



# Support for the Eastern Partnership

*Stories, facts and figures from  
the European Neighbourhood  
Instrument 2014*

*Neighbourhood  
and Enlargement  
negotiations*



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Cover photo: Local farmer Marika Kondorelashvili working on her land in the village of Satem, near the city of Gory, Georgia. The agricultural activities of these small farmers are supported within the European Neighbourhood Programme for Agriculture and Rural Development (ENPARD) in Georgia. ©EU / Neighbourhood Info Centre.

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*In the **Eastern Partnership** we share many interests and common goals with our neighbours — inclusive growth and business development, better connectivity and deeper trade relations, energy security, mobility and contacts between people — all of them underpinned by democratic participation, respect for the rule of law and effective public administration. Thanks to financial assistance from the European Neighbourhood Instrument, we work closely with public institutions, civil society organisations and the business community to make change happen and deliver results that really matter for people's lives.*

*Johannes Hahn,*

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*Commissioner for European Neighbourhood Policy  
and Enlargement Negotiations*

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# 1. Introduction

The year 2014 was one of great challenges and major achievements for the **Eastern Partnership**, the joint initiative of the EU and six neighbour countries (Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova <sup>(1)</sup> and Ukraine) that represents the eastern dimension of the European neighbourhood policy (ENP).

Throughout the year, the EU mobilised different instruments and resources to support democratic transition and inclusive growth in the region: political dialogue with each country and other global actors (such as for Ukraine's crisis); high-level dialogue with partner governments, coupled with contacts between parliaments, local authorities and non-state actors to promote human rights and disseminate best practices of democratic oversight (the watchdog role of civil society, the independence of the judiciary, the transparency of national budgets); and strategic and technical negotiations on issues of common interest (access to EU markets, energy security, mobility and the fight against organised crime).

Financial assistance is an important component of the EU's role as global actor, and the **European Neighbourhood Instrument** (ENI) is the main source of funding to accompany the implementation of the ENP and the Eastern Partnership. In 2014, the EU committed **EUR 730 million** for new programmes in the Eastern Partnership. This meant, for example, that we could mobilise major budgetary support to help stabilise Ukraine's economy in the immediate aftermath of the May democratic elections and the signature of the Association Agreement with the EU. We could also plan new investments in Georgia and Moldova to help small businesses grow and prepare for the market opportunities of the deep and comprehensive free trade areas with the EU. We worked with European banks and local financial institutions to make loan financing more accessible for private investors, including small businesses and families. Many of the new programmes have already begun; others will kick-start in the course of 2015 with concrete activities on the ground.

In parallel, the EU continued the implementation of programmes launched in previous years that are bringing about concrete results. In 2014, the EU spent almost **EUR 550 million** to that end to the benefit of Eastern Partnership countries. Technical experts and advisers

worked with their peers in the partner countries to design new policy frameworks, prepare new legislation and introduce new practices. Civil society organisations accessed grants for monitoring national reforms and working with vulnerable groups. The private sector accessed business incubators and new lending opportunities; small farmers created new business-oriented associations; and young students accessed new skills to be better prepared for the modern labour market.

In the following pages, Gogita, a Georgian winemaker, Maria and her son Ruslan, owners of the Moldovan bakery 'Pâine alba', Olga, a young Belarusian, and many more tell how the projects and activities funded by the EU made a real impact on their lives.

- With a financial allocation of EUR 15.4 billion (in current prices), the **ENI** is the main source of funding to support the implementation of the ENP in the countries of the Eastern Partnership and in the southern Mediterranean from 2014 until 2020. The regulation establishing the ENI <sup>(2)</sup> was adopted in March 2014.
- Key priorities for the use of funds are defined in the multiannual programming documents.
- The multiannual programming documents are called **Single Support Frameworks** (SSFs) if they refer to a country that has a Partnership and Cooperation Agreement (PCA) or an Association Agreement (AA) with the EU. They build on the strategic orientations of the ENP action plans (Armenia and Azerbaijan) or the association agendas (Georgia, Moldova and Ukraine), the key policy tools of the ENP, setting out each partner country's agenda for political and economic reforms and reflecting the country's needs and capacities, as well as its and the EU's interests.
- In all other cases (including Belarus), the multiannual programming documents are called **Multi-annual Indicative Programmes** (MIPs) and are accompanied by a strategy paper.
- A first round of multiannual programming documents (2014–17) was adopted in July/August

<sup>(2)</sup> Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument.

<sup>(1)</sup> Hereinafter referred to as Moldova.

2014 for all Eastern Partnership countries, with the exception of Ukraine, where the situation is not conducive to multiannual planning and, for the time being, priorities for the use of assistance are defined yearly.

- For each country, ENI funds will be invested in **three major sectors** (such as justice, public administration reform, agriculture and rural development, education or private sector development) to maximise the potential impact on sector reforms. The sectors are identified in the multiannual programming documents, along with indicative earmarking of financial resources.
- In each country, sector cooperation can be complemented with direct support for the implementation of major agreements with the EU and the dialogue on mobility, and for direct support for civil society. This **complementary support** is earmarked in the same multiannual programming documents. It builds on two former ad hoc initiatives: the 'Comprehensive Institution Building' programme and the eastern strand of the Neighbourhood Civil Society Facility.
- Every year, neighbour countries can access additional funding from the **ENI 'umbrella programme'**, an incentive-based mechanism that rewards progress in building deep and sustainable democracy. This extra funding is not preallocated in the countries' programming documents. The ENI umbrella programme builds on the pilot experience of two previous umbrella programmes: the EaPIC ('Eastern Partnership integration and cooperation') programme 2012–13 for the east and the Spring ('Support for partnership, reform and inclusive growth') programme 2011–13 for the south.
- Eastern Partnership countries also benefit from the **'Regional east' programme** and from three initiatives open to all neighbour countries: the **NIF** (Neighbourhood Investment Facility), **TAIEX** (Technical Assistance and Information Exchange) and **Sigma** (Support for Improvement in Governance and Management). Key priorities for regional cooperation and other multi-country programmes are defined in the relevant strategic and programming documents.
- In addition to bilateral cooperation, regional and multi-country programmes, the ENI also contributes to the international dimension of **Erasmus+** and to **cross-border cooperation** programmes between EU Member States and neighbour countries.
- Every year, the European Commission adopts a number of **financing decisions** (corresponding to budgetary commitments), which set the main goal, purposes, expected results and financial allocations of several 'actions', i.e. programmes and projects. Actions funded from the budget of a given year are usually implemented over the next 2 to 5 years and generate spending (disbursements) throughout their duration.



## 2. Armenia

EU assistance to Armenia in 2014–17 is focusing on **private sector development, public administration reform and justice**. In all these sectors, the EU will help Armenia deliver on the priorities of the ENP action plan through dialogue on policy reforms and new legislation, support for public institutions and engagement with civil society.

In 2014, the EU committed **EUR 34 million** of bilateral aid to Armenia. A package of EUR 19 million was adopted in October to finance a new programme on human rights (EUR 12 million) and a project on small business development (EUR 7 million). In addition, EUR 15 million was earmarked for a blending project with Armenia that will be funded from the eastern strand of the Neighbourhood Investment Facility (NIF).

### EU support for Armenia from the ENI

<b>2014–17</b>	Funding: between EUR 140 million and EUR 170 million indicatively planned Key sectors: private sector development; public administration reform; justice
<b>2014</b>	Funding: EUR 34 million committed Key sectors: small businesses and private sector development; protection of human rights

The 2014 assistance package confirms that fundamental values remain a key priority of Armenia's political relations with the EU. The new programme on human rights is a first step: it will support Armenia's national agenda for compliance with international commitments on free elections, torture, anti-discrimination, gender equality and child protection. At the same time, the project on small businesses will help reform the policy and legal framework for doing business, disseminate European best practices, promote research and innovation to boost economic growth and create new jobs.

During 2014 we continued to work with Armenia to implement ongoing programmes and projects and deliver results. The EU disbursed **EUR 23 million** in total; for example, EUR 11 million was spent in 2014 for a dedicated programme supporting the implementation of the EU–Armenia ENP action plan on key issues of budget transparency, food safety and security of travel documents.

