

Strategy for recovery, sustainable development and digital transformation of small and medium enterprises

2024-2026

AUGUST 2024

SME Strategy 2027: Why It Matters Now

Vision:

SMEs are becoming a driver of the economy, a source of innovation for the high-tech defense and sustainable recovery, a pillar for regional leadership, and successfully compete in global markets.

Value:

- Addressing the pressing business needs;
- Forming a common vision of future by business and government;
- Ensuring predictability of the government's policies.

Cooperation:

- Implementation of the European Commission's recommendations within the EU enlargement package;
- Alignment with the Ukraine Plan (Ukraine Facility).

Benefits:

Possibility to attract investments for specific needs

SME Strategy 2027: Timeline

25.01.2024

The draft of the SME Strategy has been published on the official website of the Ministry of Economy and sent to the stakeholders for their feedback and suggestions

APRIL 2024

Conducting roundtable discussions with businesses, regions, and development partners

MAY 2024

The revised draft of the SME Strategy has been sent to the relevant authorities in accordance with the Cabinet of Ministers of Ukraine's Regulations

JUNE 2024

At the URC conference 2024, the creation of the SME Alliance was announced (14 countries and 17 development institutions), which is based on the objectives of the SME Strategy

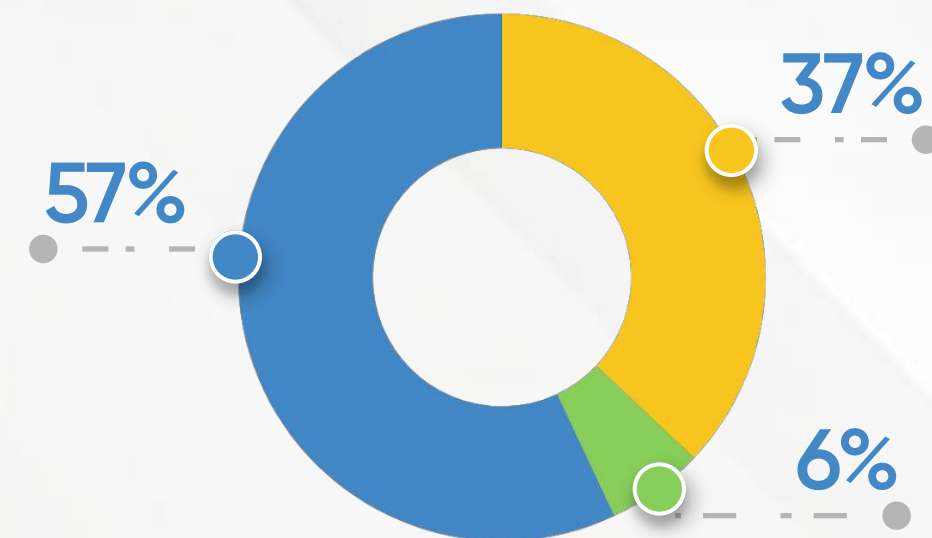
JULY – AUGUST 2024

The draft of the SME Strategy is currently under consideration by the Cabinet of Ministers of Ukraine

