



The European Union promotes circular economy and new growth opportunities for businesses in Azerbaijan

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Azerbaijan is pursuing its path towards a greener, more sustainable, and resilient economy. This determination is clearly reflected by the approval of the strategic roadmap "National Priorities for Socio-Economic Development: Azerbaijan – 2030" which sets socio-economic development over the next decade. Three out of the five identified National Priorities in the document are directly related to Resource Efficiency and Cleaner Production (RECP) activities. Building a steadily growing competitive economy as well as investing in a clean environment and national "green growth" are all key areas for the industrial sustainable development of Azerbaijan.

Since 2021, through the "European Union for Environment" (EU4Environment) programme, the European Union and other international partners have been supporting Azerbaijani enterprises by promoting RECP as part of its transition to a circular economy. This approach has already brought tangible benefits to 35 businesses, with a particular focus on Small and Medium-Sized Enterprises (SMEs), including waste reduction, improved energy and water use, and long-term cost savings.

The final national conference on introducing circular economy principles in Azerbaijan, organized within EU4Environment, highlighted achievements and lessons learned from the conducted country's RECP initiatives. A number of pilot national enterprises demonstrated the benefits and tangible results in lowering resources use, financial costs and environmental impact in their production while improving their competitive advantages.

"This conference is very timely. It takes place as Azerbaijan is getting ready to host COP29 in November. Enhancing circular economy in Azerbaijan is a key part of that effort. Energy efficiency, sustainable agriculture, water management, etc. are all an integral part of EU-Azerbaijan cooperation," underlined Mr. Viktor Bojkov, Head of Cooperation at the Delegation of the European Union to the Republic of Azerbaijan. He also added: "Enhancing circular economy is directly related to the overall objectives of the EU Green Deal, and the implementation of the European Commission's March 2020 Circular Economy Action Plan. It also contributes to the attainment of the EU 2050 climate neutrality target."

Implementation of RECP practices focuses on maximizing returns through smarter resource use while prioritizing the environment. Therefore, it's not only essential for economic growth but also an important enabler for industries to increase their competitiveness, create jobs, and stimulate innovation. *"Circular economy transforms inputs into products that remain in use as long as possible, minimizing waste and repurposing it as inputs for other economic activities. While collaborating with Azerbaijani businesses, our goal is to assess their business models, enabling them to understand their impact and assisting them in minimizing any negative effects of their economic activities on environment," highlighted Ms. Tatiana Chernyavskaya, Project Manager, UNIDO.* 



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As part of the discussion on the transition to a circular economy in Azerbaijan, the participants were familiarized with the concept of Industrial Waste Mapping (IWM), including the presentation of successful pilot projects conducted in two regions (the Baku and Absheron-Khizi). An efficient waste management system can increase business value for any manufacturing enterprise and contribute to the sustainability of industries. During the discussion the Eco-Industrial Parks (EIPs) methodology was presented to the attendees with focus on creating a more sustainable operating environment for enterprises, promoting competitiveness and jobs creation.

The national event facilitated the discussion on the prospects of greening SMEs through a number of initiatives and methodologies, enhanced knowledge sharing, fostered industrial synergies, and advanced opportunities for future collaboration.

The conference gathered over 60 participants from the government, businesses, Non-Governmental Organizations (NGOs), industry experts, academia, and international organizations.

The EU4Environment RECP activity is implemented by the United Nations Industrial Development Organization (UNIDO), and supported in Azerbaijan by its National Implementing Partner, ACE Group Consultants.

## 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 mechanisms to better 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 2019-2024 period, with a budget of EUR 20 million.

For more details please visit: https://www.eu4environment.org/.

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