



Brussels, 1 December 2025
(OR. en)

16182/25

SIMPL 200
ANTICI 200
ELARG 157
COWEB 165
COEST 858

NOTE

From:	Commission Services
To:	Delegations
Subject:	2025 Annual Progress Report on Simplification, Implementation and Enforcement - Enlargement and Eastern Neighbourhood

Delegations will find in annex the above-mentioned report.



2025 ANNUAL PROGRESS REPORT

Simplification, Implementation & Enforcement

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for Enlargement

SEPTEMBER 2025



1. Introduction

As part of the European Commission's commitment to delivering more effectively for citizens, outlined in President von der Leyen's Political Guidelines, the Mission Letters of all Commissioners and the Communication 'A Simpler and Faster Europe', the present report sets out the activities undertaken under my responsibility by the Directorate-General for Enlargement and Eastern Neighbourhood (DG ENEST), with a view to enhance the efficiency and effectiveness of the EU's Enlargement and Eastern Neighbourhood policies.

In my role as **European Commissioner for Enlargement**, I drive forward the European Union's **enlargement process** and the EU's relations with countries in the region, including in the **Western Balkans, Ukraine and Moldova, the South Caucasus and Türkiye**.

In that context, I am responsible for:

- working with candidate countries and potential candidates on their merit-based path to join the EU, by supporting the required **structural reforms**, their respect for the **rule of law and fundamental values**, and strengthening their **resilience and preparedness**;
- leading the Commission's **continued support of Ukraine**, in particular efforts on Ukraine's reconstruction and accession;
- continuing exchanges with **Türkiye** to improve cooperation on political, economic and trade matters;
- devising and delivering a **Black Sea Strategy**, together with the High Representative/Vice-President;
- supporting the **countries of the Southern Caucasus**, in particular on regional connectivity.

The present Annual Progress Report covers the period 1st January to 31st July 2025 and is compiled for submission to the European Parliament and the Council.

2. Executive Summary

Between 1st January and 31st July 2025, **simplification** efforts in the areas under my responsibility as European Commissioner for Enlargement focused primarily on the EU's **external investments toolbox**, with a view to **reduce the administrative burden** for implementing partners, most notably through the consolidation of multiple guarantee agreements with the same entity into single agreements. This can also help to **maximise the impact of available guarantee coverage** in support of transformative investments in the Enlargement and Eastern Neighbourhood region, aligned with the EU's political and policy priorities. Steps were also taken to ensure no duplication between the various **rule of law reporting exercises for candidate countries**, namely the Rule of Law report, which includes Albania, Montenegro, North Macedonia and Serbia since 2024, and the annual Enlargement Package, which remains the central point of reference for assessing the progress of candidate countries and potential candidates on their EU accession path.

As concerns **implementation**, 2025 has been an important year for moving ahead with delivery under our **new Facilities for Ukraine, the Western Balkans and Moldova**. These Facilities are an important innovation in the implementation of the EU's Enlargement policy: on the one hand, they are **performance-based instruments**, meaning that payments are only made upon proven delivery of pre-agreed reform steps; on the other hand, they **focus on the key structural reforms necessary for the EU accession process** as well as economic growth and an effective public administration. In parallel, the move to a **multiannual programming cycle** within DG ENEST, covering 2025 to 2027, has given additional medium-term clarity in terms of financial allocations and priorities for EU assistance in the run-up to the next Multiannual Financial Framework (MFF).

I also convened my **first Implementation Dialogue** with business and stakeholders on 10th June, with a focus on private sector investments. The discussion highlighted a number of **opportunities for transformative investments** while providing valuable **feedback on the EU's support to private sector and investment mobilisation and the challenges to overcome**, including accession-related reforms more generally, as a vector for positive improvements to the overall investment and business climate. The dialogue raised a number of issues that the Commission can seek to address, including in the framework of future regional and bilateral business fora.

and calls for expressions of interest for EU, EEA and local companies interested in investing in the Enlargement and Eastern Neighbourhood region.

3. Delivering Results: Key Measures

A. Simplification

My teams in DG ENEST have worked in close cooperation with other Commission services to propose a number of measures to **simplify the European Union's investments**, in particular as concerns the **External Action Guarantee**.

The most significant of the measures proposed is the possibility to **assign surpluses from the legacy European Fund for Sustainable Development (EFSD) to its successor instrument, the European Fund for Sustainable Development Plus (EFSD+)**. This proposal aims to ensure the maximised use and greatest possible impact of available guarantee coverage under the current Multiannual Financial Framework.

