs	832	71.5%	
B3	Incubators	177	15.2%	
B4	Clusters	100	8.6%	
B6	B2B activities	55	4.7%	
	Azerbaijan			51.0%
B1	Consultancy services for SMEs	346	85.2%	
B3	Incubators	60	14.8%	
	Georgia			27.4%
B1	Consultancy services for SMEs	18,363	97.7%	
B3	Incubators	205	1.1%	
B4	Clusters	71	0.4%	
B6	B2B activities	157	0.8%	
	Moldova			49.4%
B1	Consultancy services for SMEs	3,443	90.3%	
B3	Incubators	369	9.7%	
	Ukraine			35.4%
B1	Consultancy services for SMEs	3,731	89.0%	
B3	Incubators	40	0.9%	
B4	Clusters	25	0.6%	
B6	B2B activities	398	9.5%	

Success stories

When the Lights Go Out, the Scanners Stay On:

How an EU-supported Clinic Keeps Chernihiv Diagnosed

Serhiy But transformed a small diagnostic room into one of Chernihiv's leading medical clinics, providing high-quality diagnostic services even during Russia's full-scale invasion of Ukraine.

Founded in 2008, Tesla grew from a two-person operation into a healthcare network employing more than 200 specialists.

Through support from the European Union's EU4Business initiative, the clinic received advisory assistance to introduce modern management systems and later secured financing and an EU investment incentive to purchase a new MRI machine and strengthen energy resilience during wartime. The investment enabled Tesla to double diagnostic capacity while significantly reducing energy consumption from around 80 kWh to 15-25 kWh per scan.

During the war, Tesla remained operational despite blackouts and attacks, becoming the only functioning MRI provider in Chernihiv in 2022. In 2025, the clinic opened its fourth and largest medical centre, continuing to expand access to modern, patient-oriented healthcare services in northern Ukraine.

> **Without the grant support, we wouldn't have been able to install generators and other systems to keep the clinic operating."**

Serhiy But,
Founder of Tesla clinic

Read full story

Results by key instruments

Results in Business Enabling Environment

The EU recognises that SMEs are more likely to grow, innovate and create jobs when they operate in a predictable, transparent and business-friendly regulatory environment. Through its EU4Business projects, the EU therefore supports countries in reviewing, developing and amending legislation, regulations and other normative acts that affect SMEs, with the aim of reducing unnecessary administrative and regulatory burdens and creating more favourable conditions for doing business. EU support may include technical assistance to assess existing legislation, dialogue between the public and private sectors, strengthen the capacity of public authorities developing and supporting the capacities of SMEs to work within regulatory frameworks. By helping countries establish a more enabling policy and regulatory framework, EU support contributes to creating the conditions for SMEs to operate more efficiently, grow faster and become more competitive.

Disbursed budget in BEE

€22.0 million

EU support was disbursed to improve the business environment in the EaP, a slight decrease from 2024

16.3%

of the total disbursed budget in 2025

BEE disbursed budget by country

Armenia	10.6%	€2.3 million
Azerbaijan	7.9%	€1.7 million
Georgia	36.2%	€8.0 million
Moldova	13.5%	€3.0 million
Ukraine	31.8%	€7.0 million

Georgia's share declined, reflecting the phasing out of financial assistance benefiting authorities and EU accession-related activities, while Armenia's share increased.

Regulators/governments capacitated

517

government institutions, including policy-makers, regulators and enforcement agencies had their capacities strengthened.

Capacity-building activities continued across the EaP in 2025, supporting government institutions, policy-makers, regulators and enforcement agencies in strengthening their role in economic development. Ukraine accounted for the largest share of reported results.

Due to the negative political developments in Georgia, direct bilateral assistance to the authorities was suspended in 2025. Georgia continues to benefit from some regional support at a reduced level.

