



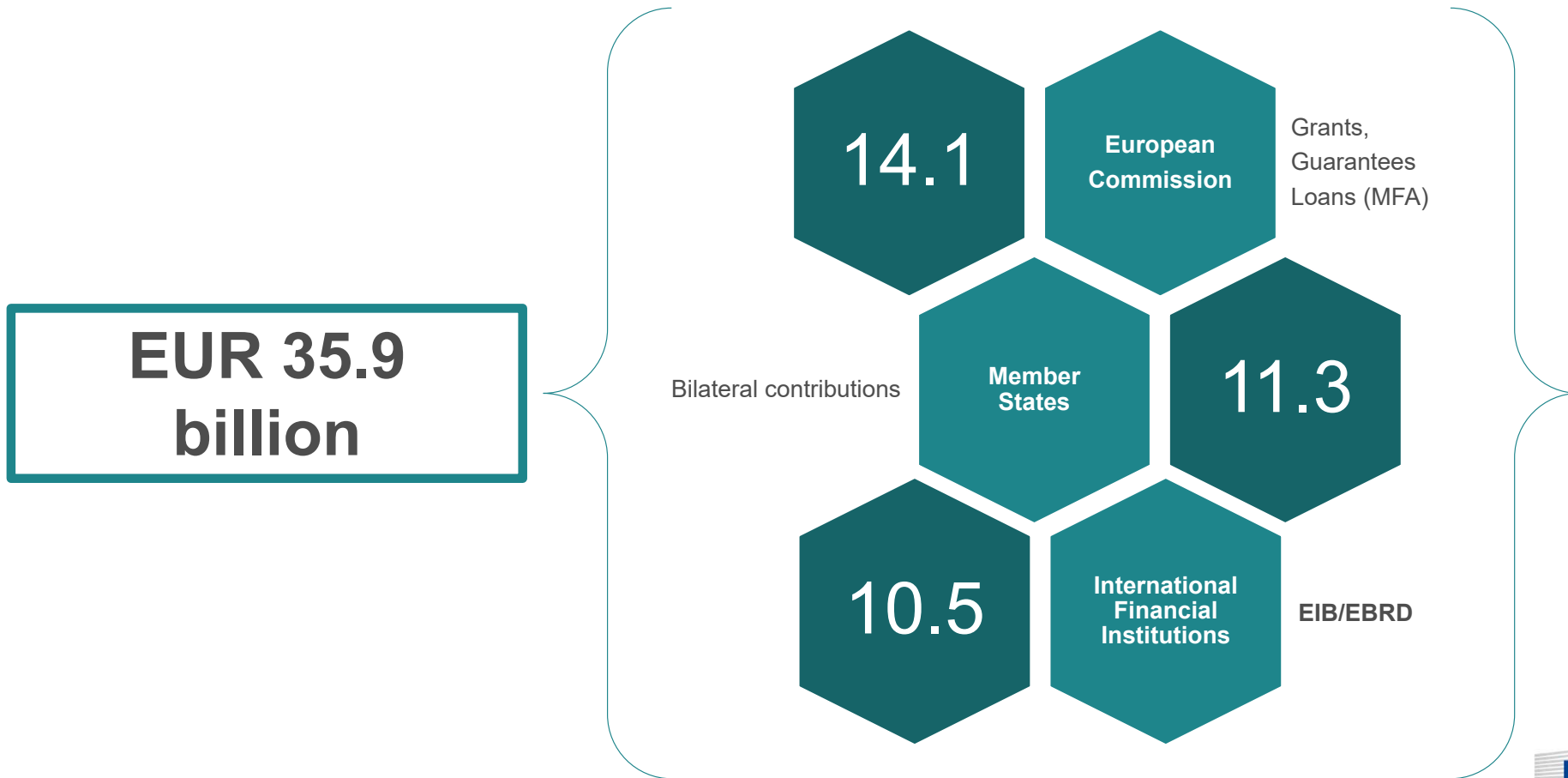
“Team Europe” COVID-19 response in Enlargement and Neighbourhood countries

Georg Ziegler

DG NEAR’s COVID-19 Project Team

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“Team Europe” approach to COVID-19



Epidemiology Western Balkans and Turkey

	Number of cases	Tendency compared to week before	Number of deaths	Increase compared to previous day
Albania	3106	+12%	83	+3
BiH	5869	+35%	209	+3
Kosovo*	3886	+9%	82	+4
North Macedonia	7406	+6%	359	+8
Serbia	17.076	+40%	341	+9
Montenegro	960		17	
Turkey	208.938	-17%	5282	+19

