

EU4BUSINESS | EBRD Credit Line

Finance and Advisory Programme supporting SMEs

**Building modern, green,
and profitable SMEs in
Ukraine through loans with
investment incentives**



Co-funded by
the European Union



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WHAT IS THE EU4BUSINESS-EBRD CREDIT LINE?

The EU4Business-EBRD Credit Line is a joint initiative of EU and EBRD to help Ukrainian SMEs to access EU markets, align with EU standards through sustainable investments in technologies, and meet the needs of the EU market in terms of quality, safety, environmental protection and promoting the use of green technologies.

The EU4Business-EBRD Credit Line offers:

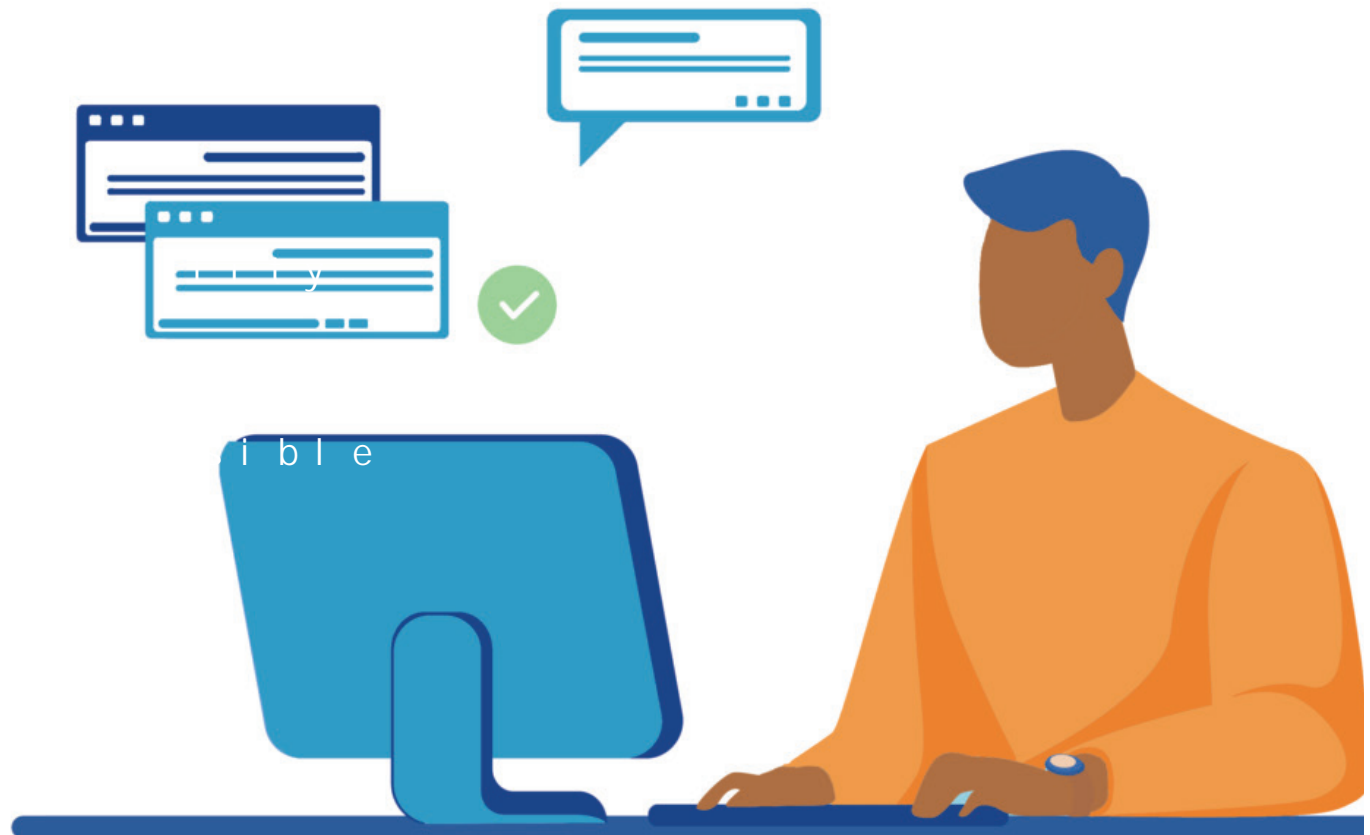
- EBRD loans, available from local Partner Banks and Leasing Companies in Ukraine
- Investment incentives for successfully verified projects, funded by the EBRD
- Free-of-charge technical assistance provided by an international group of experts to help SMEs reach their desired investment targets
- Additional support available to war affected SMEs and veterans

