

Eastern Partnership Civil Society Forum Working Group 2

Online Meeting, 21 May 2025

Short report for distribution

The Eastern Partnership Civil Society Forum (EaP CSF) Working Group 2 (WG2) held its first meeting of 2025 online on 21 May 2025. The event, spanning two sessions, included a presentation of country updates and an update on the work plan and advocacy activities.

Session 1 – Country updates

Armenia

In April 2025, Armenia took a significant step toward European integration by adopting a law to initiate the country's EU accession process. Domestically, the government continued to advance structural reforms in public administration, energy, and digital transformation. The economy remains vulnerable due to its reliance on primary commodity exports and growing trade dependence on Russia and China. The EU's share of Armenian exports has dropped from 43% in 2011 to 23% in 2021. The SME sector is the backbone of the economy, but it often operates in low value-added sectors and faces challenges such as limited financing, poor infrastructure, and low levels of digitalisation. ICT sector grew by 20% in 2022 supported by the Digitalisation Strategy (2021-2025). In agriculture, reforms include an electronic trading platform launched in 2022 and a program to raise electric vehicle use by 10% by 2030. To support economic resilience and inclusive growth, the following recommendations were proposed: leverage trade agreements to train small and medium-sized enterprises (SMEs) on EU market access, diversify exports by promoting high-value sectors, expand SME financing, accelerate digitalisation and cybersecurity, boost climate-smart agriculture, and invest in skills aligned with labour market needs.

Azerbaijan

Access to finance remains one of the primary challenges for SMEs in Azerbaijan. In response, the Central Bank adopted the Microfinance Model Strategic Framework, aimed at expanding the role of the microfinance sector in supporting the self-employed and SMEs, while also stimulating broader economic growth. Several regulatory and strategic developments in early 2025 highlight Azerbaijan's ongoing efforts to enhance economic efficiency and digital governance. Notable examples include the adoption of the Digital Development Concept of the Republic of Azerbaijan and the introduction of the Regulation on Electronic Management of State Duties (e-Duty). In December 2024, a major institutional reform was carried out with the establishment of the Azerbaijan

Business Development Fund (ABDF) under the Ministry of Economy. This new fund was created through the merger of the Entrepreneurship Development Fund and the Azerbaijan Investment Company, consolidating resources to more effectively support private sector development. Finally, Azerbaijan's agricultural sector continues to rely heavily on the export of raw materials, with Russia remaining its primary market.

Moldova

Moldova continues to advance its European integration agenda. In May 2025, Moldova signed a €1.9 billion Growth Plan with the European Commission to fast-track its EU integration through reform-linked financial support, infrastructure development, single market alignment, and broad socio-economic transformation. Seven Moldovan banks will be included in the SEPA system from October 2025, which will contribute to the improvement of banking services and support the business environment. Moreover, bilateral screening sessions were recently held focusing on Industrial and Entrepreneurship Policy. Legislative reform is also progressing, with a new draft Law on Entrepreneurship aimed at simplifying administrative procedures, supporting gender equality, and fostering social entrepreneurship. Moldova is enhancing quality of the infrastructure and capital markets, and recent government support measures have provided nearly 42 million MDL in electricity compensation to businesses.

Georgia

As of May 2025, Georgia recorded a 7.5% increase in total exports compared to the previous year. However, the export structure remains heavily reliant on a limited range of products, particularly vehicles, ferro-alloys, and alcoholic beverages, while agricultural exports continue to underperform. Trade also remains concentrated among a small group of partners, most notably Russia and Turkey. To promote inclusive growth and innovation, Georgia is implementing its SME Development Strategy 2021–2025. Small and medium-sized enterprises make up a vast majority of all active businesses, yet they continue to face structural challenges, including limited access to finance, regulatory barriers, and inadequate infrastructure. In rural areas especially, SMEs often lack awareness of green technologies and digital practices. A persistent mismatch between workforce skills and labour market demands remains a key obstacle to innovation, with vocational training programmes still underutilised. On the digital front, Georgia is making progress through its National Broadband Strategy, which aims to achieve 99% 4G coverage by 2025. Nevertheless, high internet costs, regional disparities in access and speed, and low levels of digital literacy and cybersecurity readiness continue to hinder the country's digital transformation.

Belarus

Belarus' economy remains heavily state-managed, with a strong focus on heavy industry and exports. While registered SMEs are expected to grow by 10–15% in 2025, they

continue to face significant challenges, including limited access to finance and strict regulations. Belarus is also undergoing modest structural changes in its agricultural sector, characterised by a 5–7% decrease in the number of state enterprises and a corresponding increase in private farms. In terms of digitalisation, internet penetration in Belarus has reached approximately 85% of the population but concerns about state censorship and digital surveillance remain prominent. Nevertheless, some NGOs are actively working to promote digital rights and improve internet accessibility in rural areas. However, NGOs struggle with limited funding, complex legal and regulatory hurdles, and security risks such as harassment and threats that hinder their operations.