Regulators/ government agencies capacitated by country

Armenia	2.9%	15
Azerbaijan	1.4%	7
Georgia	2.7%	14
Moldova	1.9%	10
Ukraine	91.1%	471

Normative acted changed

178

normative acts were reformed in the EaP thanks to the contribution of EU projects, compared to 310 in 2024.

However, this number does not necessarily reflect the significance or potential impact of the reforms adopted. Reforms introduced in previous years continue to have a long-term impact and often require lengthy implementation before their full effects become apparent. These reforms aim to ensure that the overall legislative and regulatory environment remains conducive to business.

Normative acts changed by country

Armenia	0.0%	0
Azerbaijan	0.6%	1
Georgia	24.7%	44
Moldova	16.8%	30
Ukraine	57.9%	103

Public-private dialogue events held

177

public-private dialogue events were supported across the EaP, compared to 475 in 2024. However, the number of proposals generated increased, suggesting that these dialogue processes may have become more productive.

Public-private dialogue helps governments understand the needs of stakeholders and reflect them in policy development. Most events were held at national level and therefore addressed the specific needs of individual partner countries rather than regional priorities.

Number of country PPD Events

Armenia	6.5%	10
Azerbaijan	8.4%	13
Georgia	44.5%	69
Moldova	17.4%	27
Ukraine	23.2%	36

Number of regional PPD Events

Armenia	9.1%	2
Azerbaijan	0.0%	0
Georgia	0.0%	0
Moldova	0.0%	0
Ukraine	90.9%	20

The Reform and Growth Facility for Moldova:

Moving towards EU Accession and SME Development

The Moldova Growth Plan is a historic support package underpinned by a Reform and Growth Facility for Moldova worth up to

€1.9 billion

for the period 2025-2027

The Facility is composed of €520 million in non-repayable support (of which €135 million for the provision of loans) and a maximum amount of

€1.5 billion

in loans

Supporting the country's socio-economic convergence is essential for Moldova's EU accession and key to rapid progression on the enlargement path.

This performance-based mechanism is strictly linked to the successful implementation of the Reform Agenda, a document negotiated between the Moldovan government and the European Commission in which the country commits to specific agreed reforms.[1]

Reform steps are divided into seven policy areas, namely

1. Private sector development
2. Economic resilience and infrastructure
3. Economic governance
4. Social capital
5. Green transition
6. Energy
7. Fundamentals[2]

Disbursements occur twice a year after the European Commission verifies that Moldova has met specific reform steps.[3 4]

[1] EUR-Lex, Establishing the Reform and Growth Facility for Moldova
[2] European Commission, Commission delivers additional €189 million under the Reform and Growth Facility for Moldova
[3] European Commission, Reform and Growth Facility for Moldova
[4] European Commission, Press release 04/09/2025

Reform Progress and EU Support

In March 2026, **Moldova unlocked its second regular payment of €189 million by successfully completing 24 reform indicators** due in December 2025. The Moldovan authorities must continue to meet the Reform Agenda commitments in view of the third regular payment attached to the June 2026 reform steps. Progress on these indicators can be tracked via a dedicated Reform and Growth Facility Scoreboard, which was launched in early 2026 to provide full and public transparency on Moldova's progress.[5]

Earlier at the first-ever EU-Moldova Summit in July 2025, **President von der Leyen announced the release of €270 million in pre-financing under the Growth Plan.** In September 2025, the European Commission made the first regular payment under the Growth Plan, following its assessment that **Moldova had met four reform indicators from its Reform Agenda**. These reforms included the development of open and competitive electricity and gas markets, as well as measures to guarantee energy security. The fulfilment of these reforms unlocked funding worth €18.9 million.[6 7]

