## <u>EU-Ukraine Summit: EU steps up its</u> <u>support to the Sea of Azov region</u>

The EU has increased its support to help mitigate the impact of Russia's destabilising actions in the Sea of Azov region. During the 21st EU-Ukraine Summit, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Johannes Hahn, signed with Stepan Kubiv, First Vice-Prime Minister, Minister of Economic Development and Trade of Ukraine, new additional support measures worth €10 million to support local economic diversification and small businesses, local civil society and citizens' involvement in decision-making, improvement of community security and public safety.

The EU has stepped up its support to the **Sea of Azov region** since the beginning of the year working on new programmes for **mine risk mitigation** as well as for **psycho-social support**. Additional EU support has been made available for **local currency loans**, **destined to small and micro companies creating investment possibilities for local entrepreneurs**. The EU will increase its presence through a **programme office in Mariupol**, which notably **strengthens the support to decentralisation and anti-corruption processes in the region**.

High Representative/Vice President Federica **Mogherini** commented: "Today, the European Union steps up its support to the Sea of Azov region, to mitigate the impact of the Kerch Bridge — built without Ukraine's consent — and of Russia's inspection regime hindering traffic in violation of international law. As a reliable partner, and as a friend, the European Union is and will always be there for the Ukrainian people."

Commissioner for the European Neighbourhood Policy and Enlargement Negotiations Johannes Hahn added: "The EU has been supporting people in need in Ukraine since the beginning of the conflict. The additional support to the Sea of Azov region is a strong sign of EU solidarity aimed at both alleviating the humanitarian situation and promoting economic opportunities for the people living in the region. We are stepping up our support to local economic diversification, small businesses, to civil society, governance and security. To increase our presence in the region we are also opening a joint programme office."

## More information

The EU is financing the feasibility studies needed for an upgrade of road, railway and port infrastructure that connect the region with the rest of Ukraine and the EU. This could potentially mobilise more than €450 million in loans from the European Investment Bank (EIB) and other partners.

By pooling grant resources from the EU budget to leverage loans from the EU financial institutions through the EU Neighbourhood Investment Platform (NIP), the EU has committed to supporting the rehabilitation of municipal

infrastructure in two major cities: waste treatment in Mariupol and the renewal of the trolleybus fleet and infrastructure in Kherson. The EIB has already provided a package of €200 million destined to conflict-related areas for the early recovery of small-scale damaged infrastructure, for kindergartens, centres for the internally displaced people (IDPs) and dwellings for children with disabilities.

The EU is strengthening resilience against cyber threats and disinformation by providing local journalists and other relevant stakeholders from the Sea of Azov region with targeted training sessions.

## **Background**

The Sea of Azov region is suffering from socioeconomic decline and negative economic dynamics. Although this situation predates the conflict in eastern Ukraine, it has been seriously exacerbated by the conflict. The area's proximity to the military frontline and the escalation in the Sea of Azov in November 2018 added further pressure, putting the inhabitants' livelihoods (industry, ports, tourism, and agriculture) at an increased risk. Since February 2019, when an EU needs assessment mission to the Sea of Azov region took place, the EU has been developing a set of measures specifically targeted to the region.

The EU has provided humanitarian, early recovery and, increasingly, development assistance in response to the conflict in the east of Ukraine and internal displacement. This includes €116 million of humanitarian assistance and projects on demining, psychosocial support, and support to the OSCE Special Monitoring Mission (SMM). The EU and its Member States are the biggest contributors to the Organization for Security and Cooperation Special Monitoring Mission (OSCE SMM), which monitors the implementation of the Minsk agreements. The €50 million "EU Support to the east of Ukraine" programme supports the implementation of reforms in the conflict-affected areas of Donetsk and Luhansk oblasts.

Factsheet on EU support to the Sea of Azov region