

Five Years of Impact in the Eastern Partnership

COLLABORATE

for

Impact



**Funded by
the European Union**

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Collaborate For Impact was launched in September of 2020. It is safe to say that we did not quite realize what the next five years would have in store for us. The COVID-pandemic had taken hold of the world, instilling considerable uncertainty for businesses in general, and smaller impact-driven entrepreneurs in particular.

Our view of the future would become even more blurry in the years to come, with a full-scale invasion of Ukraine that changed the world in 2022, as well as geopolitical conflict and instability affecting our partners in Armenia, Georgia and Moldova.

financing for smaller, impact-driven enterprises in Eastern Europe. They have shown that their agility, flexibility and community-first approach can play to their advantage in trying conditions.

To date, 3 impact funds have been set up through the project in Armenia, Ukraine and Georgia, that collectively supported 91 social enterprises financially, while providing crucial non-financial support to over 250 social enterprises. In total, over €1.2 million was disbursed in support, creating 166 jobs in the process. Despite the challenging circumstances the funds' teams mobilized an additional €1 million, deployed mostly as loans.

Executive

The circumstances, in other words, have not been easy for CSRDG, SILab Ukraine, Impact Hub Yerevan, EcoVisio and EducationHUB – our implementing partners in Eastern Europe. But if the past years have taught us anything, it is most definitely that there is even more need for

The funding came from a diversity of new investors, foundations an individual donors, leveraging the catalytic role played by EU funding. In Moldova, EcoVisio took inspiration in the work of the partners and is currently working on establishing a fourth impact fund in the

region. We look forward to further engagement with our Eastern European partners, as the funds expand their work and outlive the Collaborate For Impact project.

The main goal of this project was to contribute to an ecosystem for impact and social entrepreneurship in Eastern Europe. This effort was realized through convening diverse stakeholders at events, learning opportunities and mentoring, or just by making the right link at the right time.

While convening several dozens of diverse actors, from companies, through business support organisation to policy makers is costly and time consuming, the results of the stakeholders'

For every euro spent on stakeholder engagement, more than €5 found its way back into the local funds. Additionally, on average, for every euro spent on stakeholder engagement up to almost €8 came back as funding for local impact-related initiatives (including investment in local funds).

More than 25% of stakeholders engaged through the project contributed either directly towards the funds or other impact initiatives of partners in the region.

They saw the role of the project activities as “pivotal” and their participation in Impact Europe events as a major factor in their decision to support the funds.

Summary

engagement activities in the project to educate and raise awareness on impact investing have been astounding.

The end of this project may mark the start of a new, even more impactful chapter for our partners and the Eastern European impact investing space. Now that the road has been laid, all that remains, is to go the distance.

Impact Data in the Neighbourhood

over **250**

Social enterprises
supported non-financially

€1 for stakeholder
engagement

returns **€5** for local funds

& up to **€8** for impact-related
activities in general

more than **€1.2 million**
Total funding
disbursed

166
Jobs
created

4 investor clubs
established
+ 400 investors
reached

+ €1 million
Additional investment
raised

91
Social enterprises
funded

Collaborate

for Impact

The Objectives

The Collaborate For Impact project leverages catalytic EU funding to strengthen the social entrepreneurship ecosystem across five Eastern Partnership countries — Armenia, Azerbaijan, Georgia, Moldova, and Ukraine.

In short, its main objectives are the following:

- **Increase the access to finance** for social enterprises through setting up small financing vehicles and building investors' communities
- **Bring knowledge and business competences** to both impact-oriented organisations and social enterprises.
- **Strengthen collaboration** at the local and regional levels, encouraging knowledge-sharing, joint initiatives, and network-building across the sector.
- **Promote partnerships** between the public sector, social entrepreneurs, and investors to improve access to public funding, procurement opportunities, and policy support.
- **Support the development of innovative and sustainable business models** enabling impactful enterprises to achieve independent long-term financial viability.

Our Approach

*We set up **small financing vehicles** in the form of*

IMPACT FUNDS



3 **impact funds** created in Armenia, Georgia and Ukraine

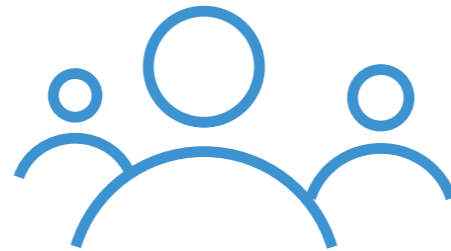
More than 250 social enterprises received **non-financial support**

91 social enterprises were **supported financially** through loans, grants or blended finance

€1.2 million was **disbursed in total to social enterprises**

STAKE-HOLDERS AND INVESTORS

We engage with



€1 million raised by **leveraging catalytic EU funding**

4 **investors communities** established, reaching over 400 social investors

Every €1 invested in **engagement yields between €5 and €8** for impact activities

ECOSYSTEM for IMPACT INVESTING



166 **jobs** created

Local partners positioned as **reference organisations** on impact investment

Success stories aim to inspire crucial progress on **policy in local context**

Impact funds

addressing finance gap

The priority of the project was to create more access to funding for social enterprises. Rather than simply deploy grants and loans, we opted to help our national partners develop impact funds of their own. This approach has several benefits:

- Strengthening the social enterprises through incubation and acceleration programs, proper due diligence, non-financial support and continued guidance in addition to any financial support.
- Leveraging of the initial catalytic funding by the EU to bring in more investors, stakeholders and funds, making the result more sustainable.
- Positioning our local partners as pioneers in impact investing in their countries

Over the course of the project, three impact funds were set up in Georgia (Actio), Ukraine (USVF) and Armenia (VIA Fund), with conversations ongoing about a fourth in Moldova. The plan to leverage existing funding worked well, with the three funds more than doubling the initial investment made by the EU, proving the effectiveness of this approach.

