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EU⁴Environment
Green Economy in Eastern Partner Countries

Strengthening administrative capacity for green transition in Georgia

State of play and reflections on possible improvements



Action implemented by:



Foreword

A well-functioning public administration is a prerequisite for transparent and effective democratic governance. It is the foundation for the functioning of the state, determining a government's ability to provide public services and to encourage competitiveness and growth.

Public institutions are the principal drivers of a country's economic and sectoral policies. Public authorities also play an important role in aligning various goals and interests and evaluating progress in meeting policy objectives.

The same applies to the institutions that develop and execute policies on environmental management and greening economic growth. They set up ambitious but realistic objectives of environmental policies and design mechanisms that minimize the impact of human activity on the environment and natural resources. Environmental agencies also help build the scientific understanding to meet such objectives as the sustainable use of natural resources, protection of public health, and protection of valued species or places. They also provide needed information and infrastructure, resolve conflict, enforce compliance with rules and facilitate adaptation to change.

Public authorities responsible for environmental management in the Eastern Partnership (EaP) countries are key partners of the EU-funded EU4Environment Programme. The programme supports environment-related action, demonstrates and unlocks opportunities for greener growth, and sets mechanisms to better manage environmental risks and impacts.

EU4Environment analyses the administrative capacity for environmental management and the green economy in Armenia, Azerbaijan, Georgia, the Republic of Moldova and Ukraine to identify strengths and weaknesses of the system and reflect on possible improvements. This report takes a snapshot of administrative capacity in the field of environment management and the green economy in Georgia at the central and subnational levels. It provides recommendations for strengthening the capacity of government institutions and their staff.

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Abbreviations and acronyms

CSO	Civil society organisation
DG	Directorate General
EBRD	European Bank for Reconstruction and Development
ECRAN	Environmental and Climate Regional Accession Framework
EECCA	Eastern Europe, Caucasus and Central Asia
EEA	European Environment Agency
EIA	Environmental Impact Assessment
EPR	Environmental Performance Review
EaP	EU Eastern Partnership
GPP	Green Public Procurement
RECP	Resource Efficient and Cleaner Production
IMPEL	European Union Network for the Implementation and Enforcement of Environmental Law
MEPNR	Ministry of Environmental Protection and Natural Resources
NEF	National Ecological Fund
NFP	National Focal Points
OECD	Organisation for Economic Co-operation and Development
PEF	Product Environmental Footprint
PIU	Project Implementation Unit
PARs	Public administration reforms
RENA	Regional Environmental Network for Accession
REPIN	Regulatory Environmental Programme Implementation Network
SEA	Strategic Environmental Assessment
SBA	Small Business Act
SMEs	Small and Medium Enterprises
TAIEX	Technical Assistance and Information Exchange instrument of the European Commission
UIEP	Unit for Implementation of Environmental Projects
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environmental Programme
UNIDO	United Nations Industrial Development Organisation
WEF	World Economic Forum

Introduction

Background and objectives

The drive to integrate environmental and economic policies

In the European Union's Eastern Partnership (EaP) countries, ministries of the environment traditionally drive ambitious, strategic and legal frameworks for environmental improvements and support policy implementation at national and subnational levels. However, they have been relatively weak compared with other ministries relevant to a green and circular economy (economy and finance). Environmental measures were considered an unnecessary obstacle to economic development.

More recently, environmental ministries have received more support for greening public policies from line ministries. For instance, ministries of economy took the lead on developing national green economy strategies. They also led work on specific policies or regulations related, for example, to sustainable public procurement, greening small and medium-sized enterprises (SMEs) and green finance. The engagement of economic agencies resulted from two factors. First, recognition of how environmental problems affect economic growth has been growing. Second, economic decision makers worldwide have been under pressure to engage in some of the most critical environmental problems.

This study examines Georgia's institutional framework for managing the environmental impacts of human activities and promoting green growth. It also reviews the coordination mechanisms for integrating environmental concerns into sectoral policies; and the roles of central executive and legislative authorities, regional and local governments and civil society organisations (CSOs). It applies universal approaches to administrative capacity, outlining the role of institutions in environmental management and the green economy, and offers good practices, benchmarks and indicators for evaluating governmental performance on the environment.

In this context, the study highlights reform and capacity building efforts. It also points out the main gaps and weaknesses of environmental administration at the national, regional and local levels. Finally, it offers realistic, actionable suggestions for improvement, tailored to Georgia's circumstances.

The study aims to help improve environmental management and support national efforts for a green transition, as well as to help achieve Georgia's international commitments. These commitments are underlined in the EaP Summit declarations, Paris Agreement, the UN 2030 Agenda for Sustainable Development and the European Union's Association Agreement with Georgia (which was signed on 27 June 2014 and entered into force on 1 July 2016). In the EU agreement, environment and climate action are designated as among the main areas of cooperation (Chapters 3-4): "the Parties shall develop and strengthen their cooperation on environmental issues, thereby contributing to the long-term objective of sustainable development and greening the economy."¹ In 2022, the new revised EU-Georgia Association Agenda for the period 2021-27, the main tool for implementing the Association Agreement, was adopted and established the joint priorities in implementing the Association Agreement for 2021-27, notably in the field of the environment (Box 1).²

¹ [https://eur-lex.europa.eu/legal-content/en/TXT/PDF/?uri=CELEX:22014A0830\(02\)](https://eur-lex.europa.eu/legal-content/en/TXT/PDF/?uri=CELEX:22014A0830(02))

² https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2022:218:FULL&from=EN#BK_L_20220817-017EN001_ACT

Box 1. EU-Georgia association agenda 2021-27: Priorities in the field of environment

Short-term priorities (3-4 years):

- Enhance environmental governance by implementing legislation in Georgia on environmental impact assessment, strategic environmental assessment, by adopting and implementing legislation on environmental liability, by ensuring public access to environmental information and public participation in decision-making, by involving all interested stakeholders, as well as by integrating environment into other policy areas and by improving environmental information sharing in line with the principles of the Shared Environmental Information System (SEIS);
- Continue with the implementation of the National Radioactive Waste Management Strategy;
- Ensure the sustainable use of water resources through the adoption and starting implementation of the Law on Water Resources Management;
- Implement the new Forest Code and adopt subsidiary legislation; establish an economically viable state forest management body; finalise the National Forest Inventory and maintain the database;
- Implement the third National Environmental Action Programme of Georgia (2017-2021) according to the NEAP 3 timeframe;
- Develop the fourth National Environmental Action Programme of Georgia, including the five-year programme for water resources, which covers both strategic approaches and action plan;
- Implement the National Waste Management Strategy and measures foreseen in the 2016-2020 Action Plan, and successor plans;
- Ensure a proper assessment of the operational costs of the waste management facilities and establish a proper tariff system for their recovery.

Medium-term priorities (within 7 years):

- Tap the economic potential of a green and circular economy and develop comprehensive green growth policies in all relevant sectors, e.g. by considering a green image of Georgia as a competitive advantage, by incorporating the circular economy principles in the national waste management system;
- Continue the approximation of Georgia's legislation to the EU acquis and implement the provisions of EU Directives and Regulations as provided for in the relevant Annexes of the Association Agreement;
- Adopt and introduce measures for reducing water and air pollution and for the protection of biodiversity, including in the Black Sea;
- Adopt the Law of Georgia on Biodiversity and develop the subsidiary legislation, among others to provide a solid legal basis for the establishment and management of the Emerald Sites, Biosphere Reserves, as well as for the national Red List of endangered species. Protected Area Management should be further strengthened and adequately funded from the public budget;
- Continue the development of air quality monitoring network in key municipalities and most polluted areas. Adopt measures for pollution prevention and control in the most polluted areas (air quality plans). Adopt and implement the Law on Industrial emissions;
- Ensure a proper assessment of the operational costs of the water management facilities and develop proper economic instruments for their recovery;
- Draw up a roadmap for the ratification and implementation of multilateral environmental agreements, including among others the UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes, the Protocols to the Convention on Long-range Transboundary Air Pollution (Protocol to Abate Acidification, Eutrophication and Ground-level Ozone, Protocol on Persistent Organic Pollutants (POPs) and Protocol on Heavy Metals), and the UNECE Convention on the Transboundary Effects of Industrial Accidents. Advance preparations to become a party to the Espoo Convention and its protocol on Strategic Environmental Assessment.

Source: Official Journal of the European Union, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2022:218:FULL&from=EN#BK_L_20220817-017EN001_ACT (see p.42 and pp.76-77).

The study also aims to help guide Georgia on its path towards the EU. On 3 March 2022, Georgia applied for EU Membership. On 17 June 2023 the European Commission recommended in its Opinion to grant a European perspective to Georgia. The recommendation was endorsed by the European Council on 23 June 2022, thus opening up the prospect of European membership. In December 2023, Georgia was granted candidate status, on the understanding that the relevant steps set out in the Commission recommendation of 8 November 2023 are taken, including Chapter 27 on environment and climate change.³ According to this recommendation (Georgia 2023 Report), “Georgia is at an early stage of preparation in the field of environment and climate change” and in the coming year, should: strengthen administrative and inspection capacities in the environment and climate sector and implement structural reforms; align with the EU water acquis; implement commitments under the Energy Community’s Decarbonisation Roadmap and urgently prepare for the Emissions Trading System (ETS) in line with the Energy Community recommendation, notably on the Monitoring, Reporting and Verification of emissions; adopt a climate law in order to enhance the level of ambition of Georgia on climate change mitigation and adaptation and ensure consistent, timely implementation.⁴

The need to build institutional and human capacity

Progress has been made in the EaP countries over the past 20 years in strengthening institutional capacity for environmental management and greening economic growth. However, many government agencies remain poorly resourced, with high staff turnover. Those in charge of the environment face challenges due to insufficient budget allocations and low remuneration of public civil servants. In addition to deficiencies in human and financial capacity, they have been subject to frequent structural changes, including mergers with other line ministries. Although sectoral ministries develop environmental policy, they lack coordination and mechanisms to monitor the environment and green economy issues.

Lack of understanding about the economic cost of poor administrative and institutional capacity in the environmental sector is one reason for the slow pace of institutional reform. Institutional capacity is the “ability to perform tasks and produce outputs, to identify and solve problems, and to make informed choices”. The effectiveness of an environmental administration can be defined as its ability to fulfil its mission to protect the environment, while allowing sustainable economic development.

Insufficient capacity to manage the environment has a number of tangible consequences. These include lack of, or poor-quality, legislation; weak policy implementation and enforcement; low levels of funding for the environment; and, ultimately, a low level of protection of the environment and of citizens’ health.

Institutional structures for managing a country’s environment and natural resources can take many forms. The architecture of public institutions is a result of political, cultural and economic factors. No universal benchmark can be prescribed for assessing environmental capacity. Several benchmarks do exist, however, and a combination of them and other tools could provide guidance.

Public authorities in the EaP countries are the key partners and beneficiaries of the regional EU-funded “EU4Environment – Green Economy” programme, which helps partner countries introduce environment-related actions. The programme can demonstrate and unlock opportunities for greener growth and set up mechanisms to better manage environmental risks and impacts (Box 2).

³ <https://www.consilium.europa.eu/en/policies/enlargement/georgia/>

⁴ https://neighbourhood-enlargement.ec.europa.eu/system/files/2023-11/SWD_2023_697%20Georgia%20report.pdf see p. 100.

Box 2. EU4Environment – Green Economy

The “European Union for Environment” (EU4Environment – Green Economy) Programme aims to help the Eastern Partnership countries preserve their natural capital and increase the environmental well-being of their people. It is structured around five work streams (“Results”): 1) greener decision making; 2) circular economy and new growth opportunities; 3) an environmental level playing field; 4) ecosystem services and livelihoods; and 5) regional knowledge sharing and coordination. EU4Environment is funded by the European Union and implemented jointly over 2019-24 by five international organisations – the OECD, the United Nations Economic Commission for Europe (UNECE), the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO) and the World Bank.

For more information on EU4Environment, see www.eu4environment.org.

Output 3.4 of EU4Environment, which is implemented by the OECD, provides analytical and technical support to strengthen the institutional and human capacity of the public administration for greening the economy. This support is mainly intended for the ministries of environment, as key players of environmental action. However, it also extends to the ministries of economy, as their ability to promote green economy development has increased and requires reinforcement.

As part of this effort, the institutional capacity for environmental and green growth management have been analysed in Armenia, Azerbaijan, Georgia, the Republic of Moldova and Ukraine, to review the strengths and weaknesses of the system and provide recommendations for improvements.

Setting the scene in Georgia

Sound environmental administration can help Georgia’s government achieve its priorities and facilitate the transition to a greener economy. Every country has its own historical and socio-economic context and its constantly evolving priorities, and no single approach to the task can be prescribed. Strengthening environmental governance is a comprehensive continuous process of reforming environmental institutions and building human capital.

Driven by its European aspirations, Georgia, alongside Moldova and Ukraine, has embarked on ambitious reforms. This report comes in the dynamic context of ongoing structural reforms of environmental institutions, laying out a strategic vision and modernising legislation in line with the EU acquis.

Back in 2018, the weight of the environment declined on the government agenda, with a merge of the Ministry of Environment and Natural Resources Protection, which was prior to a merge a separate institution for about 27 years, with the Ministry of Agriculture. However, over the past years, Georgia has significantly accelerated green transition on a number of fronts.

