



ევროკავშირი  
საქართველოსთვის  
Project funded by the European Union

**EU4Environment**  
Green Economy in Eastern Partner Countries

# Towards a Green Economy with EU4Environment in **Georgia**

EU4Environment  
stands in solidarity  
with the people of  
Ukraine



Wind farm  
in Georgia.

## Achievements in **2021-2022**

Action implemented by:



Since 2019, the EU-funded EU4Environment Programme has been supporting Georgia, along with the other Eastern Partner (EaP) countries, in pursuing a path of green transformation. It helps preserve their natural capital and increase people's environmental well-being by supporting environment-related action, demonstrating and unlocking opportunities for greener growth, and setting mechanisms to better manage environmental risks and impacts. To this end, it integrates into a single strategic framework greener decision making, circular economy, smart environmental regulations, ecosystem protection and knowledge sharing.

Following the European Council decision to recognise the European perspective of Georgia, EU4Environment reinforces its support for accelerated alignment of Georgia's legal framework with the EU acquis.

In 2021, the Ministers of Environment of the Eastern Partner countries recognised the European Green Deal (EGD) as a benchmark for their national policy design. Since then EU4Environment has built the provisions of the EGD into its activities.

In early 2022, the current work under EU4Environment became known as "EU4Environment – Green Economy". This change was driven by a launch of a new programme under EU4Environment umbrella: "EU4Environment – Water and Data".

This brochure highlights selected achievements under "EU4Environment – Green Economy" in 2021-22, showing tangible results in Georgia and at the regional level.



## Greener decision making in Georgia

- An in-depth course trained **12 civil servants** on green economy. The **introductory course on green economy** in the Georgian language was made available to strengthen capacity of civil servants and the general public.
- The **pilot strategic environmental assessment (SEA)** of the spatial plans for **Gurjaani municipality** and for **Gurjaani town** provided hands-on learning to the Ministry of Environmental Protection and Agriculture, the National Environmental Agency and the Ministry of

Regional Development and Infrastructure on the SEA of spatial plans. These were in line with international good practice and standards.

- A video on **transboundary environmental impact assessment (EIA)/Espoo Convention** available in Georgian helped raise public awareness about and promotes application of transboundary EIA in compliance with international law.



### OUR SUCCESS STORY – Qartuli Ferma in Tbilisi

“Qartuli Ferma” is a small company, based in Tbilisi, that makes dairy products. Its process requires substantial energy sources for heat exchange (pasteurising, cleaning and preparing raw materials) and electricity (cooling, packaging and general production lines). Water is also crucial for cleaning and proper compliance with food safety standards and heat generation.

To respond to these challenges, Qartuli Ferma was encouraged to adopt the Resource Efficient and Cleaner Production (RECP) methodology to improve its use of resources (leading to cost reduction and better environmental stewardship). The potential return for adopting resource efficiency strategies in the dairy sector is high. It directly affects competitiveness, social acceptability and environmental compliance. In 2015, the company became a “demonstration” enterprise under the EaP GREEN project, motivated to reduce its energy consumption and improve environmental performance.

“Our company had significant energy and water consumption... the results of the RECP measures exceeded our expectations. They led to a decreased energy and water usage, and a significant reduction of waste,” said Roman Ishkhneli, chief engineer. The overall results included:

- 40% reduction of water consumption per tonne of product
- 14% reduction of thermal energy consumption per tonne of product
- 29% reduction of electricity consumption per tonne of product
- energy savings that generated a reduction of 4.75 tonnes of CO<sub>2</sub> eq/year.