Improve your product quality and compete effectively in Ukraine and in the EU markets.

Align with EU Directives and increase your profitability.

Prioritize investments in Green Technologies for improved environmental performance, and cost reductions.

Expand your export potential through modern production facilities.



HOW DOES THIS WORK?

Three credit types to suit the varied requirements of different companies:



PRE-APPROVED APPROACH

For simple equipment to €300,000, based on the List of Eligible Technologies (LET) for EU-compliant technologies and the Green Technology Selector (GTS) for eligible green technologies. A 10% investment incentive is available upon successful verification of all LET /



SIMPLIFIED APPROACH

Fast track process for technology upgrades in Sanitary and Phytosanitary (SPS) and food safety, for investments up to €300,000 in the agriculture and food processing sectors. Investments in non-green technologies receive an investment incentive of up to 10% and up to 15% investment incentives for green technologies.



COMPLEX APPROACH

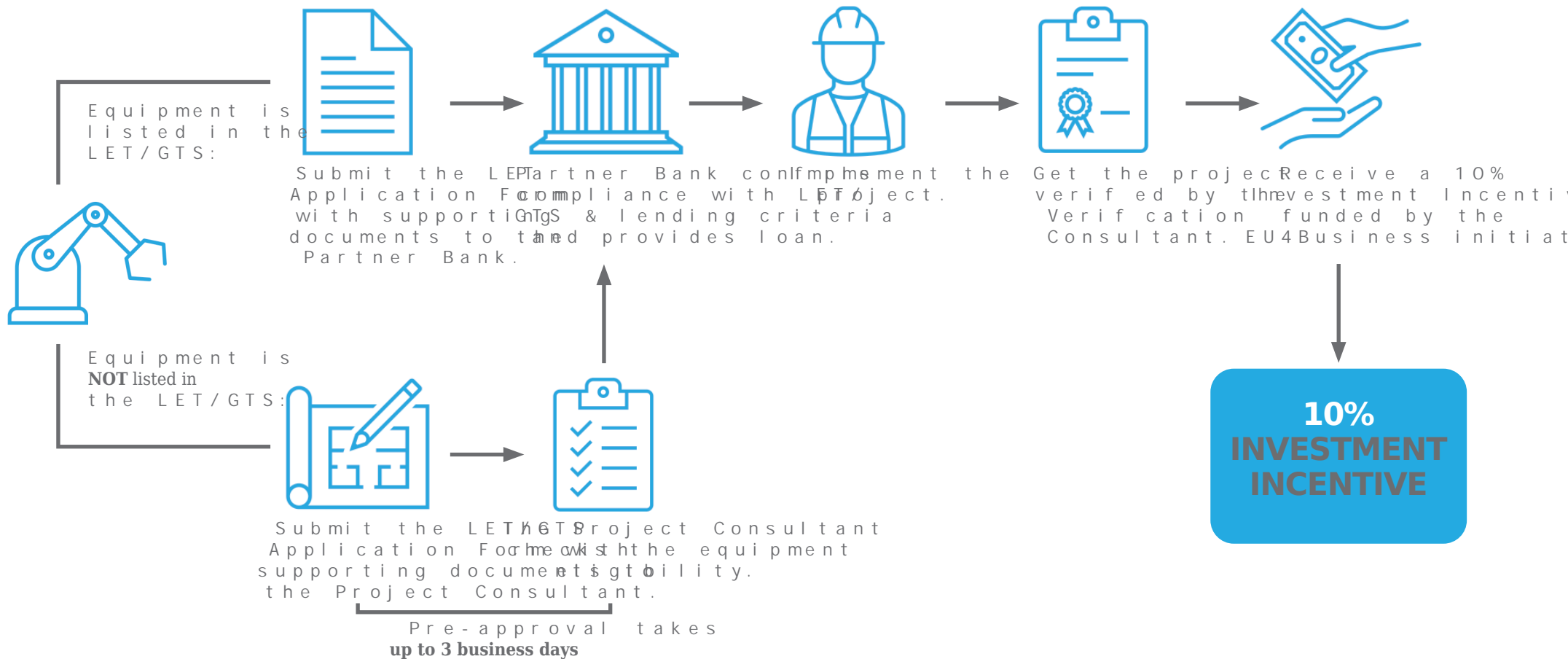
For investments up to EUR 3 million for (almost) any modernization project in any industrial or service sector. Investment incentive of up to 15% are available for projects using green technologies and up to 10% for projects using non-green technologies.