Epidemiology - Eastern Neighbourhood

	Number of cases	Tendency compared to week before	Number of deaths	Increase compared to previous day
Ukraine	51.457	-9%	1323	+19
Georgia	968		15	
Moldava	18.471	-13%	614	+9
Belarus	64.224	-27%	443	+6
Azerbeidjan	21.916	0%	274	+8
Armenia	29.820	-14%	521	+10

Epidemiology - Southern Neighbourhood

	Number of cases	Tendency compared to week before	Number of deaths	Increase compared to previous day
Jordan	1169	-44%	10	+0
Tunisia	1221	+250%	50	+0
Marocco	14.771	+23%	242	+2
Egypt	78.304	-17%	3.564	+76
Lebanon	1946	+10%	36	+0
Palestine	5.029	+59%	20	+2
Algeria	17.348	+52%	978	+8
Syria	372		14	
Lybia	1268	+93%	36	+2

Challenges became more complex

- **Unemployment** shock, Ukraine increase of 48% as of 4 May compared to previous year
- Increase in **food prices** (Jordan 20%, Tunisia 5%)
- North Macedonia: significant increase in **public deficit & debt** in 2020
- Egypt's gov't estimates \$1 billion monthly loss in tourism and fall in remittances
- The '**digital divide**'
- Climate change, migration, world hunger
- 2.8 million people pushed to **extreme poverty** due to COVID-19 in Middle East & North Africa

Western Balkans

- **EUR 38 million of immediate support for the health sector**
- **EUR 14.5 million to strengthen health systems**
- **EUR 834.5 million for socio-economic recovery needs**
- **EUR 1.7 billion in loans (EIB)**
- **EUR 750 million Macro-financial Assistance (in EUR million):**
 - Albania 180 | Bosnia and Herzegovina 250 | Kosovo* 100 | Montenegro 60 | North Macedonia 160
- **Treating the Western Balkans as privileged partners:**
 - Joint Procurement of medical (and other) equipment
 - Participation in EU's health bodies

- Funding channelled through 70 local banks
- More flexible terms
- New loans
- Support for businesses
- Public sector investments
- Credit to enterprises

Overall package of EUR 3.3 billion



**This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*

Western Balkans - looking ahead

- **Economic and Investment Plan for the region**, the long-term recovery, boost economic growth and support reforms required to move forward on the EU path.
- Will include **substantial investment package for the region** (2021-2027 period), the Commission has proposed a total envelope for the Pre-Accession Instrument III of **€14.5 billion**

Eastern Neighbourhood

- **EUR 51 million** for the most immediate needs
- **EUR 13 million to strengthen health systems**
- **EUR 958 million** to socio-economic recovery
 - Includes **support programmes** allowing MSMEs and self-employed access to credit continuity;
- **Additionally, Macro-Financial assistance EUR 1450 million:**
 - Georgia EUR 150 million | Moldova EUR 100 million | Ukraine EUR 1200 million

Overall package of over EUR 2.47 billion

Southern Neighbourhood

- **Over EUR 2.26 billion** overall Commission contribution so far
 - **EUR 18 million** for immediate needs
 - **EUR 889 million** for support to strengthen health and water systems
 - **EUR 1.35 billion** available for the short and medium term to support the social and economic recovery of the region.
- **Additionally, Macro-Financial assistance EUR 800 million:**
 - Jordan EUR 200 million | Tunisia: EUR 600 million