### Saving achievements

#### MAIN IMPLEMENTED ACTIONS

Option 1: Insulating the surface of the steam boiler  
Option 2: Insulating an additional tank for the cooling water circulation  
Option 3: Replacement of the electric water heater with a heat exchanger

#### ECONOMIC KEY FIGURES

	Investment (Euro)	Saving (Euro/year)	Payback period (Years)
Option 1:	85	219	0.4
Option 2:	400	1,317	0.4
Option 3:	200	1,151	0.2
<b>Total:</b>	<b>775</b>	<b>2,741</b>	<b>–</b>

#### RESOURCE SAVINGS

	Water (m <sup>3</sup> /year)	Energy (kWh/year)	Fuel (natural gas) (m <sup>3</sup> /year)
Option 1:	–	7,200	735
Option 2:	810	–	–
Option 3:	–	21,513*	1,109
<b>Total:</b>	<b>810</b>	<b>28,713</b>	<b>1,844</b>

#### TOTAL POLLUTION REDUCTION

	CO <sub>2</sub> eq (t/year)	Wastewater (m <sup>3</sup> /year)
<b>Total:</b>	<b>4,756</b>	<b>810</b>

## Circular economy and new growth opportunities in Georgia

- **Two Resource Efficient and Cleaner Production (RECP) clubs** were established in Lower Kartly and in Kakheti and developed RECP action plans for 17 enterprises.
- Over **40 small and medium-sized enterprises (SMEs) and individuals** were awarded participation certificates upon completion of the coaching on the RECP methodology provided within the RECP clubs.
- Industrial waste mapping developed in two regions, **Rustavi** and **Zestaponi**, helped enterprises consider practices that minimise waste, as well as options for industrial symbiosis.
- An RECP training programme helped **13 Georgian experts** to gain theoretical and practical knowledge for in-plant RECP assessments.
- The RECP demonstration programme for food and beverages, construction materials and other industries helped identify **profitable RECP measures** related to energy consumption. Reduction of energy losses and better efficiency of energy conversion is the main priority area for ten demonstration companies.
- RECP website and partners' Facebook pages helped raise awareness on circular economy and RECP.
- **The RECP network** helped 35 stakeholders share knowledge on micro electricity and solar power plants application in the country.
- The national conference on RECP during the EU Industry Weeks 2022 reached more than 70 stakeholders, helping promote **green transition for industrial enterprises** in Georgia and inform on related financial opportunities.
- Support to the State Procurement Agency helped develop a regulation on **sustainable public procurement (SPP)**. It included development of relevant manuals (guidelines) to adapt and implement the newly developed SPP primary and secondary legal provisions. It also identified priority products and services for future SPP pilot tenders. As well, it published guidelines with sustainability criteria for selected priority goods and services.
- The SPP video (with benefits described in the Georgian language) as well as awareness raising and capacity building events, reached more than **170 participants**, including SMEs. They explained SPP legal provisions, priority products, market readiness and SPP criteria for selected products.
- Following an assessment of the availability and effectiveness of ecolabelling in the country, training materials on ecolabelling helped introduce more than **53 officials and experts** to international best practices.
- Technical studies that reviewed the National Waste Action Plan 2016-20 and evaluated the current and planned waste management and existing infrastructure helped update Georgia's **National Waste Management Strategy 2016-30** and develop the new **National Waste Action Plan 2021-26**.
- The market assessment of the eco-innovation potential in key subsectors was finalised, with **eight SMEs** selected from hospitality and agriculture sectors to develop roadmaps for introducing eco-innovation.



### OUR SUCCESS STORY – EU4Environment contributes to green transformation of Georgia

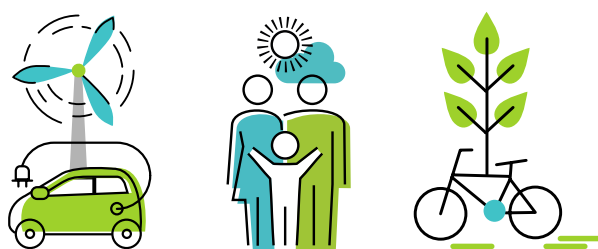
EU4Environment launched a free ten-hour e-learning course "Introduction to the Green Economy" in Georgian. Upon completion, learners obtain a certificate. The course includes basic concepts, policy instruments and international frameworks that promote inclusive green economies at all levels. The course consists of five modules with interactive exercises that reinforce learning.