€1 million of newly mobilized capital was deployed through a blended finance approach to a total of nearly 100 social enterprises. In addition, over 250 social enterprises participated in capacity building in the form of incubation or acceleration programs.

Most crucially, the fund managers are committed to continue operating the funds beyond the scope of the project, showing that the current numbers are likely only the beginning of a larger story.

“Social enterprises in Georgia were mainly used to grant programs and more business-like financial support was untouched ground for them. We wanted them to realise that they are businesses, and we wanted to make business-like financial instruments available to them. We began to engage with Impact Europe through another project, and the idea for our fund was born.”

— Kristine Kandelaki, Actio —

VIA FUND



VIA Fund was launched in December of 2022 by Impact Hub Yerevan, national partner of Collaborate For Impact in Armenia. It is the first impact fund in the country, supporting social and impact-driven enterprises with particular potential to grow and develop.

Over the course of the project, Impact Hub realized a number of incubation and acceleration programs, focusing heavily on non-financial support and capacity building for social enterprises, making them more investment ready and bolstering their business models. The aim has been to select 5 to 7 enterprises each year to support financially. Over the course of the project, VIA Fund has disbursed grant and loan support to 15 social enterprises. Portfolio management in the VIA Fund means embarking on a 3-to-5 year journey, with constant guidance and learning opportunities.

The VIA Fund has been used as an investment vehicle by Impact Hub Yerevan, leveraging the catalytic investment made by the European Union to attract five new investors, raising an additional €380.000 in fundraising and co-investments. It has also provided a focal point for new partners to gather during the Impact For Breakfast-events hosted by Impact Hub Yerevan, playing a key role in awareness raising, both domestically and internationally, when engaging with the large Armenian Diaspora.

MAIN METRICS

72

Social enterprises provided with capacity building

16

Social enterprises supported financially

15

Jobs created

€380.000

Investments raised
through fund
including co-investments
worth €80.000

€300.000

Total grant support

€128.500

Total loan support

SOCIAL ENTERPRISE

TMM Soft

TMM Soft focuses on providing training and meaningful employment to youth with autism and speech-language delay. The end goal is to ensure a more equal access to the work market, ensuring that these teenagers can play an active part in society and contribute to the local economy.

They entered the portfolio of the VIA Fund in 2023, after receiving a series of trainings on how to make their enterprise more investment ready. This, in combination with a financial incentive from the VIA Fund, enabled them to increase their revenue significantly while increasing their opening hours and hours of engagement with their target audience.

KEY IMPACT HIGHLIGHTS

€35.900
received through a combination of grant and loan support

112%
growth in revenue in 2023, 40% in 2024

Doubled
their engagement of young people with autism to 24 hours per month

SOCIAL ENTERPRISE

HDIF



The Homeland Development Initiative Foundation (HDIF) is committed to empowering women and people with disabilities in Armenia through the production and sale of high-quality handmade crafts. They collaborate with over 200 artisans across 14 communities who specialize in a diverse range of products such as crocheted items, ceramics, beeswax candles, knitted goods, decorative paintings, embroidered textiles and similar products.

In 2023, HDIF received an investment from the VIA Fund that allowed them to enhance capacity to empower more artisans and expand their impact in Armenia.

KEY IMPACT HIGHLIGHTS

€28.000
received in hybrid grant/loan funding

first responder
during Nagorno-Karabach displacement crisis, providing warm winter clothing to the newly homeless

200+
Support a network of 200+ artisans in finding access to the market

SOCIAL ENTERPRISE

Ardook

Ardook is a social enterprise providing income opportunities to mothers of children with disabilities through professional ironing and dry-cleaning services—work they can do from home while caring for their families.

Shogher’s journey began in Impact Hub Yerevan’s Women Entrepreneurship Incubation Program. With support from mentors and peers, she refined her model, learned about finances and marketing, and built a foundation for growth. Ardook has since expanded, won the Social Impact Award Armenia, and received €10,760 through the EU-supported COVID-19 Relief Fund.

“Impact Hub is like Ardook’s parent,” she says, “giving it what it needed to stand on its own.” Today, she continues to scale Ardook through the VIA Fund Investment Readiness program, empowering more women and transforming lives across Armenia.