Other simplification measures include the **consolidation of multiple agreements with a given implementing partner under a single agreement**, thereby reducing the administrative burden of negotiating and managing several agreements with the same financial institution in parallel. This initiative applies both to **guarantee agreements**, which aim to provide a safety net against losses to encourage investments in areas of political and strategic importance to the EU and its partner countries, and to **technical assistance projects** which support the development and implementation of project pipelines under the guarantees.

We are also prioritising **top-ups to existing guarantee agreements** where duly justified in terms of alignment with EU political and policy priorities and successful implementation of impactful investments, allowing to maximise the benefits of existing fruitful cooperation while reducing the administrative burden of negotiating follow-up agreements.

The Commission has also proposed a number of measures to **simplify annual reporting requirements of implementing partners** under the External Action Guarantee. These include moving from **quarterly to semi-annual financial reporting** for guarantee agreements, and removing the requirement to audit the risk assessment and grading information on individual operations. In practice, this means that our partner International and European Financial Institutions can **focus more time and resources on mobilising investments** and developing concrete pipelines of transformative projects, in line with the Commission's political and policy priorities. It also means that **Commission staff managing our external guarantees can devote additional energy to ensuring robust policy steer** of the significant guarantee volumes in place.

All of the above measures are without prejudice to **sound financial management principles** and are conceived with a view to **maximise value for money on behalf of European taxpayers**.

Concerning **rule of law reporting on candidate countries**, we have also ensured that there **is no duplication between the Rule of Law report and the annual Enlargement Package**. Whereas the Rule of Law country chapters for EU Member States include recommendations for better rule of law practices and compliance, the chapters for the candidate countries included under this exercise (Albania, Montenegro, North Macedonia and Serbia) do not; rather, the Commission only issues recommendations addressed to these countries in the annual Enlargement Package reports, which continue to provide the central steer for the accession processes of all candidate countries.

B. Implementation

With the entry-into-force of the new [Reform & Growth Facility for Moldova](#) in March 2025, we now have in place three financing instruments that aim to **enhance the delivery of tangible reforms in line with the requirements of the EU accession process**: the [Ukraine Facility](#) and the [Reform & Growth Facility for the Western Balkans](#), adopted in 2024, and the new facility for Moldova. All three facilities are based on the same key principles: 1) **clear preconditions**¹ on democracy, rule of law, independence of the judiciary and respect for human rights; 2) **political agreement at the highest level** on the reform steps to be delivered (the Ukraine Plan and the Reform Agendas for the Western Balkans six and Moldova), and 3) **performance-based payments**, whereby disbursements are only made upon demonstrated delivery of the pre-agreed reform steps.

Implementation of the **Reform & Growth Facility for the Western Balkans** is moving ahead, with the pre-financing payments made to [Albania](#) on 21 March (EUR 30 million), [North Macedonia](#) on 18 March (EUR 24.4 million), [Montenegro](#) on 15 May (EUR 12.5 million), and [Serbia](#) on 20 June (EUR 51.7 million). First disbursements against payment conditions (reforms) have already been made to North Macedonia and Montenegro on 8 August in the amounts of EUR 3.7 million and EUR 4.7 million respectively.

Since the entry into force of the Reform & Growth Facility for Moldova in March, [pre-financing of EUR 270 million](#) has been paid to the Moldovan authorities, confirming the country's compliance with the preconditions on fundamental EU values. The Moldovan government has also already delivered all of the reforms due to be implemented by the end of June 2025 alongside three of those expected by December 2025. This triggered a [payment of EUR 18.9 million](#), which was made on 4 September 2025.

The government of Ukraine is making important progress in the implementation of the reform steps set out in the **Ukraine Plan**, allowing the Commission to make a [third regular payment of nearly EUR 3.5 billion](#) under the Ukraine Facility in April 2025. This brings total disbursements under the Ukraine Facility to approximately EUR 19.6 billion since its entry into force in March 2024.

All the reform steps set out in the Ukraine Plan and the Reform Agendas in the Western Balkans and Moldova are vital for each partner's EU accession process. With the incentive to deliver that is offered by the performance-based facilities, each payment represents the concrete implementation of the objectives of the EU's Enlargement policy.

2025 also saw the **move from annual to multiannual programming within DG ENEST**. In practical terms, this means that the Commission has adopted a set of priorities and financial allocations which will apply from 2025 to the end of 2027 for each of the Enlargement and Eastern Neighbourhood partners. This strategic shift allows for **more comprehensive medium-term planning**, providing partner countries with greater predictability and stability, which are crucial for effective reform implementation. The multiannual approach also **enhances flexibility, enabling adaptive responses to unforeseen challenges**. Upstream consultation with stakeholders from partner countries and with EU Member States has also ensured that these multiannual programming priorities are **firmly anchored to the core objectives and requirements of the Enlargement and Neighbourhood policies**.