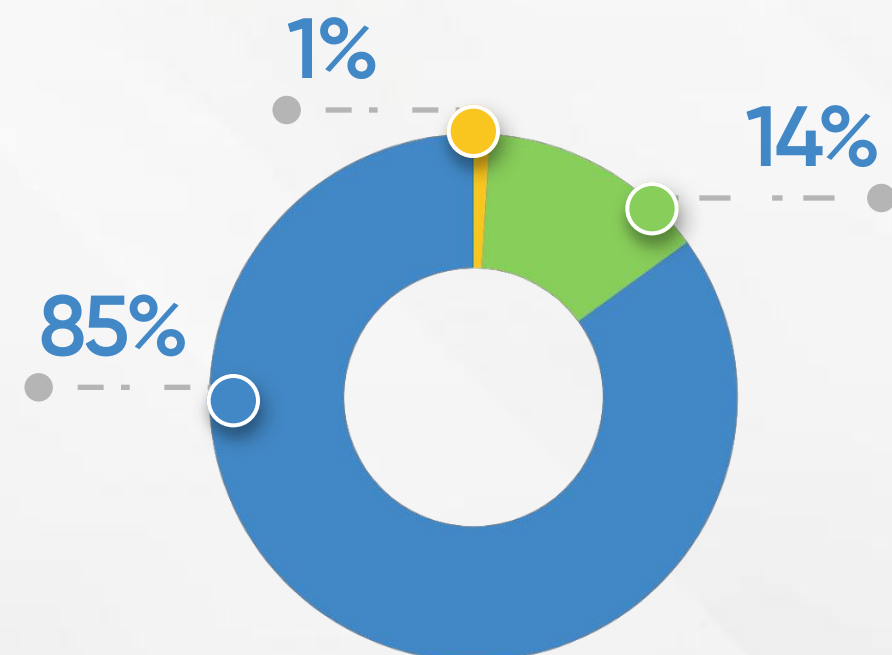
SME: Current Status and Challenges

Strategic goals of the Strategy

FIRST YEAR OF THE WAR



SECOND YEAR OF THE WAR



- Fully operational
- Partially operational
- Temporarily stopped functioning



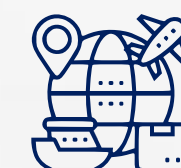
Access to Finance

- Accessible Loans 5-7-9%
- Crowdfunding, Factoring, Leasing
- Grant Support
- Second Chance



Innovation and Digitalization

- Industry Clusters and Science Parks
- Digital Vouchers
- Smart-Specialization
- Electronic Invoices and Instant Payments
- Technology Transfer Centers



Competitiveness and Eurointegration

- Enterprise Europe Network
- Erasmus for Young Entrepreneurs
- Expansion of ECA Activities
- Integration into Global Value Chains
- Trade and Industry Exhibitions



Business recovery/facilitation:

- Broad Deregulation
- Regulatory Sandboxes
- Loss Register
- Made in Ukraine



Green Transition

- Online Tool for SME Carbon Footprint Self-Assessment
- Professional Energy Audits
- Promoting Sustainable Investment
- Green Taxonomy



Entrepreneurial Culture

- EntreComp for Assessing SME Skills
- Social, Family, Women's Entrepreneurship
- Educational Programs and Dual Education
- Reskilling Programs



Human Capital

- Return of Ukrainians from Abroad
- Attracting Foreign Specialists to the Labor Market
- Expansion of the E-Residency Program
- Employment platform

Key Indicators of Strategy Implementation

INDICATOR	BASELINE	EXPECTED RESULTS 2027
Strategic objective 1: "Facilitating business recovery"		
Sales volume of the SMEs	5,9 trillion UAH (2022)	8,81 trillion UAH
«Business Freedom» Indicator within Economic Freedom Index	61,1 / 100 (2022)	75+ / 100
Reducing the share of non-performing loans to SMEs	48 % (2021)	28 %
Strategic objective 2: "Promoting innovative development, digital transformation and green transition"		
Number of innovation-active SMEs	1822 (2018-2020)	3200 (2024-2026)
Ukraine's place in Global Innovation Index	57 (2022)	47
Waste recycling rate	6 % (2020)	15 %

Key Indicators of Strategy Implementation

INDICATOR

BASELINE

EXPECTED RESULTS 2027

Strategic objective 3:

"Development of human capital and entrepreneurial culture"

Unemployment rate

18,3 % (2023)

11 %

Strategic objective 4:

"Strengthening competitiveness and increasing exports"

Export volume to the EU

28,26 billion USD (2022)

48+ billion USD

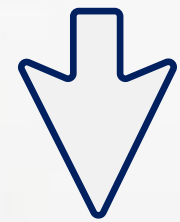
Number of exporters among SMEs

27300 (2021)

35000+

SME Strategy 2027: Expected Results/Plans 2024

August



The adoption of the SME Strategy is planned, taking into account all suggestion and comments.

2024



At least 95% of measures of the operational plan of the SME Strategy for 2024 will be implemented (5 measures of the operational plan funded by development partners)

By the end
of 2024



At least 2 meetings of the SME Alliance will be held.