### Good governance and transparency: national reforms and local activism

Good governance is a cornerstone of democracy and economic growth. When public resources are better managed, citizens and businesses gain better access to services and opportunities. This is why — following key priorities of the ENP action plan — the EU supports Armenia's efforts to increase transparency and efficiency in public administration and fight against corruption. A first programme was launched in 2010 to accompany the government's reforms; a follow-up programme was added in 2011 and reinforced in 2013 with additional funding from EaPIC, the umbrella programme designed to reward progress in deep and sustainable democracy in 2012–13.

**Transparency and performance** — Thanks to EU support for national reforms, the first steps were taken to upgrade the public sector accounting system along the lines of international standards (based on the principles of quality, consistency and transparency of public sector financial reporting). A modern set of standards for internal audit now applies to public bodies. The Ministry of Finance was reorganised to increase efficiency in public debt management.

**Consumer protection** — A new policy framework for food safety was established. In line with EU practice, it includes measures to upgrade the national services responsible for food safety, quality control and veterinary and phytosanitary standards. A new registry (Vege-Pass) makes it easier to monitor producers, importers and exporters of plants and plant products. Armenia also collaborated with specialised international organisations to monitor and prevent animal diseases (the World Organisation for Animal Health) and quarantine organisms (under the International Plant Protection Convention).

**Title:** Programme supporting the government of Armenia for the implementation of the ENP action plan

**Key elements:** improved performance of the public sector; modernisation of public finance management; new policies and legislation closer to international and European standards

**Budget:** EUR 66 million — **Spent** (up to 31.12.2014): EUR 32 million

**Duration:** 6 years (November 2011–November 2017)

**Security of travel documents** — Biometric passports are now available to Armenian citizens. Biometric identifiers establish a reliable link between the document and its rightful holder's identity. This helps law enforcement bodies in Armenia to fight against the falsification and counterfeiting of travel documents. It also gives EU border authorities more reliable means to verify the authenticity of travel documents and prevent identity fraud. This step contributes to a better-managed and more secure environment for mobility.

At the same time, the EU works on specific projects to reinforce democratic participation in local communities. In this bottom-up approach, women's access to decision-making and leadership is especially important — as in the case of the WiLD project ('Women in local democracy') to promote equal rights and equal opportunities.



### Story from Armenia: inspiring and encouraging women to participate in decision-making

Aghunik Hazryan is the head of a local community council in Aregnadem village, in the Shirak province of Armenia. 'I had thought about running for local elections several times,' she says, 'but I was afraid of stereotypes in the society that ban women from power and I was worried about negative public opinion in case of failure.'

Aghunik is one of more than 1 000 women who have received support and practical knowledge on female leadership and local governance through training sessions and workshops organised by the WiLD project.

She stood for the position of the head of her local council for the first time in 2005 and has since been re-elected three times by the voters of Aregnadem village. With every election, Aghunik received more votes from the men in her village. 'I believe that when women act decisively men become increasingly supportive.'

Since Aghunik came into office, many other local authorities have been paying more attention to equality between women and men. 'We have worked with five Armenian communities in different regions practising participatory, inclusive and gender-sensitive decision-making methods. We have also organised broad advocacy campaigns on gender equality,' says the project manager, Natalya Harutyunyan.

When the WiLD project was launched in 2012, the participation of Armenian women in local government was still low. Armenia had ratified over 50 international conventions restating its commitment, among others, to equal representation of women in decision-making processes. But the policy changes only slowly translate into the daily lives of citizens.

The project supported the participation of women in the local elections in the period 2012–14. Of the 623 female candidates running in the major cycle of local elections in September 2012, 107 were project beneficiaries, of whom 66 were elected (62 %). During 2013 and 2014 elections, a total of 17 women candidates were trained, 12 of whom were elected (70 %).



■ WiLD workshop for women serving in local government. © United Nations Development Programme

Overall, 1 028 women and 70 men benefited from various activities of the WiLD project, including 50 training courses, 29 networking events and five leadership schools. Thanks to WiLD's workshops and campaigns, members of civil society and the local media have started to promote a non-stereotyped portrayal of women and men. 'All such actors play a vital role in reducing gender-specific constraints that women face in social and political life in Armenia,' adds Natalya Harutyunyan.

- **Project title:** Promoting equal rights and equal opportunities in Armenia: Women in local democracy (WiLD)
- **Key elements:** participation of women in local governance; participatory and gender-sensitive governance; public awareness of gender equality
- **Implementing partner:** United Nations Development Programme
- **Duration:** 3 years (April 2012–April 2015)
- **Budget:** EUR 525 000
- **Website:** <http://rsr.akvo.org//project/642/>
- **Video:** [https://www.youtube.com/watch?v=Ey2siVof\\_6k&feature=player\\_embedded](https://www.youtube.com/watch?v=Ey2siVof_6k&feature=player_embedded)



## 3. Azerbaijan

EU assistance to Azerbaijan in 2014–17 is focusing on **education and skills development, justice and regional and rural development**. In all these sectors, the EU is helping Azerbaijan with priorities of common interest through dialogue on policy reforms and new legislation, support for public institutions and engagement with civil society.

In 2014, the EU committed **EUR 21 million** of bilateral aid to Azerbaijan. The package — adopted in September — finances a major new project on education and skills development (EUR 19 million). A separate action will provide direct support to civil society organisations, which, however, would need a more conducive political environment and a less restrictive legal framework to carry out their activities in Azerbaijan.

EU support for Azerbaijan from the ENI	
2014–17	Funding: between EUR 77 million and EUR 94 million indicatively planned Key sectors: regional and rural development; justice; education and skills development
2014	Funding: EUR 21 million committed Key sectors: education and skills development; direct support for civil society

The 2014 assistance package marks intensified cooperation in a sector with significant potential impact on improving the qualifications of the labour force, promoting equal opportunities and diversifying girls' and women's access to education and training. The new project builds on past exchanges and targeted collaboration to further develop the policy and legislative framework for quality and inclusive education and lifelong learning. Students, parents, social partners and advocacy groups will have the opportunity to take an active role in promoting and monitoring the reforms.

During 2014 we continued to work with Azerbaijan to implement ongoing programmes and projects and deliver results. The EU disbursed almost **EUR 7 million** in

total; for example, EUR 1.6 million was spent in 2014 for the Framework Programmes designed to provide expertise in different areas of the EU–Azerbaijan cooperation agenda.

### The Framework Programmes: direct support for public institutions

Public institutions are important agents of change: they design new policies and legislation to help modernise national economies and benefit citizens and businesses. This is why the EU offers direct support to public institutions, in particular when partner countries engage to bring national systems closer to international standards and European models. Support comprises expertise, technical advice and close collaboration with EU Member States, for example through twinning projects, where staff from public bodies work hand in hand with their peers in the partner country. In Azerbaijan this form of collaboration has delivered concrete results, for example in the approximation of European best practices for the protection and rehabilitation of people with disabilities. Bringing the EU's experience into the country has helped open new spaces for economic development, for example in the tourism sector. It also contributed to paving the way for deeper cooperation on reforms in the education sector. This form of institutional support was mainly channelled through three Framework Programmes funded in 2011–13, which build on the previous Twinning and Technical Assistance Facility funded in 2007–10.

**Title:** Framework Programmes in support of EU–Azerbaijan agreements (2011–2013)

**Key elements:** direct support for institutions; technical advice and peer-to-peer collaboration; reforms based on international and European standards

**Budget:** EUR 45.5 million — **Spent** (up to 31.12.2014): EUR 3.2 million

**Duration:** 7 years (January 2013–December 2019)



## Story from Azerbaijan: EU twinning project to strengthen the tourism industry



■ The team from the Azerbaijani Department of Tourism of the Ministry of Culture and Tourism. © EU Delegation in Azerbaijan

In early 2013, a team of over 15 experts from Lithuania and Austria went to Azerbaijan to share their knowledge of tourism development. The team was led by Florian Sengstschmid, project leader, and Daiva Kirkilaite-Chetcuti, resident twinning advisor. For several months they worked hand in hand with Azerbaijani partners in the Department of Tourism of the Ministry of Culture and Tourism, shared best practices and helped improve the public management of the tourism sector.

