

European Commission and EIB Group pave the way for new €300 million export credit guarantee facility to support exports by European companies to Ukraine

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EIB

- Today's agreement enables the InvestEU guarantee to be used by the EIB Group's risk-capital subsidiary, the European Investment Fund, to support the export credit sector, aimed at boosting exports to Ukraine by small and medium-sized companies in the EU.
- This initiative is part of a wider EU effort to support Ukraine's economic recovery by promoting trade and economic exchanges.

The European Commission, the European Investment Bank (EIB) and the European Investment Fund (EIF) have agreed today to establish a €300 million export credit guarantee facility under the EU flagship investment programme InvestEU. Thanks to this facility, the EIF will now be able to use the InvestEU programme to support European small and medium-sized companies exporting goods and services to Ukraine. The agreement was signed in the margins of the ECOFIN meeting of EU Finance Ministers in Luxembourg, which had support for Ukraine high on its agenda.

In the coming weeks, the EIF will proceed with a Call for Expression of Interest to begin offering guarantees to export credit agencies (ECAs) to support businesses in EU Member States, as well as Norway and Iceland,

that wish to export to Ukraine. This initiative aims to reduce financial risks, encouraging EU businesses to increase exports to Ukraine and revitalise trade. The facility will strengthen economic ties with the EU and contribute to Ukraine's economic recovery.

EIB Group President Nadia Calviño said, "In partnership with the European Commission, we have taken an important step today to support trade between the EU and Ukraine. This facility will remove risk for EU companies wanting to export to Ukraine and will provide essential services and goods supporting the country's resilience and reconstruction, such as materials, machinery, technologies and vehicles. The agreement will enable European business to play a crucial role in Ukraine's recovery, reinforcing economic ties and deepening connections ahead of Ukraine's eventual accession to the EU."

EIF Chief Executive Marjut Falkstedt said, "Today's agreement marks a very important extension of the InvestEU programme, which will enable the establishment of our €300 million Ukraine export credit guarantee facility. This partnership between the European Commission and the EIB Group can support both European businesses by providing the necessary guarantees to shoulder some of the risks they face, and also Ukraine's economic recovery at a time of great need."

European Commission Executive Vice-President Valdis Dombrovskis, said, "This pilot facility reconfirms the EU's steadfast commitment to support Ukraine, its recovery and reconstruction. Smaller businesses are the backbone of the economy: by helping European SMEs export to Ukraine, these credit guarantees will strengthen Ukraine's economy, encourage much-needed private investment and increase open trade between us. This economic boost comes at a time when Ukraine needs it the most on its path to EU accession."

European Commissioner for the Economy Paolo Gentiloni said, "With the extension of our flagship InvestEU programme, we are reaffirming our strong support for the economic recovery and reconstruction of Ukraine. The new facility will make it easier for European small and medium-sized businesses to export goods and services to Ukraine, further deepening our close economic ties. This is good news for Ukraine at this critical juncture and a vote of confidence on its road to EU accession."

Background information

The InvestEU programme provides the European Union with crucial long-term funding by leveraging substantial private and public funds in support of a sustainable recovery. It also helps mobilise private investment for EU policy priorities, such as the European Green Deal and the digital transition. InvestEU brings together under one roof the multitude of EU financial instruments previously available to support investment in the European Union, making funding for investment projects in Europe simpler, more efficient and more flexible. The programme consists of three components: the InvestEU Fund, the InvestEU Advisory Hub and the InvestEU Portal. The InvestEU Fund is deployed through implementing partners who will invest in projects using the EU budget guarantee of €26.2 billion. The entire budget guarantee will back the investment projects of the implementing partners, increase their risk-bearing capacity and thus mobilise at least €372 billion in additional investment.

Overall EU support for Ukraine

Since the start of the war, almost €100 billion in support has been provided to Ukraine and Ukrainians. This includes financial, humanitarian, emergency budget and military support for Ukraine from the EU, Member States and the European financial institutions, as well as resources made available to help Member States cater for the needs of Ukrainians fleeing the war.

The EU's Ukraine Facility will provide up to €50 billion in grants and loans for the period 2024-2027 to support Ukraine's efforts to sustain macro-financial stability, promote short-term recovery and rebuild and modernise the country, whilst implementing key reforms on its EU accession track. It will support the transition towards a green, digital and inclusive economy that is progressively aligned with EU rules and standards. Out of this, €6 billion has already been disbursed in exceptional bridge financing and an additional €1.9 billion in pre-financing under the facility is expected to be disbursed later in June.

Under the [Ukraine Facility](#) Investment Framework, the facility's investment arm, the first guarantee and grant agreements totalling €1.4 billion were signed at the recent Ukraine Recovery Conference in Berlin to support the country's recovery and reconstruction. These agreements will benefit private companies, including small and medium-sized enterprises, municipalities and Ukrainian state-owned enterprises. They will focus on the repair, rehabilitation and development of energy infrastructure, which has been heavily targeted by Russia in recent months. Other programmes focus on the transport and municipal sectors, and on access to finance for small and medium-sized enterprises, especially businesses affected by the war in de-occupied and front-line regions.

The EIB in Ukraine

Present in Ukraine since 2007, the EIB has stepped up its financial support for the country's resilience and modernisation since Russia's full-scale invasion of Ukraine in 2022. Since then, the EIB has provided swift relief, disbursing [€2 billion of financing](#) for emergency repairs to the country's ravaged infrastructure. Through its [EU for Ukraine \(EU4U\) Initiative](#), coupled with its key role in implementing the European Union's €50 billion Ukraine Facility, the EIB is strongly committed to accelerating its activities in line with the [mandate given by EU leaders](#) and in close cooperation with the European Commission, the European Parliament, EU Member States and international partners.

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