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The Role of the CSOs in DCFTA Implementation in Ukraine

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Motivation, methodology and database

The purpose of the study is to assess the CSOs` role in informing small and medium-sized businesses (SMEs) regarding the export opportunities of the Deep and Comprehensive Free Trade Area (DCFTA) between Ukraine and the EU

Three research methods were used:

- **Interviews** with representatives of CSOs, government and businesses
- **Focus groups** with CSO representatives and business representatives
- **Analysis of public data**, including CSO projects that have been implemented since 2014 and relate to the promotion of exports to the EU under the DCFTA, regarding the export of SMEs; public statistics, surveys and other studies

Information sources: websites of organizations participating in the Ukrainian National Platform of the Eastern Partnership Civil Society Forum, as well as the websites of international donors and embassies

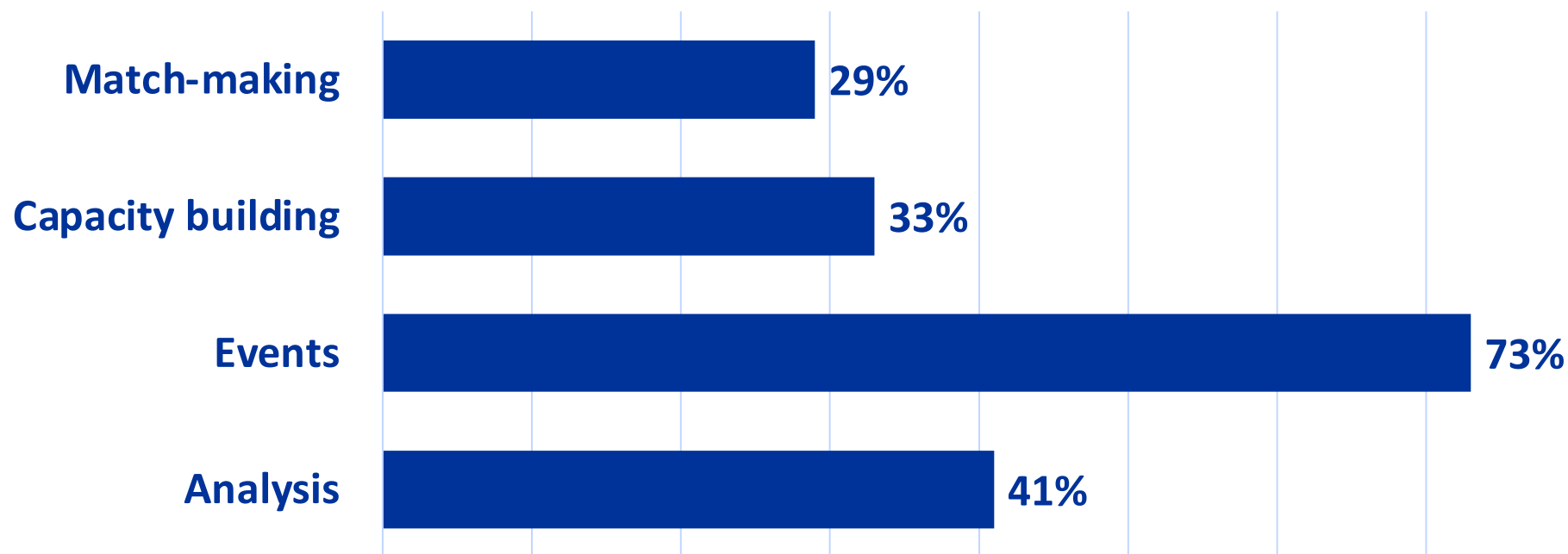
Projects by categories of implementing CSOs

- **35 CSOs** that implemented projects concerning promotion SME exports in 2014-2021
- **66 projects** implemented by them

CSO type	Total number of export promotion projects	The average number of export promotion projects per organization
NGO	35	1,40
Business associations	17	4,25
Employers` groups	5	2,50
Trade unions	2	2,00
Development agency	3	3,00
Fund	4	4,00
Total	66	1,89

Projects by the type of activity and theme

- 66 CSO projects, including 65% all-Ukrainian and 35% regional
- 4 types of activity: **match-making, analysis, public events** and **capacity building**
- Most projects were in **economic development** and **agriculture and food industry**



The role of CSOs in promoting exports to the EU

The main activities of CSOs in promoting SME exports to the EU were:

- Informing through the public events
- Provision of consulting services in the field of communications and business practices
- Facilitating the match-making by finding information, supporting participation in exhibitions and conferences

The focus of the CSOs activities evolved:

- **Immediately after the signing of the Association Agreement**, the projects were mainly aimed at informing about the new rules of export to the EU
- **Later**, the focus shifted to telling about EU export opportunities and analyzing the DCFTA implementation

Awareness about CSO activities related to export promotion to the EU

- Respondents are **familiar with CSO activities** in the analysis, organization of public events, match-making and training on the SME export to the EU
- **The most mentioned CSOs:** Chambers of Commerce and Industry (CCI), Export Promotion Office (now state agency Entrepreneurship and Export Promotion Office), European Business Association, sectoral business associations
- Some respondents indicate that **sectoral business associations have a better understanding of business needs** and are therefore generally more effective
- Analytics and public events **are mentioned most actively**

CSOs efficiency

- **Match-making** is mentioned as the most needed activity
- **Training** is also **efficient** - especially regarding the adaptation to the EU quality standards
- **The information** provided by CSOs to businesses and government is **defined as important** - it helps to **pay attention to general trends**
- According to the respondents, CSOs have some influence on the government and public opinion
- **Public events** are important primarily as **platforms for networking**

Best CSOs practices

- Respondents noted the unique role of the **Chambers of Commerce and Industry (CCI)** in promoting regional business exports by advising and guiding exporters in the process of completing formalities related to the movement of goods across the border.
- CCI projects:
 - **Export School:** successful example of a training project mentioned by several respondents
 - **European Enterprise Network:** project implemented within the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME), focused on match-making

Limitations of the CSOs engagement

- Problems of **cooperation and coordination** of activities are the most mentioned
- **Limited or absence of integration** of Ukrainian sectoral associations **into European institutions and organizations**
- There is a **significant lack of information for SMEs** regarding the opportunities provided by CSOs
- **Lack of financial resources and staff**
- Although many respondents indicated that **there was no or minimal bias in project topics**, some focus group participants mentioned involvement in the selection of topics for the donor-funded projects

Conclusions

- There were found **35 CSOs** that implemented projects concerning promotion SME exports in 2014-2021, and **66 projects** implemented by them
- The main **activities of projects were public events, training, analytical reports and match-making**
- The most common **focus of projects is economic development**
- According to interviews and focus groups: **match-making and training are the most popular and efficient**
- **CSO limitations:** low cooperation among CSOs, communication problems, limited resources

Recommendations

For CSOs:

- Improve cooperation and coordination between CSOs and public communication
- Focus on match-making with the EU partners and SMEs' training
- Involve SME representatives in the discussion of CSOs plans related to SMEs

For Ukrainian Government:

- Collaborate with CSOs for organizing and supporting dialogue between government and business, including on EU quality standards
- Involve CSOs in the regional development and implementation of export strategies in the context of SME development

For relevant EU stakeholders:

- Support establishment of direct interaction between Ukrainian business associations and relevant European organizations

Thank you for attention!

Contacts



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