Tourism is a new industry in Azerbaijan, but it is growing fast and is considered an important sector in the development of the non-oil economy.

'The twinning project started 16 months ago and today, I believe, the achievements are visible: the strategic documents were approved and organisational changes initiated, including opening tourism representation offices in Germany and Russia,' says Daiva.

Thanks to the project support, the Ministry of Culture and Tourism has developed and adopted the 'Tourism marketing strategy 2014–16', a mid-term policy document with key and measurable goals for the development of the tourism sector.

EU legal experts gave recommendations on how to review current tourism legislation to make it more in line with EU standards and norms. They helped set minimum standards for hotels and accommodation. 'This could facilitate the work of tourist associations,' explains Daiva. 'For example, we prepared the charters for tourist associations and the contracts between the clients and tour agencies, as well as between the tour operators and hotels.'

Daiva and Florian also conducted training courses for national and regional (in Ismaili and Lenkoran) authorities on tourism destination management and marketing.

Lithuanian experts developed a model for a recreation area in the Naftalan zone of Azerbaijan. Austrian experts proposed a model for tourism and recreation areas in ecologically sensitive regions, such as the Shirvan national park and the mud volcanoes located nearby.

- **Project title:** Strengthening the capacity of the Department of Tourism of the Ministry of Culture and Tourism of the Republic of Azerbaijan
- **Key elements:** advice on tourism legislation, market supervision and strategic planning; capacity building; sharing best practices on tourism management
- **EU partners:** Lithuania (the Department of Tourism in the Ministry of Economy) and Austria (the Austrian Federal Procurement Agency and Austrian Environment Agency)
- **Duration:** 1½ years (February 2013–June 2014)
- **Budget:** EUR 900 000



## 4. Belarus

EU assistance to Belarus in 2014–17 will focus on **social inclusion, the environment and local and regional economic development**. These are neutral sectors of mutual interest, where the EU will help Belarus with technical dialogue on policy reforms and new legislation. Engagement with a wide range of civil society organisations remains a key component of bilateral assistance to Belarus.

In 2014, the EU committed **EUR 19 million** of bilateral aid to Belarus. The package — adopted in October — finances a major new project that addresses social inclusion through the modernisation of the national vocational education and training system and better linkage with labour market needs (EUR 11.5 million). This is combined with a EUR 2 million contribution for the functioning of the European Humanities University (EHU). Founded in Minsk in 1992, the EHU became a ‘university in exile’ in 2004 and is now located in Vilnius, Lithuania. A separate action funds direct support for civil society and independent media (EUR 5.5 million); however, civil society organisations would need a more conducive political environment and less restrictive legal framework to carry out their activities in Belarus.

EU support for Belarus from the ENI	
<b>2014–17</b>	Funding: between EUR 71 million and EUR 89 million indicatively planned Key sectors: social inclusion; environment; local and regional economic development
<b>2014</b>	Funding: EUR 19 million committed Key sectors: education and skills development; direct support for civil society and independent media

The 2014 assistance package confirms that investing in the young generation is a key priority of EU–Belarus cooperation. Better capacities to analyse the labour market are a fundamental step for developing a more responsive education system; this, in turn, should increase each student’s chances of finding a job. Several actors will need to cooperate to deliver results: public institutions, providers of vocational education and training, employers’ associations and trade unions. At the same time, the EU continues to favour the access of young Belarusians to independent higher education

through the EHU and helps civil society organisations and media that pursue critical engagement with the Belarusian government.

During 2014 we continued to work with Belarus and Belarusian organisations to implement ongoing programmes and projects and deliver results. The EU disbursed **EUR 22 million** in total; for example, EUR 1 million was spent in 2014 on the project ‘Roots and treetops’, offering opportunities to young Belarusians for language training and study visits to EU countries.

### Roots and treetops: EU languages ... and more

Contacts between people, mobility and youth are important elements of EU cooperation with Belarus. Traveling and studying abroad means gaining access to other countries’ systems and realities; it helps build a common culture of exchange, open-mindedness and understanding. This is why the EU has opened the key programme Erasmus+ (now grouping together the former Tempus, Erasmus Mundus and ‘Youth in action’ programmes) to participants from Belarus and also funds specific mobility and exchange schemes for Belarusian students.

In fact, the capacity to communicate freely in foreign languages is an essential condition for making the fullest use of such experiences. Language skills can also facilitate access to better jobs and to education or training that are not available in the national systems. Thanks to the project ‘Roots and treetops’, 300 young Belarusians (18–31 years) completed an intensive language and culture course in English, French or German, reaching as a minimum the level of upper intermediate knowledge (B2 in the Common European Framework of Reference for Languages). The courses were held in Minsk and in three EU countries: Germany, France and Poland. Participants were selected among social activists, talented professionals (especially in media, culture and research), civil service staff and graduates of higher education willing to pursue their studies in the EU. They learned about the EU, its societies and values, visited institutions and universities and were informed about EU mobility programmes, met with professionals and civil society organisations in the EU and took part in networking events.

**Title:** Roots and treetops: a language-and-more project for intensified European integration

**Key elements:** intensive training on European languages and culture; study visits; networking

**Budget:** EUR 2 million — **Spent** (up to 31.12.2014): EUR 1.8 million

**Duration:** 2 years (January 2013–December 2014)



### Story from Belarus: a language-and-more project for intensified European integration



■ Final network event in Vilnius with around 300 project participants. © Goethe-Institut

Olga Gerasenko is a 24-year-old Belarusian from Minsk. In 2013–14, she participated in a language programme organised by the 'Roots and treetops' project. When she first saw the information about the programme, she decided to join it without hesitation. She wanted to broaden her horizons, meet new people and improve her English.

'Meeting so many new people during the programme opened my eyes,' she says. 'It motivated me to look for new opportunities and helped me understand what direction I want to go in my future professional life.'

After the 'Roots and treetops' programme, she obtained a professional fellowship and went abroad for 1 month to study corporate social responsibility. Now she is working on communication in Minsk, using English in her daily work.

'Some people with whom I attended "Roots and treetops" courses found new jobs and others were admitted to different European universities. We were all offered this excellent opportunity and we try to make the most of it,' adds Olga.

See the full story of the project: <http://www.britishcouncil.org/europe/our-work-in-europe/roots-and-treetops>

## 5. Georgia

EU assistance to Georgia in 2014–17 is focusing on **public administration reform, agriculture and rural development and justice**. In all these sectors, the EU will help Georgia meet the requirements for access to the EU market under the Association Agreement and its deep and comprehensive free trade area (AA/DCFTA, signed in June 2014) by means of dialogue on policy reforms and new legislation, support for public institutions and engagement with local civil society.

In 2014, the EU committed **EUR 131 million** of bilateral aid to Georgia. A first package of EUR 30 million was funded in May from the ENI umbrella programme, the incentive-based mechanism that rewards progress in building deep and sustainable democracy. It finances the continuation of three existing programmes focusing on support for public institutions, the development of rural business and protection of the rights of minorities and vulnerable groups. A second package of EUR 101 million was added in July to finance two major new programmes on support for the DCFTA and the promotion of small business (EUR 51 million) and reform of the justice sector (EUR 50 million).

### EU support for Georgia from the ENI

<b>2014–17</b>	Funding: between EUR 335 million and EUR 410 million indicatively planned Key sectors: public administration reform; agriculture and rural development; justice
<b>2014</b>	Funding: EUR 131 million committed Key sectors: DCFTA implementation and small business; justice; protection of human rights

The 2014 assistance package marks how aid is evolving after the signature of the AA/DCFTA to accompany Georgia's stronger political and economic relations with the EU. Helping the government and the business community adapt to the challenges and opportunities of trade with the EU is a key priority. This is addressed from several angles: reinforcing the policy framework and national legislation on small business, improving market surveillance, engaging with business associations, facilitating access to banking, diversifying the rural economy and promoting business-oriented cooperation among small farmers.