In recent years, several factors have accelerated the drive towards a green transformation. The **COVID-19 crisis** and the deep economic retrenchment shock in 2020-21 focused attention on health and the environment, highlighting the links between social, economic and environmental issues and citizens’ well-being. In Georgia, 11 286 deaths were attributed to COVID-19 in 2021 and 2 632 deaths in 2022.⁵

Another factor was the effect of the Russian war of aggression on Ukraine, started in February 2022. On 3 March 2022, Georgia applied for **EU membership** and on 14 December 2023, it was granted **candidate status** by the European Council. Georgia was included in the Enlargement Package reports for the first time.⁶ The approximation with the EU covers among others the environment. The Commission Opinion on Georgia’s application for EU membership highlighted that in areas of green agenda, environment and climate change, that Georgia needs to make considerable efforts in further legislative alignment with the acquis and the European Green Deal and **strengthening its administration to enable the green transition**. Despite Georgia’s substantial progress in the area of energy by approximating with the EU

⁵ Statistical annual book, https://www.geostat.ge/media/59492/Yearbook_2023.pdf

⁶ https://neighbourhood-enlargement.ec.europa.eu/european-neighbourhood-policy/countries-region/georgia_en and https://neighbourhood-enlargement.ec.europa.eu/document/download/f42aa02a-e8db-46c1-ab44-4d195a135b7a_en?filename=EU-GE%20FS.pdf

acquis, more needs to be done to accelerate the development of renewables, while reducing the dependence on fossil fuels.⁷

The adoption of the **EU-Georgia Association Agenda 2021-2027** (Council decision 2022/793 of 16 May 2022) provides additional push for the reforms, setting joint priorities for implementing the Association Agreement, including in the field of environment (notably, promoting a modern, resource-efficient, clean and circular economy leading to the **greening of the economy** and a more sustainable use of natural resources and continuing administrative reforms and **building up of administrative capacity** to implement the environment and climate action chapters of the Association Agreement).⁸ The **EU-Georgia Association Council**, the highest formal institution established under the EU-Georgia association agreement to supervise the implementation of the agreement. Its 8th meeting took place on 20 February 2024 focused among others on Georgia's EU accession path.⁹

In 2022 Georgia framed its strategic vision for socio-economic development for the next decade by adopting the national development strategy "**Georgia's Vision 2030**" (Box 3). It is the key national policy document, developed by the Government, which sets the strategic vision and goals, among those sustainable economic development, circular economy, clean and healthy environment.¹⁰

Box 3. Georgia's Vision 2030: environmental priorities

The Goal 14 on Environment protection, sustainable natural resources and climate-wise management sets the nine following priorities:

1. Reducing the population vulnerability towards **climate change**
2. Implementing an integrated **water resources** management system
3. Protecting the **Black Sea** and achieving the good quality of the marine environment
4. Improving ambient **air quality** and developing monitoring and evaluation system
5. Developing **waste** management and promoting **circular economy**
6. Improving the **chemical** substance management system
7. Effective management of **protected areas**
8. Improving sustainable **forest** management
9. Ensuring nuclear and radiation safety

Source: https://www.gov.ge/files/428_85680_321942_khedva-2030-saqarthvelos-ganvitharebis-strategia-1.pdf

The Government program 2021-24 "**Construction of the European state**" recognises a challenge represented by the economic development on environmental protection, its sustainability, conservation and rational use of natural resources. It foresees a number of reforms to continue improving the environment (Box 4).¹¹

⁷ https://neighbourhood-enlargement.ec.europa.eu/document/download/a95905d5-9783-4a1b-aef2-1740a79eda49_en?filename=Georgia%20opinion%20and%20Annex.pdf

⁸ <https://eur-lex.europa.eu/eli/dec/2022/793/oj> and <https://mfa.gov.ge/pfiles/files/2021-2027-EU-Georgia-Association-Agenda-EN.pdf>, see Annex, 3.1.

⁹ <https://www.consilium.europa.eu/en/meetings/international-ministerial-meetings/2024/02/20/>

¹⁰ https://www.gov.ge/files/428_85680_321942_khedva-2030-saqarthvelos-ganvitharebis-strategia-1.pdf

¹¹ https://www.gov.ge/files/68_78941_292978_govprogramme.pdf ; see 2.12 Environmental protection.

Box 4. Construction of the European state: Reforms to improve the environment

- Approximation of environmental standards with European requirements.
- Automatic station and modern early warning systems (placing 150 observatories in valleys vulnerable to natural disasters throughout the country)
- Expanding system of monitoring and assessment of ambient **air and water** quality.
- Continue meeting the population's demand for wood resources; The **forest** will develop multi-purpose use, which will create additional environmental, economic and social benefits.
- Establishing and expanding **protected areas** (in total, approximately 185,000 ha), with ecotourism infrastructure.
- Promoting **environmental education** and environmental protection through awareness raising activities. Integrating environmental education into the higher education system.
- Introducing separate collection of **waste** and promoting waste recycling.

Source: https://www.gov.ge/files/68_78941_292978_govprogramme.pdf

In tandem, the **sectoral legislation** has been modernised, with the development, adoption or amendment of several laws and policies to harmonise national legislation with that of the EU. This includes the Law on industrial emissions (adopted in 2023),¹² the Law on public procurement (adopted in February 2023),¹³ the Law on biodiversity (adopted in 2023),¹⁴ the Law on water resources management and the related package of legislative amendments (adopted in July 2023),¹⁵ the Law on environmental liability (adopted in March 2021),¹⁶ the Forest Code (adopted in May 2020), the Law on energy efficiency and the Law on energy performance of buildings (adopted in 2020).¹⁷

Several government strategies and programmes were developed, including Climate change strategy 2030 and its action plan 2024-25 (under public consultation),¹⁸ Climate smart irrigation sector development program (2023),¹⁹ Georgia's long-term low emission development strategy 2050 (adopted in April 2023),²⁰ revised Waste management strategy for 2016-30 and its action plan 2022-26 (adopted in August 2022).²¹

In February 2023, the new **administration reform strategy for 2023-26** and its action plan 2023-24 were approved, with the establishment of the **Public Administration Reform Inter-agency Coordination Council**. Though it sets a high-level profile of reforms, it has its implications on the environmental institutions.

Georgia is accelerating reforms of **environmental institutions** to reinforce their institutional capacity for environmental management and greening the economy in the light of its strategic vision and modernisation of the sectoral legislation. This includes structural changes in the central apparatus of MEPA and its subordinate agencies. For instance, moving the Department of Environmental Assessment from MEPA to

¹² <https://parliament.ge/en/media/news/garemos-datsvisa-da-bunebrivi-resursebis-komitetma-samretsvelo-emisiebis-shesakheb-kanontan-dakavshirebit-saguramoshi-zhurnalistehtan-shekhvedra-gamarta>

¹³ <https://www.eu4environment.org/news/new-public-procurement-law-in-georgia-with-eu4environment-support/>

¹⁴ <https://georgiaonline.ge/economy/58030/georgia-adopts-new-biodiversity-law-to-align-with-eu-standards/>

¹⁵ <https://mepa.gov.ge/En/News/Details/21358>

¹⁶ <https://matsne.gov.ge/en/document/view/5109151?publication=0>

¹⁷ <https://www.ebrd.com/news/2020/ebd-welcomes-adoption-of-key-energy-efficiency-laws-in-georgia-.html>

¹⁸ <https://mepa.gov.ge/En/PublicInformation/34085> ; see previous action plan here:

<https://mepa.gov.ge/En/PublicInformation/32027/>

¹⁹ <https://mepa.gov.ge/En/PublicInformation/34076>

²⁰ <https://mepa.gov.ge/En/PublicInformation/34075> ; <https://www.undp.org/georgia/publications/georgia-low-emission-development-strategy-2050>

²¹ <https://www.eu4environment.org/events/launching-event-national-waste-management-strategy-2016-2030-and-national-waste-management-action-plan-2022-2026/>

the National Environmental Agency (NEA), creating the Department of Environmental Damage Remedial Measures within the NEA to implement the Law on Environmental Liability, and creating the Environmental Fund, possible institutional development related to the implementation of the Law on industrial emissions (related to issuance of the integrated permit by NEA and state control by Environmental Supervision Department), reforming the Forestry Agency (following the adoption of the Forest Code). In addition to institutional reforms, Georgia is also improving the technical capacity of its environmental institutions. For instance, the laboratory of atmospheric air, water and soil analysis, supporting NEA, was re-accredited in 2023 to expand its activities.

Georgia also has a unique of its kind institutional bodies, such as the **Environmental Information and Education Center**, proven to be effective for promoting sustainable development through education and access to environmental information for over a decade and which is an example worth sharing with other countries.

Against this backdrop, the environmental administration in Georgia needs significant capacity to carry out effective policies in line with national and international commitments towards a green transformation. Good environmental governance and the development of human capital are a fundamental requisite for this transformation.

Scope and methodology

This report was based on several methodological tools:

- A literature review delved into previous work by the European Commission as a funding agency, the OECD and its partners the UNECE, UNEP, UNIDO and the World Bank, and into recent national strategic and policy documents, including public administration reform (PAR) strategies.
- A questionnaire collected information, completed with support from the EU4Environment National Action Co-ordinator, in close consultation with the Ministry of Environment Protection and Agriculture and Ministry of Economy and Sustainable Development.
- Interviews with relevant stakeholders were held between January and August 2021, including with the government representatives and CSOs. In addition, other relevant experts helped identify some of the less tangible issues, obstacles and drivers of change (see Acknowledgements).
- Discussions with representatives of the European Commission (DG NEAR and DG Environment) and the EU Delegation in Georgia provided additional perspectives on alignment with the EU *acquis*, donor coordination and enforcement of adopted legislation.

The report singles out several factors influencing the effectiveness of implementation of legislation to analyse implementation in detail, as well as the overall effectiveness of the administration (Ecotec, 2000):

- the number and type of national ministries, whether national, regional or local, that carry out the work, and the relationship between them.
- structures within an institution (e.g. whether each ministry has a separate department for the environmental issues), including whether an institution can consider an integrated approach to environmental protection and greening economic growth.
- the formal and informal communication and coordinating mechanisms horizontally between institutions and also vertically between different levels – national, regional, municipal – to ensure feedback between policy and practice.
- the number of staff in an institution, working conditions and how staff are deployed
- technical support, such as equipment resources
- staff expertise
- staff morale and organisational ethos.

Thematically, the study focuses on areas covered by EU4Environment: the green and circular economy; strategic planning; EIA and SEA; public awareness raising and education; Resource Efficient and Cleaner Production (RECP); eco-innovation; green public procurement; waste management; “smart” regulation and greening SMEs; environmental compliance assurance; green finance and investment planning; and

monitoring progress at the economy-environment nexus. The report focuses on underlying, horizontal issues in these sectors. Concrete thematic insights and suggestions for strengthening administrative capacity are also provided where possible.

Structure

The structure of this report is as follows:

- The executive summary presents the main findings and recommendations from the analysis.
- Chapter 1 explains the objectives of the assignment, its scope and methodology.
- Chapter 2 provides the theoretical background, by introducing definitions and various assessment tools and methodologies.
- Chapter 3 presents the administrative capacity in Georgia for environmental management and the green economy.
- Chapter 4 summarises progress, remaining challenges and ways forward.
- Annexes contain the administrative and policy context for strengthening administrative capacity for a green economy in Georgia, as well as various assessment tools.

Target audience

The report is intended both for national and for international stakeholders. National stakeholders include the government of Georgia and its Ministries of Environment and of Economy as the key counterparts and beneficiaries of the EU4Environment Programme. Additional audiences include other line ministries, regional and local administrations, and different governmental structures involved in environmental reform, public administration reform and the green transition (EaP, CSF, n.d.).

International stakeholders include all implementing agencies of the EU4Environment Programme and the European Union. The report could also be useful to other international donors in Georgia.

1. Administrative capacity: Definitions and measuring effectiveness

This chapter defines terms related to environmental administration, including institutional (or administrative) capacity, capacity development, effectiveness and efficiency. It suggests that three “fracture points” in environmental administration can lead to policy failures: implementation of legislation; a weak voice for environment in government; and power imbalance between different ministries. The chapter also identifies four building blocks of institutional development: enabling conditions; organisational set-up and stakeholder interaction; intra-organisation processes; and individual competence. It argues that this process should improve overall effectiveness instead of focusing on individual issues. Referring to the OECD/SIGMA Principles of Public Administration, the chapter identifies enabling conditions and obstacles to improve capacity, including the importance of political will. In addition, it presents benchmarks and indicators to assess institutional capacity, as well as areas of good governance and capacity, types of benchmarks and methodological tools.

Definitions and elements of environmental administration

A well-functioning public administration is a prerequisite for transparent and effective democratic governance. It is the foundation for sound functioning of the state, determining a government's ability to provide public services and encourage competitiveness and growth. Achieving the necessary standard of public administration requires reforms in many areas of policy and administration. This study aims to build the institutional capacity to implement developed policies and legislation and ensure they meet government objectives (OECD, 2017).

Institutional (or administrative) capacity can be defined as the “ability to perform tasks and produce outputs, to identify and solve problems, and to make informed choices”. Government's capacity is crucial for creating a policy and regulatory system conducive to economic and social development. It must be able to deliver the basic public services that enable adequate living standards. Lack of capacity can undermine development or lead to a development model that disregards production externalities. This, in turn, affects the wealth of citizens and send the wrong signals about the real level of economic growth (OECD, 2010).

Achieving results requires governments to coordinate an overall reform vision and prioritise objectives of capacity development. Public administration reforms should be sequential, with a coherent plan, and adopt a whole-of-government perspective.

Capacity development is the way in which individuals, groups and organisations, institutions and countries develop, enhance and organise their systems, resources and knowledge. Actual capacity development is reflected in their individual and collective abilities to perform functions, solve problems and achieve objectives (OECD, 2006). In public management systems, capacity has several dimensions, which include:

- individual competences, i.e. knowledge and skills of individuals, as well as their ability to set objectives and achieve those objectives
- organisational capacity, i.e. mission, planning and decision-making processes, structure and resources, and the organisational culture

- partnerships/networks of organisations, i.e. quality of interaction and cooperation among relevant public and private actors, as well as with development partners
- enabling environment, i.e. legal and policy frameworks and work approaches (OECD, 2010).

The same definitions and features apply to institutional capacity for environmental management and greening economic growth. Government institutions in charge of the environment require the ability to define a national vision to protect natural endowments and public health and sustainable use of natural resources. They need to formulate evidence-based policies to achieve set objectives and targets and manage policies to improve the state of the environment and minimise the impact of different investments or activities on economic sectors.

Effectiveness can be defined as the extent to which environmental administrations and institutions “are able to fulfil their own mission” or achieve the desired result of balancing environmental protection with sustainable economic development (DG NEAR, 2017). Each institutional reform should aim to make institutions more effective and efficient.

Efficiency relates to the ability of achieving a level of performance that uses the least inputs (in people, money, equipment) to achieve the highest output.