KEY IMPACT HIGHLIGHTS

€10,760
received through EU-Supported COVID-19 Relief Fund

winner
Social Impact Award Armenia

35+
women empowered by providing them an income through Ardook

INVESTOR ENGAGEMENT

Mikael Donikian

KEY FACTS

Tech entrepreneur and founder of DONOS (France, 2018; Armenia branch, 2019)

Previously uninvolved in impact investing

Became one of VIA Fund’s first investors, contributing €5,000/year

When Mikael Donikian attended Impact Days in Vienna at the invitation of Impact Hub Yerevan, he wasn’t expecting it to reshape his investment philosophy. A tech entrepreneur with no prior connection to impact investing, Mikael was intrigued—not by a sales pitch, but by an invitation to discover impact. *“They never said ‘come and invest,’”* he recalls. *“They said, ‘come and see the ecosystem and the impact.’ That made all the difference.”*

Through DONOS, Mikael now bridges innovation between France and Armenia, channeling €5,000 annually into VIA Fund. More than just capital, he brings deep

engagement—tracking project progress, staying close to founders, and sharing in the community’s successes. In France, Mikael champions the fund in his network,

especially among fellow entrepreneurs of Armenian descent, encouraging them to align CSR budgets with high-impact ventures in Armenia.

Ardook

Ardook is a social enterprise providing income opportunities to mothers of children with disabilities



COVID Relief Fund

Armenian Camp, situated near Lake Sevan, is a safe space for people with disabilities, allowing them to learn and connect, as well as a sustainable tourism hub, offering a unique window into Armenian nature



TMM Soft

TMM Soft focuses on providing training and meaningful employment to youth with autism and speech-language delay.



INVESTOR ENGAGEMENT

C-Quadrat Ampega

The seeds of the partnership between VIA Fund and C-Quadrat Ampega Social Fund were planted during an encounter at CEE Impact Days in Vienna in 2022. Both parties quickly realized that they could complement each other’s work in creating impact.

C-Quadrat Ampega brings its institutional strength as a leading asset manager with over €1.3 billion under management. VIA Fund offers deep local insight, trusted relationships with social enterprises, and a proven track record in deploying capital through grant-based and loan models. By 2024, this dialogue materialized into a co-investment partnership, with C-Quadrat Ampega providing additional loan support to existing grants offered by the VIA Fund.

This blended co-investment model marks a critical step toward the sustainability of the VIA Fund. It also cultivates business discipline,

financial planning skills, and investment-readiness among early-stage entrepreneurs. For enterprises, it extends their accountability. For funds, it lays the groundwork for a revolving capital structure that can support future growth. Beyond capital, C-Quadrat Ampega has contributed strategic insight to due diligence, investment committee reviews, and acceleration programs, adding value far beyond the financial.

What is even more, the story is a prime example of how the structural presence of a fund, combined with targeted stakeholder engagement, can lead to new avenues for impact.

KEY FACTS

Origins of the Partnership

- Initiated from a 2022 meeting at CEE Impact Days in Vienna
- Formalized in 2024 through a memorandum of understanding and currently in full operation

Strategic Co-Investment

- Grants of €10,000–€30,000 through the VIA Fund
- Loans of up to €20,000 (repayable over 2–3 years) through C-Quadrat Ampega
- Total loan support to date: €73,500 (C-Quadrat Ampega contribution)

Early Results

- 5 social enterprises received additional support through co-investment, including:
- Children of Armenia Fund - COAF — €28,000 loan
 - Ceramazart — €4,500 loan
 - Arvestaran — €9,000 loan
 - Apricot — €23,000 loan
 - Ardook — €9,000 loan

Impact Hub Yerevan COVID Relief Fund

To support social enterprises during global pandemic, the COVID-19 Relief Fund was set up in Armenia. This country-specific fund delivered remarkable results in 2021-2022, supporting 35 social enterprises—more than double the initial target of 15. In total the social enterprises involved received financial support to the value of of €320.000.

The fund was designed both as an emergency response mechanism and as a strategic intervention to build long-term resilience among social enterprises. Understanding that short-term survival would not be enough, the team focused on equipping enterprises with the tools, resources, and capabilities to withstand future shocks.

This timely intervention proved critical, as many recipients reported they would have struggled to maintain operations without this assistance. The most significant achievement might just be in keeping these enterprises up and running. 32 out of 35 grantees remain operational despite the global economic turmoil that forced many similar enterprises to close. In this sense, the fund not only provided emergency relief but catalyzed future growth and sustainability. Several of the enterprises who received this relief support would later join the incubation and acceleration programs of the VIA Fund, further bolstering their business and setting steps towards scaling.

By combining immediate financial relief with capacity building and impact measurement, the Impact Hub Yerevan COVID Relief Fund helped transform a crisis into an opportunity for strengthening the social enterprise sector. This experience has provided valuable lessons about the importance of flexible, responsive funding mechanisms and the resilience of impact-driven organisations when given appropriate support.

KEY FACTS	Support of €320.000
	for 35 social enterprises to survive the COVID crisis
	32 out of 35 grantees
	remain operational
	Energy independence
	Several organisations installed solar panels, allowing year-round operations despite seasonal challenges. Armenian Camp at Lake Sevan successfully extended its guest services through winter months with a new solar-powered heating system.
	Production scaling
	ZarMan Toys acquired laser cutting equipment to reduce production costs and launched an e-commerce platform, significantly boosting sales.
	Business enhancements
	Enterprises renovated commercial spaces, upgraded equipment, obtained international certifications, and hired expert consultants to strengthen their business planning and marketing capabilities.