Social inclusion is important in this context. A specific component of the DCFTA support programme will target livelihood and job opportunities for more vulnerable segments of the population, including internally displaced persons (IDPs). There are still more than 250 000 IDPs in Georgia as a consequence of the unresolved conflict in the breakaway regions of Abkhazia and South Ossetia; they experience above-average unemployment rates, with households headed by a single female being especially at risk of poverty.

At the same time, the programme on justice builds on several years of successful cooperation on criminal and juvenile justice to launch a new and deeper engagement on key reform issues: the independence, professionalism, impartiality and efficiency of the judiciary; access to justice and a fair trial; and the reform of private and administrative law.

During 2014 we continued to work with Georgia to implement ongoing programmes and projects and deliver results. The EU disbursed **EUR 41 million** in total; for example, EUR 13 million was spent in 2014 for the Georgia strand of ENPARD (the 'European neighbourhood programme for agriculture and rural development'). ENPARD is a successful example of EU–Georgia cooperation in a sector with significant impact on growth and jobs. In this case, success is linked to the programme's capacity to act as a catalyser, bringing together all actors working in the sector (public institutions and small farmers, non-governmental organisations (NGOs) and associations, the business community, universities and schools) with a common aim: harnessing the untapped potential of Georgia's rural economy.

### The ENPARD programme: promoting agriculture and rural business

The agriculture sector employs around 50% of the labour force in Georgia. Some 95% are very small farmers producing very little and unable to compete with importing suppliers unless they team up in business-oriented associations. Up to 2013, farmers' co-operatives were virtually non-existent in the country. With the ENPARD programme, the EU is helping Geor-

gia change this reality by promoting the notion of business-oriented farmers' cooperatives as a model for small farmers to improve their production and access to markets.

**Cooperation amongst small farmers is growing** — More than 17 000 farmers (three in 10 were women) participated in the ENPARD agriculture cooperatives' development sessions. Almost 300 new agriculture cooperatives were established, grouping together more than 2 000 members (almost one in four were women); in 2014 they worked more than 11 hectares of land, producing 16 500 tons of agricultural output. ENPARD offers grants to cooperatives and other farmers' groups for capital investments like tractors, trucks, processing equipment and seedlings. By the end of 2014, 35 cooperatives had succeeded in the grant selection process; however, many more participated (700 groups, more than 6 000 farmers in total), and almost 200 received business training as part of the programme. Attitudes regarding cooperatives have clearly improved: in May 2014 an official survey confirmed that 67% of small farmers know and understand what a cooperative is, compared to only 32 % before ENPARD.

**Small farmers get better access to information and expertise** — In 2014 the Ministry of Agriculture established 52 agriculture information and communication centres — one in each rural district of the country — staffed with 300 experts. The ENPARD partners (18 local and international NGOs, associations and research centres) developed 10 demonstration plots in eight districts. In Ajara, 20 000 farmers got regular consultations at the Ajaran Agro-Service Centre. The Georgian Farmers' Association provided advice to 1 000 members on a weekly basis through the agriculture information call centre. All these activities were possible with financial and technical support from the ENPARD programme.

**Public institutions deliver more efficient agricultural services** — ENPARD offered training to 400 staff from public institutions; 44 ministry staff and leaders of farmers' organisations participated in study visits to six EU Member States to familiarise themselves with European agriculture models and policies. At the policy level, the national agriculture development strategy was updated with a consultative process. A dedicated policy unit was created at the Ministry of Agriculture and the sector information basis — a key tool for better policymaking — was significantly expanded: an agricultural census (designed with ENPARD assistance) took place in 2014; a national market price information system was created; and more than 20 studies, policy analyses and research reports were produced and published. Collaboration with higher education and research institutions working on agriculture will continue in the future.

**Title:** ENPARD Georgia ('European neighbourhood programme for agriculture and rural development')

**Key elements:** business-oriented cooperation amongst small farmers; small farmers' access to training and expert advice; efficiency of public institutions in the agriculture sector

**Budget:** EUR 52 million — **Spent** (up to 31.12.2014): EUR 18.6 million

**Duration:** 5 years (March 2013–March 2018)





### Story from Georgia: 'Terjola wine' cooperative



■ Gogita Makaridze in the Terjola vineyard. © EU Delegation to Georgia

Gogita Makaridze lives in Terjola village, in Georgia. Winemaking is a tradition in his family. He started cultivating vineyards in 2009 and has taken part in many exhibitions and fairs where his wine was always appreciated. 'This convinced me that I can produce high-quality wines from my own vineyard,' says Gogita.

Gogita's family and friends were helping him, but he owned only a small plot of land, not enough for large-scale wine production. So he gathered other small farmers in the area and they decided to plant vines together. This is how the 'Terjola wine' cooperative was created.

'We have won an ENPARD project and received special machines to increase our harvest,' he explains. At that stage the cooperative had seven members and soon after they expanded to eight. They plan to accept more members in the future to be able to use any unused land in Terjola to plant vines.

'Through the cooperative we want to introduce our own brand — the brand of Terjola,' says another member of the cooperative, Koba Macharashvili. 'Before, we were out of a job. Now, the important thing is that we are employed by our own business.'

In 2014, they sold their entire wine reserves, exporting outside Georgia, even to as far away as Japan.

See the full story on YouTube: <https://www.youtube.com/watch?v=TIP227Wp584>

## 6. Moldova

EU assistance to Moldova in 2014–17 is focusing on **public administration reform, agriculture and rural development, police reform and border management**. In all these sectors, the EU will help Moldova meet the requirements for access to the EU market under the AA/DCFTA (signed in June 2014) by means of dialogue on policy reforms and new legislation, support for public institutions and engagement with local civil society.

In 2014, the EU committed **EUR 131 million** of bilateral aid to Moldova. A first package of EUR 30 million was funded in May from the ENI umbrella programme, the incentive-based mechanism that rewards progress in building deep and sustainable democracy. It finances a new programme on support for the DCFTA. A second package of EUR 101 million was added in July to finance two other programmes: the Moldova strand of ENPARD (EUR 64 million) and a programme on public administration reform (EUR 37 million).

EU support for Moldova from the ENI	
<b>2014–17</b>	Funding: between EUR 335 million and EUR 410 million indicatively planned Key sectors: public administration reform; agriculture and rural development; police reform and border management
<b>2014</b>	Funding: EUR 131 million committed Key sectors: DCFTA implementation; agriculture and rural development; public finance policy reform

The 2014 assistance package demonstrates how aid is evolving after the signature of the AA/DCFTA to accompany Moldova's stronger political and economic relations with the EU. Helping the government and the business community adapt to the challenges and opportunities of trade with the EU is a key priority. This is addressed from several angles: improving the policy framework and national legislation on small business and competitiveness, reinforcing quality infrastructure and market surveillance (metrology, standards, conformity controls), information campaigns, sustainable management of natural resources in rural areas and promoting the agro-food sector.

In this context, it is important to avoid the deepening of regional disparities and reach out to all regions of the country. This is why the ENPARD programme will

also finance a set of confidence-building measures: dialogue between national and regional authorities on agriculture and rural development, with the exchange of practices and study visits; the promotion of local entrepreneurship; and small-scale common infrastructure projects involving different municipalities.

At the same time, the programme on public administration reform is the first step in a new sector of co-operation. This step focuses on key issues of public finance policy reform: sound management and control of public finances, fiscal sustainability as a means to support economic growth and transparency of the budget. The programme builds on long-standing policy dialogue with the Moldovan government by identifying specific weaknesses of the current system and jointly agreed reform objectives.

During 2014 we continued to work with Moldova to implement ongoing programmes and projects and deliver results. The EU disbursed almost **EUR 94 million** in total; for example, EUR 14 million was spent on the 'Economic stimulation in rural areas' (ESRA) programme. ESRA is a successful example of EU–Moldova cooperation in a sector (regional and rural development) with significant impact on growth, jobs and social inclusion. In this case, success is linked to the programme targeting less advantaged rural areas — some of them seriously hit by drought in recent years — with new concrete opportunities for small business.