Moreover, in view of the renewed momentum for the EU's enlargement policy, we have **streamlined implementation of the 'screening' process for Ukraine and Moldova**, the first step in the accession negotiations, delivering in record time. The screening, which entails the presentation of the EU acquis to the candidate country and a joint assessment of their level of preparedness on each of the 35 negotiating chapters, was launched in February 2024 and will be completed soon, within a year and a half overall. This represents an important simplification, while maintaining the **thoroughness and integrity of the overall accession process**. Notable factors included reducing the time between each of the screening meetings, and **intensified engagement with the authorities** of the two countries to best support their preparations, which was particularly crucial for the round of so-called "bilaterals" where the countries present their plans for alignment to the *acquis*. The Cluster Screening Reports have also been prepared and presented to the Council in record time; this was possible thanks to **strengthened coordination and cooperation across the Commission and all services concerned**. I aim to draw lessons from this new approach for possible application to future screening exercises.

¹ As regards Serbia and Kosovo*, the Reform and Growth Facility for the Western Balkans also includes a pre-condition related to progress in the EU-facilitated Dialogue on the comprehensive normalisation of relations.

On 10th June 2025, I organised my [first Implementation Dialogue](#) with business and stakeholders, with a focus on **private sector investment** in the EU Enlargement and Eastern Neighbourhood countries. Implementation Dialogues are a consultation tool at the political level which seek direct feedback from stakeholders to facilitate the implementation of EU policies and the simplification of EU rules and spending programmes.

This first Implementation Dialogue was an opportunity for me to meet business support organisations and private sector representatives for an open exchange on how to **improve support for strategic investments**. Notably, the dialogue aimed to discuss **constraints and opportunities for transformative investments** that are aligned with the Commission's ambitious political and policy priorities in the region, namely regulatory alignment, access to EU markets, regional economic integration, and competitiveness.

The participants highlighted the **positive impact of EU accession-related reforms** (particularly in the area of the fundamentals, including the rule of law), emphasising how it fosters greater predictability, transparency, and a level playing field, which enables companies – both local and from the EU – to grow and invest with confidence. Going forward, participants urged the Commission to continue to support the enlargement countries in the **implementation of comprehensive reforms**, ensuring that the approximation goes beyond simple transposition of the *acquis Communautaire*. Monitoring in this regard is stronger than ever, both in the framework of the annual Enlargement Package country reports, but also under the results-based financing of the Reform & Growth Facilities for the Western Balkans and Moldova as well as the Ukraine Facility, which disburse funds on the basis of demonstrated delivery of agreed reforms.

Participants also raised **the importance of aligning enlargement countries with internal EU initiatives to the greatest extent possible** as part of its gradual integration offer to the region, highlighting the 5G Toolbox as an example where this has been strategic both for the EU and for enlargement partners. Close alignment of our nearest neighbours with such initiatives, even ahead of accession, strengthens the achievement of the EU's stated objectives while preparing partners for future membership.

C. Enforcement

DG ENEST is responsible for handling complaints submitted by citizens and pre-infringement dialogues related to the implementation by Member States of the EU-Türkiye Association Agreement. Between 1st January and 31st July 2025, DG ENEST received one related petition, for which the assessment is concluded.

For more information, a [Public Register](#) illustrates the Commission's enforcement activities and Member States' compliance with EU law in general through interactive maps and customisable graphs.

4. Way forward

Under the **simplification** agenda, my services are working to identify ways to streamline the **EU blending framework**, in line with the same logics of reducing administrative burden and enhancing the impact of EU investment support as the proposals made for EU guarantees.

Concerning **implementation**, I will continue to engage with all stakeholders to ensure **timely and effective delivery of reform commitments under the performance-based Facilities**. In particular, I will work with the authorities in Kosovo* to facilitate the timely ratification of the Facility Agreement and the Loan Agreement – indispensable for unlocking the disbursement of financing under the Western Balkans Reform and Growth Facility – once political conditions allow. I will also work with the authorities in Bosnia and Herzegovina to pave the way for the submission of a consolidated Reform Agenda, in order to kick off the implementation under the Facility.

I am also committed to following up on the issues raised in my first Implementation Dialogue. To this end, my services will continue to organise **open and transparent calls for expressions of interest** for EU, EEA and local companies interested in investing in the Enlargement and Eastern Neighbourhood countries, seeking to identify

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

potentially impactful strategic investments and connect them with the appropriate EU financial tools. Calls have already been launched in the [Western Balkans](#) and [Ukraine](#). My services will also continue to organise **dedicated business fora**, both at the regional and bilateral level, bringing together leading companies, political leaders and financial institutions to drive forward our ambitious investment agenda and identify solutions to investment constraints.