USVF



Registered in 2022 by SILab Ukraine, the Ukrainian Social Venture Fund funds early- and growth-stage social enterprises tackling critical social and environmental issues in Ukraine.

Since the escalation of the war in Ukraine, the fund has been supporting the recovery of the Ukrainian economy, integrating veterans and people with disabilities and providing working opportunities for millions of internally displaced women.

The Ukrainian Social Venture Fund has been supporting the largest portfolio of companies, deploying loans, grants and blended financing in a total amount of €674.000. The money invested as catalytic funding leveraged additional investment from Finance in Motion, Civic UK, 1to4 Foundation and private investors, allowing the USVF portfolio to expand meaningfully over the last few years.

The portfolio is growing in terms of supported enterprises and in scope. 2024 marked the first blended finance offering of the USVF portfolio, marrying grants with a repayable 0% loan, further enhancing the business side of their operations.

MAIN METRICS

175

Social enterprises provided with capacity building

28

Social enterprises supported financially

141

Jobs created

€433.000

Investments raised
through fund

€330.000

Total grant support

€36.000

Total loan support

SOCIAL ENTERPRISE

Museum in the Dark

The story of Alina Marnenko symbolizes the portfolio of USVF in many ways. Her ‘Museum in the Dark’ is a place where those with a visual handicap, including veterans from the war, can find their place in society through meaningful employment. At the same time, it allows others to experience what it is like to go through life without sight, by exploring a museum that is literally drenched in darkness, going on a ‘date in the dark’ or partaking in other immersive experiences.

We decided to zoom in on Alina’s story in Underseen, an impact documentary of just under half an hour, that wants to draw more attention to similar projects, as well as the financing that supports them. More than just a marketing video, Underseen is part of a larger impact campaign that aims to bring impact stories to the masses.

As of yet, the film has been accepted for screening at the prestigious Golden Apricot

Festival in Yerevan, while also featuring at several regional and national events throughout Europe, including at Impact Week, at Europe Day and the Ukrainian House in Tbilisi, at Impact Days in Moldova, and at dedicated screenings hosted by our national partners. After publication of this report, the film will be available for online viewing through our own channels and hopefully, far beyond.

KEY FACTS

Received first funding in 2022 for €40.000

with a second tranche in 2024 through a blended finance offering

Inclusive museum

employing 9 visually handicapped people

More than 75.000

visitors to date

Established a second branch

in Lviv during wartime

Underseen

Underseen, our documentary produced as a part of the project, has been screened at 12 occasions so far, reaching the audience of over 500 people. The wider distribution of the film is still ongoing.



Vilni

Vilni was established as a project to support female refugees and displaced people in the country by employing them as craftspeople.



Medicasano

Veterans, injured and other patients can find help in their physical recovery through the medical facilities of Medicasano.



Underseen

Underseen, an impact documentary of just under half an hour, wants to draw more attention to similar projects, as well as the financing that supports them.

SOCIAL ENTERPRISE

Bank of Memories

Born as a blockchain project for storing emotional messages to the future, Bank of Memories was already serving thousands of families by late 2021. But when war broke out in February 2022, the enterprise developed a new version of their app to create “digital video memorials”—short, powerful video tributes to those who lost their lives defending their country. These videos, produced in collaboration with military psychologists, now offer solace and remembrance to families across Ukraine.

This evolution transformed Bank of Memories from a tech platform into a vital social enterprise. Support from SILab and USVF was pivotal in this shift. Iryna joined an intensive incubator where she built a comprehensive social impact strategy that later secured a €17,000 L’Oréal grant. Her experience with the USVF fund has been distinctively collaborative: “It’s a safe environment, non-toxic... you can see the difference,” she says, highlighting the significance of a woman-led fund that invests

in entrepreneurs, not just business plans.

Today, the enterprise partners with 16 local governments, which subsidize the service to make it accessible to grieving families. This not only honors the memory of the fallen but also reinforces community trust in public institutions during an immensely difficult time.

Financially stable through its private client base, Bank of Memories is now seeking additional blended financing to scale. Iryna sees USVF not as a lender, but as a partner—committed to impact, compassion, and rebuilding lives through remembrance.

KEY FACTS

Founded in 2017

by Iryna Savytska and Andrew Melanchik

Pivoted post-2022 invasion

to support bereaved military families through “digital video memorials”

Partners

with 16 local Ukrainian governments

Supported

by SILab, Ukraine Social Venture Fund (USVF), and international grants

Financially sustainable

with interest in expanding via blended financing

SOCIAL ENTERPRISE

Medicasano

Medicasano is a therapy and rehabilitation clinic located in Mykolaiv. The clinic’s main clientele comprises patients with musculoskeletal diseases, vascular and neurological pathologies, and varying degrees of mobility, whose condition requires intensive treatment.

Since the invasion, the clinic has provided free treatment and rehabilitation to the veterans, IDPs affected by hostilities, as well as representatives of other vulnerable groups. The investment from the Ukrainian Social Venture Fund enables the company to provide ultrasound services that were previously unavailable, while also enhancing the quality of rehabilitation services. Medicasano hopes to improve its patient flow by about 50 percent, taking these improvements into account.