### The ESRA programme: promoting economic stimulation in rural areas

Living conditions in the rural areas of Moldova are much more difficult than in urban localities. Some 70% of the poor and 81% of the extremely poor still live in the countryside. The EU funded the ESRA programme to help Moldova address these challenges by creating new rural business opportunities and jobs. Initially designed for 4 years, the ESRA programme was extended for 2 more years with additional funding from EaPIC, the umbrella programme designed to reward progress in deep and sustainable democracy in 2012–13

**Rural businesses get more access to finance** — Thanks to the ESRA programme, access to finance (grants and loan guarantees) for rural business improved significantly under four key national schemes:

the 'National programme for economic employment of youth'; the 'PARE 1+1 remittances' investment attraction programme'; the 'Programme of the Moldovan Agriculture Intervention and Payment Agency'; and the 'Loan guarantee scheme' of ODIMM, the Moldovan SMEs' development organisation. The four schemes combined awarded more than 3 000 grants and offered 200 loan guarantees, underpinning the creation of more than 10 000 new jobs (three in 10 held by women).

**Business incubators help develop new ideas** — The rural business infrastructure improved, with the creation of eight new business incubators in the rural areas of Leova, Stefan Voda, Rezina, Singerei, Cosnita, Cedir Lunga, Nisporeni and Cimislia.

**Entrepreneurship becomes part of labour policies** — The ESRA programme provided more than 900

training days on entrepreneurship and small business development to staff from national and local public administrations. At the same time, the Ministry of Education introduced a new curriculum on entrepreneurship for technical and professional schools; more than 400 students enrolled in the first school year (2012/13). As part of the dialogue on sector reforms, labour legislation was adjusted to reflect national commitments on gender equality and women's participation in the labour market.

**Title:** ESRA ('Economic stimulation in rural areas') programme

**Key elements:** small business development and job creation in rural areas; business incubators; access to finance (grants and loan guarantees)

**Budget:** EUR 72 million — **Spent** (up to 31.12.2014): EUR 58million

**Duration:** 6 years (November 2010–November 2016)





### Story from Moldova: Maria opens a bakery to stop the migration of her family



■ Maria and her family in the bakery. © EU Delegation in Moldova

Maria lives in Verejeni village in Moldova. She cried when her husband and brothers left the village to work abroad. When her son also left, she decided to do something to bring her family back home.

She enrolled in a business training programme offered by the Moldovan SMEs Development Organisation (ODIMM), supported by the EU through the ESRA programme. The training course helped her to develop a business idea. She consulted her family and they decided to open a bakery together. They registered the company under the name *Pâine alba*, which means 'white bread'.

Ruslan, the 23-year-old son of Maria, became a main founder of the company. Together they applied for funding from the 'National programme for economic empowerment of youth' (NPEEY), another national scheme supported by the ESRA programme. They received a grant of 80 000 lei (around EUR 4 000), collected the necessary documentation and adapted the bakery building to respect sanitary norms.

But it was not enough. They needed more funding to kick off the business. 'The Loan Guarantee Fund of ODIMM was a good solution. We received a 100 000 lei grant (around EUR 5 000) and another 221 000 lei of credit (around EUR 11 500),' says Maria. In July 2013, with the money received from the bank, the family purchased the equipment needed for the bakery.

They were ready to swing into action when a new challenge came along. They realised they needed to change the electrical system. 'We needed an additional 130 000 lei (EUR 7 000). We were thinking of asking our family abroad for help. Then we heard about the PARE 1+1 programme, so we said to ourselves, "Why not participate?" The training programme taught us how to run a business, what the procedures are, etc. And again, to our joy, we received the financial support,' says Maria. The 'PARE

'1+1 remittances' investment attraction programme' — supported by the ESRA programme — facilitates access to finance for migrants and their families and their reintegration into Moldovan society.

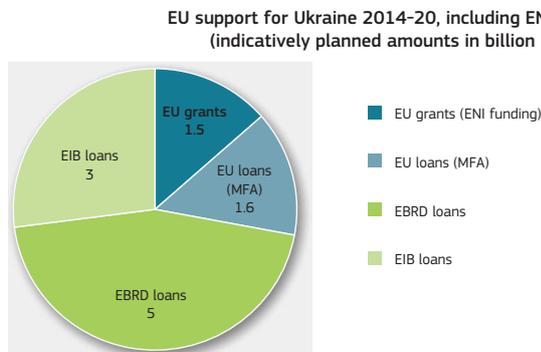
They bought a sieving machine, a blender, a dough-fermenting bin, an oven, a refrigerator, tables, trays, etc. After a while, they could employ two more bakers and a driver for bread delivery. With this new investment, the bakery's productivity increased. 'Today, we employ seven people: a technologist, three bakers, a driver and two other workers. We provide bread to five schools in the region,' says Maria happily.

Now they are thinking of diversifying the business and starting to producing pizza.



## 7. Ukraine

In response to Ukraine's political and economic crisis, in March 2014 the European Commission pledged to invest up to EUR 11 billion from 2014 to 2020 to support recovery and democratic transition. Up to EUR 1.5 billion may come from the ENI. Unfolding events have made it difficult to identify the focus of EU assistance to Ukraine several years in advance. This is why, for the time being, EU assistance is committed in the form of annual special measures.



■ Source: EU press release, IP/14/219, March 2014.

As part of a coordinated EU response to the crisis, the European Commission established a Support Group for Ukraine in early April. The group works closely with the Ukrainian authorities to identify and plan the comprehensive reforms the country needs to harness the opportunities offered by the AA/DCFTA (signed in June 2014).

In April 2014 the EU adopted a special package of **EUR 365 million**, the highest amount ever committed for bilateral aid to Ukraine. This package combines fresh funds (EUR 242 million) with the partial reorientation of EUR 123 million already committed in 2013. The fresh funds include EUR 40 million from the ENI umbrella programme, the incentive-based mechanism that rewards progress in building deep and sustainable democracy.

The 2014 special package was a response to the urgent need to stabilise Ukraine's economy with a major state building contract (EUR 355 million). This measure was coordinated with other support schemes from the EU (in particular EU macrofinancial assistance) and with interventions from international financial institu-

tions to promote economic recovery and reforms. The full budget of the state building contract consists of grants, whilst other schemes may use a mix of grants and loans.

The 2014 special package also comprises a dedicated programme (EUR 10 million) to help civil society organisations voice their interests and concerns and effectively monitor national reforms.

At the same time, the crisis in eastern Ukraine required specific actions to assist people and communities affected by the conflict. The EU pooled different modalities and strands of funding: besides humanitarian assistance and confidence-building measures, for example, we directed part of an ongoing programme for regional development (EUR 17 million) to help local authorities cope with the urgent needs of internally displaced persons.

During 2014 we continued to work with Ukraine to implement ongoing programmes and projects and deliver results. The EU disbursed **EUR 314 million** in total; for example, the first instalment of the state building contract (EUR 250 million) was paid in June 2014.

### The state building contract: promoting stability and democratic transition

The state building contract is a modality for delivering budgetary support specifically designed to help countries in situations of fragility or engaged in transition processes towards sustainable development and democratic governance. The first instalment of Ukraine's state building contract was released against the country's compliance with general conditions linked to public policy, macroeconomic stability, management of public finances, and transparency and oversight of the national budget.

A second instalment of the state building contract is planned for 2015, subject to concrete progress in the specific reform conditions in the areas of public finance management, anti-corruption policy, public administration, budget transparency, judicial and constitutional reform and electoral legislation. The inbuilt condi-

tionality element of this form of budgetary support is closely monitored; for example, Ukraine adopted new anti-corruption legislation in October 2014 — pointing towards the creation of an independent Anti-corruption Bureau — along with the reform of the Public Prosecutor's Office.

**Title:** State building contract for Ukraine

**Key elements:** addressing short-term urgent needs for stabilisation; progress in the fight against corruption; more transparent management of the national budget and public finances; reform of the civil service, constitutional reforms and electoral legislation

**Budget:** EUR 355 million — **Spent** (up to 31.12.2014): EUR 250 million

**Duration:** 1.5 years (May 2014–November 2015)



### Story from Ukraine: Hromadske Network to strengthen regional civic media initiatives



■ Roman Skrypin, one of the founders of Hromadske TV and its presenter. © EU Delegation to Ukraine

Hromadske TV appeared in the Ukrainian media landscape at the end of 2013 as a response to the long-standing demand for independent public broadcasting. It has quickly become a spokesperson for the key social processes, including Euromaidan, winning its important position as a reliable source of information. Hromadske TV is part of the Hromadske Network, supported by the EU since January 2015.

