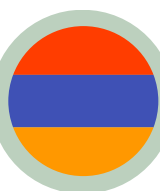




Funded by
the European Union



Advancing resource efficient and cleaner production in Armenia

The RECP methodology

Resource Efficient and Cleaner Production (RECP) is the integrated and continuous application of preventive environmental strategies to **processes, products, and services** to increase efficiency and reduce risks to humans and the environment. RECP is all about producing with fewer resources while minimizing environmental impacts and increasing overall productivity. For **Small and Medium-Sized Enterprises (SMEs)**, the RECP methodology can effectively lower production costs whilst improving the SMEs' competitive advantage and applying environmentally friendly practices. RECP is also an effective tool to introduce and promote Circular Economy principles among SMEs.

"LILIT DZRDZIAN" (HAYKH PLAST) PE - DAIRY PRODUCTION



Company overview

Location: Vanadzor

Key products: metal structures, doors, and windows

No. of employees: 17

Main markets: Armenia

Founding year: 2016

"Lilit Dzerdzian", also known as "Haykh plast", was established in 2016 as a domestic company working in the Lori and Tavush regions of Armenia. In time, the company became determined to expand its activities to the remaining regions of the country by taking part in state and open tenders. The enterprise specialises in producing metallic and plastic-based doors and windows, and pays special attention to the raw materials it uses in the production process by seeking those that have the lowest negative environmental impact. Motivated to improve energy savings, the company participated in the RECP Demonstration Project under EU4Environment (2019-2024). This publication shows the company's experience reported after the monitoring exercise conducted in 2022-2023.

BENEFITS

1

2 RECP options
(focused on
reducing costs)

2

Economic
savings worth
4,000 EUR per
year

3

Short payback
period
(less than a year)

4

Reduction of
annual
CO₂-eq
emissions

Action implemented by:

The project's approach

The RECP assessment examined the production site and identified several RECP options, out of which the following two were prioritised by the company. These recommendations are low-cost measures:

RECP Option 1. Introduction of good housekeeping practices: This would significantly reduce the company's annual expenditures on energy and rental payments, since the leased area is three times bigger than the section actually used for production. In its current size, the company cannot yet provide heating for the whole facility during winter, reason for which its operations are reduced in the cold season.

RECP Option 2. Purchasing light-emitting diode (LED) lamps and correcting power cords: This measure would significantly reduce energy consumption and prevent potential accidents and voltage fluctuations that could damage the equipment.

SAVING ACHIEVEMENTS

Main RECP actions

OPTION 1

Introduction of good housekeeping measures

OPTION 2

Purchase of LED lamps and the correction of power cords

Economic key figures

RECP OPTIONS	INVESTMENT (EUR)	SAVINGS (EUR/YR)	PAYBACK PERIOD (YR)
Option 1:	/	3,000	/
Option 2:	500	1,000	/

Resource savings

RECP OPTIONS	MATERIALS (%/YR)/	ELECTRICITY (KWH/YR)
Option 1:	25	5
Option 2:	1-2*	5

* 1 to 2% glass, metal, and plastic.

Total pollution reduction

RECP OPTIONS	TOTAL CO ₂ -EQ (TONNES/YR)
Total:	0.0002

Company insight

Guided by the RECP methodology, the company can significantly reduce costs and save energy. The implementation of good housekeeping rules (including leasing smaller production areas) could save up to 3,000 EUR, annually. Currently, the company pays between 6,200 -10,000 Euro per year to rent the production area, which is a high amount for the company capabilities. The RECP measures estimate that only 1/3 of the total leased area is used, meaning that the company could save on renting costs by reconsidering the facilities it needs and restructuring its production processes.

The introduction of RECP has been part of the EU-funded EU4Environment Action and executed by UNIDO. In this context, **Lilit Derdzian** joined the RECP Demonstration Project to be monitored under EU4Environment. Follow-up visits have also been conducted to check on the implementation of the recommended RECP options. EU4Environment helps the EU's 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 mechanisms to better manage environmental risks and impacts. For more details, visit: www.eu4environment.org

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