Even with an effective and efficient public environmental administration, environmental degradation can occur. It is usually difficult to establish a direct relationship between the effectiveness of public institutions and the state of the environment. Consequently, several countries have introduced *intermediary* objectives to act as proxies, such as:

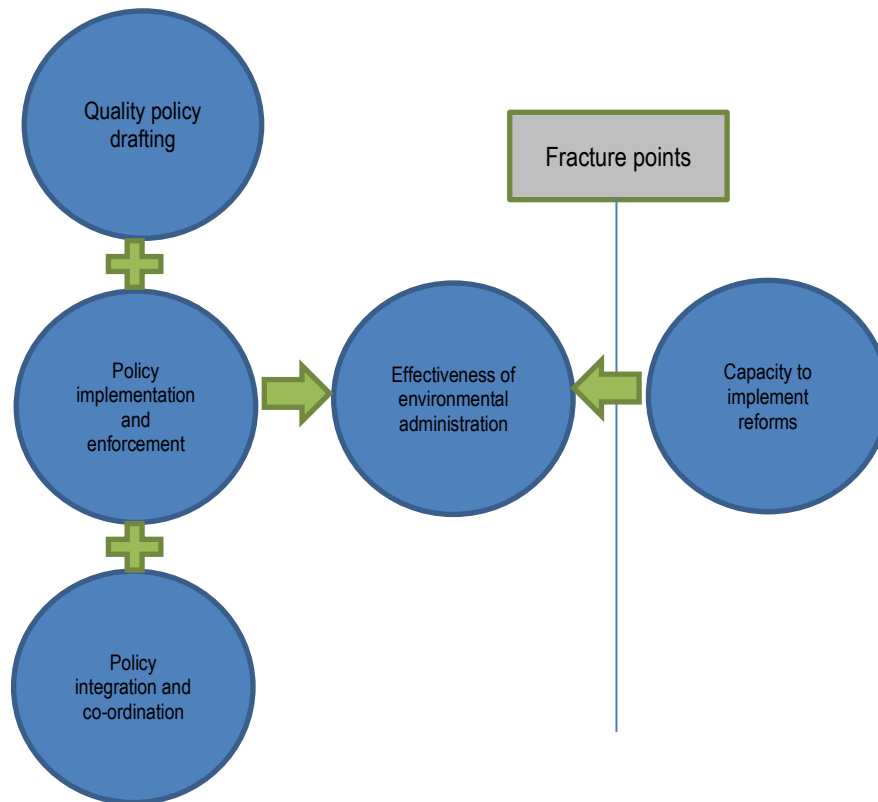
- formulating well-drafted, evidence-based environmental strategies, policies and legislation.
- ensuring implementation and compliance of the adopted legislation across the whole country and at every level of governance.
- integrating environmental concerns into other sectoral policies – economy, innovation, transport, agriculture – to ensure a coordinated approach.

Achieving these intermediary objectives will depend on the administration’s capacity to reflect on its own performance. It must be able to analyse gaps and adjust institutional and administrative reforms, aligning them with political will and the capacity for change (Figure 1).

The goal of public administration reform should be to find the fracture points and raise political support to address them. Lack of political will to repair fractures may lead to administrative failures in which, despite intensive efforts, reforms do not take place as intended (Kakabadse, 2021). This report attempts to discover these fracture points and suggest realistic approaches to tackling them.

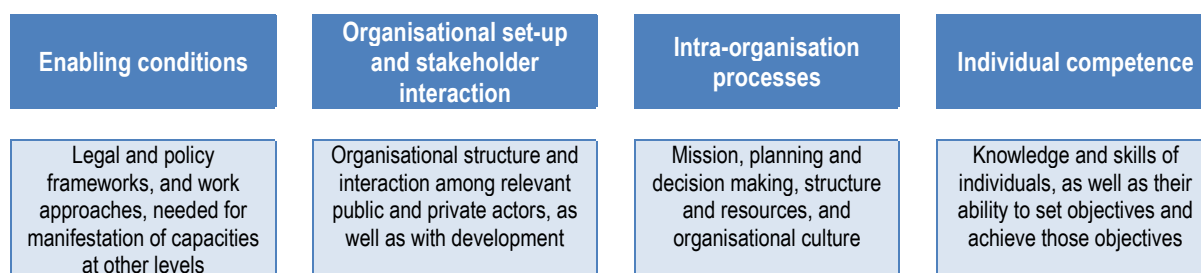
Three fracture points have been identified: 1) implementation of legislation, an issue that proved problematic for EU members that joined in 2004 and 2007; 2) the dominance of economic consideration and weak advocacy for the environment in government; and 3) the lack of a power balance between different ministries, which undermines institutional reforms in the environment and the green economy.

Figure 1. Elements of effectiveness of environmental administration



Source: Authors' own elaboration.

There is wide consensus that institutional capacity development should improve overall effectiveness, rather than focus on individual issues. Such an approach instead stresses enabling conditions, organisational set-up, stakeholder interaction, intra-organisational processes and individual competences (Figure 2).

Figure 2. Building blocks of institutional capacity development

Source: Based on Asian Development Bank (2008), "Effectiveness of ADB's Capacity Development Assistance: How to Get Institutions Right", and OECD (2010), "Assessing Environmental Management Capacity: Towards a Common Reference Framework".

Capacity improvements: Enabling conditions and obstacles

The political will for enhancing capacity of institutions is a prerequisite of successful change. The Support for Improvement in Governance and Management (SIGMA-OECD) Principles of Public Administration stress that "successful implementation of public administration reform (PAR) requires a country's key decision makers to share both an understanding of, and a collective commitment to, its purpose and the will to develop an effectively functioning public administration" (OECD, 2017).

In addition to top-level ministerial and official leadership, PAR requires strategic and business- planning documents to provide a clear roadmap for individual policies. The planning documents should translate political-level priorities into clear objectives, establish performance indicators to measure the level of achievement, designate actions and institutions to realise them, allocate the necessary resources and provide other information for the reform agenda. With planning documents in place, adequate funding is needed, and data on identified performance indicators must be used to monitor the progress of reform.

Several other factors must be considered in reforms that can both help improve capacity and create obstacles (Box 5). (Boesen et al., 2002).

Box 5. Capacity improvements: Enabling conditions and obstacles

Enabling conditions

- Top management provides visible leadership for change.
- Change is approached in an integrated manner across segments, units and professions.
- A critical number of staff members are committed to the change and motivated to embrace changes.
- Organisational innovations are embraced, tested and adapted.
- Quick wins become visible early in the process.
- The scope of change is commensurate with internal commitment.
- Resources for developing capacity are prioritised.
- Top management and change agents manage the process strategically and proactively.

Obstacles

- Segmented and compartmentalised organisations where centralism, strict hierarchy and authoritarian management prevent information and ideas from reaching decision makers.
- an overload of reform and change initiatives.
- Unpredictable, unbalanced or inflexible funding and staffing.
- Salary levels incompatible with living standards.
- Entrenched corruption and clientelism.
- Substantial dependence on fragmented and unpredictable donor support.
- Only formal but not invariable commitment to a performance-oriented culture.

Source: Boesen et al. (2002).

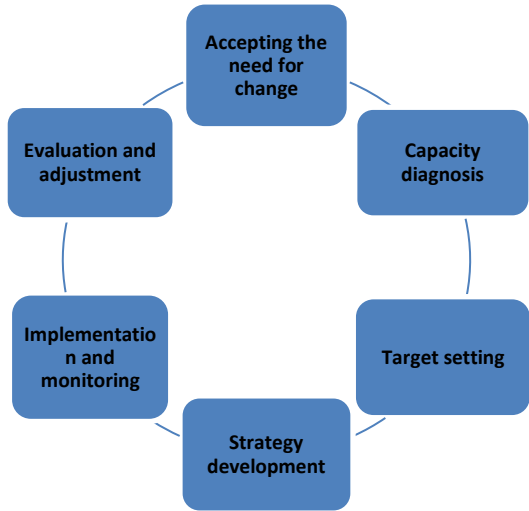
Institutional capacity assessment tools: Benchmarks and indicators

Capacity assessment begins with recognising the need for change

No single ideal institutional structure can be recommended for managing a country’s environment and its natural resources. The level of administrative and institutional capacity is also not fixed for all time. The shape of public institutions is the result of historical and cultural developments, and institutional reform adjusts to changes in domestic policies that reflect the evolving political landscape. Institutions also change as a result of the need to regulate previously unregulated activities introduced to develop the economy, increase effectiveness and efficiency of the public sector or to respond to environmental *acquis* adopted at the international level and ratified at the national level.

Capacity development, assessment and the necessary adjustments to support them should thus be embedded in the institutional culture. Capacity assessment should start with acceptance of the need for change. The political will for change opens the door for a capacity diagnosis/gap analysis. An honest recognition of capacity gaps can serve as a basis for target setting and strategies for future capacity development. Reforms should be monitored, and periodically evaluated and adjusted (Figure 3).

Figure 3. Main elements of capacity assessment and development cycle



Source: OECD (2010), “Assessing Environmental Management Capacity: Towards a Common Reference Framework”.

A combination of tools can guide assessments

No one single framework can be recommended for assessment of environmental governance and environmental capacity. However, several benchmarks, indices and tools, used in combination, can provide guidance and a sense of direction (Figure 4).

Figure 4. Areas of good governance and capacity, types of benchmarks and methodological tools

Ares of good governance and administrative capacity	Good and transformative governance	Adoption of EU acquis	Enforcement and compliance	Transition to the circular economy
Types of benchmarks	Indices			
	Descriptive criteria			
	Minimum criteria			
Methodological tools	Self-assessments			
	Performance reviews			

	Peer reviews
	Evaluations

Annexes present examples of benchmarks related to administrative and institutional capacity, as well as the assessment frameworks that go with them. Some of these governance and capacity benchmarks have their own assessment tools.

The first category of benchmarks revolves around the **OECD/SIGMA Principles of Public Administration**. The SIGMA principles are a set of guidelines, developed by the European Union, to support public sector reform and improve governance in countries receiving EU assistance. Although SIGMA principles comprise only key requirements for horizontal aspects of good governance, they are kept flexible and can be applied to all sectors and policies, including the environment. Annex B presents the six core principles of public administration and the methodological framework in more detail. Their 41 indicators provide a comprehensive approach for assessing the state of play against each principle.

The application of SIGMA principles in Georgia is a part of the broader reform agenda aimed at strengthening governance. The EU Association Agreement with Georgia, signed in 2014, commits Georgia to approximate its institutions with EU standards. Within this framework, public administration reform has been a priority for the Georgian Government, including improving the quality of policy making, professionalising the civil service, increasing accessibility of public services and promoting greater accountability and transparency of public institutions.²²

With SIGMA support Georgia initiated public administration reform. In 2015, the government approved the Public Administration Reform Roadmap 2020, aligned with the Principles of Public Administration and setting the key reform priorities up to 2020.²³ The first Baseline Measurement Report, published in 2018, reviewed public administration in Georgia against the Principles of Public Administration, with recommendations for improvement. It covered only the policy development and co-ordination area.²⁴

The current work programme, agreed between SIGMA and Georgia in November 2022, focus SIGMA support on reforming four areas of public administration in collaboration with the following institutions:

- The Administration of the Government on strengthening monitoring and reporting on the new Public Administration Reform Strategy as well as the management and co-ordination of its implementation.
- The Civil Service Bureau on developing the civil service legal framework and the Law on Legal Entities of Public Law.
- The Ministry of Finance on the further development of the public internal financial management and control systems, with a specific focus on developing internal audit quality assurance and certification.
- The State Procurement Agency on implementing the new public procurement law and the procurement-related Dispute Resolution Council with developing its activities.

To date, no attempt has been made to transpose the SIGMA principles and its Methodological Assessment Framework to the environmental sector in Georgia. This effort, in the format of self-assessment, would require more data and analytical capacity than the scope of this report allows. Instead, Annex B gives some insights into ways the SIGMA principles could be used in Georgia. Investing the necessary resources in an assessment of the environmental sector would help Georgia improve its governance and environmental management. In addition to SIGMA principles, Annex C presents other benchmarks related to administrative and institutional capacity.

The second category of benchmarks includes assessments with relatively simple methodologies. These are designed as light self-assessment tools (e.g. transition to a circular economy, see Annex D).

²² <https://www.sigmaweb.org/publications/Baseline-Measurement-Report-2018-Georgia.pdf>

²³ [https://www.gov.ge/files/425_49309_322150_15.07.21-PublicAdministrationReformRoadmap2020\(Final\)\(1\).pdf](https://www.gov.ge/files/425_49309_322150_15.07.21-PublicAdministrationReformRoadmap2020(Final)(1).pdf)

²⁴ <https://www.sigmaweb.org/publications/Baseline-Measurement-Report-2018-Georgia.pdf>

A third category of assessment benchmarks, such as handbooks, has acquired a reputation through extensive use in similar circumstances (Handbook on implementation of the environmental *acquis*, see Annex E) and could be used as guidance for public administration.

None of the benchmarks and tools can be presented as a definitive approach. Each still requires the political will to integrate findings and recommendations and improve the institutions and their functioning. Some might better be applied in a formal process with the help of external consultants. For others, the administration could consult the tools to align with good practices.

2. Snapshot of environmental institutions in Georgia and their capacity

This chapter presents government bodies, beginning with the central legislative authority (Parliament and its committees) and central executive authorities (government and its ministries). It reviews the mandate of the Ministry of Environment Protection and Agriculture of Georgia for environmental management, assessing its progress towards e-government. It examines how the Ministry of Economy and Sustainable Development encourages a green and circular economy. Subordinate institutions for the two ministries, as well as other ministries and committees relevant to a green economy, are also highlighted. In addition, it reviews the role of regional and local governments relevant to a green economy, and the engagement of civil society and academia. The chapter ends with efforts to upskill civil servants, including through external support such as twinning and exchanges.