'We are the only civic broadcaster in Ukraine. This is the first ever TV initiative of this kind in our country that has emerged "from the grassroots". Being initiated by a group of journalists in Kyiv, it has successfully spread across the regions,' says Mykola Feldman, head of the Hromadske Network project.

Hromadske TV differs from most of Ukrainian TV channels: journalists provide live streaming from the hotspots of the country; most of the topics they cover have a social dimension; there is no on-air advertising.

'At the beginning of the project we didn't know whether Ukrainians would be willing to donate their own money to support us. But it turned out that there is a high demand for the services we provide. During Euromaidan we received enough charitable donations to cover the operation of our channel,' says Roman Skrypin, one of the founders of Hromadske TV and its presenter. 'However, as the war in the east of Ukraine became more intense, people are now less financially capable of further supporting us.'

Within the first few months of its operation the TV channel became so popular that its team started receiving numerous requests from local initiatives in the regions to replicate the same format. Now it has six partners in the regions and a few more with whom agreements will be finalised by the end of the year. 'Once a week I consult journalists in the regions on how to create Hromadske TV in their region,' says Mykola Feldman. This is a part of his work within Hromadske Network.

The project envisages the provision of sub-grants to the local partners. The idea is to enhance the skills of the local grassroots TV and radio correspondents in the region and, by doing so, fill in existing gaps by supplying non-biased, high-quality regional news. Launched in January 2015, the Hromadske Network has already arranged for the provision of news material from the regions.

'We have a special attitude towards our regional partners. We are not necessarily asking for a professional journalistic background. The most important thing is that they care and are impartial about what is happening around them. We can teach them how to create TV and learn together with them,' says Roman Skrypin.

- **Title:** Hromadske Network. Within the project, Hromadske TV receives funds to develop its public broadcasting with partners in the regions of Ukraine, while Hromadske Radio receives funding to develop its correspondents' network.
- **Key elements:** support for independent media and civil society; enhancing the capacity of the local grassroots TV and radio correspondents; establishing a network of media; providing unbiased and uncensored news.
- **Duration:** 2 years (January 2015–December 2016)
- **Budget:** EUR 815.000

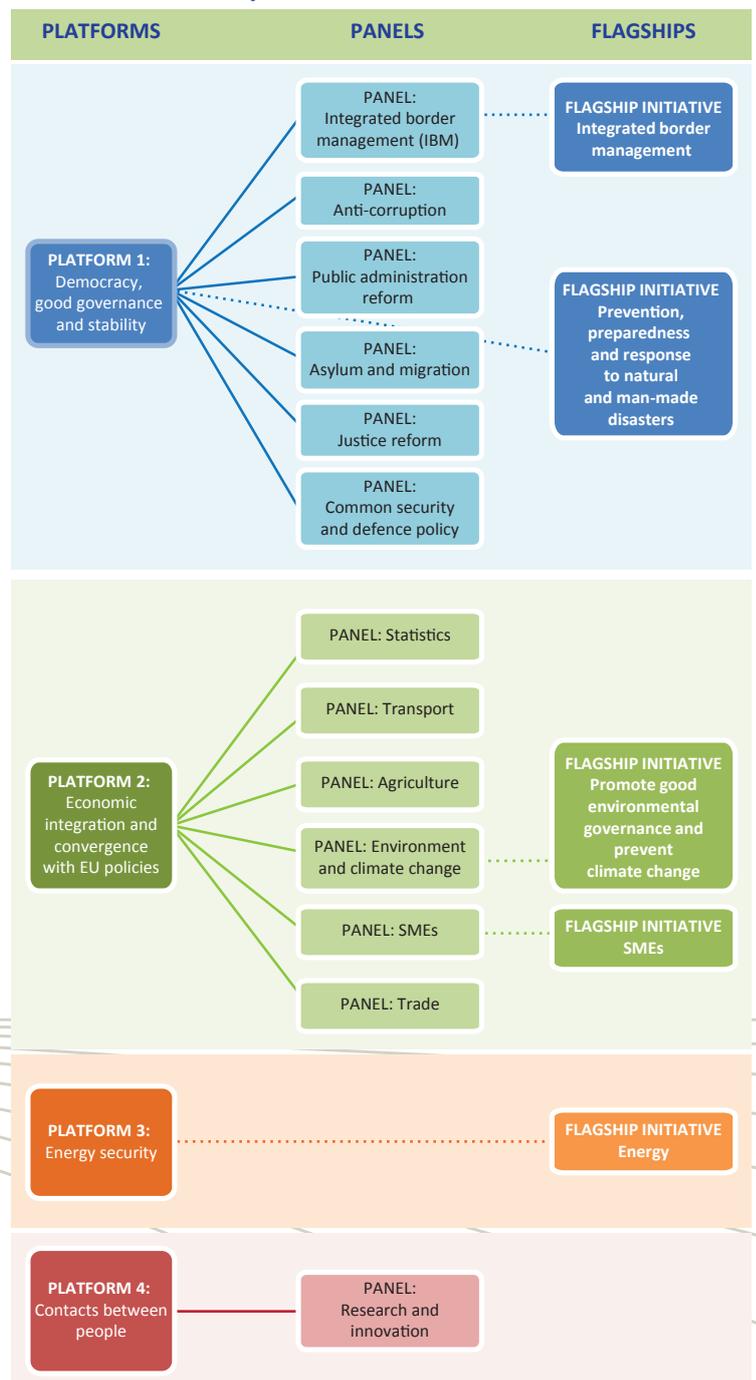


# 8. Regional cooperation and other multi-country programmes

EU-funded regional programmes in 2014–17 are mainly focusing on **supporting the Eastern Partnership and its flagship initiatives**.

Regional cooperation complements country programmes and brings in specific added value. Regional programmes, for example, are best placed where collaboration between two or more countries is key for success (cross-border trade, connectivity in energy, transport and communication networks) or where challenges do not stop at borders (environment protection, prevention of disasters, conservation of biodiversity). Regional programmes can also provide a common strategic framework for intervention in several countries, especially in the framework of the flagship initiatives, which are designed to provide visibility and focus to multilateral dialogue and cooperation in a few selected areas: integrated border management; small and medium-sized enterprises; regional gas and electricity markets, energy efficiency and renewable energy sources; environmental governance; and prevention, preparedness and response to natural and man-made disasters.

## Eastern Partnership multilateral dimension



In 2014, the EU committed **EUR 152 million** for regional cooperation and other multi-country programmes. The package includes a number of strategic interventions in different sectors. To give only few examples: long-term collaboration with the Council of Europe; support for the implementation of transport agreements in the field of civil aviation safety and security; direct support for civil society; and the eastern strand of OPEN ('Opportunities, participation, engagement and networking'), a major communication programme that will run in the neighbourhood region for the next 4 years.

In 2014, the EU disbursed **EUR 47 million** in total to implement ongoing regional programmes and deliver results; for example, EUR 1 million was disbursed for the project on 'Air quality governance' (flagship initiative to promote good environmental governance and prevent climate change), and EUR 1.6 million was spent on the PPRD East project (flagship initiative on prevention, preparedness and response to natural and man-made disasters).

### Air quality: national capacities for trans-boundary challenges

The 'Air quality governance' project was the first initiative specifically designed to help Eastern Partnership countries cope with increased emissions of air pollutants. Air pollutants (hydrocarbons, nitrogen oxides, sulphur dioxide) have negative effects on human health, biodiversity and climate change. In addition, they can be transported over long distances and are not constrained by national boundaries.

The project was implemented as part of the flagship initiative on environmental governance and ended in 2014. After 4 years of implementation, public institutions in the partner countries experienced a leap in their understanding of EU air quality policy and of the EU legislation on integrated pollution prevention and control (IPPC) and transport designed for its implementation.