### OUR SUCCESS STORY –how can green investments benefit small business in Georgia?

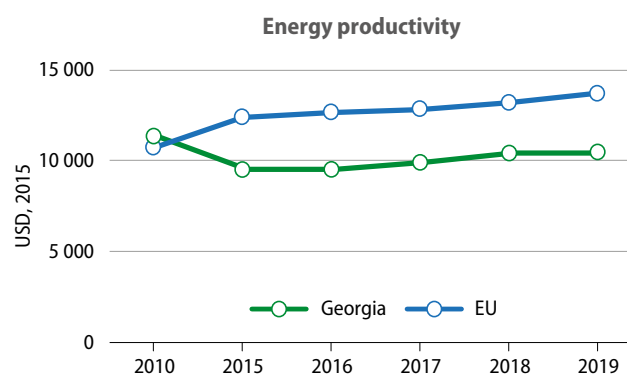
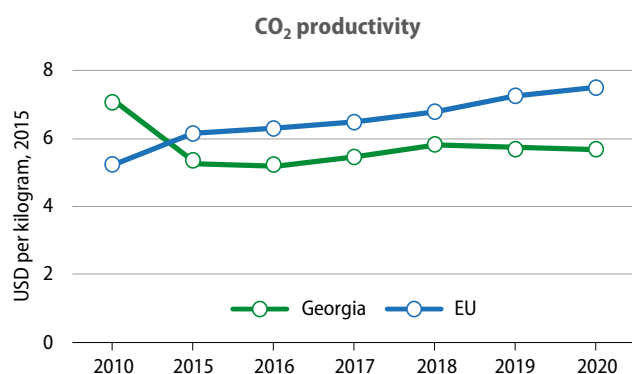
Implementing a green project for SMEs can generate both private and societal benefits. Small businesses may invest in green projects for several reasons, even if regulations do not require it: cutting costs, market edge, green supply chains and environmental impact. EU4Environment released e-cards to walk through the benefits, introduce application procedures and incite entrepreneurs to invest in green projects.

# Environmental level playing field and monitoring progress at environment-economy nexus in Georgia

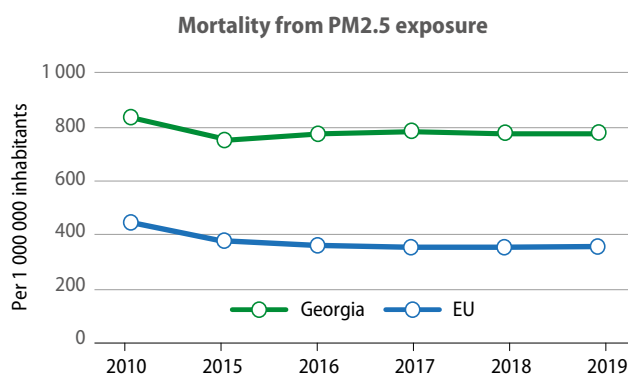
- The assessment of Georgia's environmental compliance assurance system took stock of the current system, identified weaknesses and recommended improvements.
- Development of a green public investment programme helped re-use biodegradable waste of households, agricultural production and food and beverage production and services by supporting mainly small-scale but replicable investment projects. The public support programmes help leverage private domestic investments and international co-financing into local projects that bring environmental and socio-economic benefits.
- A webinar prepared with experts from Denmark, Italy and the bioenergy sector (international community) shared best examples of using agricultural residues for energy.
- Analysis as part of work on "Greening debt capital markets in EaP countries and the role for green bonds" helped assess the country's readiness to absorb debt capital financing for green investments.