KEY FACTS

Rehabilitation clinic

aimed at veterans and war victims

€30.000

blended support received

50%

increased patient flow

Expanding operations

to aid more patients through funding

SOCIAL ENTERPRISE

Vilni

Vilni, which means ‘free’ in Ukrainian, was established as a project to support female refugees and displaced people in the country by employing them as craftspeople. Originally focusing on knitwear and socks, the enterprise has since expanded to include more and more different products. In addition to this, Vilni is also functioning as a mental health and education community.

KEY FACTS

€10.000

grant

over 30 women

are provided jobs, many of whom displaced by the war

combines role

as employer with psychological and social support

The incubation program and subsequent financial support was of great value to Vilni, not just in keeping their budget afloat in trying times, but also in building a business model that is made to last.

In the words of its founder, Anastasia: “We really learned everything from scratch”.

ACTIO IMPACT FUND



Actio Impact Fund was established by the Center for Strategic Research and Development of Georgia (CSRDG), project partner, as the first true impact fund in Georgia. Operating under CSRDG rather than as an independent legal entity, Actio leverages the center’s established trust, networks, and administrative resources to maximize efficiency and impact.

Over the course of the project, Actio has built a diverse portfolio of social enterprises, including Babale (supporting individuals with Down syndrome), Istoriali (preserving traditional metal sculpting), Tene (recycling plastic waste), and Champy (empowering women in conflict-affected areas). Each portfolio enterprise receives either loans, grants of a combination of both.

Beyond financial support, Actio provides comprehensive assistance in enhancing its portfolio’s management

processes, developing business strategies, creating marketing and communication plans, and improving production capabilities. This holistic approach has enabled its portfolio enterprises to launch new product lines, renovate facilities, expand operations into new regions, and significantly increase their social and environmental impact. Actio’s ambitious 2023-2027 plan aims to support at least ten social enterprises with sustainable, impact-driven business models.

MAIN METRICS

18

Social enterprises provided with capacity building

12

Social enterprises supported financially

10

Jobs created

€ 130.000

Investments raised
through fund

€ 300.000

Total grant support

€ 55.000

Total loan support

SOCIAL ENTERPRISE

Istoriali

Established in 2000, Istoriali is a social enterprise dedicated to supporting and promoting Georgia’s rich cultural heritage. The company creates jewelry, decorative items, and gifts that showcase traditional Georgian craftsmanship, particularly focusing on preserving the ancient art of metal sculpting.

Initially relying heavily on outsourced production, Istoriali transformed its operations with Actio’s support by renovating and equipping a dedicated jewelry workshop. This enhancement allowed the enterprise to increase on-site production of metal items while creating opportunities for professional education and empowerment of local metalsmiths.

Beyond manufacturing, Istoriali is committed to educational initiatives, developing courses for students and designing master class programs for both locals and tourists.

KEY FACTS

Jewelry workshop

renovated and equipped for on-site production

People

Trained 2 female metalsmiths and increased from 2 to 3 in-house masters and from 3 to 4 outsourced masters

Shared

Georgian cultural heritage information with approximately 5,000 people

Revenue stability

maintained during workshop renovation period and successfully exported a first trial batch to the USA

SOCIAL ENTERPRISE

Tene

Doubled

Monthly plastic collection doubled from 4 to 8 tons

5,300 participants

Participants in plastic collection increased from 2,000 to 5,300 people

Green collection boxes

in schools and organisations grew from 200 to 350

83 tons

of plastic collected (40 tons recycled)

17 people

Created employment for 17 people (11 are internally displaced persons)

Prevented

5 tons of CO2 emissions through solar panels

Tene combats plastic pollution through innovation. The company specializes in manufacturing USB cables using single-use secondary plastic, particularly bottle caps, while sending remaining materials to partner factories for recycling.

But their efforts go beyond that. The enterprise has established collection points across Georgia, using press machines to compress plastic for economical transportation. There is also an important educational aspect to the work of Tene, as they establish links with schools and the local community to teach them about recycling in an interactive and engaging way, further helping reduce plastic waste in the country.

With Actio’s support, Tene acquired essential equipment including a trunk vehicle, 3D printer, and press machines, enabling expansion to regions beyond Tbilisi.





Tene

Tene specializes in manufacturing USB cables using single-use secondary plastic, while sending remaining materials to partner factories for recycling.



Istoriali

Istoriali is a social enterprise dedicated to supporting and promoting Georgia's rich cultural heritage.

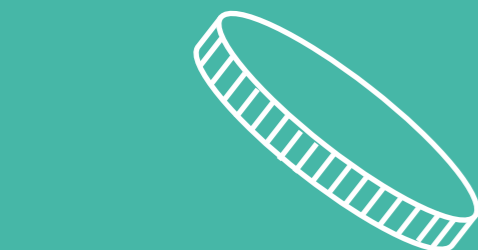
In recent years, Azerbaijan and Moldova have taken significant steps to strengthen their social economy ecosystems, with a growing focus on impact investment. With support from Impact Europe, both countries have benefited from tailored technical assistance, knowledge-sharing, and network-building efforts aimed at fostering access to finance for impact-driven enterprises.