Additional support for investments is available for MSMEs most affected by the Enterprise Renaissance Window ("ERW") and those supporting the reintegrated Affected Persons Reintegration Window ("VRW").

HOW DOES THE APPROACH FOR PRE-APPROVED TECHNOLOGIES WORK?

LET stands for List of Eligible Technologies

For straightforward investments up to a value of EUR 300,000, we have developed thousand items of pre-approved equipment: The List of Eligible Technologies for green technologies. Both lists can be found on www.eubusinessinitiative.com. New technologies are added to the LET and GTS on a regular basis. Your preferred equipment can be added to the list. We will evaluate if your preferred equipment can be added to the list.



PRE-APPROVED TECHNOLOGIES INVESTMENT EXAMPLES

Examples of LET/GTS Technologies currently listed:

- Building equipment
- Food processing equipment
- Heating/cooling systems
- Industrial auxiliary equipment
- Processing equipment
- Renewable energy

If your equipment is not listed, please contact us with the details and we

A printing company, providing its clients with interior and exterior use, invested in a new UV-printer. This printing technique is the higher level of precision and offers increased resistance to fading. With the investment, the company improved product quality and export capacity while substantially reducing its energy consumption and carbon emissions.

Loan amount: € 99,276

Investment Incentive: € 9,927

Primary energy savings: 17.4 kWh/year

GHG savings: 1.2 t/year CO₂e



With manufacturing process improvements, the company reduced its energy consumption and carbon emissions. The investment in a new UV-printer allowed for higher precision and increased resistance to fading, improving product quality and export capacity. The investment also resulted in significant energy and material savings.

