



Funded by the  
European Union

# EU4Environment

Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine

## Greening Small and Medium-sized Enterprises in Eastern Partnership Countries – A Regional Event

29-30<sup>th</sup> of June 2021

### Meeting Summary

Event web page:

<https://www.eu4environment.org/events/greening-small-and-medium-sized-enterprises-in-the-eastern-partnership-countries/>

#### Disclaimer

This document was produced with the financial support of the European Union. Its contents are the sole responsibility of its author and do not necessarily reflect the views of the European Union.

Action implemented by:



## Greening Small and Medium-sized Enterprises (SMEs) in the Eastern Partnership (EaP) countries – A regional event

29 – 30 June 2021

### Meeting summary

On the 29 and 30 June 2021, a Regional Meeting on Greening Small and Medium-sized Enterprises in Eastern Partner (EaP) countries of the European Union was held using the Zoom virtual teleconferencing platform. The event brought together officials and experts from the six EaP countries, as well as representatives from the private sector and the international community, to review progress in greening SMEs and to discuss opportunities for strengthening the competitiveness of these businesses, with benefits for the broader environment. It was co-organized by OECD, UNEP and UNIDO within the framework of the EU-funded EU4Environment programme.

The meeting aimed to:

- Share ongoing work on supporting the greening of SMEs, including new plans and policies, as well as examples of projects supported by the EU4Environment programme;
- Provide insights on Resource Efficient and Cleaner Production (RECP) in manufacturing processes, including challenges and lessons learned;
- Present business perspectives of SMEs, industrial parks, Free Economic Zones (FEZs) and territorial authorities with regards to introducing Circular Economy practices and principles;
- Share experiences, lessons learned and best practices in reviewing SMEs' value chains and business strategies to improve their socio-environmental performance and overall competitiveness; and
- Discuss the challenges and opportunities for promoting eco-innovation among SMEs in EaP countries, as well as how these can inform/guide the related activities of the EU4Environment programme.

**The event was opened** by Ms. Angela Bularga, Programme Manager, Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR), European Commission, who among other things, stressed that the European Union's assistance to the EaP region remains focussed on achieving practical results, and underlined the importance of SMEs in bringing about tangible changes to green value/supply chains as well as consumer choices.

**During Session 1, dedicated to the progress on policies to green SMEs in EaP countries**, Mr. Daniel Quadbeck, EU4Business Programme Co-ordinator, Global Relations Secretariat, OECD, provided an overview of the results of the [2020 OECD SME Policy Index for the Eastern Partnership](#), discussing the different dimensions as well as the methodological approach. He stressed some good progress on supporting SMEs in general and presented several specific instruments that the governments of the EaP countries apply to support the growth of SMEs, strengthening their productivity and better access to international markets.

Following that, Mr. Guy Halpern, Policy Analyst, Environment Directorate, OECD, presented the results from the greening SMEs dimension of specifically, mentioning that EaP countries made good progress and that the government showed more interest in supporting SMEs, while stressing the need for stronger communication to SMEs on the business case for “going green”.

**Session 2 focussed on policy approaches to supporting green SMEs.** Mr. Ion Lica, Head of Green Economy and Sustainable Development Department, ODIMM, Republic of Moldova, provided details on Moldova’s approach to supporting SMEs, which includes capacity building, awareness raising, and financial support. The EU4Environment programme has supported ODIMM both in the planning phase as well as in service delivery, through the development of an online portal where SMEs can receive customised guidance on how they can green their enterprise.

Mr. Yashar Karimov, UNIDO national coordinator on RECP in Azerbaijan, presented the experiences of Azerbaijan in supporting green SMEs, and a representative from the Small and Medium Business Development Agency (SMBDA) of Azerbaijan intervened to note that a similar online tool was currently being supported.

**Session 3 examined regulatory approaches to supporting green SMEs.** Ms. Nino Obolashvili, Head of the Integrated Management Division, Ministry of Environmental Protection and Agriculture, Georgia, discussed the challenges of SME regulation in Georgia, as well as the current regulatory framework. She also presented the process through which a General Binding Rule (GBR) approach to regulating Georgia’s poultry sector was developed with the assistance of the OECD and the Cork Clean Technology Centre (CTC). Some of the details touched upon included the structure of the poultry sector in Georgia, and the challenges of regulating it. Following that, Ms. Eileen O’Leary from the CTC complimented Ms. Obolashvili’s presentation with further technical details about the development of the GBR for the poultry sector, and experiences from different jurisdictions.