The project supported a number of national policy developments. For example, it contributed to the preparation of Moldova's 'Air quality management strategy 2015–29' and of Georgia's programme for the development of a national ambient air monitoring system; to Ukraine's new draft legislation on ozone protection; to the air

quality action plan for Baku (Azerbaijan); and to Belarus' draft regulations on emission limits for the cement sector — one of the major industrial polluters in the country. Thanks to the expertise offered by the project in cost-benefit analysis, Armenia, Azerbaijan, Georgia and Moldova developed their national action plans for the ratification of several protocols under the UN Convention on Long-Range Transboundary Air Pollution (CLRTAP).

**Title:** Air quality governance

**Key elements:** air quality policy and legislation in line with international and EU standards; institutional capacity to comply with international commitments; public awareness

**Budget:** EUR 7 million — **Spent** (up to 31.12.2014): EUR 5.5 million

**Duration:** 4 years (January 2011–December 2014)

### PPRD East: better prepared for reacting to disasters

The PPRD East project helped Eastern Partnership countries strengthen their resilience, preparedness and response to man-made and natural disasters by establishing stronger cooperation mechanisms in the civil protection sector. The project was implemented as part of the dedicated flagship initiative and ended in 2014.

The project increased the knowledge and understanding of risk exposure on the one hand (for example the risk of being affected by floods and droughts) and, on the other hand, of what resources can be made available to enhance preparedness and response capacity in the region. Partner countries became familiar with the work of the EU Civil Protection Mechanism and its best practices — for example in analysis of real-time information, hazard monitoring and planning for the rapid deployment of experts, response teams and equipment. It also contributed to improving the legal framework and the administrative and operational capacities of civil protection bodies. In 2014, for the first time, Georgia activated the EU Civil Protection Mechanism and obtained support from EU Member States to respond to a major landslide.

The project offered regional activities such as: the development of an Electronic Regional Risk Atlas (ERRA); the simulation of emergencies to test coordination procedures between countries and emergency services;

training on risk assessment and risk management; and awareness campaigns on early warning systems and specific risks (earthquakes, landslides, floods and fires). The project also contributed to national developments, for example: the review of Georgia's legislation on disaster risk management; the development of risk maps and on-the-job training on how to use the ERRA in Armenia and Ukraine; and the publication of specific guides for the public, such as the 'Guide for family on how to behave in emergencies' in Azerbaijan.

**Title:** PPRD East ('Prevention, preparedness and response to natural and man-made disasters')

**Key elements:** reinforced capacities for a coordinated response to disasters; more knowledge and better understanding of risk exposure; public awareness

**Budget:** EUR 6 million — **Spent** (up to 31.12.2014): EUR 6 million

**Duration:** 4 years (January 2011–September 2014)

The 2014 package included funding for the eastern strand of the **NIF**. The NIF is a blending mechanism: grants from the EU and its Member States can be 'blended' with loans from European financing institutions. Grants either reduce the cost or mitigate the risks that investors would incur. This helps mobilise finance that would otherwise not be affordable or available, especially for large-scale infrastructure projects or promotion of small business. For example, the '**Caucasus energy efficiency programme**' (CEEP) of the European Bank for Reconstruction and Development (EBRD) provides about EUR 100 million in loan financing for on-lending to private borrowers in Armenia, Azerbaijan and Georgia. The loan scheme is coupled with grant funding from the NIF of EUR 5.3 million (of which EUR 1.5 million was disbursed in 2014) to offer free technical advice and incentive payments to small businesses and families willing to invest in energy savings and renewable energy.



### Story: Unleashing the potential of energy efficiency savings in the Caucasus

Ketevan Barabadze lives in Georgia's flourishing capital, Tbilisi. She moved house together with her husband in 2013. The young couple bought their new flat with the help of Ketevan's parents in an up-and-coming neighbourhood close to the city centre. It is in an old Soviet-style apartment block and the area is still rough around the edges, but there are clear signs that this is changing. Young professionals who like to look after their homes are moving into the flats.

The property needed a complete overhaul. It proved a real challenge, but also a unique opportunity to ensure that the couple could cut their costs on energy, Ketevan recalls. Saving energy is a relatively new concept to many in Georgia, but it's a trend and lifestyle that more and more people are embracing — with good reason.

'We took out a loan to buy energy-efficient systems and appliances — we installed central heating and bought a new refrigerator and gas stove,' she says. 'This means that we can save 700–800 lari (around EUR 350) per year, which can be put towards repaying our loan.'

Ketevan is one of thousands of people who have benefited from the support of the EU's NIF and the EBRD's CEEP. The EBRD provides credit lines totalling over EUR 132 million, which local partner banks use to help companies and private households finance sustainable energy investments. The cost of the energy-efficient equipment is reduced for businesses and homeowners thanks to the incentive payment financed by the EU.

This has made Ketevan's home more comfortable. 'It's warmer and, most importantly, it's more economical,' her husband Levan Kakauridze points out. 'With the money we're saving, we can afford to go out more often and we can buy things we couldn't afford before.'

On a wider perspective, the programme sets out the path for a long-term sustainable solution in Georgia by demonstrating how investments in energy savings can benefit everyone: a homeowner or entrepreneur who pays lower bills; the local bank, knowing that its customer can pay back the loan due to the energy and cost savings; and, of course, the environment and all of us, because harmful CO<sub>2</sub> emissions are reduced.



■ Ketevan and her husband Levan in their new home. © EBRD

This has already made a real difference in terms of environmental impact. The programme has helped reduce CO<sub>2</sub> emissions by more than 10 000 tonnes per year — equivalent to the annual energy consumption of more than 15 000 Georgians.

The 2014 package also funded the eastern strands of **TAIEX** (Technical Assistance and Information Exchange) and **Sigma** (Support for Improvement in Governance and Management). In 2014, 164 TAIEX events took place in the Eastern Partnership countries, providing short-term specialised expertise on matters of EU legislation and EU best practices. For example, in 2014 two expert missions helped Moldova's Food Safety Agency to improve compliance with the requirements

for exporting poultry and poultry meat products to the EU. In total, more than 500 staff of Moldovan public institutions participated in TAIEX events. At the same time, 22 Sigma actions were launched to advise partner countries on key issues of public administration and civil service reform, public finance and audit, and public procurement. These specialised tools complement the dialogue on policy reforms linked to the implementation of projects and programmes at sector level.





■ Network of TAIEX and twinning national contact points. © European Commission

Besides the package of regional cooperation and other multi-country programmes, the ENI contributes every year to the international dimension of **Erasmus+**, the new EU programme for promoting learning opportunities abroad, improving skills and employability and modernising education, training and youth work. The 2014 contribution from the ENI was almost **EUR 103 million**. People (students, researchers, young workers) and institutions from EaP countries take part in Erasmus+ activities and ongoing projects funded from previous programmes (such as Erasmus Mundus).

The ENI also contributes to **cross-border cooperation** (CBC) between neighbour countries and EU Member States. In 2014, the EU committed almost **EUR 7 million** from the ENI budget for technical assistance to support the preparation of 17 new CBC programmes that will promote economic and social development, address common challenges in environment, public health, safety and security; and promote the mobility of persons, goods and capital. Contacts between people will be a horizontal modality. Five land border programmes (Belarus, Latvia, Lithuania; Belarus, Poland, Ukraine; Hungary, Romania, Slovakia, Ukraine; Romania, Ukraine; Moldova, Romania) and one sea-basin programme (Black Sea) will involve one or more Eastern Partnership countries.

## 9. Engaging with civil society

Strengthening civil society is one of the most important and positive results of our cooperation in the Eastern Partnership. For the period 2014–17, all country programmes and the regional programme incorporate earmarked funding for direct support for civil society. This scheme ensures continuity in the experience of the eastern strand of the Neighbourhood Civil Society Facility (funded in 2011–13), and expands it with more ambitious funding and the possibility of implementing more actions on a larger scale.

In 2014, the EU committed **EUR 17.5 million** for direct support (stand-alone programmes) for civil society. In Ukraine, civil society will actively contribute to the monitoring of the state building contract; in Belarus the focus will be on free and independent media; in Azerbaijan it will be on the protection of social and economic rights. At the same time, the regional programme offers direct support to the Eastern Partnership Civil Society Forum and to local organisations to develop their networking and advocacy capacities. In addition, new sector programmes incorporate specific provisions to facilitate dialogue between the government and civil society on national policy reforms.