Accessing finance

While the original project plans did not include creating impact funds in these two countries, interest among local stakeholders quickly revealed a need for more structured impact investment pathways. Events organized by Impact Europe played a pivotal role in catalyzing this shift. These gatherings allowed stakeholders to exchange knowledge, connect with peers, and explore the potential of impact investment for their local contexts.

One notable innovation was the introduction of “Impact for Breakfast” events—informal networking sessions that brought investors together to explore financial instruments, share motivations, and consider the social and environmental impact of their investments. These sessions helped build a community around impact investing and deepen understanding of emerging practices.



In **Azerbaijan**, the initiative empowered key ecosystem leaders and gathered a community of investors. The Impact for Breakfast concept in particular proved effective in uniting potential investors and raising their awareness of impact investing and social enterprises. At least one edition was organised every year since 2022.

financial vehicles and mobilize interest through bilateral meetings with corporates and international actors. Local “Impact Days” conferences, featuring international speakers, further raised awareness and showcased best practices across Europe.

in Azerbaijan & Moldova

Additionally, a visit to Baku by renowned impact investor Luciano Balbo inspired Azerbaijani stakeholders as he shared his personal journey and lessons learned.

Moldova advanced toward establishing a national impact fund. Impact Europe offered one-on-one consultancy to EcoVisio, helping define a strategy and navigate a landscape of diverse stakeholder interests. The support of a dedicated fund advisor proved vital. EcoVisio and local partners co-led efforts to identify appropriate

Together, these efforts have laid the groundwork for future impact funds in both countries—bringing them closer to building inclusive, sustainable economies powered by purpose-driven finance.



KEY FACTS

The CFI project mobilised €1 million for impact-driven companies across project countries

Investor and stakeholder engagement

Leveraging EU funding to mobilise additional capital

4 new investors communities were set up, reaching over 400 social investors

Each euro for stakeholder engagement yields €5 for the local funds, or € 8 for impact-related activities in general

A large emphasis was put on stakeholder engagement through engagement in regional events. Connecting local stakeholders, policy makers and business entrepreneurs with the European impact community served as inspiration and a valuable learning opportunity. In turn, the engaged stakeholders supported the local impact funds, helping build a true ecosystem for sustained impact.

Large, regional events like Impact Week, the yearly conference of Impact Europe, as well as other regional events like Impact in the Neighbourhood, Impact Days (Moldova/Azerbaijan) and Impact For Breakfast aimed to set up close-knit communities of impact investors.

From a financial point of view, this approach has been more than successful. The stakeholder engagement activities of the Collaborate For Impact project generated substantial funding for local initiatives, raising nearly €1 million in additional resources, as indicated in an internal survey. Four social investor's clubs were established, which reached over 400 social investors over the course of their different meetings and events.

Depending on the calculation used, the return on investment for the project's local funds

was between 2.7x and 5.2x.

This suggests that, on average, every euro spent on stakeholder engagement led to more than €5 returned in local funds. Additionally, if we take into account contributions from stakeholders to impact activities outside the funds, like the Social Impact Award in Armenia or the Impact in the Neighbourhood event in Tbilisi, this number goes up to a return on investment of 4x-7.9x or almost €8 per euro spent. Even when excluding a large grant from the Swedish Embassy awarded to EcoVisio in Moldova, the partners still raised over €300,000, more than double the costs of engagement.

The presence of Impact Europe played a crucial role in these successes. Feedback from contributors emphasized the value of the Impact Europe events, particularly the knowledge transfer and credibility provided to local

partners. Stakeholders across the board highlighted how Impact Europe's involvement helped build trust and legitimacy, which ultimately influenced their decision to invest. Several credited the Impact Europe events as key moments in their commitment to funding local initiatives.

In conclusion, the CFI project successfully mobilized significant funds and demonstrated the value of its stakeholder engagement activities, with Impact Europe playing a pivotal role in fostering investment and trust within the local impact ecosystem.



Impact Week in Torino put the focus on working in conflict regions.

Impact Week in Torino

Impact For Breakfast in Bilbao

Impact Days in Moldova



Impact Days in Baku





Impact in the
Neighbourhood
in Tbilisi

Entrepreneurs
Meetup in Kyiv



Iarmar Eco Fair
in Moldova



Journalist Training
in Baku



One of the project activities envisaged the preparation of a “policy nexus” that would showcase local approaches to policies and ecosystem frameworks.

Ecosystem

Engaging with policy makers was instrumental throughout the project, especially in supporting the local policy agenda of our partners. As they attended regional events like Impact Week, policy makers were educated and engaged with the impact community, becoming inspired by policy frameworks of the other European countries.

Building

Policy updates and highlights from the project activities:



No official state-level recognition or legal status for social entrepreneurship yet.

A multistakeholder working group (ministries, parliament, NGOs) developed a Concept Note on Social Entrepreneurship.

Economy Minister publicly endorsed the VIA Fund launch in December 2022.

Some visibility through state awards like the “Heroes of our Times” prize and the Prime Minister’s endorsement of COAF’s social enterprise expansion.