Loan amount: € 270,128

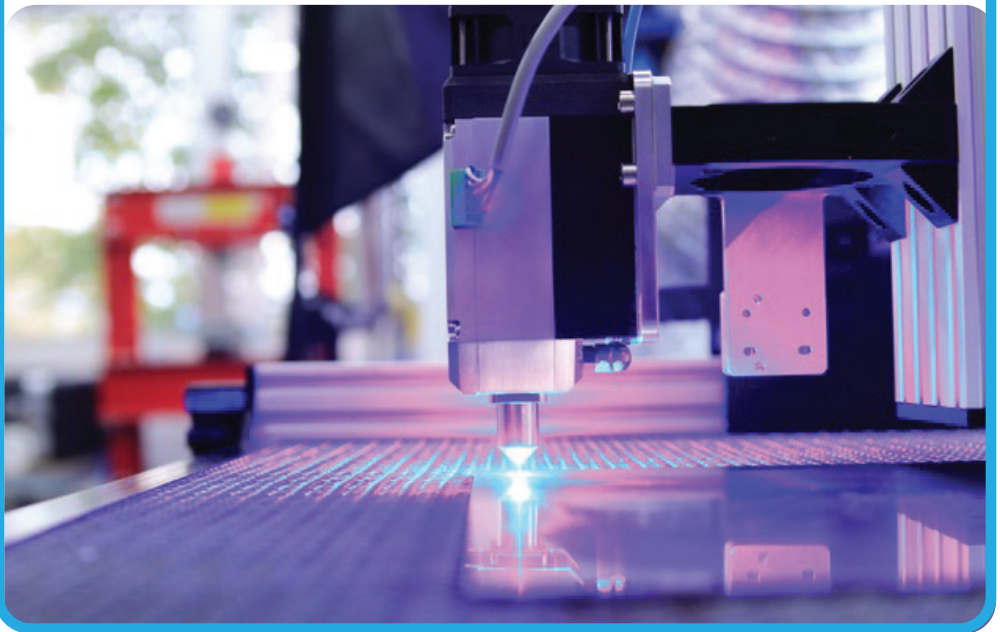
Investment Incentive: € 27,013

Primary energy savings: 106 kWh/year

Material savings: 146 tonnes/year

GHG savings: 17 kg/year CO₂e

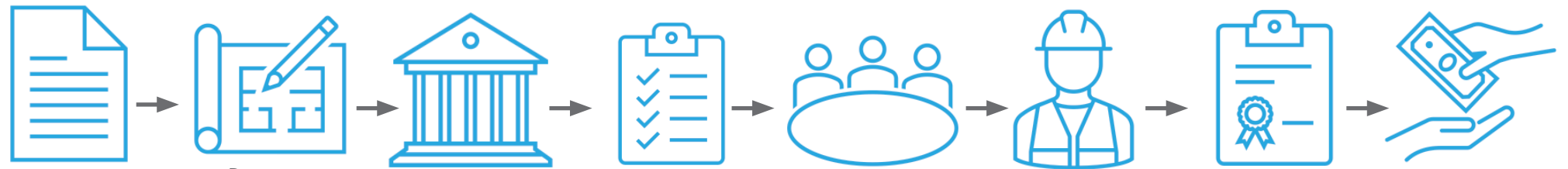
Energy savings ratio: 35%



HOW DOES THE SIMPLIFIED PROJECT APPROACH WORK?

This is exclusively for investments aimed at achieving full compliance with regulations and standards, with an investment value of up to EUR 300,000 and Investment Incentives of up to 10% for non-green technologies and up to 15% for green technologies.

Visit our website www.eu4business-ebrdcreditline.ua/en/simplified-approach



Download and complete the Application Form. This is checked by Free Consultants. support is provided!

Prepare the Simplified Investment Plan (SIP). Free consulting support is provided!

Partner Bank confirms compliance with lending criteria. Sign the Letter of Engagement. consulting support is provided!

Submit the application and sign the Letter of Engagement. Free consulting support is provided!

If all sides are in agreement, sign the agreement.

The Applicant implements the project.

Get the project verified by the EU4Business Consultant. initiative.

Receive an investment incentive, further verified by the EU4Business Consultant. initiative.

Pre-approval **up to 5 business days**

Full approval **up to 30 business days**

**10-15%
INVESTMENT
INCENTIVE**

SIMPLIFIED PROJECT INVESTMENT EXAMPLES

- Refurbishment of production and storage buildings
- Cold storage of perishable goods
- Process, packaging and labelling equipment

- Automated process control systems
- Laboratories
- Product and/or HACCP system certification

A Dried Fruits and Medical Herbs producer improved product quality and increased exports by investing in a new drier, washing and cutting equipment and a leaf pressing machine.