**Session 4, was dedicated to methodological approaches and perspectives of the introduction to the eco-innovation and Resource Efficient and Cleaner Production (RECP) under the EU4Environment programme.** During this Session Mr. Vardan Melikyan, International eco-innovation expert, EU4Environment, presented the eco-innovation approach and what is its relevance for SMEs in global crises. Ms. Carolina Gonzalez Mueller, Industrial Development Officer, UNIDO, made a presentation on RECP as a tool for sustainable and inclusive industrial development and a pillar of circular economy, while Ms. Bettina Heller, Programme Officer, UNEP, presented differences and complementarities of RECP and eco-innovation approaches.

On the **second day of the event**, during the introduction Mr. Alex Leshchinsky, Technical Officer, UNEP, spoke about the activities related to introduction of eco-innovation in Georgian and Moldovan SMEs, and how this can contribute to the greening of these countries’ economies, improved access to EU markets, as well as climate change mitigation and adaptation and progress towards circular economy. Ms. Tatiana Chernyavskaya, EU4Environment Programme Coordinator, UNIDO spoke about the practical applications of greening SMEs by EU4Environment to improve their productivity individually and in groups (through Industrial Parks, RECP Clubs and direct work with municipalities supporting co-located industries). She presented examples how these approaches allow for a scale effect in terms of exchanging experience, approaches and by-products, wastes, and residuals resulted once production is completed.

**Session 5 was dedicated to best practices and lessons learned on eco-innovation among SMEs.** The experiences from EaP and EU countries was presented by Ms. Inna Alovatskaia from Palin Construct

SRL (Tehnoprofil) in Moldova; Ms. Irina Gaprindashvili from LLC Grassy in Georgia; and Ms. Shirley Rijnsdorp-Schijvens from Schijvens Corporate Fashion based in The Netherlands.

The session was concluded by a moderated interactive discussion which covered a wide range of questions. Particularly, the profitability and resilience of the presented business models under the current pandemic was underlined. Participants were also interested to learn more about the main factors that made the businesses analyse environmental impacts of their operations and to apply solutions for greater socio-environmental sustainability. Driving factors included aspirations/motivations of upper management, as well as increasing customer demand for greener products/services. The question of accessing support from the governments was also raised, underlining that this depends greatly on the national political context as well as the nature of the business in question. The issue of measuring and reducing the environmental impact of other actors throughout the companies' supply chains was also discussed.

**Session 6 was dedicated to support to greening SMEs provided by the EU-funded programmes in the period 2014-2020 (EaP GREEN and EU4Environment.** During this session, UNIDO experiences from Armenia, Georgia, and Ukraine was presented by Ms. Nune Harutyunyan, UNIDO RECP National Coordinator representing REC Caucasus, Armenia; Mr. George Abulashvili, UNIDO RECP National Coordinator from Energy Efficiency Centre, Georgia; and Mr. Andrii Vorfolomeiev, UNIDO RECP National Coordinator from RECP Centre, Ukraine.

Mr. Johannes Fresner, RECP Senior Technical Advisor of UNIDO, who moderated the session, mentioning that UNIDO has built capacity in the region for more than 15 years in Ukraine, and more than 5-7 years in Georgia and Armenia implementing circular economy and low carbon approaches, and sustainable consumption and production by using the continuous application of preventive strategies to products, processes, and services to increase the efficiency of enterprises and reduce pollution

The participants discussed two programmes funded by the EU in the region and the novel component of EU4Environment that includes the monitoring progress achieved in the EaP GREEN programme. Experience and challenges faced by enterprises in implementing RECP in the last 5-7 years was discussed in a moderated manner by all the participants. In particular:

- in *Armenia* some of the interesting and innovative opportunities were identified by the RECP experts and national teams looking into the recycling and waste management options, to find new solutions for different SMEs (e.g., in fish production, the remainder of waste will be turned into a new product based on the conducted research), with the delivery and fulfilment of RECP recommendations being at 80-90%;
- in *Ukraine*, the RECP Centre has worked with 10 SMEs from EaP GREEN region identifying that the implementation rate of RECP options from 2015-16 was up to 40% - which is a good signal that even after a single intervention (RECP assessment), SMEs continue to improve energy and materials savings. The issue of waste has become more important recently, mainly because of the changes in the national regulations or the pressure coming from international partners. Whereas 5-6 years is a long run for Ukrainian industries, those who got involved in the implementation of the RECP methodology, have received better results than those who did not.
- in *Georgia's* experience the past years of cooperating with SMEs and promoting RECP have been marked by a continuous communication: promotion and awareness raising. The

change in the legal environment and the introduction of Extended Producer Responsibility (EPR) with a focus on waste management will change the pattern for Georgian SMEs.

Among the challenges for RECP implementation, the speakers signalled that RECP measures are mostly funded by SMEs' own resources. There are issues regarding the access to finance, the high interest rates, and collateral, e.g. for over 5 years, Ukraine has had the highest interest rates for banks in the EaP region. Opportunities like the UNIDO GEF loan guarantee fund, start-up funds, green credit lines from the banks, are now needed. The Ukrainian Government is considering creating an eco-modernisation fund for industries – however, the main issue is the gap in communication between SMEs, the banks and local financial institution. These challenges were presented as the main reasons for why SME still prefer using their own money for implementing RECP measures.

The COVID situation was also mentioned as a challenge for overall businesses development as some SMEs were closed for several months, and how the social aspects (health and safety) of RECP methodology helps to reflect the pandemic measures for the companies to stay open. In conclusion it was mentioned that SMEs need a tailored support to develop a green path.

**At the Session 7 dedicated to transition from RECP to Circular Economy principles**, the moderator Mr. Ankit Kapasi, Eco-Industrial Parks Expert of UNIDO from SOFIES Group, presented policies for eco-innovation and RECP for clusters of SMEs such as Industrial Parks and Free Economic Zones – here, SMEs play a significant role having an impact on environmental sustainability.

The ways how Eco-Industrial Parks (EIP) and Industrial Waste Mapping (IWM) can be employed in greening the SMEs in Belarus and Ukraine were discussed. Prof. Siarhei Darozhka, Adviser from the national RECP Center, Belarus confirmed that promotion of EIP is difficult because it is a novel topic and requires good calculations to avoid mistakes or lead to future disruptions in the operations of the entire system. The challenges of work with Minsk and Mogilev Zones was presented together with an outlook to perspectives in expanding it to the Industrial Park “Great Stone”, which was not designed as an EIP. The conclusion was that the progress on establishing a methodology for EIP is a long-standing work and requires national approach and awareness on the achievements and results of transition to EIPs in Belarus conditions.

During the discussion on developing Industrial Waste Maps (IWM) the importance of discussions with industries and/or SMEs was underlined in the context of the significant amounts of waste and different forms of resources (energy, water, materials, time) which are available for reuse by others as production inputs. Experience from Sweden was presented by Ms. Malin Norling, Climate Strategist and Project Manager, Environment Department, City of Malmö that focuses on the work in industrial symbiosis, dealing with issues of waste from industrial and urban settings. Ms. Kateryna Savchuk, Director, Regional Development Agency of Khmelnytskyi oblast presented Ukraine's experience, where the agency helps promote IWM in Khmelnytskyi oblast and in the region by searching for key enabling actors and bringing together different organizations into the project. It is particularly important in the case of Ukraine, where a law on banning plastic packaging will be passed affecting many regions. Replacing plastic packaging with alternatives is a real challenge for many SMEs. The Agency also views the IWM introduction as an opportunity for the development of the region in establishing an extensive network of consultants who can help retailers, small and large commercial stores, SMEs, and businesses to shift to other types of packaging. She also provided an example where capacities of a cardboard and paper factory which can implement new processes and produce environmentally friendly packaging could be used. In conclusion it was agreed that partnerships are key to the success of any project as stakeholders (ranging from project developers to the very civilians) can help generate innovative ideas and support introduction of EIPs and IWMs in the region.