Central legislative authority. Parliament and its committees

The **Parliament** is the supreme representative body of Georgia that exercises legislative power, defines the main directions of the country's domestic and foreign policies, controls the activities of the Government within the scope established by the Constitution (Article 36 of the Constitution).²⁵ Georgia moved to a parliamentary system of governance through the constitutional amendments of 2017. This notably increased accountability of the Government toward the legislative pillar.²⁶

According to the Constitution, the Parliament consists of 150 members, elected for a four-years period. The current Parliament, elected in October-November 2020, consists of 140 members and 16 Committees.²⁷ The next elections are scheduled for October 2024.

The Parliament plays a crucial role in greening the economy by legislating and overseeing policies, laws and initiatives related to environmental sustainability and economic development. Out of 16 committees of the Parliament, at least three are relevant to the environment and green economy:

- Environmental Protection and Natural Resources Committee
- Sector Economy and Economic Policy Committee
- Committee on European Integration.

²⁵ <https://matsne.gov.ge/en/document/view/30346?publication=36>

²⁶ <https://www.undp.org/georgia/projects/parliament> ; <https://constcourt.ge/files/2/journal2018.1/John-Khetsuriani-2018.1Eng.pdf>

²⁷ <https://parliament.ge/en> ; Law of Georgia about the Committees of the Parliament, <https://matsne.gov.ge/ka/document/view/646?publication=13>

The mission of the **Committee on Environmental Protection and Natural Resources**, as defined by its Statute, is to coordinate environmental activities; ensure the sustainable use of natural resources; determine the ecological security policy for the environment and the public; coordinate respective activities and exercise oversight over their implementation.²⁸ The **Committee Strategy for 2018-30** sets strategic goals around four main directions, namely lawmaking, oversight, public outreach and development of internal capacities:

- Strategic Goal 1: Ensure the adoption of key legislation in the environmental and natural resources field, including obligations defined by the EU-Georgia Association Agreement, UN SDGs and other international requirements, through effective and close collaboration with relevant state agencies, other parliamentary committees and civil society.
- Strategic Goal 2: Increase the effectiveness of the Committee's oversight activities in order to improve both the enforcement of laws and the performance of relevant state institutions in the environmental field.
- Strategic Goal 3: Ensure improved communication on environmental activities through efficient and timely information sharing and engagement of all relevant stakeholders in the process.
- Strategic Goal 4: Strengthen the internal organisational capacities of the Committee aimed at better implementation of the tasks assigned by its mandate.²⁹

Thus, the Committee takes active part in the implementation of the country's commitments in the sphere of the environmental protection within the EU Association Agreement, including the introduction of the EU environmental standards and approximation of national legislation with the EU, and monitors the implementation.³⁰

In line with its strategic objectives, the committee develops annual activity plans and publishes reports on the implementation of its activities. The latest available report on the main results of 2022 activity of the committee and activity plan for 2023 explicitly mentions transition to green economy.³¹

The Committee consists of Chairperson, two deputies, eight members of the Parliament and ten staff units.³² To support its activity, the committee, like other committees of the Parliament, has its **Scientific-Advisory Council** consisting of representatives from scientific institutions, NGOs, private sector and international organizations. Currently, there are seven members in the Council.³³

The committee undertakes thematic studies on specific environmental issues and produces so-called **thematic inquiry reports** that contain information on the problems and provide recommendations to address them. To undertake the studies the committee establishes respective **working groups** consisting of the representatives of the committee, governmental institutions, NGOs, academia, private sector, international organizations and experts. The examples include working groups on:

- Vehicle emissions and eco-transport³⁴

²⁸ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samoqm-gegma/Env-Strategy-2018-2030-AP-2018-2020-Eng.pdf>

²⁹ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samoqm-gegma/Env-Strategy-2018-2030-AP-2018-2020-Eng.pdf>

³⁰ <http://www.parliament.ge/en/saparlamento-saqmianoba/komitetebi/garemos-dacvisa-da-bunebrivi-resursebis-komiteti/komitetis-shesaxe>

³¹ https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/sakomunik-document/A5_Strategy-Action-Plan-Brochure.pdf

³² <https://parliament.ge/en/parliament/committees/50923/deputies>

³³ <http://www.parliament.ge/en/saparlamento-saqmianoba/komitetebi/garemos-dacvisa-da-bunebrivi-resursebis-komiteti/sakonsultacio-sabcho/sabchos-wevrebi>

³⁴ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/avtosatransporto/garemo-samushao-igufi-avtosatransporto.pdf>

- Working with the business sector on issues of environmental protection and natural resources management³⁵
- Forestry sector reform³⁶
- Environmental pollution in Kvemo Kartli region³⁷
- Legislative proposals presented by non-governmental organisations³⁸
- Green plants in the borders of Tbilisi³⁹
- Green budget project⁴⁰
- Natural hazards and natural disasters⁴¹
- Raising awareness and enhancing environmental education.⁴²

Such working groups create a platform for inter-institutional collaboration. For instance, among the members of the above-mentioned groups are representatives of the Ministry of Environmental Protection and Agriculture and of the Ministry of Economy and Sustainable Development.

Thematic inquiry reports are discussed by the working groups at various stages of their development and the final reports including the findings and recommendations are submitted to the committee for action. Such reports are publicly available. Undertaking thematic enquiries is relatively a new practice in the Georgian Parliament and the first thematic studies were undertaken by the Parliamentary Committee on Environment and Natural Resources. It is considered to be an effective mechanism for exercising the oversight function of the parliament and enabling public participation in the work of the Committee.

The examples of such thematic inquiry reports include: thematic inquiry on Challenges and Perspectives of Low-Emission Mobility (2023),⁴³ Sustainable Management of Inert Waste in Georgia (2022),⁴⁴ Thematic inquiry report on the State of Municipal Waste management (2020),⁴⁵ Thematic inquiry report on the pollution of environment with lead (2020)⁴⁶ and Thematic inquiry report on Air Quality in Tbilisi (2019).⁴⁷

³⁵ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/biznesi/garemo-samushao-igufi-biznesi.pdf>

³⁶ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/satkeo-seqt-sam/garemo-samushao-igufi-satkeo.pdf>

³⁷ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/kvemo-kartli-dab/garemo-samushao-igufi-qvemo-qartli.pdf>

³⁸ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/cxovelt-ketild-kanon/gank-4.pdf>

³⁹ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/tbil-narg-movl-igufi/tbil-narg-movl-igufi.pdf>

⁴⁰ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/mcvane-biuj/mcv-biuj-samushao-iguf.pdf>

⁴¹ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/stiqiuri-safrt/stiq-safrtx-sam-iguf.pdf>

⁴² <https://web-api.parliament.ge/storage/files/shares/Komitetebi/garemo/samush-igufebi/cnobiareb-amagl/cnobiareb-amagl-igufi.pdf>

⁴³ <https://parliament.ge/en/media/news/garemos-datsvisa-da-bunebrivi-resursebis-komitetma-tematuri-mokvlevis-shedegebeze-detaluri-informatsia-miigho>

⁴⁴ <https://www.undp.org/sites/g/files/zskgke326/files/2022-12/undp-georgia-grf-parliament-thematic%20inquiry-inert%20waste-2022-eng.pdf> ; <https://parliament.ge/en/media/news/parlamentshi-tematuri-mokvlevis-inertuli-narchenebis-mdgradi-martva-sakartveloshi-angarishis-prezentatsia-gaimarta>

⁴⁵ http://www.parliament.ge/ge/ajax/downloadFile/142131/200924_CI_Municipal_waste_final

⁴⁶ <https://info.parliament.ge/file/1/BillReviewContent/263763>

⁴⁷ <http://www.parliament.ge/en/ajax/downloadFile/122661/green-report2019eng>;
<https://parliament.leavingstone.club/storage/files/shares/tematuri-mokvleba/garemo/atmosferuli-haeri/green-report-2019-eng.pdf>
; <https://parliament.ge/en/media/news/thematic-inquiry-report-of-the-environment-protection-and-natural-resources-committee-on-air-quality-in-tbilisi>

The Committee plays an active role in fostering international cooperation on environmental issues including human capital development in this field. As an example, a meeting in December 2023 of the Committee's Chair and the First Deputy Environmental Minister with the international organizations was organized on identifying the training needs for the qualified personnel in the light of the EU candidate status for Georgia to meet new commitments, including the EU Green Deal.⁴⁸

The **Sector economy and economic policy committee** is responsible for the legal framework and oversight in the field of economic development, including among others entrepreneurship development, public procurement, investment, energy sector reform and implementation of the Association Agreement.⁴⁹ Though the green economy is not explicitly mentioned among its activities, the committee deals with the legislation, policies, projects in the economic sectors with a high potential of green development such as SMEs, energy, transport, infrastructure, state procurement and innovation. One example is energy efficiency and the greening reform.⁵⁰ The Committee also leads the digitalisation of the economy. Thus, in 2022 the committee conducted the thematic inquiry on the state, development and prospects of the digital economy.⁵¹

It consists of a chairperson, three deputies, 10 members and 15 staff units.⁵²

Similar to the other parliamentary committees, the sector economy and economic policy committee has its scientific-advisory council to support its activities and conducts thematic studies on specific issues. For example, in 2021 in the light of energy sector reform, scientific-advisory council on energy issues was set up.⁵³ In 2023 the Committee conducted 4 thematic studies, including on the legislative framework for the development of innovation-promoting instruments.⁵⁴

The **Committee on European Integration** is gaining importance in the light of Georgia's candidate status for the EU membership, granted in December 2023, as approximation also covers the environmental matters. It consists of a chairperson, its deputy, 13 members and 11 staff units.

The above-mentioned committees collaborate on an ad-hoc basis on cross-cutting issues. One example of such collaboration is the joint Working Group jointly set up by the Environmental, and the Sector Economy and Economic Policy Committees with the Westminster Foundation for Democracy support to prepare the thematic inquiry on challenges and opportunities of de-carbonization in Georgia.⁵⁵ This inquiry came in light of Georgia's intention to develop a draft Law on climate change. Yet, there is limited information on collaboration on a green economy among these committees.

The Parliament has its **Training Center**. It is a structural unit of the Human Resources and Institutional Development Department of the Parliament, which systematically offers various types of educational programs, including electronic courses, to the target groups. Its goal is to promote the effective work of the Parliament, raise the qualifications of the target groups, develop personal and professional skills, and create an effective system of continuous education. Though the majority of trainings are on generic issues (legislative procedures, public finance management, legal writing, parliamentary control, communication

⁴⁸ <https://parliament.ge/en/media/news/maia-bitadze-saertashoriso-organizatsiebis-tsarmomadgenlebs-shekhvda>

⁴⁹ <https://web-api.parliament.ge/storage/files/shares/Komitetebi/dargobrivi/dargobrivi-komiteis-debuleba.pdf>

⁵⁰ <https://parliament.ge/en/media/news/dargobrivi-ekonomikisa-da-ekonomikuri-politikis-komitetma-saertashoriso-shetankhmebebeze-imsjela>

⁵¹ <https://parliament.ge/en/media/news/dargobrivi-ekonomikisa-da-ekonomikuri-politikis-komiteti-tsifruli-ekonomikis-mdgomareobisa-da-ganvitarebis-perspektivebis-shesakheb-tematur-mokvlevas-itsqebis> ;

<https://parliament.ge/en/print/news/dargobrivi-ekonomikisa-da-ekonomikuri-politikis-komitetma-tematuri-mokvleva-daitsqo>

⁵² <https://parliament.ge/en/parliament/committees/50924/deputies>

⁵³ <https://parliament.ge/en/media/news/energetikis-problemebtan-dakavshirebul-sakitkhebeze-momushave-sametsniero-sakonsultatsio-sabchos-skhdoma>

⁵⁴ <https://parliament.ge/en/media/news/dargobrivi-ekonomikisa-da-ekonomikuri-politikis-komitetma-gasvliti-samushao-shekhvedra-gamarta>

⁵⁵ <https://parliament.ge/en/media/news/garemos-datsvisa-da-bunebrivi-resursebis-komiteti-dekarbonizatsiis-shesakheb-tematuri-mokvlevis-farglebshi-tsardgenil-mosazrebebs-gaetsno>

organisational culture), there are also more specific topics, such as the role of parliament in promoting the implementation of sustainable development goals.⁵⁶

The Parliament is actively involved in the process of nationalization of Sustainable Development Goals. In 2019, it developed the Georgian Parliament Strategy for Supporting and Monitoring of Implementation of Sustainable Development Goals for 2019-30 and Action Plan for 2019-22.⁵⁷

The Parliament is supported in its activities by the **Georgian Parliamentary Research Center**. It is an integral organization of the Parliament, which aims to support the legislative and oversight functions by providing evidence-based research documents. Among the five research directions at the Center: social issues, economic matters, foreign relations, defence and security, and law.

The Administration of the President

The extent of the president's influence in different domains, including the environment, depends on the constitutional powers granted to it. In Georgia, the President is the head of state, the guarantor of the country's unity and national independence, the supreme commander of the military forces and represents Georgia in foreign relations (Article 49 of the Constitution).⁵⁸ The office has relatively limited power in domestic affairs and holds a more ceremonial role as in many parliamentary systems. The 2017 constitutional amendments abolished direct election of the President by the citizens, replacing it by indirect election through an electoral college as of 2024.

The potential of the President's influence on the environment and green economy lies primarily in promoting green agenda and sustainability in Georgia's foreign policy and international initiatives:

- **Encouraging international cooperation on green economy initiatives.** One example, the agreement signed in December 2022 on a strategic green energy development partnership between Georgia, Azerbaijan, Romania and Hungary, considered as "a major historical step".⁵⁹
- **Leading green agenda cluster in the EU approximation process.** The role of the President Administration in green transition was levelled up with Georgia's candidate status, granted in December 2023, as approximation with the EU also covers the environmental matters, as stipulated in the 2022 European Commission's opinion, encouraging Georgia to accelerate the development of the renewables and energy efficiency, further legislative alignment with the acquis and the European Green Deal policies and **strengthening its administration to enable the green transition**,⁶⁰ and 2023 analytical report on Georgia, covering the green agenda and sustainable connectivity cluster (Cluster 4) and welcomed by the President as "positive".⁶¹

In addition, the President can contribute to the promotion of green agenda through **public statements, including national and international events and projects dedicated to green initiatives**. Yet, up to day, the information on such initiatives is limited, illustrating still low priority of green issues on the President's agenda.

