

## **KEY FEATURES**

### **Period of Performance**

August 14, 2019 - July 28, 2022 (with two one-year option periods)

### **Regional Coverage**

Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Moldova, Montenegro, North Macedonia, Kosovo, Serbia, and Ukraine.

### **Implementing Partners**

International Development Group, LLC (IDG)  
Chemonics International (sub)  
Economic Integration Forum (EIF) (sub)

### **Project Office Contacts**

Skopje, North Macedonia



USAID EDGE Project

**Chief of Party:** [Jasminka Varnalieva](#)

**Ukraine-Moldova-Belarus Sub-regional Representative (Ukraine):** [Sergii Nerpii](#)

**Caucasus Sub-regional Representative (Georgia):** [David Lelashvili](#)

### **Buy-in Project Offices contacts**

Yerevan, Armenia

**Business Enabling Environment Activity**  
**Project Director:** [Gayane Dallakyan](#)

Kyiv, Ukraine

**State Owned Enterprises Reform Rapid Response Activity (SOERR)**  
**Senior Economist:** [Sergii Nerpii](#)

Tirana, Albania

**Support for Private Sector (SPS)/  
Promoting Regional Integration through  
networking and cooperation (PRINC)**  
**Project Director:** [Enio Jaco](#)

Chisinau, Moldova

**Moldova Competitiveness Transition Activity (MCTA)**  
**Project Director:** [Tatiana Durllestean](#)

## **ECONOMIC DEVELOPMENT, GOVERNANCE AND ENTERPRISE GROWTH (EDGE) ACTIVITY**

### **BACKGROUND**

EDGE is a 3- to 5-year, up to \$21 million, regional activity in Europe and Eurasia (E&E) that aims to create inclusive, sustainable economic growth and to support intra-regional and Euro-Atlantic integration. EDGE is managed by the E&E Bureau in Washington and works closely with USAID Missions and projects in the region.

EDGE generates synergies among the USAID projects working in economic growth and brings together stakeholders across countries to work on mutual problems, giving the E&E portfolio a regional dimension.

### **COMPONENTS**

**Core component** activities promote regionalization, reduce barriers to trade, and support the growth of SMEs in three key value chains: 1) fruits and vegetables; 2) incoming eco/agro/cultural tourism; and 3) textiles and wood processing/furniture production. Across the three value-chains, ICT opportunities for digitization are promoted. All core activities engage participants from at least two countries. (Budget ceiling: \$9.7 million)

The **buy-in component** allows for quick mobilization of activities in any EDGE country and may be for bi-lateral or multi-country/regional activities. Buy-ins can be from individual USAID Missions or Operating Units and can fall under any of EDGE's three IRs. (Budget ceiling: \$11.3 million) EDGE currently manages four buy-in activities in total amount of \$ 5.1 million.

### **GRANTS**

Both the core and buy-in components include a grants-under-contract (GUC) mechanism to promote capacity building and sustainability of local organizations, government entities, and private sector. EDGE manages 10 regional grants under the core component and two buy-in grants in Ukraine totaling \$1.48 million.

### **ACTIVITIES**

#### **IR 1: Improved Business Enabling Environment (BEE) and Reduced Barriers to Trade**

**Sub IR 1.1: Reduced Barriers to Cross-Border Trade and Investment (core and buy-in)** EDGE is helping countries harmonize and converge with the European Union *Acquis* and WTO Trade Facilitation Agreement (TFA) to create a level playing field for trade and investment. EDGE conducted an assessment of compliance with priority WTO TFA

provisions and distributed the report to stakeholders in the 12 EDGE countries. Based on the TFA assessment findings and consultations with beneficiary countries and regions, EDGE is identifying and implementing trade facilitation support initiatives in the following areas:

- Implementation of advanced approaches to enhancing border procedures, such as authorized economic operator program, risk management and post-clearance audit
- Developing digital solutions and regional connectivity through electronic data exchange, single window, and New Computerized Transit System (NCTS)
- Enhancing cross-border cooperation and streamlining of border procedures at common border crossings
- Assisting implementation of revised rules of origin
- Facilitating peer-to-peer sharing and exchange of best practices across countries and regions

### **Sub IR 1.2: Improved BEE with Enhanced Stakeholder Participation (*buy-in only*)**

EDGE is helping think-tanks, NGOs, and business associations to identify specific reforms needed and to organize public-private dialogue and advocacy that systematically raises public awareness, effectively advocates for moving reforms from conceptualization through drafting laws and regulations, approval by governments and parliaments, and to effective implementation. EDGE buy-in activities include:

- Ukraine State Owned Enterprises Reform Rapid Response Activity
- Armenia Business Enabling Environment Activity
- Albania Support for Private Sector
- Promoting Regional Integration through networking and cooperation in Albania, North Macedonia, and Serbia

## **IR 2: Improved Financial Sector Stability and Increased Access to Finance (*buy-in only*)**

### **Sub IR 2.1 A More Stable Financial Sector Supported by the Adoption of and Compliance with Key International Standards; and Sub IR 2.2: Expanded Sources of Capital Leading to Improved Access to Finance**

EDGE can help promote financial stability and access to finance through buy-in activities such as:

- Advising and training on improving financial sector supervision and prudential regulation
- Strengthening deposit insurance programs
- Strengthening anti-money laundering
- Supporting non-banking financial institutions
- Increasing financial literacy among SMEs
- Assessing feasibility of alternative financing tools
- Supporting credit risk-based lending

## **IR 3: Improved Competitiveness through Value Chains and Trade Promotion**

EDGE conducted a quantitative and qualitative analysis and identified three value chains with the greatest potential for increased competitiveness and intra-regional and Euro-Atlantic integration. (listed previously)

**Sub IR 3.1: Improved Business Sophistication (*core and buy-in*)** EDGE activities improve the business sophistication and capacity of high potential E&E firms in the three value chains by enhancing SME marketing, competitiveness, compliance with international standards, and workforce skills, by maximally utilizing local business service organizations (BSOs). Activities are focused on:

- Market and product development
- Training on certifications and standards
- Digital transformation
- Workforce development
- Operations and productivity improvement
- Management enhancement
- Access to finance (including to EU sources)
- Inventory control

### **Sub IR 3.2: Improved Market Integration and Expanded Market Linkages (*core and buy-in*)**

EDGE activities improve market integration and expand market linkages through building capacity of processors, traders, and exporters to help ensure quality and access to export markets. Activities include:

- Supporting SMEs to participate in B2B meetings, exporter and buyer missions, trade fairs, etc.
- Improving export marketing: branding, packaging/labeling, customer relations, pricing
- Supporting e-commerce solutions for SMEs as response to Covid-19 pandemic
- Supporting country and regional branding and marketing campaigns