Strengthening SMEs and Key Economic Sectors

The impact of the EU Facility on the SME sector in Moldova is transformative, as the **instrument aims to support approximately 25,000 small and family businesses** by improving their access to finance and reducing administrative burdens. In early 2026, the **Moldovan Organisation for Entrepreneurship Development (ODA) relaunched grant calls totalling MDL 300 million** (roughly €15.3 million) to help SMEs modernize equipment and scale up operations. These funds are deployed through specialized tracks like the "CREŞTEM IMM" instrument, which focuses on energy efficiency and local value chain integration. By providing portfolio guarantees and interest rate subsidies through partners like the EBRD and local banks, the EU effectively de-risks private lending, allowing smaller firms to compete within the EU Single Market even before formal accession.[8 9]

The launch of the Growth Facility already directly positively impacts the SME sector in Moldova such as agri-food and sustainable agriculture with its immediate focus on modernising livestock, wine, and horticulture production, and expanding irrigation to move toward high-value exports. Concurrently, **Moldova is designing dedicated countryside development programmes aimed at rural tourism and eco-resorts to capitalise on Moldova's growing tourism revenue**.

Driving Industrial, Digital and Inclusive Growth

In order to invigorate its local production sector, Moldova is also benefiting from other EU funding opportunities to further enhance the competitiveness of local producers and to integrate them more fully into European supply chains by expanding Moldova's manufacturing sector and by increasing the number of its industrial parks. That expansion will be closely combined with the utilisation of the facility instruments in IT and digital innovation by investing into tech start-ups and the digitalisation of manufacturing processes through the "**Digital Innovation and Technology Start-ups**" programme.[10]

Simultaneously, the newly available resources will be applied to further expand social entrepreneurship with targeted support for women-led enterprises and youth-led start-ups to ensure inclusive economic growth.[11 12]

The forthcoming OECD Competitiveness Outlook 2026: Armenia, Republic of Moldova and Ukraine will provide a detailed analysis of these issues together with country-specific recommendations to support governments in strengthening competitiveness and fostering sustainable economic growth.[13]

[5] EU4Moldova – EU Support Scoreboard
[6] European Commission, EU delivers additional €18.9 million to Moldova and calls on businesses to invest in the country
[7] Government of the Republic of Moldova, Reform Agenda 2025-2027
[8] Organisation for Entrepreneurship Development (ODA), ODA relaunches 2026 calls for grants: MDL 300 million for SMEs
[9] EBRD and EU boost access to finance for Moldovan businesses
[10] Organisation for Entrepreneurship Development (ODA), Technology Start-ups
[11] Funds for NGOs, Youth Social Entrepreneurship Incubation Program – Moldova
[12] Organisation for Entrepreneurship Development (ODA), Women Entrepreneurship
[13] European Parliament, OECD Competitiveness Outlook 2026: Armenia, Republic of Moldova and Ukraine

Annex 1:
List of projects 2025

Title	Total Budget	Start date	End date	Type of the Project	Country Benefiting					Areas of Intervention		
					AM	AZ	GE	MD	UA	A2F	BDS	BEE
Armenia SME Finance and Advice Facility	€15,380,000	2015	2029	Bilateral	•					•	•	
EU GAIA II	€3,000,000	2025	2028	Bilateral	•					•	•	•
R2D Syunik: Recovery, Resilience, Development for Syunik	€9,000,000	2023	2027	Bilateral	•					•	•	•
Three4ResilientArmenia: Fostering Sustainable Livelihoods, Business Growth, and Employment Opportunities for Displaced and Host Communities	€3,000,000	2024	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	•						•	
EU Green Agriculture Initiative in Armenia (EU-GAIA)	€9,700,000	2019	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	2025	Bilateral	•						•	
EU-Azerbaijan Business Forum 224-226	€297,426	2023	2026	Bilateral		•					•	•
Azerbaijan Rapid Technical Assistance Facility (AZTAF)	€5,250,000	2021	2025	Bilateral		•					•	•
Sustainable and Inclusive Irrigated Agriculture Development Programme in Georgia	€18,107,000	2024	2030	Bilateral			•			•	•	•
Inclusive Access to Markets	€5,000,000	2023	2027	Bilateral			•			•	•	•
Creative Compass Georgia	€4,650,000	2023	2027	Bilateral			•			•	•	•
GREEN - Global Resilience and Environmental Empowerment Nurturing	€719,841	2024	2027	Bilateral			•			•	•	•
QUIS – Better Goods and Services	€11,525,000	2024	2027	Bilateral			•			•	•	•

