



## **Press release**

EU supports Georgian enterprises to green their export through a better knowledge of the Product Environmental Footprint methodology.

Tbilisi. 24 April 2023 - April marked the completion of an awareness series dedicated to introducing the Product Environmental Footprint (PEF) in the European Union's Eastern Partnership (EaP) countries, with the final event taking place on Monday in Georgia. The online event was hosted under the EU-funded EU4Environment Action to support industries (particularly Small and Medium-sized Enterprises) on their journey towards a greener and circular economy.

The online event gathered over 50 professionals interested in and working on issues related to green economy, circular economy, Resource Efficient and Cleaner Production (RECP), and environmental protection. It raised awareness of the EU Single Market for Green Products (SMGP) initiative, Product Environmental Footprint (PEF) and Organisation Environmental Footprint (OEF), as well as demonstrated the application of the PEF initiative and its relationship to the Circular Economy and the EU Green Deal. In addition, benefits and opportunities of the SMGP and PEF for manufacturing enterprises were also presented. The event concluded with a discussion on the planned activities for introducing the PEF pilots in Georgia and with the invitation for national companies and experts to join the PEF training scheduled at the beginning of May.

Through initiatives such as the EU SMGP and PEF, the European Union works to increase resource productivity whilst decoupling economic growth from resource use and environmental impacts, considering a life-cycle perspective. This is even more relevant in today's production and consumption chain, as it is difficult for consumers to make sense of the many labels on environmental performance of products and companies. Deceptive, vague, or false communication (known as greenwashing) lowers consumers' trust and the credibility of those vested in producing environmentally friendly products. To help curb the phenomenon, the EU is taking action to protect consumers and the environment by proposing a new law on green claims. The Directive aims to make green claims reliable, comparable, and verifiable while establishing a level playing field in the environmental performance of products (regardless if they are produced inside or outside the EU).¹ This will also boost businesses' competitiveness to increase their environmental sustainability and leverage producers' exporting potential and diversification from EaP countries such as Georgia.

Many people in the EU are interested in making a personal contribution to a greener economy through their consumer choices. Thus, 94% of Europeans say that protecting the environment is important to them personally. To address this situation, the European Commission has worked to ensure that consumers receive trustworthy information about the environmental credentials of the products they buy, and the meeting today will explain some of our approaches. As last year Georgia received European perspective, it is important for the country to align with the European Green Deal to progress on its European path, said Ms Lieze Vanwymelbeke, Team Leader, Green Deal, Connectivity, Economic and Investment Plan, Delegation of the European Union to Georgia.

The PEF method can help producers measure the environmental performance of their goods or services. This way, producers (Georgian and international) can effectively improve their value chains and reduce resource consumption, pollution, and waste generation, all while confidently positioning their goods in the market of sustainable products (such as the EU Single Market for Green Products).

<sup>&</sup>lt;sup>1</sup> <u>https://environment.ec.europa.eu/topics/circular-economy/green-claims\_en</u>













To achieve the objectives related to the protection of the environment, it is particularly important to maintain and increase the participation and engagement of Small and Medium-sized Enterprises (SMEs) as these enterprises are more flexible in embracing change to make their production more energy and resource efficient, socially effective, and of course, greener, said Mr. David Advadze, Head of the Sustainable Development Support Division of the Energy Efficiency, Renewable Energy Policies and Sustainable Development Department of the Ministry of Economy and Sustainable Development of Georgia.

Besides offering datasets, impact indicators and calculation methods, PEF also gives general rules to product groups so companies can benchmark their progress on a product within a sector or category. In turn, enterprises better understand their environmental performance against competitors (national and European) and build a reputation for producing goods and services that are appreciated in the everyday life of consumers. However, the introduction of PEF is not limited to enterprises. Relevant institutions, organisations, and other interested stakeholders from Georgia and the EaP region are invited to learn more about the PEF methodology and help promote it.

The principles of an environmentally-friendly approach are related to and in support of the private sector, and thanks to the EU4Environment programme, we can also focus on public procurement issues. Here, relevant amendments have been made to the Public Procurement law (being recently adopted). This will support sustainable public procurement and the promotion of green businesses and a circular economy, said Ms. Tamar Aladashvili, Director of the Environmental Information and Education Centre (LEPL) of the Ministry of Environmental Protection and Agriculture of Georgia.

## **Background**

The "European Union for Environment" (EU4Environment – Green Economy) Action helps the Eastern Partnership countries 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 better mechanisms to manage environmental risks and impacts. It is funded by the European Union and implemented by five Partner organisations - OECD, UNECE, UNEP, UNIDO, and the World Bank – over the 2019-2024 period, with a budget of EUR 20 million. For more information about the Action, please visit <a href="https://www.eu4environment.org">www.eu4environment.org</a>.

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