---

**In conclusion remarks** Ms. Tatiana Chernyavskaya stressed that UNIDO uses the examples of European countries as a reference when promoting best practices. Countries with more developed economies can support the greening of economies in the EaP region showcasing introduction of industrial symbiosis and similar activities to specific clusters of enterprises. During the summary of the event it was also agreed that a dedicated session on how to finance the greening of SMEs in the EaP region is well warranted and should be organised as a follow up of this regional event.



Funded by the  
European Union

## EU4Environment

Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine

### Meeting participants

The workshop had 168 registered participants representing government, business, academia, civil society, as well as international institutions. The list of registered participants is provided below.

N	First Name	Last Name	Affiliation	Country
1.	Fatima	Velizade		
2.	Lizaveta	Minchanka	UNIDO NIP, RECP Center	Belarus
3.	Lilia	Radu		Moldova
4.	Natalia	Tretiak		Ukraine
5.	Nicolae	Popovici		
6.	Vadim	Iatchevici	UNIDO national IP Expert	Moldova
7.	Ion	Gavgaş		Moldova
8.	Natalia	Pavlikha		
9.	Nadejda	Strelciuc		
10.	Constantin	TURCANU	ODIMM	Moldova
11.	Alexandru	Casap		
12.	Ion	Lica		Moldova
13.	Diana	A		
14.	Ana	Nartea		
15.	Parvin	Karimzada		Azerbaijan
16.	Daniel	Quadbeck		
17.	Aliona	Andreiciuc		
18.	Natalia	Jernovaia		

Action implemented by:



19.	Ana-Carolina	Barbieru		
20.	Maria	Nagornii	NFP	Moldova
21.	Alexandru	Gincu		Moldova
22.	Oxana	Paladiciuc		Moldova
23.	Nurlan	Hashimov		
24.	Daria			
25.	Corina	Iordachi		Moldova
26.	OLESEA			
27.	Ianolina	Furculița		
28.	Ilias	Zhumabaev	GIZ	
29.	Igor	Golban		
30.	Serhiy	Pizentsali		
31.	Nino	Kvantrishvili	CIDA	Georgia
32.	Igor	Afteniuc	ODIMM	Moldova
33.	Viktoriia	Hurochkina		Ukraine
34.	Cristina	Ceban		
35.	Aurelia	Bahanru		Moldova
36.	Mia	Dubois	OECD	
37.	Roxana	Tompea	UNIDO	Austria
38.	Vadim	Caraulan		
39.	Sophia	Tabatadze		Georgia
40.	Johannes	Fresner	UNIDO	Austria
41.	Nadezhda	Avramova		
42.	Tigran	Oganezov	UNIDO NIP	Armenia
43.	Corina	Taranu		
44.	Hannes	Mac Nulty		
45.	Tamar	Jangulashvili		Georgia
46.	Bettina	Heller	UNEP	France
47.	Oleg	Dulgaryan		Armenia
48.	Lilia	Radu		Moldova
49.	Stela			
50.	Yashar	Karimov	UNIDO NC	Azerbaijan



51.	Olga	Olson	OECD	France
52.	Irina	Vasiliev		
53.	Aurica	Vrancea		
54.	Elmar	Isayev		Azerbaijan
55.	Olga	Banaru		
56.	Valeriy	Kokot		
57.	Veronica	Cazacu		Moldova
58.	Florentina	Jomir		
59.	Ludmila	Abramciuc		Moldova
60.	Moisei	Vasile		
61.	Geno	Dzidziguri		Georgia
62.	Salome	Zurabishvili		Georgia
63.	Tamar	Abzianidze		Georgia
64.	Victoria	Musinschi		Moldova
65.	Mariam	Murachashvili		Georgia
66.	George	Abulashvili	UNIDO NIP NC	Georgia
67.	Kiryl	Saltykou		
68.	Tofig	Hasanov	UNIDO NIP	Azerbaijan
69.	Oksana	Sakal		Ukraine
70.	Vasile	Niculiță		Moldova
71.	Shameer	Khanal	GIZ	
72.	Tamar	Jangulashvili		Georgia
73.	Vardan	Melikyan	UNEP	Armenia
74.	Dshkhuhi	Sahakyan	UNIDO NIP	Armenia
75.	Giorgi	Muradovi		Georgia
76.	Jahangir	Mammadzada	UNIDO NIP	Azerbaijan
77.	Svitlana	Romanko		
78.	Alexandru	Badarau		
79.	Boris	Ceban		
80.	Bakur	Kvaratskhelia	CIDA	Georgia
81.	Olesea	Stavila		
82.	Malin	Norling	Malmö City	Sweden