Investments: Construction of a processing and packaging center for raw materials

Loan amount: € 129,090

Investment Incentive (15%): € 19,363

EU Directives met:

- Council Regulation (EC) No 834/2007 on organic products and repealing Regulation (EC) No 1831/2003
- Regulation (EC) No 178/2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down the procedures in matters of food safety
- Regulation 2023/2006 on good manufacturing practices intended to come into contact with food



An egg producer invested in new machinery and introduced high quality sorting & packaging processes, ensuring food safety and increased hygiene in the production process.

Investments: Purchase and installation of egg grading machinery and a collection team and a

Investment Incentive (15%): € 38,056

EU Directives met:

- EU Regulation 2023/2006 on good manufacturing practices intended to come into contact with food
- Regulation (EC) No 178/2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down the procedures in matters of food safety



HOW DOES THE COMPLEX PROJECT APPROACH WORK?

Complex projects are investments aimed at achieving compliance with at least Environmental Protection and Product Quality and Safety. The maximum possible loan amount under this approach is EUR 3 million and Investment Incentives of up to 10% for non-green technologies and up to 15% for green technologies. The entire application process is accompanied by free-of-charge technical support provided by the international team of the Project Consultant.

Visit our website www.eu4business-ebdcreditline.com for further details and the COMPLEX Application Form.



Download and complete the Application Form for Complex Projects. This is checked by the Consultants.

Partner Bank confirms compliance with lending criteria. Sign the Letter of Engagement.

The Project Consultant prepares the Investment Plan together with the Applicant.

The Applicant and the Partner Bank sign the Loan Agreement.

The Applicant implements the project.

Get the project verified by the EU4Business Consultant.

Receive an investment incentive, funded by the EU4Business initiative.

Pre-approval takes up to 5 business days

Full approval up to 30 business days

**10-15%
INVESTMENT
INCENTIVE**

COMPLEX PROJECT INVESTMENT EXAMPLES

- *New machines, production equipment, production lines*
- *New boilers, cooling systems, heat pumps*
- *Refurbishment and construction of production buildings*
- *Integrated refurbishment and construction of production lines and buildings*
- *Refurbishment and construction of storage facilities, cold rooms, warehouses including internal means of transport*

- *Machines for packaging*
- *Aspiration and dust-abatement systems*
- *Wastewater treatment plants*
- *Air emission abatement plants*

A honey producer with 500 own hives and 20 beekeepers who provide natural, additive-free honey from the mountains of the Pyrenees heights. With a strong commitment to reducing energy consumption, the company has invested in processing and storage equipment that meets the energy needs for production. The EBRD's investment in the company, supported by the EU, also supported the company's efforts to improve its brand identity, smart packaging and fashy web design to boost its export sales.

Loan amount: € 350,000

Investment Incentive: € 52,500

Primary energy savings: 1,370 GJ / year

GHG savings: 76 t CO₂e / year



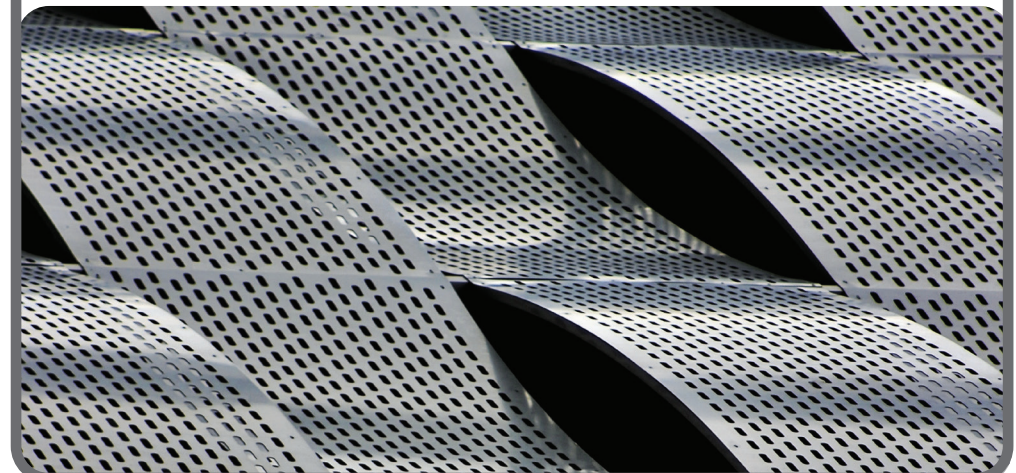
A company producing a wide range of metal products for the construction industry. The company has invested in new machinery and equipment to improve its production efficiency and reduce energy consumption. The EBRD's investment in the company, supported by the EU, also supported the company's efforts to improve its brand identity, smart packaging and fashy web design to boost its export sales.

