

# ECONOMIC RESILIENCE INITIATIVE FUND

## ABOUT THE TRUST FUND

The Economic Resilience Initiative Fund (ERI Fund) is a multi-donor fund introduced in 2017 by the EIB as part of its Economic Resilience Initiative, which combined the Bank's own resources with EU guarantees and donor funding to help countries and regions prepare for sudden economic or environmental crises. Building resilience is particularly important for developing countries exposed to political instability, economic downturns, conflicts, climate change and disease outbreaks.

The ERI Fund offers investment grants for vital infrastructure projects, such as access to clean water and sanitation. It also uses high-impact financial instruments that benefit the economy and society, for example by helping women, creating jobs for young people and supporting them in starting or expanding their own businesses. The financial instruments include a risk-sharing facility targeting equity and venture capital funds, a microfinance facility supporting micro and small entrepreneurs, in particular women-led businesses, and a partial portfolio guarantee, which enables financial intermediaries to reach out to typically underserved groups.

## Strategic priorities

The Economic Resilience Initiative has been a key part of the European Union's efforts to help strengthen economies and respond to challenges posed by migration and forced displacement. The ERI Fund was created following a call from the [European Council in 2016](#) to rapidly mobilise "additional financing in support of sustainable growth, vital infrastructure and social cohesion in the Southern Neighbourhood and Western Balkans countries." The accumulation of crises faced by the trust fund's target countries makes it more necessary than ever. The trust fund's goals are fully compliant with EU policy priorities, including the [European Green Deal](#), the [EU Global Gateway strategy](#), the [jobs and growth policy](#), the enlargement and [neighbourhood policies](#) and the [migration and forced displacement policy](#).

The trust fund's priorities are:

- economic resilience and prosperity;
- human development;
- digital transition;
- migration and mobility;
- social inclusion and gender equality;
- green and just transition.



**€112.5 MILLION** in donor funds contributed

**11 ERI Fund operations,**  
five supporting the Southern Neighbourhood and six  
supporting the Western Balkans

**€1.2 BILLION\*** Total investment mobilised as of the end of 2023  
in association with the trust fund's investment grants and financial instrument operations

\*This sum includes €753 million from partner institutions and €437.8 million in EIB lending. The EIB typically only covers up to 50% of a project's total cost and crowds in other investors.

The largest proportion of ERI Fund resources supports regional projects in the EU Southern Neighbourhood and the Western Balkans, which together represent 50% of all the trust fund's allocated amounts as of the end of 2023 (see page ERI 4).

Development of the private sector, in particular small and medium-sized enterprises, has a central role in driving sustainable, inclusive growth and job creation. With its de-risking mechanism, the ERI Fund enables the deployment of private sector investments that reach several countries at once. It thereby maximises the impact of donor resources while boosting growth and job creation in entire regions. At the end of 2023, 57% of the trust fund's resources had been used to support the private sector and are expected to sustain a total of 73 000 jobs.

Public sector operations received 43% of the trust fund's resources, which support vital infrastructure projects, mostly in the water and sanitation sector (see page ERI 4). For instance, one water project helps alleviate the adverse effects of climate change in Jordan, one of the world's worst affected countries.

## ELIGIBLE COUNTRIES



\*\* This shall not be construed as recognition of a state of Palestine and is without prejudice to the positions of each EU country.

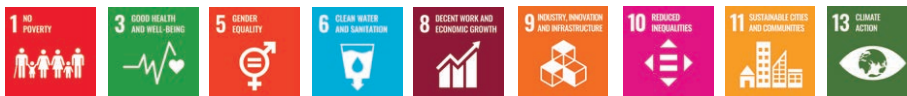
\*\*\* This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on Kosovo's declaration of independence.

## EXPECTED IMPACT

The projects supported by the ERI Fund will improve the lives of hundreds of thousands of people in the EU Southern Neighbourhood and Western Balkans, for example through the creation of jobs and improved access to drinking water and sanitation:

- over **30 000 loans** to micro and small businesses;
- reduced exposure to drought or flooding risks for **125 000 people**;
- clean water for **465 000 people**;
- better urban infrastructure and services for **65 000 people**.

## SUSTAINABLE DEVELOPMENT GOALS SUPPORTED



## PROJECT HIGHLIGHTS

- Three grants from the ERI Fund **support financial institutions in the Western Balkans**, enabling them to offer loans to businesses that intend to improve gender equality, youth employment and social inclusion. These **award-winning impact incentive loans** combine financing with grants for a performance-based reward scheme, aimed at promoting socially inclusive practices among small and medium businesses and mid-caps, while supporting job creation and entrepreneurship. In total, these projects are expected to support more than 13 000 jobs. In 2023, impact incentive loans deployed by Unicredit Bank Serbia and backed by a €4 million ERI Fund grant supported the Serbian economy via loans to small firms in a variety of sectors.
- The ERI Fund helps **North African and Middle Eastern startups and entrepreneurs get off the ground**. Its risk-sharing scheme – the Risk Capital Facility – has enabled the EIB to invest €150 million in funds providing seed capital to small and medium-sized companies. These investments are expected to sustain 16 600 jobs, a quarter of which will go to women.
- **Jordan** is one of the driest countries in the world and water scarcity brings many challenges for social and economic growth. The country also hosts a large number of refugees who fled the conflict in neighbouring Syria and now make up a quarter of the population, further stretching water resources and infrastructure. A €16.25 million grant from the ERI Fund is **helping the government to bring water and sanitation to people** in the Deir Alla area, close to the border with the West Bank.