Ukraine

In Ukraine, structural reforms are ongoing in key areas such as competition policy, public procurement, and land reform, bringing the country closer to EU standards. Civil society also plays an active role, with several CSO representatives participating in working groups for the EU-Ukraine negotiation process. Ukraine has shown export growth under the DCFTA, but businesses still face significant challenges, including high inflation, unstable logistics, and complex regulatory frameworks. To address these issues, recommended measures include simplifying certification procedures, implementing European-style voucher schemes for export support, and strengthening business consulting services. In the area of digitalisation and connectivity, notable progress is reflected in the success of the “Diia” app, which has become a model for digital governance. However, a digital divide remains between urban and rural areas. Proposed solutions include expanding high-speed internet to underserved communities, introducing digital education programs in rural regions, and ensuring digital services are accessible to vulnerable populations.

Session 2 – Work Plan and Advocacy Activities

Next delegate selection to be launched by the end of 2025

The selection for the 2026-2028 cycle of EaP CSF delegates will be launched by October 2025 with a call for applications published on the website and will conclude by the end of March 2026. The delegate selection is a lengthy process involving several parties including WG Coordinators, EU delegations and National Platforms. The EaP CSF Steering Committee oversees finalising the selection. For EU delegates, the EU members will also be involved in the selection process. Applicants to the delegate selection process must be Civil Society Organisations (CSOs). The criteria generally considered include non-partisanship, involvement in the EaP thematic areas and the carrying out of work that relates to European values. The EaP CSF Steering Committee is additionally currently revising the thematic and structural quotas which should be adopted in July. Each cycle,

up to 160 delegates are selected, including 20 per National Platform and up to 40 delegates from the EU.

State of play & looking forward of WG1 activities for 2025, Eastern Partnership political and policy developments, including the official EaP Multi-annual Work Plan 2025-2027

The Polish Presidency of the Council of the EU started on the 1st of January 2025 and ran until the 30th of June. Reinvigorating the discussion around the Eastern Partnership initiative is at the core of Polish Presidency. This commitment has been deployed through the elaboration of an informative document, a non-paper on the Eastern Partnership that has been supported by over 16 out of 27 Member States, which is beyond the traditional number of supporters of the Eastern Partnership initiative. The EaP CSF has advocated for the continuation of the EaP initiative towards the Polish Presidency and produced a position paper based on the resolution adopted last November in Vienna. The work of the EaP CSF will continue throughout the upcoming Presidencies; the EaP CSF will shortly intervene in the Eastern Neighborhood preparatory group of the Council of the EU on the importance of role of civil society in the EaP initiative. On 20 March, the Forum took part in an official meeting with high-level civil servants from the EaP countries and the EU, the so-called Senior Officials Meeting, where it reiterated the strategic importance of the EaP initiative, and the need to further strengthen synergies with other dimensions, such as the Black Sea. The Forum recently submitted a memorandum to the European Commission in response of a call for evidence on the upcoming joint communication of the Commission and External Action regarding a strategic approach to the Black Sea. In this memorandum, the Forum highlighted the importance to ensure cooperation between civil society from the Black Sea basin and beyond with the Eastern Partnership civil society, namely the Forum. At the Senior Officials Meeting, the EU presented its plan of activities for the upcoming 3 years regarding the Eastern Partnership initiative. The main novelty compared to previous years it that this plan is now multi-annual and covers 2025 to 2027. In there are all official Eastern Partnership activities starting from 2025, including the EaP Youth Conference and the Civil Society Summit next December. The priority areas of the Multi-Annual Work Plan, based on the 2020 Joint Staff Working Document of the European Commission, include: complementarity with the enlargement process; security, democratic and societal resilience; economic development, green transition and regional connectivity; civil society and youth. The next Senior Officials Meeting is foreseen in autumn; this will be an occasion to further improve the Work Plan.

EaP Index 2025

Eastern Partnership Index is a data-driven monitoring tool crafted by independent civil society from the region and developed by the EaP CSF. It tracks political and policy developments in Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine – focusing

on their progress toward democratisation, sustainable development and European integration. The Index is grounded in research and local expertise, with findings validated through peer review. It serves as both a benchmark and advocacy tool, widely used in EU and regional policymaking. The 2025 edition, set to launch in the end of June, will inform advocacy work of the EaP CSF and provide independent input for the EU's 2025 country assessments, as well as contribute more broadly to policy debates, reform efforts, and stakeholder engagement across the region and in Brussels.

Presentation of the activities performed by WG2 stemming from the Work Plan, presented by Nino Elizbarashvili

One of our most significant ongoing projects of the WG2 is the Policy Paper titled "Advancing Economic and Digital Transformation in the Eastern Partnership Region: What is the Role of Civil Society?". We are also active in EaP multilateral meetings, for instance Ekaterina Baramidze took part recently in the Spectrum Experts Working Group meetings, discussing key topics like telecommunication industry, 5G strategies, digital mapping, regional spectrum harmonisation, etc. Additionally, Liliana Busuioc will represent WG2 at the Global Meeting of the Policy Forum on Development in Brussels, June 2025, offering us a chance to engage on this important stage as well. Concerning the review of the work plan of 2025, there are three main aspects: support for National Platforms - throughout the year, WG2 delegates will support local WGs and National Platforms in organising events on SME development and related issues; communication of WG2 activities - we will maintain strong communication of our activities via the EaP CSF newsletter and website, ensuring stakeholders are well-informed; civil society Summit participation - WG2 will also participate in the second edition of the EaP CSF Civil Society Summit in Brussels, strengthening our network and advocating for the region's needs.