Moreover, no department or advisor in the Administration of the President is dedicated to the environment or the green economy.⁶² The president's advisers include an **adviser on relations with international organisations and socio-economic matters**. However, it is unclear whether the advisor covers green

⁵⁶ <https://parliament.ge/parliament/staff/training-center/trainings>

⁵⁷ <http://www.parliament.ge/uploads/other/120/120631.pdf>; <https://faolex.fao.org/docs/pdf/geo212891.pdf>

⁵⁸ <https://matsne.gov.ge/en/document/view/30346?publication=36>

⁵⁹ <https://agenda.ge/en/news/2022/4935>

⁶⁰ <https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-06/Georgia%20opinion%20and%20Annex.pdf>

⁶¹ https://neighbourhood-enlargement.ec.europa.eu/system/files/2023-02/SWD_2023_31_Georgia.pdf; <https://agenda.ge/en/news/2023/452>

⁶² Adviser on relations with International Organizations and Socio-Economic Matters; Chief Adviser for Strategic Planning; Adviser on Relations with Regions; Adviser on Regional (Local) Policy; Adviser on Cultural Affairs; Adviser on Disability Issues; Adviser for Organizing Official Events; Adviser on Pardon, Citizenship, Awards and Legal Issues.

economy and environmental matters. Nevertheless, it can be expected that the EU approximation process may enhance the President's role in promoting the environmental sustainability agenda in Georgia and boost green initiatives in the years to come.

Centralised public service. Civil service council and civil service bureau

Georgia has a centralised public service management system, regulated by the Law "On Public Service" (Chapter III) and consists of two-levels: the Civil Service Council and the Civil Service Bureau.

- The **Civil Service Council**, a deliberative body of the Prime Minister, promotes the development of a unified state policy in the field of public service. It consists of 11 members whose term of office is 4 years.⁶³
- The **Civil Service Bureau** is an independent legal entity under public law, with mission to promote efficient and transparent public administration. It is the main institution, managing the civil service, developing policies and drafting legislation. It refines the regulatory and legal framework, improves the human resources management systems and introduces e-government projects. It is headed by the Head of the Bureau, appointed by the Prime Minister for 5 years (new head was appointed in September 2022),⁶⁴ two deputies, two services (analytical and administrative) and two departments (on human capital development and on professional development and integrity).

The Ministry of Environment Protection and Agriculture (MEPA), like other public institutions, must follow the regulations, standards, and guidelines developed by the Civil Service Bureau. The Bureau administrates the website (hr.gov.ge), where all job vacancies in the public service are gathered, including the MEPA.⁶⁵

⁶³ <http://www.csb.gov.ge/navigations/%E1%83%A1%E1%83%90%E1%83%AF%E1%83%90%E1%83%A0%E1%83%9D-%E1%83%A1%E1%83%90%E1%83%9B%E1%83%A1%E1%83%90%E1%83%AE%E1%83%A3%E1%83%A0%E1%83%98%E1%83%A1-%E1%83%98%E1%83%A1%E1%83%A2%E1%83%94%E1%83%9B%E1%83%90/%E1%83%9B%E1%83%9B%E1%83%90%E1%83%A0%E1%83%97%E1%83%95%E1%83%94%E1%83%9A%E1%83%9D%E1%83%91%E1%83%90/%E1%83%A1%E1%83%90%E1%83%AF%E1%83%90%E1%83%A0%E1%83%9D-%E1%83%A1%E1%83%90%E1%83%9B%E1%83%A1%E1%83%90%E1%83%AE%E1%83%A3%E1%83%A0%E1%83%98%E1%83%A1-%E1%83%9B%E1%83%90%E1%83%A0%E1%83%97%E1%83%95%E1%83%98%E1%83%A1-%E1%83%AA%E1%83%94%E1%83%9C%E1%83%A2%E1%83%A0%E1%83%90%E1%83%9A%E1%83%98%E1%83%96%E1%83%94%E1%83%91%E1%83%A3%E1%83%9A%E1%83%98-%E1%83%A1%E1%83%98%E1%83%A1%E1%83%A2%E1%83%94%E1%83%9B%E1%83%90/>

⁶⁴ <http://www.csb.gov.ge/navigations/%E1%83%A1%E1%83%90%E1%83%AF%E1%83%90%E1%83%A0%E1%83%9D-%E1%83%A1%E1%83%90%E1%83%9B%E1%83%A1%E1%83%90%E1%83%AE%E1%83%A3%E1%83%A0%E1%83%98%E1%83%A1-%E1%83%91%E1%83%98%E1%83%A3%E1%83%A0%E1%83%9D/%E1%83%91%E1%83%98%E1%83%A3%E1%83%A0%E1%83%9D%E1%83%A1-%E1%83%A8%E1%83%94%E1%83%A1%E1%83%90%E1%83%AE%E1%83%94%E1%83%91/>

⁶⁵ <http://csb.gov.ge/navigations/%E1%83%A1%E1%83%90%E1%83%AF%E1%83%90%E1%83%A0%E1%83%9D-%E1%83%A1%E1%83%90%E1%83%9B%E1%83%A1%E1%83%90%E1%83%AE%E1%83%A3%E1%83%A0%E1%83%98%E1%83%A1-%E1%83%98%E1%83%A1%E1%83%A2%E1%83%94%E1%83%9B%E1%83%90/%E1%83%90%E1%83%93%E1%83%90%E1%83%9B%E1%83%98%E1%83%90%E1%83%9C%E1%83%A3%E1%83%A0%E1%83%98-%E1%83%A0%E1%83%94%E1%83%A1%E1%83%A3%E1%83%A0%E1%83%A1%E1%83%94%E1%83%91%E1%83%98%E1%83%A1-%E1%83%9B%E1%83%90%E1%83%A0%E1%83%97%E1%83%95%E1%83%90/%E1%83%9E%E1%83%A0%E1%83%9D%E1%83%A4%E1%83%94%E1%83%A1%E1%83%98%E1%83%A3%E1%83%9A%E1%83%98-%E1%83%A1%E1%83%90%E1%83%AF%E1%83%90%E1%83%A0%E1%83%9D-%E1%83%9B%E1%83%9D%E1%83%AE%E1%83%94%E1%83%9A%E1%83%98%E1%83%A1-%E1%83%A1%E1%83%90%E1%83%9B%E1%83%A1%E1%83%90%E1%83%AE%E1%83%A3%E1%83%A0%E1%83%A8%E1%83%98-%E1%83%9B%E1%83%98%E1%83%A6%E1%83%94%E1%83%91%E1%83%90/>

The Bureau also manages and leads the development program and training in the public service as stipulated by its action plan 2022-23.⁶⁶ The MEPA's staff participate in such training courses. The topics cover general management issues (ethics, conflict of interests); no training on the environment or green economy are provided. The Bureau leads such projects as development of the electronic training management system (e-TMS; a web-based application for managing training) to effectively manage and monitor training delivery.⁶⁷

Public administration reform

Georgia started public administration reform in 2015 within the framework of the EU-Georgia Association Agreement. Its successful implementation plays a fundamental role in Georgia's path of European integration. The first strategy "PAR Roadmap 2020" was approved in 2015, complemented with three biannual action plans (2015-16, 2017-18 and 2019-20).

In February 2023, the new **administration reform strategy for 2023-26** and the 2023-24 action plan for its implementation were approved by the Government Decree No. 66.⁶⁸ The coordination mechanism, **Public Administration Reform Inter-agency Coordination Council**, chaired by the Head of Administration of the Government, was established (Box 6).

Box 6. Public administration reform strategy: success stories and priorities for 2023-26

PAR in Georgia covers **five pillars** in line with the EU Principles of Public Administration:

- Policy planning and coordination
- Civil service and human resource management
- Accountability
- Public service delivery
- Public finance management

Key achievements:

- A unified standard for policy planning, monitoring and evaluation was developed.
- A regulatory impact assessment for legislative acts was enacted.
- The Law 'On Civil Service' was adopted.
- From 2019 to 2022, a total of 10,927 professional civil servants actively engaged in diverse professional development programmes. On average, 18 percent of civil servants are involved in professional development programmes every year.
- The Open Government Georgia website was launched (<https://www.ogp.gov.ge/en/>).
- The first independent Anti-corruption Bureau was established in December 2022.
- A unified policy for public service delivery was determined at the national level.
- Implementation of the Common Assessment Framework, an international service quality management mechanism

⁶⁶ <http://csb.gov.ge/media/3297/678685.pdf>

⁶⁷ https://www.praxis.ee/wp-content/uploads/2019/02/e-Training-Management-System_FINAL.pdf

⁶⁸ https://www.gov.ge/index.php?lang_id=GEO&sec_id=423&info_id=83465 ;
<https://matsne.gov.ge/ka/document/view/5723982?publication=0>

pioneered in the EU was initiated by public service-providing agencies.

- The number of public services available on the My.gov.ge portal expanded to 700.
- For the first time, the government approved the 'Public Service Development Strategy 2022-25'. An innovative mechanism of service delivery, the Mobile Public Service Hall, was created.
- The Local Self-Government Code was adopted and the Decentralization Strategy for 2020-2025 was approved.
- Based on the 2022 Public Expenditure and Financial Accountability evaluation report, Georgia achieved the best performance among the 59 evaluated countries.

Priorities for 2023-26:

- Further enhancing institutional capacities for policy planning, monitoring and evaluation;
- Improving data management for evidence-based policymaking;
- Strengthening human resources management efficiency in the civil service, including full digitalization of operational processes;
- Supporting the professional development of civil services employees, including launching a unified online learning platform for professional and career development;
- Fostering the career development for women in the civil service;
- Strengthening coordination in the fight against corruption and increasing access to public information;
- Developing a regulatory framework for open data, establishing unified standards and improving access to open data through data.gov.ge;
- Strengthening organizational accountability mechanisms;
- Enhancing inter-agency coordination and digital governance;
- Improving municipal service delivery.

Source: <https://www.undp.org/publications/par-handbook-2023>

Though the public administration reform sets objectives for the whole administration in the country, it inevitably has implications on the environmental institutions.

Did you know? Georgia is pioneering Common Assessment Framework

The Common Assessment Framework (CAF), a European model of self-assessment and quality improvement in the public sector, is a quality management instrument for the public sector successfully applied by more than 4,500 public agencies in the EU Member States. Georgia is the first of the region's countries to pilot the CAF in the Public Service Hall under the ongoing Public Administration Reform.

Source:

<https://www.undp.org/georgia/press-releases/georgia%E2%80%99s-public-service-hall-pioneers-common-assessment-framework-georgia-and-south-caucasus>

Central executive authority. Government and its ministries

Executive power is vested in the government, accountable to the Parliament, which is headed by the prime minister and consists of the Cabinet of Ministries and 12 ministries. The current cabinet was approved by the Parliament in December 2020.⁶⁹

The Ministry of Environment Protection and Agriculture (MEPA) is the key government agency for environmental action in Georgia. Other ministries, including the Ministry of Economy and Sustainable Development, Ministry of Finance, Ministry of Regional Development and Infrastructure, Ministry of Education, Science and Youth, National Statistics Office, as well as agencies subordinate to the MEPA, are involved in environmental protection.

The current government set up reflects the structural changes occurred at the end of 2017, which, among others, saw the Ministry of Environment and Natural Resources Protection merged together with Ministry of Agriculture in 2018. The Ministry of Energy and the natural resources management component of the Ministry of Environment and Natural Resources Protection were incorporated into the Ministry of Economy and Sustainable Development. In general, the changes were perceived negatively by the interviewed stakeholders as the importance and the weight of the environment has decreased.

Ministry of Environmental Protection and Agriculture

The **Ministry of Environmental Protection and Agriculture** is the key government agency for environmental action in Georgia. It manages and develops the fields of environment, agriculture and rural development.

- **Environment protection. Policy development:** formulates and implement policies for environment protection, sustainable natural resources management, and biodiversity conservation. **Regulation and enforcement.** Enforces environmental laws and regulations, conducts environmental impact assessments, and ensures compliance with international environmental agreements.
- **Agriculture. Sustainable farming policies.** Promotes sustainable agricultural practices, organic farming and the use of environmentally friendly technologies in agriculture. **Rural development:** supports rural development initiatives that include sustainable land use and water management practices.
- **Climate change and adaptation.** Climate action plans: develops and implements national strategies and action plans to mitigate and adapt to climate change impacts.

It was created in 2018 by a merge of the Ministry of Environment and Natural Resources Protection with the Ministry of Agriculture and is regulated by the Government Decree No. 112 of 6 March 2018.⁷⁰ Until 2018, for 27 years the Ministry of Environment and Natural Resources Protection was the main government agency responsible for environmental management and natural resources. After the merge, its mineral resources management component was incorporated into the Ministry of Economy and Sustainable Development. In general, the changes were perceived negatively by the interviewed stakeholders as the importance and the weight of the environment has decreased.

Currently, the scope of MEPA spans across management of marine and terrestrial biodiversity and forests and fostering of environmental protection, agriculture and rural development (Box 7).

In regard to the green economy, the MEPA is responsible for **promoting the sustainable development principles and introducing the green economy**, as explicitly stipulated by its regulation.

With regards to its environment pillar, the list of MEPA's responsibilities is quite extensive. It is responsible for developing and implementing environmental policy and legislation, including on air, water, land resources, protected areas, biodiversity, forestry, climate change, waste management; state control of

⁶⁹ <https://georgiatoday.ge/georgian-parliament-approves-new-cabinet-of-ministers-govt-program/>

⁷⁰ Ministry's regulation, <https://mepa.gov.ge/En/Page/regulation>

natural resources use (except minerals, oil and gas); monitoring of environmental pollution. The Ministry was also in charge of environmental impact assessment/strategic environmental assessment, but these functions were moved from MEPA to the National Environmental Agency in 2021-22.

Some of its responsibilities MEPA shares with local governments or other ministries. This is the case of waste management. The local governments are in charge of municipal waste collection and street cleaning, while MEPA is responsible for developing and managing most of the municipal solid waste landfills. Another example, both MEPA and the Ministry of Health have a mandate for organising EIA procedures (this function was now moved from MEPA to NEA). With regards to Resource Efficiency and Cleaner Production (RECP), MESD has a leading role in encouraging the uptake of resource-efficiency, while MEPA promotes green economy.