Title	Total Budget	Start date	End date	Type of the Project	Country Benefiting					Areas of Intervention		
					AM	AZ	GE	MD	UA	A2F	BDS	BEE
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 22 Programmatic Single-Donor Trust Fund (No. 7461)	€3,000,000	2023	2026	Bilateral			•				•	•
Inclusive Growth through Sustainable and Green Business Practices in Georgia	€879,100	2024	2026	Bilateral			•			•	•	•
Promoting Green Skills for Sustainability (PROGRESS)	€776,700	2024	2026	Bilateral			•			•	•	•
Accelerated Rural Development in Imereti & Kakheti	€2,976,868	2022	2026	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	2026	Bilateral			•			•	•	•
Green Guria: Supporting Local Democracy and Rural Development for Inclusive and Resilient Green Growth	€2,000,000	2022	2026	Bilateral			•			•	•	•
Capacitated Agricultural Practices and Consumer Awareness (CAPCA)	€1,762,266	2023	2026	Bilateral			•			•	•	•
European Neighbourhood Programme for Agriculture and Rural Development in Georgia (Phase IV) Budget Support Contract	€22,750,000	2020	2025	Bilateral			•				•	•
Catalysing Economic and Social Life in EU Focal Regions of Georgia	€4,500,000	2022	2025	Bilateral			•			•	•	
Strengthening the Capacity of the Market Surveillance Agency of Georgia	€1,200,000	2023	2025	Bilateral			•					•
Joint EU-UN Programme for Rural Development in Abkhazia, Phase III (ENPARD IV)	€1,750,000	2022	2025	Bilateral			•			•	•	
Support to MSMEs sector in the Republic of Moldova: BGK amortised loan to ODA – FACEM Fund	€1,584,000	2024	2030	Bilateral				•		•	•	
Sustainable food systems	€7,500,000	2025	2029	Bilateral				•		•	•	•
Promoting agricultural development and quality employment for the most vulnerable	€3,000,000	2025	2028	Bilateral				•			•	•

Title	Total Budget	Start date	End date	Type of the Project	Country Benefiting					Areas of Intervention		
					AM	AZ	GE	MD	UA	A2F	BDS	BEE
Improving the standards compliance through increased national capacities for residue monitoring	€1,500,000	2023	2027	Bilateral				•			•	•
EU4Moldova Local communities – economic and skills development	€1,092,050	2022	2026	Bilateral				•		•	•	•
European Union Confidence Building Measures Programme Phase VI	€4,000,000	2023	2026	Bilateral				•		•	•	•
EU for Sustainable, Innovative, Green and Competitive Economy (EU4SMEs)	€8,000,000	2023	2026	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				•		•	•	•
Start up City Cahul	€6,800,000	2020	2025	Bilateral				•		•	•	
EU Support for Ukrainian MSMEs	€10,000,000	2023	2036	Bilateral					•	•		
EU Support for Ukrainian Micro, Small and Medium-Sized Enterprises (MSMEs) (NEAR - UA FACILITY/224/456-726)"	€10,000,000	2024	2036	Bilateral					•	•		
EU SME Competitiveness and Inclusion Programme in Ukraine	€37,000,000	2024	2029	Bilateral					•	•	•	•
Support to align Ukrainian legislation, policies and institutions with EU acquis in agriculture and rural development (IPRSA III)	€7,505,150	2025	2029	Bilateral					•		•	•
STEP IN 2 EU (Support for Trade, Economy, Policies, Institutions, Norms) in Ukraine	€12,000,000	2025	2028	Bilateral					•	•	•	•
Further regulatory approximation with the EU legislation and international standards in financial markets in Ukraine	€2,750,000	2025	2028	Bilateral					•			•
Strengthening the innovation capacities of the Ukrainian Defence Technological Industrial Base (aka EU4UA Defence Tech)	€4,997,958	2025	2027	Bilateral					•	•	•	•
Implementing Effective Supervision over Non-bank Financial Institutions	€1,500,000	2025	2026	Bilateral					•			•
Support to the Partial Credit Guarantee Fund (PCGF) under the land reform	€17,545,000	2023	2026	Bilateral					•	•		•
Competition and State aid rules and practices alignment with the EU Acquis	€3,300,000	2023	2026	Bilateral					•			•