Two other impact investment funds launched, but, with limited legal flexibility.

Azerbaijan

A draft law on social entrepreneurship was prepared by Parliament's Economic Policy Committee.

Education HUB's role in a State Employment Agency working group advocated for resources for social enterprises in 2024, as well as the establishment of two Social Entrepreneurship and Employment Centres in Sumgayit and Masalli

High-level engagement was achieved. Public officials, MPs, and a presidential candidate attended Impact Week events.

Georgia

No legal framework exists for impact investment, but existing fund laws could serve as a base.

CSRDG facilitated the creation of a Strategic Document on Social Entrepreneurship via a national multistakeholder platform.

Social entrepreneurship recognized in Youth Agency programs (Ministry of Education) and municipal initiatives, including Tbilisi.

Attendance of Deputy Head of Economy Department at Impact Week 2023 in Torino.

Tbilisi City Hall co-hosted the 2023 Impact in the Neighbourhood conference.

The current political tensions and the 'Foreign Agents Act' have complicated the funding situation for many civil society organisations in the country.

Moldova

A legal framework is in place (since 2017) but, it is poorly implemented. Only 11 SEs registered by 2023, while bureaucracy and lack of incentives deterred over 60 initiatives from registering.

Ecovisio led policy reform efforts by participating in legislative consultations, drafting amendments and explanatory notes and advocating for tax exemptions, public space access, and procurement rules.

2025 reform package includes expanded legal forms eligible for SE status, simplified registration, indefinite legal status and fiscal incentives (e.g., profit tax exemptions, fee waivers).

Ukraine

Social entrepreneurship included is in the National SME Strategy (2024–2027), as a result of direct advocacy with the Ministry of Economy.

SILab Ukraine engaged in the drafting of the Veteran Entrepreneurship Law and has an ongoing collaboration with MP Oleksandr Sanchenko.

Several initiatives supported by public officials exist, including the launch of an "Impact Entrepreneurship" section on Diia Business, a large-scale project by the Ministry of Digital Transformation of Ukraine, as well as the release of Ukraine's first impact business catalogue.

Policy influence extended to 2025 Cabinet Action Plan on Civil Society Strategy.

Impact in times



The Collaborate For Impact project faced several unexpected complications throughout its five year activities, including a global pandemic, a large-scale invasion in Ukraine by Russia and geopolitical tensions in Armenia, Georgia and Moldova. While these circumstances have put a large strain on the operational work of our implementing partners, they have also induced a spirit of adaptability and agility that is, in short, commendable.

Throughout the implementation of the project, we observed that social enterprises demonstrated remarkable resilience in the face of these political uncertainty and crises:

Ukraine

75%

of social enterprises continue to operate despite the war

In Ukraine, at the onset of the war in Ukraine, our partner SILab Ukraine conducted a survey to assess the status of social enterprises.

The results revealed that three-quarters of these enterprises were still in operation and had rapidly adapted their products, services, and business activities to meet urgent humanitarian needs.

The commitment, motivation of the founders and the community-based nature of social enterprises contribute significantly to the resilience of the economy in the Eastern Partnership, particularly during times of crisis.

of WAR and PANDEMICS

35

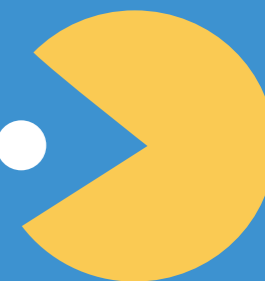
enterprises

enterprises received support during the pandemic

In Armenia, 35 enterprises in Armenia received emergency COVID-19 funding to help mitigate the negative consequences of the COVID pandemic, and three years later, 32 of them remain operational despite the numerous crises in the country.

Furthermore, after escalations of the conflict in the contested Nagorno-Karabach region, Impact Hub Yerevan was quick to respond when over 120.000 people found themselves homeless. Around €50.000 was dedicated to supporting enterprises hailing from this region in particular.

Similarly, the social enterprises in their portfolio stepped up. The Caritas Aregak Foundation used its industrial kitchen and bakery to provide three meals each day for up to 150 displaced persons. HDIF Armenia produced and provided winter clothing to the displaced, who were facing a cold winter at the time.



How we measure and manage IMPACT

The EU funding was deployed as catalytic capital. This means it was used a leverage to bring in more investors and capital for financing impact-driven companies.

Impact metrics:

Access to finance:

- Number of enterprises receiving financial or technical support
- Number of supported enterprises reporting improved business skills and competencies; investment readiness

Creating local investor communities:

- Number of local investors engaged
- Number of investor communities launched

Ecosystem building:

- Number of ecosystem actors trained through capacity building initiatives, awareness raising events, study visits
- Number of policy engagements or advocacy actions undertaken
- Number of collaborations facilitated

Internal measures of success:

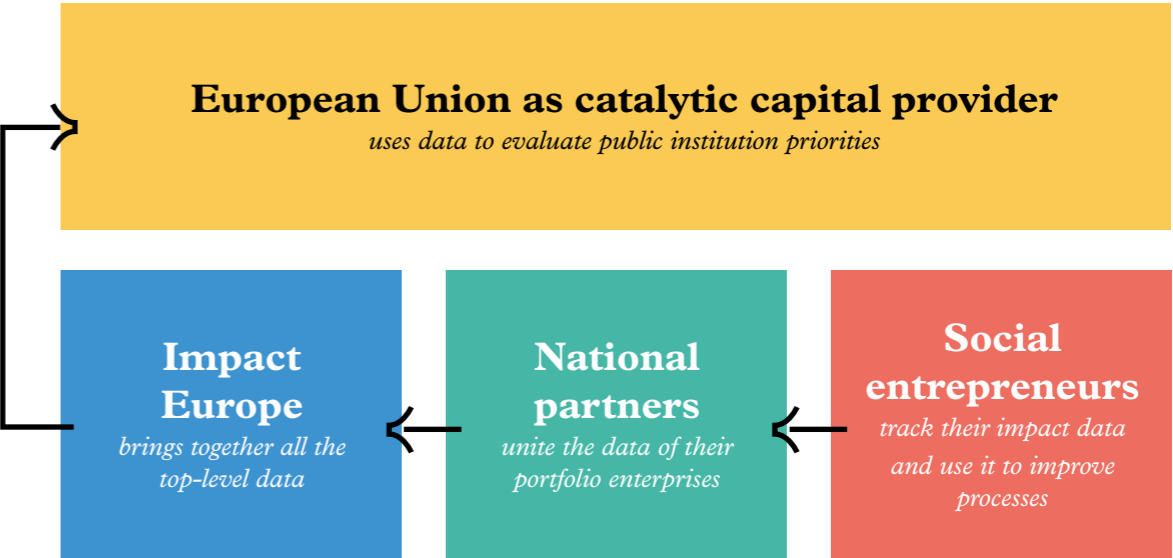
- Additional capital raised for the funds
- Long-term sustainability of the funds
- Sustainability of portfolio enterprises
- Increase in the revenues and profits of portfolio enterprises
- Increase in the social impact of portfolio enterprises

In our work with country implementing partners, we adopted a portfolio approach - mirroring the philosophy we advocate for in managing impact fund portfolios. We believe that financial support becomes truly meaningful only when accompanied by non-financial support. Therefore, we considered our implementing partners as our portfolio organisations - and throughout the project, we invested in their growth, skills, and long-term capacity.

Dedicated team members worked closely with each partner to design tailor-made capacity-building plans based on their context and needs. To enrich this offering, we engaged a range of external learning providers to address gaps

in knowledge around impact investing and ecosystem development. Several study visits were also organized to expose our partners to global best practices and facilitate peer learning. Our goal was to conclude the project having enabled at least one organization in each target country to operate a professional impact fund independently - while also serving as a national reference point and resource hub for the broader ecosystem.

Operationally, we maintained a non-hierarchical, collaborative relationship with our partners - a key factor highlighted in the final independent evaluation as a contributor to the project's success. Rather than directing from above, we accompanied our partners on their journey of establishing impact investing ecosystems and funds. We built mutual trust, celebrated shared successes, and faced failures together - always with a mindset of collective learning and long-term impact.



Call to Action

This project has shown what is possible with catalytic funding. Bringing this crucial initial capital can help mobilize more funding and investors for impact in Eastern Europe, a region which has shown its resilience in incredibly different circumstances. **Because it is only through collaboration that we can achieve real impact.** Therefore, **we invite potential funders and investors** to join our effort in providing access to finance for impact-driven businesses.

1. Become a **supporter or donor** of the impact funds in Georgia, Ukraine and/or Armenia.
2. **Invest or co-invest in social enterprises**, already verified and supported by our partners in the region.
3. **Engage social enterprises in your value chain** or as capable business partners to fill talent needs **in**
4. **Join policy dialogue** to advocate for new financial instruments and efficient allocation of public funding as catalytic capital.
5. **Get in touch with Impact Europe** to join our investor community and learn more about building impact ecosystems in Eastern Europe and other regions



Website: www.impacteurope.net
communication@impacteurope.net



Partner: www.csrdg.ge/en
Fund: www.actio.ge/en
office@csrdg.ge



Partner: www.yerevan.impacthub.net
Fund: www.viafund.net
yerevan@impacthub.net



Partner: www.silabua.com/en
Fund: www.usv.fund/en
info@silabua.com



Partner: www.ecovisio.org
info@ecovisio.org



Partner: www.eduhub.az/en
info@eduhub.az

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Impact Europe
The Investing for Impact Network
Philanthropy House
Rue Royale 94
1000 Brussels
+32 (0)488 01 46 27 T

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Authors
Tom Dinneweth, Sona Dilanyan,
Nazareth Seferian, Ewa Konczal and
Andreja Rosandic, with much valued
feedback from the Impact Europe
team.

Design
WNDR

Contact us
communication@impacteurope.net
www.impacteurope.net

Colofon



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The Collaborate For Impact-project, an EU-funded project, established in 2020 and running until September 2025, aims to help promote, build and sustain the impact investing space in Georgia, Moldova, Ukraine, Armenia and Azerbaijan.

It is implemented by Impact Europe and by a variety of national partners in Ukraine, Armenia, Azerbaijan, Georgia and Moldova.



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