Its agricultural pillar covers development and promotion of bio-agriculture.

Box 7. The scope of the Ministry's governance

Environmental pillar:

- implementing state policy on environment protection, agriculture and rural development;
- management and control of natural resources use (except minerals, oil and gas);
- **promoting the sustainable development principles and introducing green economy;**
- monitoring environmental pollution;
- preparing information on hydrometeorological and geodynamic processes;
- developing/implementing policy on air protection, water, land and climate change;
- implementing policy on nuclear and radiation safety; monitoring;
- developing state policy on protected areas and control;
- developing/implementing policy on biodiversity, hunting, fishing and forestry and monitoring;
- regulating and monitoring wildlife;
- developing, implementing policy on genetically modified organisms and control;
- preparing/implementing strategic documents on environmental protection and agriculture;
- implementing policy on environmental impact assessment (EIA); organising EIA procedures and participating in the process of SEA and transboundary EIA;
- proposals on declaration a state of emergency or ecological disaster zone;
- regulating ozone-depleting substances and fluorinated gases;
- developing/implementing a unified state policy on waste management and chemicals;
- anticipating and mitigating natural and anthropogenic risks, ensuring environmental safety;
- ensuring rational use and protection of land, soil, restoring degraded areas.

Agricultural pillar:

- managing/developing agro-food, agro-processing, vegetation, livestock (including fisheries), agroengineering, plant protection and veterinary fields;
- implementing agrarian reforms;
- developing agricultural cooperation;
- promoting the processing of primary agricultural products and food production;
- promoting income growth and food security in the agri-food sector, based on the principles of **sustainable agricultural development;**
- promoting the development of **bio-agriculture;**
- promoting best practices of agricultural and food products;
- analysing the domestic and foreign markets;
- supporting knowledge development and trainings of agricultural enterprises;

- promoting the development of international relations;
- harmonising interests of producers and consumers;
- supporting the formation of market infrastructure;
- conducting research activities in the agricultural sector;
- organising/registering the testing of pesticides, agrochemicals, new animal/plant varieties;
- protecting from the intrusion of agricultural quarantine facilities.

Regional development pillar:

- promoting social inclusion, poverty reduction and economic development in rural areas.

Source: <https://mepa.gov.ge/En/Page/regulation>

The central office of the MEPA consists of 14 departments, presented in Table 4.1 (in green colour), four of which work on environmental issues, namely Department of Environment and Climate Change; Department of Biodiversity and Forestry; Department of Hydrology and Land Management; Department of Waste and Chemicals Management. Until recently, the Ministry also had a Department of Environmental Assessment, which was moved in 2021-22 from MEPA to the National Environmental Agency.

The structure does not have a separate department responsible for the green economy. The **Department of Environment and Climate Change** is in charge of promoting the principles of sustainable development and green economy in the country. It also the main department in charge of policy development and implementation in the fields of water resources management, atmospheric air protection and climate change, organising environmental monitoring, coordinating multilateral environmental agreements, developing the National Environmental Action Program and reparing the national report on the state of the environment and determining the feasibility of initiating environmental projects.⁷¹ Development and implementation of state policy on sustainable management and protection of land resources is within the Department of Hydrology and Land Management; on forest - within the Department of Biodiversity and Forestry and on waste - within Department of Waste and Chemicals Management.

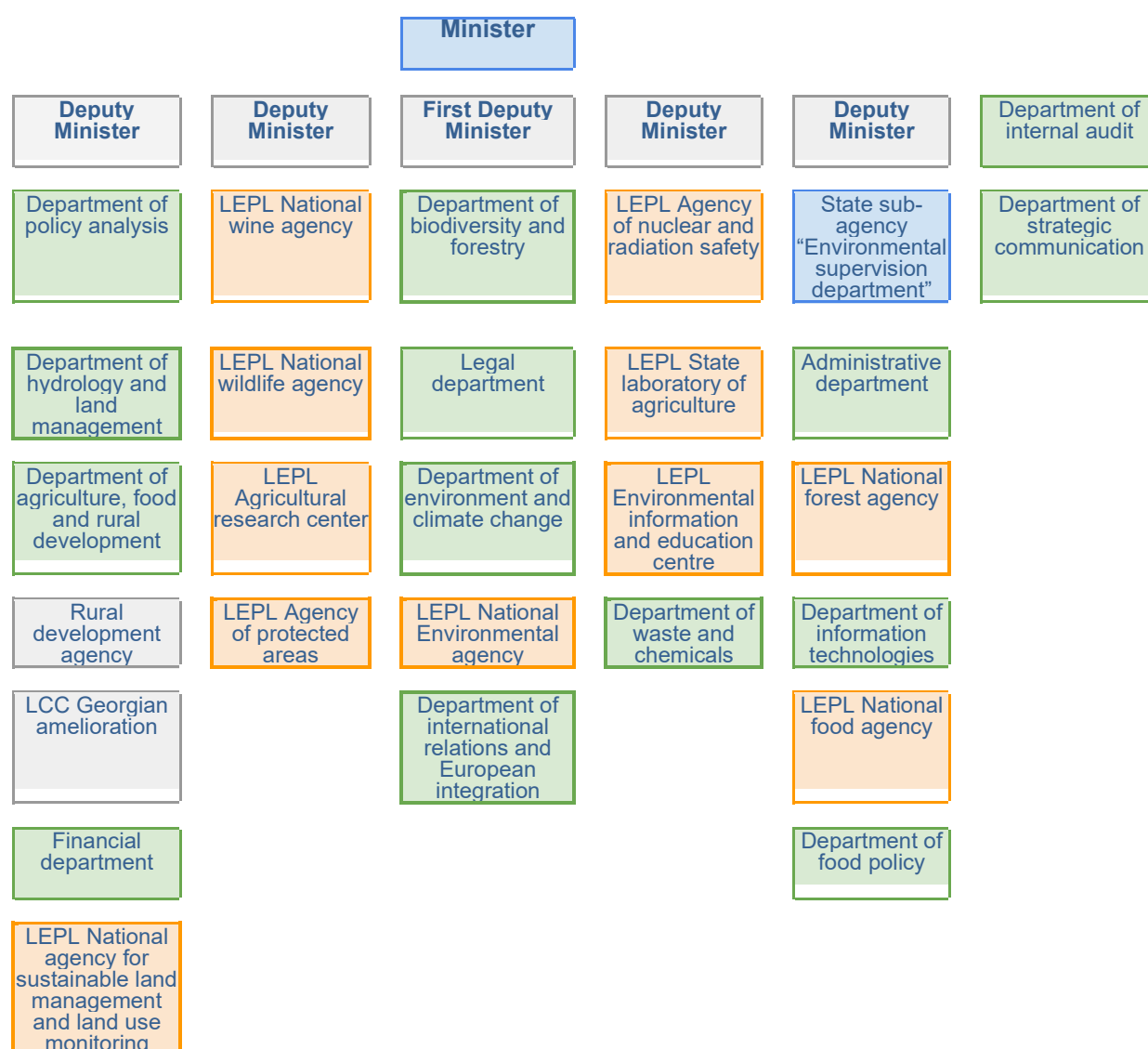
The MEPA also coordinates the cooperation within the framework of regional and international multilateral environmental agreements and relations with the EU in the field. The **Department of International Relations and European Integration** covers responsibilities related to the EU Association and Green Deal objectives. It ensures the approximation of environmental and agricultural legislation to the EU legislation set out in the EU-Georgia Association Agreement.⁷²

The Ministry also has within its structure a state sub-agency - **Department of Environmental Supervision**, 11 legal entities of public law (8 agencies, 2 centres and a laboratory) and a non-profit (non-commercial) legal entity (Rural Development Agency), presented in Figure 5.

⁷¹ <https://mepa.gov.ge/En/Page/regulation> (Article 9).

⁷² <https://mepa.gov.ge/En/Page/regulation> (Article 9).

Figure 5. Structure of the Ministry of Environmental Protection and Agriculture



Note: the 14 departments of the MEPA central office are in green; the state sub agency, 11 legal entities of public law are in orange colour.

Source: <https://mepa.gov.ge/En/Page/regulation> and <https://mepa.gov.ge/En/Structure#>

In total, the Ministry has **3,725 posts**. It is difficult to precisely estimate the exact number of staff working for the environmental pillar of the Ministry. This is due to the fact that the MEPA's budget lines (also covering the number of workers) related to environmental activities are not explicitly separated from the budget lines related to agriculture. However, it is estimated that in 2024 about **2757 staff units** could be involved in different aspects of environmental management, representing **74%** of total Ministry's number

of workers (Table 1). This estimation is based on the number of workers in the selected budget lines that can be related to the environment, presented in the Table above.

Table 1. Number of workers in MEPA and its environmental pillar

MEPA, total	3,657	3,697	3,725
Environmental protection and agriculture development program, including	283	265	261
<i>Environmental protection and agriculture: policy development and implementation</i>	251	265	261
<i>Protection of biodiversity</i>	n/a	n/a	n/a
<i>Environmental impact assessment</i>	32	0	0
Environmental supervision	870	870	870
Protected areas	661	701	729
Forestry	501	501	501
Wildlife	12	12	12
Information accessibility on environment and agriculture and education for sustainable development	17	25	25
Nuclear and radiation safety, management of waste facilities	28	28	28
Forecasting in the field of environmental protection, assessment, prevention and monitoring	n/a	n/a	n/a
Sustainable land management and land use monitoring	70	70	70
Share in total number of workers	74.5%	74%	74%

Source: State budget document.

Regarding the central apparatus of the Ministry, it is estimated that about $\frac{1}{3}$ of the staff is involved in different aspects of environmental management. This number is rather significant compared to the agricultural and rural development pillars of the Ministry. In 2021, 73 out of 210 staff in the central apparatus of the Ministry were involved in different aspects of environmental management, representing 35%. In 2023, this number decreased, mainly due to the transfer of the Environment Assessment Department (which counted 21 staff units) to NEA (Table 2).

Table 2. Number of employees per units in MEPA

Structural unit	Number of employees in 2021
Department of policy analysis	10
Department of information technologies	23
Department of strategic communication	11
Legal department	11
Department of internal audit	11
Financial department	15
Administrative department	31
Total:	210

Source: Questionnaire (data for 2020-21).

The issue of **understaffing** can be reflected by statistics showing job vacancies. While some Ministries of Environment face persistent understaffing (like in Moldova, with 45% of vacant positions), the MEPA as of February 2024 had only two vacant positions, announced by the Public Service Bureau.⁷³ Yet, the general statistics show a declining trend of people working in public administration: 91.6 thousand people in 2022, compared to 92.4 in 2021 and 94.5 in 2020.⁷⁴ The issue is accentuated by the overall high level of unemployment in the country (17.3 % in 2022; 15.6% in Q3 2023).⁷⁵

Another issue which may jeopardise the ministry's efforts - significant **staff turnover** and the low appeal of a civil service career to the young generation. Though no official statistics on staff turnover in the ministry or the National Statistics Office are available, the comparison between the number of people hired in 2023 versus those who left the Ministry may give an idea. The interviewed stakeholders pointed out that students coming to the MEPA gather experience and leave.

The Ministry does not have a formal motivation system. The civil servants in the MEPA undergo **performance assessment** at least once a year. They are evaluated based on three criteria: objectives/goals' achievements, functions/complexity of work and competences/individual skills. Some competences are determined by the managers and some are established by the ministerial order, including professional development. According to the Law on Public Service, three types of incentives shall be determined based on the results of the evaluation: commendation; monetary reward; valuable gift.⁷⁶

The annual assessment contains mid-term evaluation. While mid-term evaluation has no legal consequences, the end of the year evaluation does have. Its results provide a basis for promotion (assignment of an officer's class), incentives, determining professional development needs, or even dismissal. Based on the evaluation results, managers establish individual professional development plans for their employees and determine time periods for them to attend training courses, seminars, to participate in mentoring programs or to do developing tasks given by the managers. The accomplishment of the individual professional development plans, effectiveness of training, seminars or other developing activities are taken into consideration in the appraisal process of employees (Box 8).⁷⁷

Box 8 Unified evaluation system of civil servants and professional development standards

The Public Administration Reform Roadmap 2020 pointed to the issue of performance appraisal, practically not existing in the civil service. Although performance appraisals have been used in the central government, they have mostly been either pilots or individual initiatives.⁷⁸ One of the reform achievements - introducing a **unified evaluation system** of civil servants and establishing **professional development standards**.⁷⁹ The Law on Civil Service (entered into force on 1 January 2017) provided a legal framework for its development.

In 2024 the average monthly **salary** in MEPA amounted to about **GEL 1574.5**, compared to GEL 1433.5 in 2023 and GEL 1276.4 in 2022.⁸⁰ There is a significant gap between the management and specialist positions. The average **salary** in MEPA ranges between GEL 2500-4400 at the management level and between GEL 1300-2100 at the specialist level.⁸¹ The increase in salaries is reflected by an increase in

⁷³ Information, collected by National Action Coordinator.

⁷⁴ <https://www.geostat.ge/en/modules/categories/683/Employment-Unemployment> see distribution of employed persons by economic activity (people working in Public administration and defence; compulsory social security).

⁷⁵ <https://www.geostat.ge/en/modules/categories/683/Employment-Unemployment>

⁷⁶ Questionnaire.

⁷⁷ Questionnaire.

⁷⁸ [https://www.gov.ge/files/425_49309_322150_15.07.21-PublicAdministrationReformRoadmap2020\(Final\)\(1\).pdf](https://www.gov.ge/files/425_49309_322150_15.07.21-PublicAdministrationReformRoadmap2020(Final)(1).pdf)

⁷⁹ https://www.undp.org/sites/g/files/zskgke326/files/2023-10/eng_par_handbook_27p.pdf ; see also https://gyla.ge/files/news/gamocemebi2012-2013/sajaro%20moxelis%20Sefasebis%20sistema_en.pdf

⁸⁰ This calculation is done on the following basis: 70,380.0 (salary) / 3,725 (number of workers) / 12 months (for the year 2024); 63,598.0 (salary) / 3,697 (number of workers) / 12 months (for the year 2023); 56,013.7 (salary) / 3,657 (number of workers) / 12 months (for the year 2022). Source for data: State budget document.