Loan amount: € 494,902

Investment Incentive: € 74,235

Primary energy savings: 919 MWh / year

GHG savings: 81 t CO₂e / year



SUPPORT TO WAR AFFECTED SMES AND VETERANS

The **ERW and VRW Incentives:** Additional support is available for MSMEs most affected by the war in Ukraine.

- The **Enterprise Renaissance Window ('ERW')** offers up to 15% additional incentives for business reconstruction (but not higher than the verified damage) for MSMEs that have experienced relocation, asset destruction, and/or loss directly confirming the value of war-related losses or damages ('Verified Damage')
 - o That have experienced relocation, asset destruction, and/or loss directly confirming the value of war-related losses or damages ('Verified Damage')
 - o Where the value of war-related losses or damages equals or exceeds 15% of the value of the investment for under the Pre-approved (LET/GTS) project type, under SPS or Complete SPS
 - o That have neither received nor is expected to receive compensation for the Verified Damage from any third party outside of the Programme Applicant MSMEs are required to provide evidence of damage documentation for ERW incentives. Please click on the link below for further details.
- The **Veterans and War-Affected Persons Reintegration Window (VRW)** supports veteran-owned businesses and MSMEs engaged in the reintegration of veterans with additional incentives of 10-15% in addition to the basic incentives provided for Pre-approved (LET/GTS) project type, under SPS or Complete SPS
 - o 15% additional incentive for MSMEs in VRW Category 1:
 - Sole entrepreneurs who are a war veterans, or MSMEs that are majority owned or led by a war veteran;
 - War veterans represent more than 20% of the MSME's total permanent employees;
 - At least 20% of clients are war veterans and/or at least 20% of revenue is derived from war-affected areas.
 - o 10% additional incentive for MSMEs in VRW Category 2:
 - Company is majority owned or led by an immediate family member of a war veteran, or by people with disabilities resulting from the war, or family members of the fallen defenders of Ukraine.
 - War veterans represent more than 10% of its permanent employees; or
 - At least 10% of clients are war veterans and/or at least 10% of revenue is derived from war-affected areas.

These incentives are in addition to the basic incentives provided for Pre-approved (LET/GTS) project type, under SPS or Complete SPS. The total of the combined investment incentives to each sub-borrower shall not exceed €300,000 for all project investments/loans under the Programme.

MSMEs who qualify should submit their ERW or VRW incentive application to the Programme Applicant as part of their project investment application.

Please visit our website for more details.

<https://www.eu4business-ebrdcreditline.com.ua/support-to-war-affected-smes-veterans>

OUR PARTNER BANKS

Where to Apply:

To simplify the financial EU4Business-EBRD Credit Line loans are disbursed through local Partner Banks and/or Leasing Companies and/or Leasing Companies only. EBRD, EU and the Project Consultants have no influence on this decision.

Local Partner Banks and/or Leasing Companies have no influence on this decision.