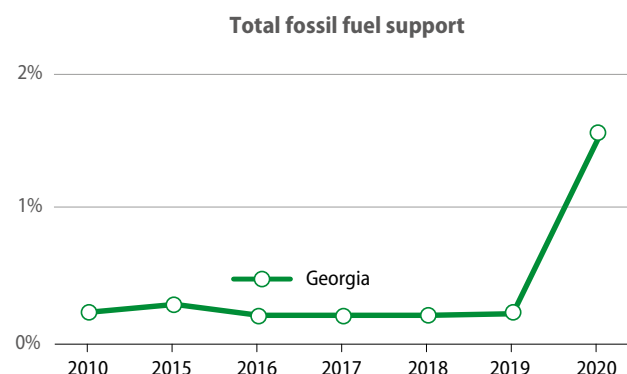
## Economic growth partially decoupled from use of natural resources, but pressures remain



## Progress in improving quality of life, but more can be done



## More economic opportunities can be unlocked



## Ecosystem services and livelihoods in Georgia

- In 2021, the World Bank joined EU4Environment, in part, to help preserve biodiversity and protect forests in Georgia.
- In 2022, the main focus of EU4Environment in Georgia is advancing establishment and management of forest areas in the **Emerald Network** within the Emerald sites, including support to:
  - analyse experience in Emerald sites' management in Georgia with emphasis on forests: patterns, challenges, areas for improvement;
  - provide an overview and analysis of forest management guidelines/regulations and practices applied in Natura 2000 sites in the European Union;
  - develop guidelines for managing forest habitats within the Emerald sites of Georgia and facilitate formalisation of the guidelines by relevant authorities;
  - build capacity for implementing the guidelines.
- In 2022, the Program will also focus on supporting communities in the management of forests and other natural resources through exploring opportunities for using forest biomass and timber processing waste in the production of fuel briquets for firewood-dependent communities, developing eco-touristic development plans and guidelines for managing forest stands in peri-urban areas.



**DID YOU KNOW?** ... that the Emerald Network in Georgia contains 66 sites, which cover nearly one-fifth of the country's area? This is a great increase compared to the amount of land protected before signing the Bern Convention. Georgia's biodiversity is distributed in three terrestrial bio-geographical regions. The largest (Alpine) encompasses the Greater and Lesser Caucasus ranges and the central part of the country. The Black Sea Region covers the lowlands in the west, while the relatively small Steppe Region extends into Georgia from Azerbaijan in the east. The country is home to 150 habitats, 117 bird types and 129 types of non-avian species protected by the Bern Convention.





## Highlights of regional activities

- Regional webinars and workshops on **sustainable public procurement** and **eco-labelling** raised awareness on standards to green products and highlighted success stories for nearly **540** registered participants.
- A new SME-targeted **I-GO tool** was presented to EaP countries to enhance knowledge exchange among 70+ practitioners and support RECP application in the EaP and Central Asian countries.
- The regional meeting on **Greening Small and Medium-sized Enterprises in the EaP countries** attracted more than 150 participants, identifying opportunities to strengthen **business competitiveness**. The event showcased developments of RECP and EIPs, as well as the application of industrial waste mapping methodology in EaP countries.
- A leaflet to introduce **EU Single Market for Green Products** and its Product Environmental Footprint tool for industrial enterprises and experts of EaP countries was launched on the occasion of the EU Green Week.
- A monthly series of selected stories was launched to present local manufacturing enterprises undergoing **RECP assessments** in the EaP region under the #GreeningTheIndustry communication campaign.
- The regional analytical study assessed the status of the **EPR schemes** for packaging waste in the EaP countries, with best practice case studies from EU member states.
- During the three regional webinars on building capacity for **EPR**, **180** representatives from EaP countries (with nearly half of them female) exchanged experiences and learnt from examples of EU countries.
- An **English version** of the video on benefits of the **SPP concept** was produced and promoted at EU Green Week.
- The second regional meeting on **environmental compliance assurance**, involving **77 participants** from the OECD and EaP countries, discussed comprehensive environmental enforcement policies and tools to enforce compliance, and the optimal combination of penalties for non-compliance.
- A capacity-building seminar on **information systems**, organised with the Scottish Environment Protection Agency for more than **50 participants**, showcased a range of information systems used by permitting and inspection authorities in Europe. It covered existing low-technology solutions, more advanced systems and potential pitfalls in the development of such systems.