⁸¹ Questionnaire. Data is for 2021.

the MEPA's budget allocations for salaries in 2022-24 - from GEL 56,013.7 thousand in 2022 to GEL 63,598.0 in 2023 and GEL 70 380 in 2024.

The general statistics show that the average salary in public administration continues increasing but remains less attractive compared to other alternatives. In 2022, gross average monthly salary in public administration amounted to GEL 1 823.2, slightly above the total average of GEL 1543;⁸² the highest salary was offered by the information and communication sector and by financial/insurance sector - GEL 3033.4 and GEL 2730 respectively.⁸³

Table 3. Average salary in public administration in Georgia

	2018	2019	2020	2021	2022
Average salary in public administration	1 266.6	1 420.8	1 425.8	1 475.5	1 823.2
Average salary in MEPA					1276.4

Source: https://www.geostat.ge/media/59492/Yearbook_2023.pdf; average salary in MEPA is calculated based on the following: 56,013.7 (salary) / 3,657 (number of workers) / 12 months. Source for data: State budget document.

The remuneration in public institutions is regulated by the Law "On Remuneration of Labor in Public Institutions" (prepared by the Civil Service Bureau and adopted in 2016). It was the first law defining a **uniform system of remuneration** for all public institutions of the country. The remuneration of a civil servant includes official salary, class allowance, salary allowance and monetary reward. The official salary is the monthly salary determined for the position in the public institution, which is approved by the relevant staff list or determined by the relevant contract (Box 9).⁸⁴

Box 9. Remuneration in public institutions: remaining challenges

A study carried out in 2020 on remuneration in public institutions concludes that despite the reforms the existing practice of contract employment in public institutions remains bureaucratic and similar positions may have significantly different pay. This is due to different employment contracts.

The "Law on Civil Service" (into force since July 2017), which regulates employment in the public service, distinguishes three categories of public servants:

- a professional public servant (appointed for an indefinite term).
- a person employed on the basis of an agreement under public law (administrative contract). This person assists a public political official in performing official duties, the term is directly linked to the official's term.

⁸² GEL 1855.4 in Q3 2023.

⁸³ https://www.geostat.ge/media/59492/Yearbook_2023.pdf; see also <https://www.geostat.ge/en/modules/categories/39/wages>

⁸⁴ <http://www.csb.gov.ge/navigations/%E1%83%A1%E1%83%90%E1%83%AF%E1%83%90%E1%83%A0%E1%83%9D-%E1%83%A1%E1%83%90%E1%83%9B%E1%83%A1%E1%83%90%E1%83%AE%E1%83%A3%E1%83%A0%E1%83%98%E1%83%A1%E1%83%98%E1%83%A1%E1%83%A2%E1%83%94%E1%83%9B%E1%83%90/%E1%83%90%E1%83%93%E1%83%90%E1%83%9B%E1%83%98%E1%83%90%E1%83%9C%E1%83%A3%E1%83%A0%E1%83%98-%E1%83%A0%E1%83%94%E1%83%A1%E1%83%A3%E1%83%A0%E1%83%A1%E1%83%94%E1%83%91%E1%83%98%E1%83%A1-%E1%83%9B%E1%83%90%E1%83%A0%E1%83%97%E1%83%95%E1%83%90/%E1%83%A8%E1%83%A0%E1%83%9D%E1%83%9B%E1%83%98%E1%83%A1-%E1%83%90%E1%83%9C%E1%83%90%E1%83%96%E1%83%A6%E1%83%90%E1%83%A3%E1%83%A0%E1%83%94%E1%83%91%E1%83%90/>

- a person employed on the basis of an employment agreement (labor contract). This person performs temporary or non-permanent tasks.

According to the Law on Remuneration in public institutions, the maximum salary for a person employed under an administrative contract is GEL 6,000, while under a labor contract it is GEL 4,000.

Another study on challenges of civil service also points out the issue of evaluation of civil servants and the determination of salaries, putting sometimes employees in an unequal position. The evaluation by a superior raises a question of subjectivity of such assessment (versus for example as assessment by the evaluation commission). The problem is the rule of determining the salary for a position. The new legal framework allows two specialists working side by side in the same department to have different salaries. This is due to a salary ratio, which is also set by a superior.⁸⁵

Sources: Remuneration of Persons Employed in Public Institutions on the Basis of Administrative and Labor Contracts, https://idfi.ge/en/practice_of_contract_employment_in_ministries_and_lepls and https://idfi.ge/en/challenges_of_civil_service_and_its_policy_in_the_public_administration_system_of_georgia

The total **budget** of the MEPA in 2024 is **GEL 688 000 thousand**. Though the MEPA's budget is not publicly available on the website of the ministry, it can be extracted from the state budget, which includes aggregated data on the MEPA's budget (Table 4).

Table 4. MEPA budget: total and selected budget lines, related to the environment, GEL thousand

Budget code	Name	2022	2023	2024			
				Total	Budget funds	Grants	Credit
31.00	MEPA	760,420.3	698,580.0	688,000.0	662,200.0	7,300.0	18,500.0
	Number of workers	3,657	3,697	3,725	3,725	0	0
	Expenses	703,012.8	645,039.0	645,581.0	622,071.0	6,050.0	17,460.0
	Salary	56,013.7	63,598.0	70,380.0	69,750.0	630.0	0
	Non-financial assets	57,407.5	53,541.0	42,419.0	40,129.0	1,250.0	1,040.0
31.01	Environmental protection and agriculture development program	34,720.3	20,150.0	22,000.0	22,000.0	0	0
	Number of workers	283.0	265.0	261.0	261	0	0
	Expenses	33,420.9	14,540.0	16,200.0	16,200	0	0
	Salary	7,287.0	9,200.0	10,530.0	10,530.0	0	0
	Non-financial assets	1,299.5	5,610.0	5,800.0	5,800.0	0	0
31.01.01	Environmental protection and agriculture: policy development and implementation	31,785.4	12,650.0	14,500.0	14,500.0	0	0
31.01.02	Protection of biodiversity	299.7	400.0	400.0	400.0	0	0
31.01.04	Environmental impact assessment	252.0	0	0	0	0	0
31.07	Environmental supervision	23,682.7	26,000.0	29,000.0	29,000.0	0	0
	Number of workers	870.0	870.0	870.0	870	0	0
	Expenses	17,668.3	22,040.0	24,500.0	24,500.0	0	0
	Salary	10,875.8	14,700.0	16,500.0	16,500.0	0	0
	Non-financial assets	6,014.4	3,960.0	4,500.0	4,500.0	0	0
31.08	Protected areas	32,455.3	31,450.0	23,200.0	18,400.0	4,800.0	0

⁸⁵ https://idfi.ge/en/challenges_of_civil_service_and_its_policy_in_the_public_administration_system_of_georgia

	Number of workers	661.0	701.0	729.0	729.0	0	0
	Expenses	13,971.3	13,615.0	19,948.0	16,398.0	3,550.0	0
	Salary	7,095.4	7,430.0	8,180.0	7,550.0	630.0	0
	Non-financial assets	18,484.0	17,835.0	3,252.0	2,002.0	1,250.0	0
31.09	Forestry	16,157.6	20,950.0	24,680.0	24,680.0	0	0
	Number of workers	501.0	501.0	501.0	501.0	0	0
	Expenses	8,190.9	11,550.0	14,680.0	14,680.0	0	0
	Salary	3,918.6	4,200.0	4,620.0	4,620.0	0	0
	Non-financial assets	7,966.7	9,400.0	10,000.0	10,000.0	0	0
31.10	National Wildlife Agency	1,562.5	1,200.0	1,800.0	1,800.0	0	0
	Number of workers	12.0	12.0	12.0	12.0	0	0
	Expenses	1,562.5	1,200.0	1,655.0	1,655.0	0	0
	Salary	306.2	451.0	495.0	495.0	0	0
	Non-financial assets	0	0	145	145	0	0
31.11	Information accessibility on environment and agriculture and education for sustainable development	3,039.8	1,790.0	2,000.0	2,000.0	0	0
	Number of workers	17.0	25.0	25.0	25.0	0	0
	Expenses	2,848.1	1,760.0	1,920.0	1,920.0	0	0
	Salary	460.5	461.0	690.0	690.0	0	0
	Non-financial assets	191.7	30.0	80.0	80.0	0	0
31.12	Nuclear and radiation safety, management of waste facilities	1,225.2	1,375.0	3,810.0	3,810.0	0	0
	Number of workers	28.0	28.0	28.0	28.0	0	0
	Expenses	1,203.2	1,375.0	1,770.0	1,770.0	0	0
	Salary	652.2	771.0	848.0	848.0	0	0
	Non-financial assets	22.0	0	2,040.0	2,040.0	0	0
31.13	Forecasting in the field of environmental protection, assessment, prevention and monitoring	12,288.4	8,000.0	23,780.0	23,780.0	0	0
	Expenses	3,788.4	1,800.0	15,411.0	15,411.0	0	0
	Salary	1,377.6	0	0	0	0	0
	Non-financial assets	8,500.0	6,200.0	8,369.0	8,369.0	0	0
31.15	Sustainable land management and land use monitoring	2,717.0	4,400.0	4,950.0	4,950.0	0	0
	Number of workers	70.0	70.0	70.0	70.0	0	0
	Expenses	2,602.0	4,380.0	4,900.0	4,900.0	0	0
	Salary	1,519.0	2,122.0	2,334.0	2,334.0	0	0
	Non-financial assets	115.0	20.0	50.0	50.0	0	0

It is difficult to precisely estimate the exact amount allocated for the environmental pillar of the Ministry. This is due to the fact that the MEPA's budget lines related to environmental activities are not explicitly separated from the budget lines related to agriculture. However, it is estimated that in 2024 the amount of **GEL 128 120** thousand was allocated to the environmental pillar of the Ministry, representing **18.6%** of total Ministry's budget (Table 5). This estimation is based on the selected budget lines that can be related to the environment in Table 4.

Table 5. Share of budget allocations for environment pillar in MEPA

	2022	2023	2024
Total MEPA budget	760420.3	698580	688000
Environment-related budget allocations	125465.6	108215	128120
Percentage of total	16.5%	15.5%	18.6%

Despite the decrease of the total budget of the Ministry, the share of environment-related budget allocations increased compared to the previous years: 18.6% in 2024, 15.5% in 2023 and 16.5% in 2022. This, though modest, increase sends a positive sign of levelling up the environment on the agenda. It is mainly due to the budget increase for environmental forecasting and monitoring, forestry, wildlife, sustainable land management and nuclear safety. The significant decrease is in the budget allocations for policy development (halved in 2024, compared to 2022). The budget allocation for Environmental Impact Assessment in 2024 is zero due to the fact that EIA and SEA functions were moved from MEPA to the National Environmental Agency (NEA) in 2021-22.

Compared to other Ministries, the MEPA budget, and in particular its environment pillar, remains modest.

Table 6. Budget of selected Ministries

Ministry	2022	2023	2024
Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs	6,362,096.0	7,108,420.0	7,829,150.0
Ministry of Regional Development and Infrastructure	3,080,396.4	3,350,920.0	3,400,700.0
Ministry of Education, Science and Youth	1,702,688.6	2,083,686.7	2,508,044.0
Ministry of Environmental Protection and Agriculture	760,420.3	698,580.0	688,000.0
Ministry of Culture and Sports	470,887.1	459,326.0	471,956.0
Ministry of Justice	340,721.9	392,831.0	414,685.0
Ministry of Foreign Affairs	177,974.1	186,000.0	187,500.0
Ministry of Finance	102,102.0	106,000.0	114,000.0
Ministry for Reconciliation and Civic Equality	3,302.7	3,700.0	4,000.0

The EU accession process and evolving legislation sets new challenges with regards to implementation and requires institutional changes and capacity building of the respective departments and agencies within the MEPA's structure (Box 10).

Box 10. Recent developments in environment/green economy legislation and policies, including towards fulfilling obligations under the EU-Georgia Association Agreement

- Georgia 2030 Climate Change Strategy and its Action Plan 2024-25 (under public consultation).⁸⁶
- Climate Smart Irrigation Sector Development Program (2023).⁸⁷
- Georgia's long-term low emission development strategy 2050 (adopted in April 2023).⁸⁸
- Law on Industrial Emissions (adopted in 2023).⁸⁹
- Legislation on sustainable public procurement developed. The new Public Procurement Law (adopted in February 2023) and 34 other laws amended in order to reform the public procurement procedures.⁹⁰
- New biodiversity law to align with EU standards (adopted in 2023).⁹¹
- Draft law "On Water Resources Management" and the related package of legislative amendments (adopted in July 2023).⁹²
- Revised waste management strategy for 2016-30 and the National Waste Management Action Plan 2022-26 (adopted in August 2022).⁹³
- Law on environmental liability (adopted in March 2021).⁹⁴
- New Forest Code (adopted in May 2020).
- Law on Energy Efficiency and the Law on Energy Performance of Buildings (adopted in 2020).⁹⁵
- Regulations on EPR adopted for 4 waste streams.