Title	Total Budget	Start date	End date	Type of the Project	Country Benefiting					Areas of Intervention		
					AM	AZ	GE	MD	UA	A2F	BDS	BEE
Inclusive, competitive and sustainable value chain development in agriculture, fisheries and forestry	€22,050,000	2021	2026	Bilateral					•		•	•
Continued support to align Ukrainian legislation, control and awareness with the EU Acquis in food safety, animal health and welfare, and phytosanitary (EU4SaferFood 2) (ILCA2)	€1,999,885	2024	2025	Bilateral					•		•	•
Institutional and Policy Reform for Smallholder Agriculture	€8,999,900	2021	2025	Bilateral					•		•	•
Supporting Ukraine in rebuilding and recovery	€996,965	2022	2025	Bilateral					•		•	•
EU4Business: Network of Business Support Centres in Ukraine	€40,000,000	2016	2025	Bilateral					•	•	•	
M4EG II Grant contract with Mamalyha Village Council "Connecting communities - for sustainable economic growth (ConCom4EG)"	€366,390	2021	2025	Bilateral					•		•	
EU4Business: SME Policies and Institutions Support (SMEPIS) Ukraine	€3,999,200	2023	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					•		•	•
Implementation of EU practices for accounting, financial reporting and audit in Ukraine	€2,969,600	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					•		•	•
EU4Business Initiative in Support for Ukraine Private Sector	€10,000,000	2024	2046	Regional					•	•		
Green for Growth Fund – Technical Assistance Contribution for the East	€3,900,000	2024	2045	Regional	•	•	•	•	•	•	•	•
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			•			•		

Title	Total Budget	Start date	End date	Type of the Project	Country Benefiting					Areas of Intervention		
					AM	AZ	GE	MD	UA	A2F	BDS	BEE
Green for Growth Fund – Promoting Green lending in Ukraine (top up)	€150,000,000	2024	2040	Regional					•	•		
EU4Business - The EU Local Currency Partnership Initiative: the European Fund for Southeast Europe (EFSE)	€50,320,000	2018	2039	Regional	•	•	•	•	•	•		
218 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			•	•	•	•		
"EU4Business Guarantee Facility" financed from the general budget of the European Union under the Neighbourhood Investment Platform	€41,495,000	2020	2035	Regional	•	•	•	•	•	•		
Youth in Business Programme in Moldova and in South Caucasus	€9,300,000	2025	2032	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	•					•		
EBRD Advice for Small Businesses, Team Europe EaP window	€17,064,714	2020	2031	Regional	•	•	•	•	•		•	
EIB-4 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	•					•		
EU EBRD Local Currency Initiative	€6,216,000	2021	2030	Regional	•	•	•	•	•	•		
Eastern Partnership SME Finance Facility - Phase II KfW	€5,200,000	2017	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	•					•		
EU4Business Empowering Trade and Competitiveness in EaP Countries	€13,000,000	2025	2029	Regional	•	•	•	•	•		•	•
Mayors for Economic Growth - Phase 3	€10,000,000	2025	2028	Regional	•	•	•	•	•	•	•	•
DCFTA Initiative East (EIB) (can also be referred to as DCFTA Facility by EIB)	€62,746,000	2016	2028	Regional		•	•	•		•	•	
Strengthening Intellectual Propriety Rights in Georgia, Moldova and Ukraine	€5,600,000	2024	2028	Regional			•	•	•			•