In each Eastern Partnership country, a new ‘Roadmap for engagement with civil society’ — developed in the course of 2014 — will guide EU engagement at local level over the coming years.

During 2014 we continued to work through the Neighbourhood Civil Society Facility. The EU spent a total of **EUR 7.5 million** for ongoing grant contracts, and 31 new grants were awarded, based on regional and national calls for proposals launched in 2013 and 2014.

### The Neighbourhood Civil Society Facility: targeted actions and civic activism

The Neighbourhood Civil Society Facility was funded in 2011–13, with an eastern strand of EUR 40 million. It awarded grants to around 100 leading civil society organisations, most of which work with other organisations in consortia or through sub-granting. The facility opened a major channel for engagement with civil

society, learning and exchange that goes well beyond access to grants. In 2014, for example, the EU ran a record number of consultations with civil society in the Eastern Partnership. Recommendations stemming from this dialogue provided input for policy orientations and fed into the design of new programmes.

Direct funding helped civil society organisations grow, develop their analytical skills and advocacy capacities and network with and learn from European best practices. Several organisations are now capable of carrying out public accountability work and motivated to do so, even on specialised matters such as the transparency of the national budget. For example, in 2013 Transparency International Moldova partnered up with organisations in Armenia, Poland and Ukraine for the project ‘Engage civil society in monitoring conflict-of-interest policies’. The project was the first attempt to survey conflicts of interest in public administration in Armenia, Moldova and Ukraine. It also provided institutional and legislative analysis to identify the pitfalls in national legislation on conflicts of interests and anti-corruption. A specific partnership scheme (coupled with a sub-granting mechanism) was used at local level to identify and report on cases of possible conflicts of interest in public administration. This is only one example of several successful projects made possible by the Neighbourhood Civil Society Facility.

**Title:** Eastern Neighbourhood Civil Society Facility (2011–13)

**Key elements:** public accountability; partnership with societies; capacity development

**Budget:** EUR 40 million — **Spent** (up to 31.12.2014): EUR 28 million

**Duration:** first call for proposals in 2011; last call for proposals in 2014



### Story: Civil society active in monitoring public administration

Since early 2014, six NGOs from four countries (Armenia, Moldova, Poland and Ukraine) have been working together on a joint project: monitoring conflict of interests in public institutions. Conflict of interest appears wherever the public sphere interferes with the private one, when a public official has a private interest that influences his or her official duties.

The project is funded by the EU and led by Transparency International Moldova. For 1 year, the partners have been analysing the legal framework in their countries and have carried out opinion polls of public servants to see how familiar they are with the notion of conflicts of interest, how tolerant they are towards such situations and how much they know about ways to prevent them. The surveys show that although many perceive personal interests as something negative, it is still a common phenomenon in the public administrations.

The project's country work is very visible in Moldova. When conducting their survey, TI Moldova was asked by the Moldovan Ministry of the Interior and the State Chancellery to prepare training courses for their own staff on how to prevent conflicts of interest. TI Moldova was also invited to attend the meetings of the Interministerial Group for the Modification of the Legal Framework of the National Integrity Commission.

But this is not only about central administration; local institutions are also concerned. 'Using the sub-grants to smaller organisations to identify conflict of interests in local administration was the best way to transfer this knowledge and multiply the effects of this project,' says Lilia Carasciuc, TI Moldova's executive director and the manager of the project.

'In Ukraine, anti-corruption policy, including prevention of conflicts of interest, is currently a very topical issue,' says Maxim Boroda, the project coordinator for the Ukrainian partner of the project (Institute of Public Policies, Ukraine). 'The anticorruption legislation, which was adopted in October 2014, includes a section on conflicts of interest which is based on the work that came out of our project. We also expect that the Corruption Prevention Bureau, established by this new law, will use our monitoring methodology.'

- **Title:** Engaging civil society in monitoring conflict-of-interest policies
- **Key elements:** 'watchdog'; policymaking; transparency and accessibility of the national budgets
- **Partners:** Transparency International Moldova, Eurasia Partnership Foundation (Armenia), Stefan Batory Foundation (Poland), TORO Creative Union (Ukraine), Ukrainian Institute for Public Policy (Ukraine), Transparency International Anti-Corruption Centre (Armenia)
- **Duration:** 2 years (2014–2015)
- **Budget:** EUR 440 000.



# 10. Annex

## ENI 2014–20 — Eastern Partnership (breakdown by country and regional/multi-country programmes)

Part A — Commitments in million EUR (rounded figures)

Country/Programme	2014	2015	2016	2017	2018	2019	2020	Total
Eastern Partnership								
Armenia	34.0							34.0
Azerbaijan	21.0							21.0
Belarus	19.0							19.0
Georgia	131.0							131.0
Moldova	131.0							131.0
Ukraine	242.0							242.0
<i>Subtotal bilateral programmes</i>	578.0							578.0
Regional and other multi-country programmes	152.4							152.4
<b>TOTAL Eastern Partnership</b>	<b>730.4</b>							<b>730.4</b>
Cross-border cooperation (Eastern Partnership + Mediterranean countries)								
ENI contribution	6.9							6.9
Erasmus+ (Eastern Partnership + Mediterranean countries)								
ENI contribution to Erasmus+	102.9							102.9

Under the ENI, Russia no longer benefits from bilateral assistance programmes; however, it may still participate in some multi-country programmes when political conditions so allow.

C1 + C5 + R0 appropriations; administrative costs excluded.





## Part B — Disbursements in million EUR (rounded figures)

Country/Programme	2014	2015	2016	2017	2018	2019	2020	Total
Eastern Partnership								
Armenia	23.2							23.2
Azerbaijan	6.8							6.8
Belarus	22.3							22.3
Georgia	41.1							41.1
Moldova	93.7							93.7
Ukraine	314.1							314.1
<i>Subtotal bilateral programmes</i>	501.1							501.1
Regional and other multi-country programmes	47.0							47.0
<b>TOTAL Eastern Partnership</b>	<b>548.1</b>							<b>548.1</b>
Cross-border cooperation (Eastern Partnership + Mediterranean countries)								
ENI contribution	45.0							45.0
Erasmus+ (Eastern Partnership + Mediterranean countries)								
ENI contribution to Erasmus+	1.6							1.6
Completion of Erasmus Mundus / Tempus Actions funded from ENPI	98.3							98.3

Under the ENI, Russia no longer benefits from bilateral assistance programmes; however, it may still participate in some multi-country programmes when political conditions so allow.

C1 + C5 + R0 appropriations; administrative costs excluded.







**For more information****European Commission,  
Directorate-General for Neighbourhood and Enlargement Negotiations**

Website: [http://ec.europa.eu/enlargement/neighbourhood/eastern-partnership/index\\_en.htm](http://ec.europa.eu/enlargement/neighbourhood/eastern-partnership/index_en.htm)

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**Delegations of the European Union in the Eastern Partnership countries**

Armenia: [http://eeas.europa.eu/delegations/armenia/index\\_en.htm](http://eeas.europa.eu/delegations/armenia/index_en.htm)

Azerbaijan: [http://eeas.europa.eu/delegations/azerbaijan/index\\_en.htm](http://eeas.europa.eu/delegations/azerbaijan/index_en.htm)

Belarus: [http://eeas.europa.eu/delegations/belarus/index\\_en.htm](http://eeas.europa.eu/delegations/belarus/index_en.htm)

Georgia: [http://eeas.europa.eu/delegations/georgia/index\\_en.htm](http://eeas.europa.eu/delegations/georgia/index_en.htm)

Moldova: [http://eeas.europa.eu/delegations/moldova/index\\_en.htm](http://eeas.europa.eu/delegations/moldova/index_en.htm)

Ukraine: [http://eeas.europa.eu/delegations/ukraine/index\\_en.htm](http://eeas.europa.eu/delegations/ukraine/index_en.htm)

**EU Neighbourhood Info Centre**

<http://www.enpi-info.eu/indexeast.php>