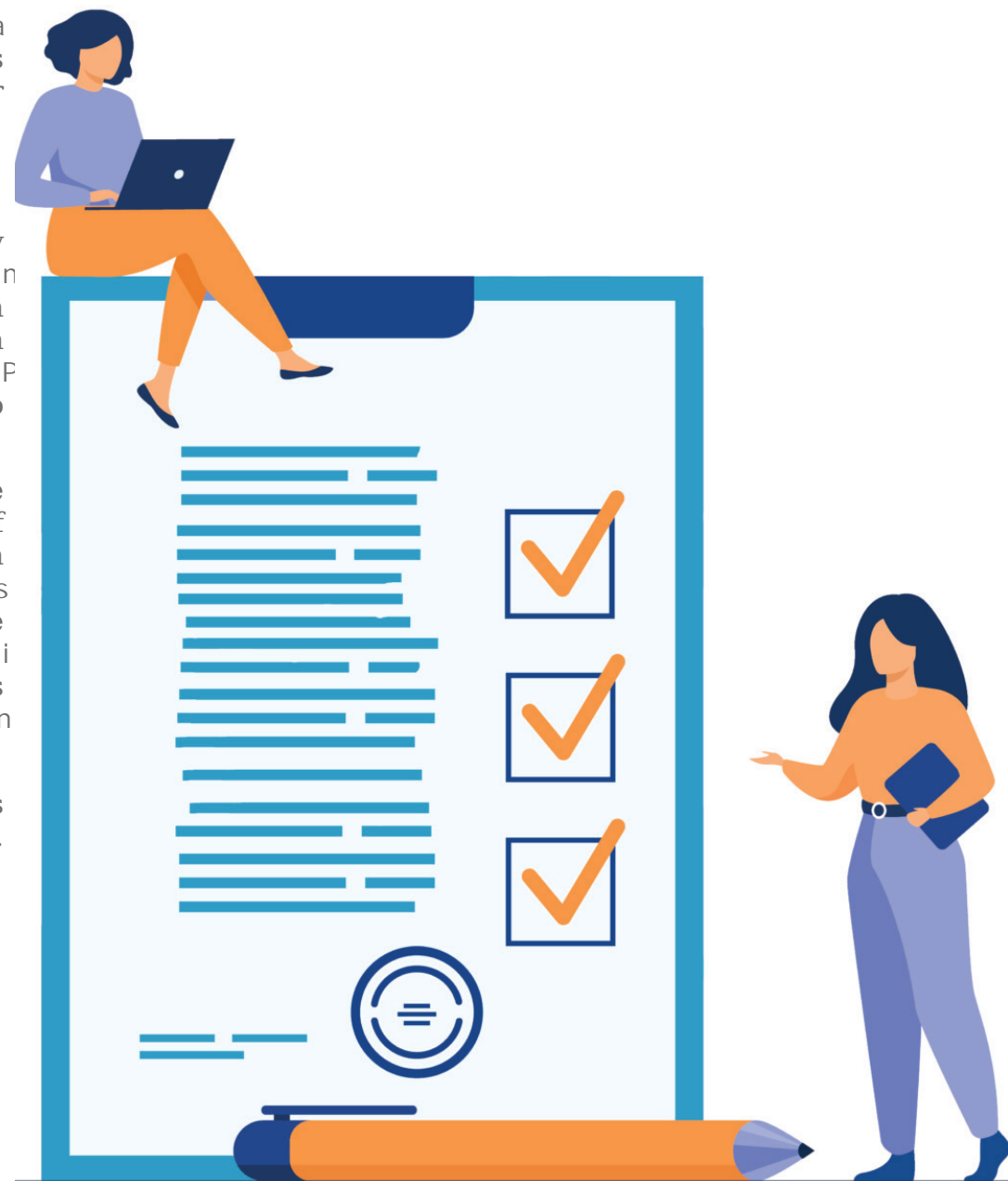
Loan Terms:

Credit terms and conditions are set by the local Partner Banks and/or Leasing Companies and the ultimate decision whether or not to extend a loan to an applicant company is made by the Partner Banks and/or Leasing Companies only. EBRD, EU and the Project Consultants have no influence on this decision.

Project Assessment:

The Project Consultant is responsible for the technical assessment of investment projects and, together with the Verification Consultants, for checking grant amounts. The Partner Banks and/or Leasing Companies successfully completed project owners. However, the Partner Banks and/or Leasing Companies have no influence on this decision.