Over the next 12 months, I will convene **additional Implementation Dialogues** with key stakeholders, with a view to identify further measures to improve the delivery of the policies under my responsibility.

The next such Dialogue will take place with **civil society organisations** in Q4 of 2025. Civil society plays a vital role in the enlargement process as watchdogs, facilitators and service providers, strengthening democracy, the fight against corruption, rule of law and promoting EU values. Within the framework of this Dialogue, I am eager to hear from experienced practitioners how civil society expertise can be further harnessed to bring our candidate countries and potential candidates closer to EU membership, and to enhance the delivery of our Enlargement and Eastern Neighbourhood policies.

Further Implementation Dialogues are envisaged for 2026. All Implementation Dialogues are published on the Commission's [dedicated webpage](#), and I undertake to share summary conclusions of matters I discuss and the list of organisations I meet within the framework of these consultative meetings.

I will provide **the next update to the European Parliament and the Council** in the second semester of 2026 on additional simplification and implementation measures undertaken at my direction between 1st August 2025 and 31st July 2026.

Annex: Examples

Technical Assistance and Information Exchange (TAIEX)

TAIEX is a key European Union instrument for institutional capacity-building worldwide, providing targeted and rapid support to public administrations in EU candidate countries and beyond. As a cornerstone of EU integration efforts, TAIEX plays a pivotal role in enhancing the implementation of the EU's Enlargement and Eastern Neighbourhood policies, notably by **accelerating legal and regulatory alignment with EU standards, strengthening governance frameworks, and driving socio-economic reforms directly linked to the accession and gradual integration processes**. By drawing on the expertise of public sector from all 27 EU Member States, it fosters peer-to-peer exchanges, facilitates best practice sharing, and builds institutional resilience, ensuring that partner countries are equipped to implement meaningful and lasting reforms.

Since May 2025, TAIEX is **strategically prioritising activities that directly contribute to accelerating the accession process of candidate countries**, directly supporting partner countries in meeting EU *acquis* benchmarks in the framework of formal accession negotiations as well as Reform Agenda obligations, and furthering the gradual integration of partner countries to the internal market.

Between 1st January and 31st July 2025, **337 TAIEX events** were organised for the benefit of ENEST countries. Key examples include:

- **TAIEX multi-country workshop on the transposition of the EU Digital Markets Act** (February 2025): Commission Services and TAIEX experts shared their experience and knowledge on practical implementation of provisions of the Act (including obligations and prohibitions for 'gatekeepers') and advised on the legal and institutional framework. Alignment with this legislation is a requirement under Chapter 10 of the EU *acquis* – Digital Transformation and Media.
- **TAIEX multi-country workshop on Gigabit Infrastructure Act** (June 2025): This workshop provided a legislative overview of the Act to telecommunications officials and experts from Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia, Moldova, and Ukraine and will help to reduce the costs associated with the deployment of electronic communications of very high-capacity networks. This workshop is crucial in addressing some of the reform steps foreseen in the Reform Agendas for the Western

Balkans and Moldova, and the Ukraine Plan as well as Chapter 10 of the EU acquis – Digital Transformation and Media.

- **TAIEX support to Single Euro Payments Area (SEPA) accession:** Several expert missions were organised to support the central banks of Montenegro, Ukraine and Moldova in aligning with EU financial sector rules and standards for credit transfers and direct debits, payment security requirements, and interoperability with EU systems, in view of accession to the Single Euro Payments Area (SEPA). Montenegro and Moldova were included in the geographical scope of SEPA in November 2024 and March 2025 respectively, with the Operational Readiness Date for payment service providers expected in October 2025.
- **TAIEX support to trade and market access:** In 2025, TAIEX has supported Serbia and Moldova in the preparation of Agreements on Conformity Assessment and Acceptance of Industrial Products (ACAAs), notably strengthening standardisation, accreditation, and market surveillance bodies. These actions are essential steps towards facilitating the access of industrial products from Serbia and Moldova to the EU internal market under future ACAA agreements. More information on past, present and future TAIEX activities can be found on the [TAIEX Database](#).

Calls for Expressions of Interest for private sector to invest in ENEST countries

In order to improve implementation of the EU's ambitious investment agenda in the Enlargement and Eastern Neighbourhood region and to better target our substantial toolbox of financial instruments, DG ENEST has launched in the reporting period a series of [Calls for Expressions of Interest](#) for EU, EEA and local businesses who seek to invest in areas of strategic interest. The objective of these calls is to enter into dialogue with private companies on concrete investment opportunities, with a view to build a pipeline of transformative private investments, aligned with EU policy priorities.