Neighbourhood South and East

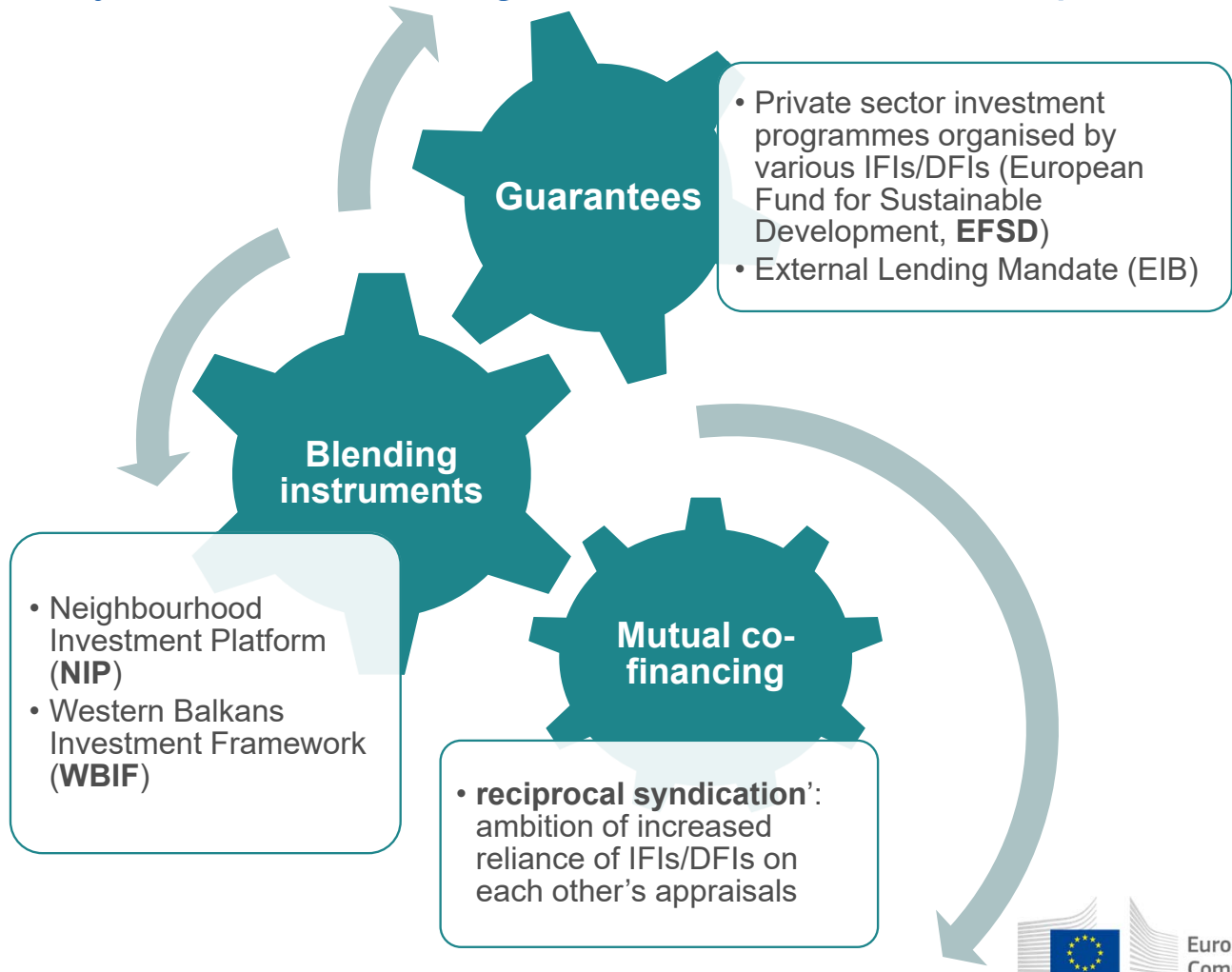
EFSD Guarantees

- **EUR 499.50 million** in guarantees, mostly risk-sharing on local banks' MSME portfolios, also help in refinancing corporates

EC cooperation with IFIs/DFIs: Use of blending and guarantee instruments to support economic recovery in all NEAR Region in the Covid-19 response

DG NEAR approach: support **risk-bearing capacity** of local financial sector and provide **liquidity** for economic recovery in the short to medium term

The needs in the countries identified jointly with Delegations and IFIs/DFIs



Overview of Covid19 Blending and Guarantee measures in the NEAR regions

Eastern Neighbourhood

EC contributions available through NIP: EUR 329m

Implementing partners: KfW, EIB, EBRD

Examples of actions:

- Investment in Structured Funds EFSE and GGF to support financing supply for MSMEs
- Guarantees for local banks via EIB/EIF (ex-DCFTA facility)

Southern Neighbourhood

EC contribution available through NIP: EUR 273.25m

Implementing partners: AFD, EIB, EBRD, KfW

Examples of actions:

- MSME Local Currency Initiative (credit enhancement via EIB)
- Lebanon emergency trade support (risk-sharing with EBRD trade facilitation programme)

Western Balkans

EU contribution available through WBIF: EUR 454.9m

Implementing partners: EIF, EBRD, IFC, KfW, WBG

Examples of actions:

- Regional advice for small business (EBRD)
- Venture Capital and Investment Readiness
- Guarantees for local banks via EIF (top-up of EDIF GF II)
- Support to national guarantee schemes in Kosovo, Albania (KfW)

EFSD guarantees for NEAR

Following a revamp in April 2020, EUR 499.5 million of guarantee cover is available for investment programmes in the Neighbourhood, fully reoriented for Covid-19 response

Mostly risk-sharing on local banks' MSME portfolios, also help in refinancing corporates

Implementing partners: AECID, AFD, CDP, EIB, EBRD, FMO, KfW

Areas of activities:

- MSME Financing
- Sustainable Energy and Connectivity
- Sustainable Agriculture, Rural Entrepreneurs and Agribusiness
- Sustainable Cities
- Digital Development

Thank you



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