Title	Total Budget	Start date	End date	Type of the Project	Country Benefiting					Areas of Intervention		
					AM	AZ	GE	MD	UA	A2F	BDS	BEE
EU4Business EBRD Credit line (SME Competitiveness Programme in Eastern Partnership - 219 funds)	€42,675,049	2019	2028	Regional	•	•	•	•	•	•		
"EU4Innovation East" Support to Digital innovation in the Eastern Partnership region	€20,000,000	2024	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	•					•		
EFSD – IFC guarantee for Ukraine	€3,750,000	2023	2027	Regional					•	•		
EFD IFC guarantee in Ukraine	€2,500,000	2023	2027	Regional					•	•		
Women in Business Phase II	€8,440,000	2021	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 - 218 funds)	€52,908,951	2019	2026	Regional	•	•	•	•	•	•		
EU4DIGITAL Facility – phase 2	€16,000,000	2022	2026	Regional	•	•	•	•	•		•	•
EU4Business EBRD Credit line (EU Deep and Comprehensive Free Trade Area (DCFTA) Facility, EBRD DCFTA Programme)	€19,430,000	2016	2026	Regional			•	•	•		•	•
Mayors for Economic Growth 2 TA	€11,800,000	2021	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	•	•	•	•				•
Lending to Micro and Small Enterprises via the EFSE Fund – top up	€10,000,000	2024	TBD	Regional					•	•		
SME Competitiveness and Inclusion Programme in Ukraine	€37,720,000	2026	TBD	Regional					•	•	•	
Financial Inclusion Recovery Programme in Ukraine	€177,000,000	2024	TBD	Regional					•	•	•	

Annex 2: EU4Business Partners

Over 50 partners are implementing EU4Business projects and programmes

Member State Governments and Agencies

- Austrian Development Agency (ADA)
- Czech Development Agency (CzDA)
- GIZ
- Goethe-Institut
- KfW Development Bank
- National Body for Standards and Metrology (NBSM)
- Polish Financial Supervision Authority
- Swedish International Development Cooperation Agency (Sida)

EaP Government Agencies and NGOs

- ANSA (National Agency for Food Safety, Moldova)
- Bukovynian Regional Development Agency
- Caucasus Environmental NGO Network (CENN)
- Creative Armenia
- Georgian Farmers Association
- Impact Hub Armenia
- IRIS Business Incubator
- Kyiv School of Economics (KSE)
- Ministry of Economy of Armenia
- Organisation for the Entrepreneurship Development (ODA)
- Sakartvelo
- Solidarity Fund PL
- The Armenian General Benevolent Union (AGBU)
- East Europe Foundation
- TUMO Center for Creative Technologies
- Union of Employers of Information and Communication Technologies (UEICT)

International Consultancies

- COWI
- DAI Global
- Ecorys
- Expertise France
- EY Baltics
- Human Dynamics
- NIRAS
- OCA Global
- WYG Consulting

International Organizations

- Agence Française de Développement (AFD)
- Bank Gospodarstwa Krajowego (BGK)
- European Bank for Reconstruction and Development (EBRD)
- European Investment Bank (EIB)
- European Investment Fund (EIF)
- European Union Intellectual Property Office (EUIPO)
- FMO
- Institute for Change and Innovation
- International Finance Corporation (IFC)
- International Trade Centre (ITC)
- KredoBank
- NASIRA
- OCN Microinvest
- Organisation for Economic Co-operation and Development (OECD)
- Proparco
- World Bank

International NGOs

- Better Regulation Delivery Office (BRDO)
- CARE Österreich
- Food and Agriculture Organization of the United Nations (FAO)
- United Nations Development Programme (UNDP)
- United Nations Industrial Development Organization (UNIDO)
- World Vision Österreich

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