- The second **capacity-building seminar on joint environmental inspections** with 55 participants from Eastern Partner and OECD countries included a practical exercise where participants brainstormed a joint inspection plan for waste shipments.
- EaP policy makers gained knowledge from the **international compliance network** through trainings and events. These were organised by the EU Network for Implementation and Enforcement of Environmental Law (IMPEL) and the EU Forum of Judges for the Environment (EUFJE). They included “Criteria for the Assessment of Environmental Damage”, “Practical Perspectives on Waste Enforcement Planning and Inspections with a Focus on Forensic and Damages Analysis Relating to Waste Crime” and “Strategies for Verification of Self-monitoring and Reporting on Air Emissions Workshop”.
- Four webinars on **greening public expenditure** for government officials supported design and implementation of green public investment programmes in the EaP countries. The webinars shared experience in managing similar expenditure programmes in the EU countries. These included use of environmental funds in the Czech Republic and Poland and alternative schemes in Austria, Switzerland and the Netherlands. Experts from Denmark, Italy and the international bioenergy sector presented ways of using biodegradable residues for energy purposes. Specialists from Austria, Romania and Slovakia conveyed best practices

on increasing water supply and wastewater treatment in rural and remote areas in their countries.

- The report on **Fossil-Fuel Subsidies in the EU's Eastern Partner countries** was published in [English](#) and [Russian](#). The data from these analyses are now available in the OECD database on government support to fossil fuel production and consumption. The report was supplemented by an additional round of **collection of fossil fuel data** and information that focused on fossil fuel support measures put in place by EaP governments in 2020.
- **Policy Highlights on fossil fuel subsidies** in the EaP region were published, covering 2016-20 with a focus on subsidies in 2020.
- Special sessions on **green bonds** were organised during the 2021 Annual [OECD GREEN Action Task Force meeting](#) and the Sustainable Finance Forum in Eastern Europe, Caucasus and Central Asia. The events shared experience with issuing and using green bonds and provided practical suggestions to newcomers in this market. They also discussed the potential role of **debt capital markets** in financing long-term green infrastructure investments in the region.
- EU4Environment participated in the **communication campaign** “Invest in our Planet” around Earth Day 2022. It contributed articles on “Greening the industrial sector” and “How tracking fossil fuel subsidies can help secure more resources for the green energy transition”.
- The third annual [Regional Assembly](#) assessed EU4Environment progress on greening the EaP economies. It was attended by **110 people**, including high-level participants at the level of state secretary and deputy ministers from the EaP countries.
- **Over 250 000 people** in the region were reached by five national and large-scale communications campaigns on various topics such as zero pollution, waste management, green economy and EU Green Deal promotion.
- The EU4Environment website reached **360 000 people**, while social media reached **500 000**.
- EU4Environment [newsletters](#) were sent to more than **600 recipients**.





# New Programme in the EU4Environment family launched in 2022

## Water Management and Environmental Data

In early 2022, the launch of a new programme – “Water Management and Environmental Data” in the Eastern Partner countries (“EU4Environment – Water and Data”) – reinforced EU4Environment.

The new programme will contribute to improving sustainable water resources management by focusing on the following: strengthened river basin management planning; water allocation; increased stakeholder involvement; promotion of novel approaches to water monitoring, including for COVID-19; progressing the water and health agenda; transboundary cooperation; improved economic soundness of water strategies and policies; and support to finance mobilisation for priority interventions. National-level progress will be focused through multi-stakeholder national policy dialogues in each EaP country.

The new programme will also support strengthening environmental information on waste, land use, agriculture,

air and water quality and improve access to this data for decision makers and citizens.

The identified measures build on, and ensure continuity of, the Shared Environmental Information System Phase II and the EU Water Initiative Plus for Eastern Partnership programmes. These two programmes were instrumental for modernising environmental monitoring and data analysis systems, promoting evidence-based policy making and increasing the partner countries’ alignment with EU and international law, in particular the Water Framework Directive.

The implementing partners of “EU4Environment – Water and Data” are Austrian Development Agency (ADA), Environment Agency Austria (UBA), International Office for Water (OiEau) (France), Organisation for Economic Co-operation and Development (OECD) and the United Nations Economic Commission for Europe (UNECE).