83.	Aliona	Nazaria		
84.	Vasyl	Martyshko		
85.	Dzmitry	Konik	UNIDO NIP	Belarus
86.	Maya	Kobalia		Georgia
87.	Davud			
88.	Tatiana	Chernyavskaya	UNIDO	Austria
89.	Ludmila	Castravet		
90.	Yevgen	Groza		Ukraine
91.	Nazeli	Vardanyan		Armenia
92.	Lena	Hovhannisyan		Armenia
93.	Malkhaz	Adeishvili	NAC	Georgia
94.	Ilona	Panurco		
95.	Levani	Pangani		
96.	Anastasia	Leanca		
97.	Ilya	Petrov		
98.	Elena	Lupu		Moldova
99.	Dumitru			
100.	Georgii	Geletukha		
101.	Olena	Maslyukivska	NAC	Ukraine
102.	Rie	Tsutsumi	UNEP	Switzerland
103.	Elena	Culighin		
104.	Aliaksandr	Shushkevich	UNIDO NIP	Belarus
105.	Nune	Harutyunyan	UNIDO NIP NC	Armenia
106.	Olga	Banaru		
107.	Nataliia	Vyniarchuk		
108.	Aurelia	Sarari	UNIDO NC	Moldova
109.	Alesia	Hacura		
110.	Robert	Reinhardt		
111.	Mudassar	Adil		
112.	Shabnam	Sadigova		
113.	Krzysztof	Michalak	OECD	France
114.	Asel	Albanova		

115.	Liliana	Josan		
116.	Carolina	Gonzalez	UNIDO	Austria
117.	Anton	Deleu		
118.	Zoom user			
119.	Olha	Halytsia		
120.	Ion	Dumbravă		
121.	Andrii	Vorfolomeiev	UNIDO NIP NC	Ukraine
122.	Irina	Sakovich		
123.	Svetlana	Rudenko		
124.	Yulia	Makliuk		
125.	Tigran	Sekoyan	NAC	Armenia
126.	Natalia	Chesnik		
127.	Olha	Melnyk		
128.	Carp	Rodica		
129.	Capatina	Teodor		
130.	Karine	Danielyan		Armenia
131.	Andreea	Stirbu		
132.	Thomas	Jentsch		
133.	Petru	Botnaru		
134.	Gabriela	Cordoba	UNIDO	Austria
135.	Ion	Sova		
136.	Nino	Obolashvili		Georgia
137.	Marina	Kalinouskaya		
138.	Vasile	Pojoga		
139.	Negrescu	Tatiana		
140.	Sergiu	Bîzdîgă		
141.	Ana	Sarjveladze		Georgia
142.	Christina	Rudnytska		
143.	Victoria	Tudosan		
144.	Alexandra	Mlainovskaya		
145.	Andrii	Sukhoriabov		
146.	Ludmila	Anastasov		

147.	Olga	Simak	EUD	Ukraine
148.	Liudmyla	Musina		Ukraine
149.	Sergiu	Robu		
150.	Tamar	Koberidze		Georgia
151.	Elena	Cojocar		
152.	Tural	Valiyev		
153.	Andrei	Isac	NAC	Moldova
154.	Garik	Grigoryan		Armenia
155.	Alex	Leshchynskyy	UNEP	Switzerland
156.	Alexander	Cula		
157.	Corina	Gribincea		
158.	Tatiana	Chiriac		
159.	Elmar	Mammadov		
160.	Sergey	Zavyalov		
161.	Irina	Banuh		
162.	Serghei	Topal		
163.	Anatoli	Marinov		
164.	Yevhenii	Kovalenko		
165.	Ghennadi	Stoicev		
166.	Andrii	Sukhoriabov		
167.	Ankit	Kapasi	UNIDO EIP Expert	India
168.	Andriy	Vovk		