Please check our website for updates on the current Partner Banks and Leasing Companies of the EU4Business EBRD Credit Line. (www.eu4business-ebdcreditline.com).



ENHANCE YOUR INVESTMENT PROJECT WITH KNOW-HOW

The EBRD's Advice for Small Business (ASB) team connects Ukrainian SMEs with local consultants and international advisers to transform businesses from many different industry sectors.

Business advice

Work with a local consultant on a project aimed at a specific aspect of the business, such as meeting ISO standards or creating a feasibility plan for a new factory. These projects often last around 4-6 months and apply best practice to help the business become more competitive. Up to €10,000 of the project cost is reimbursed under the ASB know-how programme.

Industry expertise

Ensure your business can compete internationally by drawing on the expertise of an international adviser from the same industry. Through sharing their own international experience in senior management in the same industry, he or she can help strategically review every aspect of the business and develop a credible strategy for investment and growth.

Whether it is specialized knowledge of the right humidity levels for wool spinning, laboratory standards for producing pharmaceuticals or select manufacturing, these international industry advisers understand how these issues relate to each business and its needs. These projects usually take between 12-18 months.

Connect with other entrepreneurs and strengthen your export knowledge

The EBRD's export promotion training for SMEs can help companies understand the foundations of export, including identifying the right market and product dynamics, and export planning and EU specificities. The EBRD also organises regular opportunities for entrepreneurs. Email knowhowukraine@ebrd.com and connect on Facebook to find out more about what is coming up.

AREAS OF EXPERTISE

- STRATEGY
- MARKETING
- ORGANIZATION
- OPERATIONS
- TECHNOLOGY
- ENGINEERING SOLUTIONS
- QUALITY MANAGEMENT
- FINANCIAL MANAGEMENT
- ENERGY EFFICIENCY AND ENVIRONMENT

WHO CAN APPLY FOR EU4BUSINESS-EBRD LOANS AND INVESTMENT INCENTIVES?

Companies who wish to finance their investment the modernization of their Line loan and benefit from investment incentives should meet the following

- The term SME includes individual entrepreneurs and sole proprietors!
- The business should have less than 250 employees and an annual turnover sheet not exceeding EUR 43 million equivalent.
- The company should be formed under the laws of Ukraine. Individual entrepreneurs and sole proprietors should be registered as an entrepreneur or be engaged in economic activities, in accordance with the laws of Ukraine.
- The business is operating primarily in Ukraine or has a fixed place of business carried out.
- If the government of Ukraine, or a local government body, or any other political, governmental or administrative body, agency or subdivision thereof has a stake in the business, this should only be up to a maximum of 49% and the public entity should not be directly or indirectly involved in the day-to-day management of the company, or have
- The business should be INDEPENDENT. "Independence" is defined as follows:
 - No more than 50% of the company's share capital is owned or controlled by another company/organization, which does not satisfy
 - The company/business is NOT part of a group under common control, where all companies in the group are engaged in a similar business sector, and the aggregate results of the group of companies don't comply with the SME eligibility criteria described above.
- The company/business holds all necessary app compliance with national environmental, social and health regulations of Ukraine.
- The company/business is not included in EBRD's for EBRD financing.
- If you are not sure if your company or business meets these general eligibility criteria, please contact our project office for advice.
- The investment project did not benefit from any subsidies.



WHO CANNOT APPLY FOR EU4BUSINESS-EBRD LOANS AND INVESTMENT INCENTIVES?

We cannot finance companies and businesses engaged in the following activities:

- construction of roads and railways
- extraction of raw materials and mining
- technologies involving the combustion, transportation or extraction of carbon intensive fossil fuels such as coal, heating oil or oil shale
- any activities appearing on the EBRD Environmental and Social Exclusion List



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info.ukraine@eu4business-ebdcreditline.com

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