## AREAS OF ACTION

Small businesses and jobs

Vital infrastructure

Sustainable transport and urban development

Energy efficiency

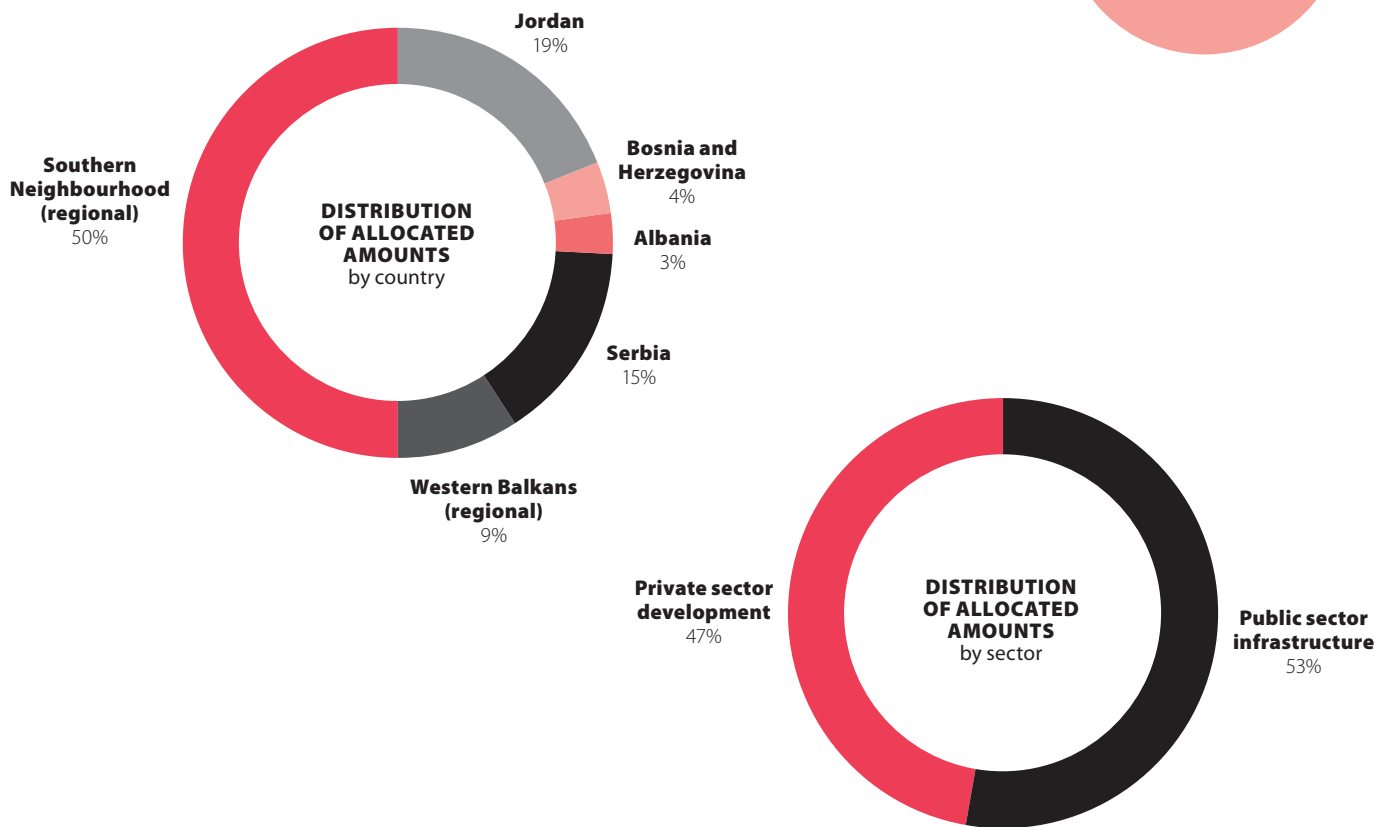
Equal opportunities

## ECONOMIC RESILIENCE INITIATIVE FUND AT A GLANCE

**€112.5 MILLION** in donor funds contributed

**€92 MILLION** allocated to operations

**11**  
operations



### OUR DONORS

This trust fund is multi-donor. The donors' contributions are pooled to achieve greater impact where most needed.

<b>BULGARIA</b>	<b>LITHUANIA</b>	<b>SLOVAKIA</b>
<b>CROATIA</b>	<b>LUXEMBOURG</b>	<b>SLOVENIA</b>
<b>ITALY</b>	<b>POLAND</b>	<b>UNITED KINGDOM</b>