







# 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.

## "SEVANI ISHKHAN-2" CJSC - FISH FARM



## **Company overview**

**Location:** Jrarat

**Key products:** varieties of trout (fresh, chilled, summer, fillets, Gegharkunik, and rainbow trout)

No. of employees: 10

Main markets: Armenia, the USA, Russia

Founding year: 2016

**Certifications:** ISO 9001 and HACCP (in progress)

"Sevani Ishkhan-2" is a fish processing company founded in 2014 within the framework of the programme "Recovery of trout stocks and fish breeding in lake Sevan". The company is based in the village of Jrarat, and it rents its premises from a landlord settled within the production area. In the future, the company plans to move to a smaller production site. The company specialises in the production of freshly-chilled, lightly-salted, and cold-smoked summer, Gegharkunik, and rainbow trout. To become more competitive on the market and to expand its supply, the company has entered the process of acquiring the ISO 9001 and HACCP certification standards. Motivated to address cost reduction and energy savings, the company also 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**



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 include low-cost measures:

RECP Option 1. Using the processed fish remains as a feed additive: This measure would significantly reduce the annual cost of solid waste removal, which is estimated at 5,500 EUR. The measure consists of using the leftovers from the production processes of making filets and smoking fish, and using them as a feed additive for fish and poultry that can be further sold on the market.

RECP Option 2. Installing an alternative water pump with a small capacity: This measure would reduce the annual electricity costs resulting from the use of the existing water pump (which works throughout the whole year). This would be especially helpful in wintertime, when the pump has to protect the water pipe system from freezing, although water is not extensively needed for the everyday operations of the company.

#### **SAVING ACHIEVEMENTS**

### **Main RECP actions**

OPTION 1	Using the processed fish remains as a feed additive	
OPTION 2	Installing an alternative water pump with a small capacity	

## **Economic key figures**

RECP OPTIONS	INVESTMENT (EUR)	SAVINGS (EUR/YR)	PAYBACK PERIOD (YR)
Option 1:	1	5,500	1
Option 2:	450	263	3-5

## Resource savings

RECP OPTIONS	WATER (M³/YR)/%
Option 1:	1
Option 2:	633,600/67

#### **Total waste reduction**

RECP OPTIONS	WASTE (TONNES/YR)/%
Total:	8.63/84

#### **Company insights**

Guided by the RECP methodology, the organisation has the potential to significantly reduce costs, and save energy and water by reducing its production space and reusing waste. Currently, the company pays 20,700 EUR per year only to rent its space. As the production area is large, during the industrial process, the organisation also has to spend more on water, energy, and disinfectants.

The introduction of RECP has been part of the EU-funded EU4Environment Action and executed by UNIDO. In this context, Sevani Ishkhan-2 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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