## “EU4Environment – Water and Data” in a nutshell

**Objective:** improving people’s well-being and enabling green transformation in line with EU Green Deal and SDGs

### Two pillars:

- **Water resources:** support a more sustainable use of freshwater resources
- **Environmental data:** extend and improve the use of sound environmental statistics

**Countries:** Armenia, Azerbaijan, Georgia, Republic of Moldova, Ukraine

**Duration:** 2021-24

**Budget:** EUR 12.75 million (EU contribution: EUR 12 million)

**Implementing partners:** ADA, UBA, OiEau, OECD, UNECE

**Regional launch event:** 9 February 2022

## About

# EU4Environment

## Green Economy in Eastern Partner Countries



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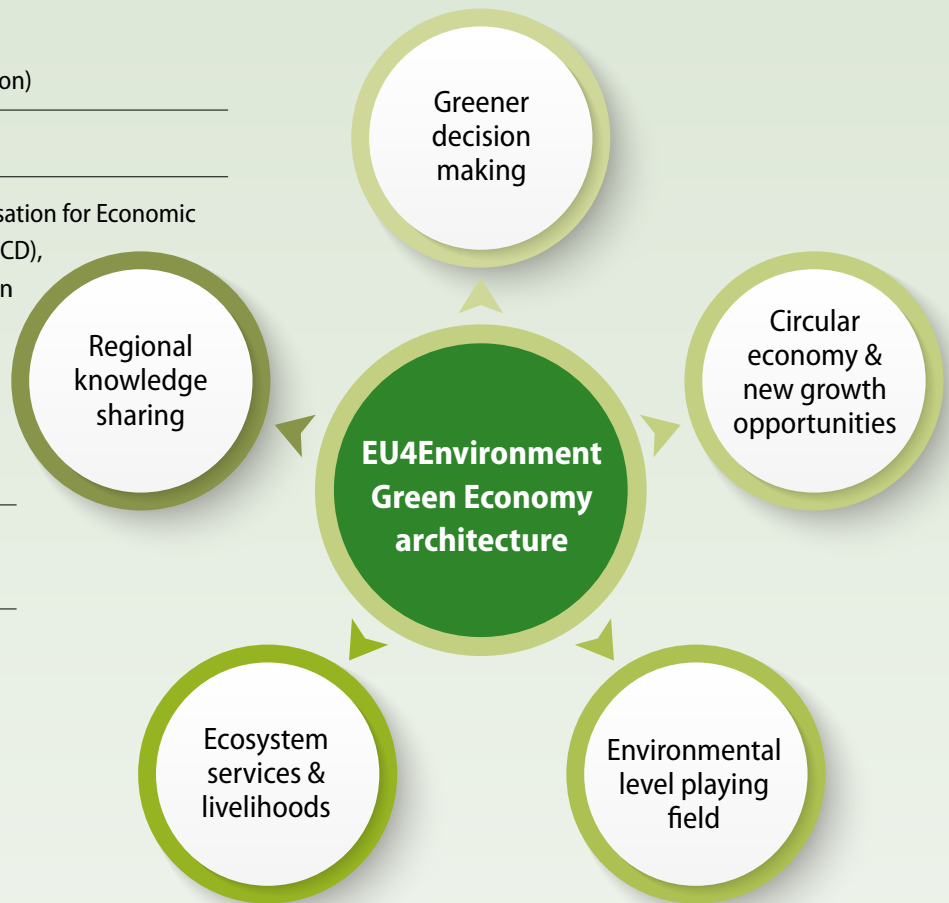
- **Budget:** about EUR 20 million  
(with EUR 19.5 million EU contribution)

- **Duration:** 2019-24

- **Implementing agencies:** Organisation for Economic Co-operation and Development (OECD), United Nations Economic Commission for Europe (UNECE), United Nations Environment Programme (UNEP), United Nations Industrial Development Organization (UNIDO) and the World Bank

- **Overall guidance:**  
European Commission

- **Key national partners:** Ministries of Environment and Ministries of Economy



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