The recent institutional developments include:

- **Environmental Assessment:** Removal of the Department of Environmental Assessment from MEPA to the National Environmental Agency.
- **Environmental liability and Environmental Fund:** The Law on Environmental Liability, adopted in 2021 and based on the "polluter pay" principle, aims to prevent and eliminate environmental damage. The law obliges an enterprise damaging the environment as a result of its activities, to provide the financial resources and to eliminate the environment damage. Georgia is the first country in Eastern Europe to establish an environmental fund. The amount paid to compensate for environmental harm is put into a special account in the state budget called the "environmental fund." The money accumulated in the fund will be used to plan and implement environmental improvement actions.⁹⁶ Implementation of this law also requires capacity building of the MEPA on estimating environmental damage, for instance its State sub-agency "Environmental supervision

⁸⁶ <https://mepa.gov.ge/En/PublicInformation/34085> ; see previous action plan here:

<https://mepa.gov.ge/En/PublicInformation/32027/>

⁸⁷ <https://mepa.gov.ge/En/PublicInformation/34076>

⁸⁸ <https://mepa.gov.ge/En/PublicInformation/34075> ; <https://www.undp.org/georgia/publications/georgia-low-emission-development-strategy-2050>

⁸⁹ <https://parliament.ge/en/media/news/garemos-datsvisa-da-bunebrivi-resursebis-komitetma-samretsvelo-emisiebis-shesakheb-kanontan-dakavshirebit-saguramoshi-zhurnaliste-tan-shekhvedra-gamarta>

⁹⁰ <https://www.eu4environment.org/news/new-public-procurement-law-in-georgia-with-eu4environment-support/>

⁹¹ <https://georgiaonline.ge/economy/58030/georgia-adopts-new-biodiversity-law-to-align-with-eu-standards/>

⁹² <https://mepa.gov.ge/En/News/Details/21358>

⁹³ <https://www.eu4environment.org/events/launching-event-national-waste-management-strategy-2016-2030-and-national-waste-management-action-plan-2022-2026/>

⁹⁴ <https://matsne.gov.ge/en/document/view/5109151?publication=0>

⁹⁵ <https://www.ebrd.com/news/2020/ebrd-welcomes-adoption-of-key-energy-efficiency-laws-in-georgia-.html>

⁹⁶ <https://eiec.gov.ge/En/News/details/175>

department". In addition, the Department of Environmental Damage Remedial Measures has been established within the National Environmental Agency of the MEPA to help implement the Law on Environmental Liability (see section on NEA and environmental compliance).

- **Industrial Emissions:** Possible institutional development related to the implementation of the Law on Industrial Emissions, prepared by the MEPA and adopted in 2023, that introduces integrated pollution prevention and control (IPPC). The IPPC approach implies fundamental changes in the permit system, including the development of the relevant legal, institutional, administrative and procedural schemes and the application of modern environmental management principles, including the best available techniques (BATs) and emission limit values as required by the EU-Georgia Association Agreement. The competent authorities in this regard include: MEPA (implementation of state policy), National Environmental Agency (issuance of the integrated permit), Environmental Supervision Department (implementation of the state control) and Environmental Information and Education Centre (access to information and public participation in the permit procedure).⁹⁷

Public institutions subordinate to the MEPA

The MEPA has several legal entities of public law operating in the sphere of its governance. With relevance to environment, there are six main agencies of the MEPA, including:

- **National Environment Agency**, in charge of hydrometeorology, geology, environmental pollution monitoring, fisheries and aqua biodiversity, licences, environmental assessment and remedial measures for environmental damage.⁹⁸
- **State Sub-Agency Department of Environmental Supervision**, in charge of environmental control.⁹⁹
- **Center for Environmental Information and Education**, in charge of promoting environmental education and ensuring access to environmental information.
- **National Forestry Agency**, in charge of forest fund management and biodiversity.¹⁰⁰
- **Agency of protected areas**, in charge of managing national reserves, parks, protected landscapes, biosphere reserves, world heritage sites and wetlands of international importance, including ecotourism.¹⁰¹
- **Agency of wildlife**.¹⁰²

Other agencies of the MEPA, related to rural development and agriculture, include:

- **Georgian Amelioration**, in charge of rehabilitation of the infrastructure and providing irrigation and drainage services in the country, with strategic goal to increase the area of irrigated land, improve water supply efficiency and reform the sector to achieve sustainability. According to the strategic vision, the irrigated areas will reach 278,000 hectares, and the drying systems will serve 105,000 hectares.¹⁰³ The Irrigation strategy of Georgia 2017-25.^{104*}
- **Rural development agency**, in charge of implementing the programs/projects initiated by the MEPA, with mission to create prosperity in rural areas and to promote the growth of the welfare

⁹⁷ <https://www.eu4environment.org/app/uploads/2023/10/Georgia-law-on-industrial-emissions.pdf>

⁹⁸ <https://www.nea.gov.ge/Ge/Functions>

⁹⁹ <https://www.des.gov.ge/Ge/Page/activity>

¹⁰⁰ <https://www.forestry.gov.ge/Ge/Page/GoalsandTasksoftheAgency>

¹⁰¹ <http://apa.gov.ge/ge/saagento/saagentos-misia>

¹⁰² <http://wla.gov.ge/ka/>

¹⁰³ <http://www.ag.ge/Ge/Mission>

¹⁰⁴ <http://www.ag.ge/Ge/Strategy>

of farmers and rural residents by providing the necessary resources in the most efficient and correct manner.¹⁰⁵

- **National Food Agency**, a legal entity under the public law of the Ministry of Environment and Agriculture, in charge of food safety.¹⁰⁶
- **National Agency of Wine**, a legal entity of public law within the MEPA, in charge of quality control, certification and promotion of Georgian wine production.¹⁰⁷
- **State Laboratory of Agriculture**. The field of activity of the laboratory includes three main areas: food research, diagnostics of plant pests, diagnostics of animal diseases.¹⁰⁸
- Nuclear and Radiation Safety Agency.¹⁰⁹
- **Scientific-Research Center of Agriculture**, in charge of the scientific-research activities in agricultural sector. Among its objectives - endorse the bio-agro (organic) production, promote the ecologically safe food and harmonize it with international standards.¹¹⁰
- **National Agency for Sustainable Land Management and Land Monitoring**. Among its functions, sustainable management of agricultural land, combating land degradation and soil restoration.¹¹¹
- Agency of nuclear and radiation safety.

1. **National Environmental Agency**

The **National Environment Agency** is a legal entity of public law within the system of the MEPA, established in September 2008. The Agency implements its activities independently from the public governance bodies, but is subject to control from the state.¹¹²

The main tasks of the Agency include:

- monitoring hydrometeorological, geological processes and environment pollution (air, soil, water) and fulfilling international obligations;
- collection, processing and dissemination of environmental data and forecasting;
- risk assessment of hydrometeorological, geological and ecological hazards;
- climate change mitigation and adaptation;
- ensuring the stability of hydrosystems and aqua biodiversity;
- licencing (forest use, fishing, flora and fauna), maintaining licence register.¹¹³

The structure of the National Environmental Agency consists of 7 departments:

- Hydrometeorology
- Geological
- Environmental Pollution Monitoring
- Fisheries, Aquaculture and Aquatic Biodiversity

¹⁰⁵ <https://www.rda.gov.ge/static/chvenshesakheb>

¹⁰⁶ <https://nfa.gov.ge/>

¹⁰⁷ <https://wine.gov.ge/Ge/Page/mainactivities>

¹⁰⁸ <https://www.sla.gov.ge/Ge/Page/About>

¹⁰⁹ <https://www.anrs.gov.ge/>

¹¹⁰ <https://srca.gov.ge/en/about>

¹¹¹ <https://www.land.gov.ge/Ge/About-agency/Functions>

¹¹² <https://www.nea.gov.ge/Ge/Functions>

¹¹³ <https://www.nea.gov.ge/Ge/Functions>

- Licensing
- Remedial Measures for Significant Environmental Damage
- Environmental Assessment.¹¹⁴

The **Environmental Pollution Department** has the key function to monitor the environmental (air, soil, water) quality. Among its responsibilities are establishing pollution levels on the territory of Georgia, developing a database on the quality of environment, provision of information on environmental pollution, participating in risk and damage assessment. The department closely collaborates with the Department of Environmental Supervision and participates in environmental inspection procedures of industrial facilities. It also participates in expert commissions created for the purpose of the environmental impact assessment report.¹¹⁵

The technical capacity of NEA has been progressively improving due to increasing national and donor financing. In its activities, the monitoring department is supported by several laboratories, including the recently re-accredited laboratory of atmospheric air, water and soil analysis, Kutaisi laboratory, Batumi laboratory, Zestafon laboratory and department of technogenic impact assessment (laboratory) (Box 11).¹¹⁶

Box 11. Laboratory for the Analysis of Atmospheric Air, Water and Soils, a unique database

The Laboratory for the Analysis of Atmospheric Air, Water and Soils is the only one in Georgia that has been monitoring the quality of the environment since the 60s of the last century and has unique databases.

In 2023, it was re-accredited by a single national accreditation body - the Accreditation Center, significantly expanding its list of accredited parameters. The scope of accreditation covers surface, waste, drinking, underground, lake, sea waters, as well as biogenic elements, chemical oxygen demand, biological oxygen demand, suspended particle content, permanganate number, alkalinity, mineralization and other parameters, asbestos-6-fibers, benzo(a)pyrene and heavy metals in the atmospheric air.

It is equipped with the latest equipment. Most of the chemical and biological research is carried out in line with the methodologies of the European Union directives.

Source: <https://nea.gov.ge/En/News/1175>

In 2022, the EIA/SEA functions were moved from the MEPA to the NEA. Since May 2022, the information on the Environmental Assessment Code provisions, public review and decisions issued in the field of EIA/SEA are published on the website of the Agency (<https://nea.gov.ge/Ge/GZSH-Applications>).¹¹⁷ The **Environmental Assessment Department** is the key structural unit of the Agency covering EIA procedures (screening; reviewing the EIA report, creating an expert commission for that purpose; ensuring the public participation in the decision-making process in line with the Environmental Assessment Code; initiating the transboundary EIA procedure; maintaining a database of individual administrative-legal acts issued in the field of EIA; drafting normative acts to harmonise the national legislation with the European Union). It also covers state accounting of water use (Box 12).¹¹⁸

¹¹⁴ <https://www.nea.gov.ge/Ge/Departments>

¹¹⁵ <https://www.nea.gov.ge/Ge/Services/19>

¹¹⁶ <https://www.nea.gov.ge/Ge/Structures#>

¹¹⁷ <https://mepa.gov.ge/Ge/PublicInformation/34039>

¹¹⁸ <https://www.nea.gov.ge/Ge/Departments/Assessment>

Box 12. Digital solution for 'live' monitoring of air quality in Georgia

The National Environment Agency administrates the online portal with official data on air quality (<https://air.gov.ge/>) which allows the viewer to continuously monitor live updates on air quality in four cities: Tbilisi, Rustavi, Kutaisi, and Batumi.

Source: <https://air.gov.ge/>

The **Department of Remedial Measures for Significant Environmental Damage** is relatively new. It was created on the basis of the Law "On Environmental Liability", adopted in 2021, with the main function to implement this law.¹¹⁹

According to the State Budget of Georgia 2024, governmental allocation to the MEPA for "forecasting in the field of environmental protection, assessment, prevention and monitoring", which must be the governmental allocation to NEA, amounts to **GEL 23 780 for 2024**, representing about 3.5% of the total MEPA budget (Table 7).¹²⁰ NEA has also its own revenues from paid services in addition to the funds from the state budget. These additional revenues come from collection and analysis of air, soil and water samples under various paid agreements. Some examples of such paid services in 2023 include 16 contracts to determine water costs and morphometric characteristics, hydrobiological research of the Sarpi-Chakvi aquatoria in the Black Sea, seasonal (winter, spring, summer and autumn) hydrobiological research at three watershed stations, study of the ecological condition of Bazaleti Lake (hydrobiological research of the lake), 3 stations in the aquatoria of the Batumi harbor, environmental monitoring of the Poti seaport.¹²¹

Table 7. Budget and number of employees of the NEA, 2022-24, GEL thousand

Environmental supervision	2022	2023	2024
Total	12,288.4	8,000.0	23,780.0
Expenses	3,788.4	1,800.0	15,411.0
- Salary	1,377.6	0	0
- Non-financial assets	8,500.0	6,200.0	8,369.0

Source: Law "On the State Budget of Georgia for 2024". The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

In 2023, the Agency received 353 applications for public information, out of which 38 from the MEPA; 98 from individuals/media; 43 from legal entity; 116 from state agencies; 47 from a NGO; and 4 from an international organization.¹²²

2. The State Sub-Agency Department of Environmental Supervision

The state sub-departmental institution of the MEPA - Department of Environmental Supervision - is the main state control body in the field of environmental protection and use of natural resources (except for control of compliance with the conditions of the mineral extraction and use licence)¹²³ throughout Georgia, including its territorial waters, continental shelf and special economic zone.¹²⁴

¹¹⁹ <https://www.nea.gov.ge/Ge/Departments/Damage>

¹²⁰ The calculation is made by the authors based on the total of GEL 688 000. See more in the budget section.

¹²¹ <https://nea.gov.ge/Ge/Bill>

¹²² <https://nea.gov.ge/Ge/Bill>

¹²³ Control over oil and gas operations, including exploration, extraction, processing, storage and transportation is under mandate of the the State Agency of Oil and Gas, Ministry of Economy and Sustainable Development of Georgia. Source: OECD report, <https://www.eu4environment.org/app/uploads/2023/10/Environmental-compliance-assurance-system-in-Georgia-ENG-2.pdf>

¹²⁴ <https://www.des.gov.ge/Ge/Page/activity>

The main purpose of the department is the protection of atmospheric air, water, land, minerals and biodiversity; compliance with the requirements of the Georgian forest legislation; implementation of state control of use of natural resources, chemical safety, waste management (except for nuclear and radiation waste); control in the field of the use of living genetically modified organisms; state control of the fulfilment of the conditions of licences and permits issued in the field of environmental protection and use of natural resources (except for the mineral extraction or exploitation licence).¹²⁵

The main tasks of the department:

- implementing state control in the field of environmental protection and use of natural resources; prevention and detection of illegal use of natural resources and environmental pollution facts;
- control of fulfilling by Georgia its international obligations in the field of environmental protection;
- monitoring the implementation of the legislation, including the creation of a database;
- planning and coordinating state control in the field of environmental protection and use of natural resources;
- preparing guiding documents and informing the public about its activities.¹²⁶

It was established on 14 May 2013 within the system of the Ministry of Environment and Natural Resources Protection at that time (regulation approved by Order N26 of 10 May 2013). Prior to that, in 2005 the creation of the Environmental Protection Inspectorate in the Ministry of Environmental Protection and Natural Resources was, at the time, recognized as one of the most important measures implemented in the field of environmental protection. However, according to the 2011 legislative amendment, it was abolished, and the inspection functions were distributed to other agencies. In 2013 a state control body in the field of environmental protection - a state sub-departmental institution - was created again.¹²⁷

The structure of the department consists of 7 units (services) (integrated environment control service, biodiversity control service, environmental patrol and rapid response service, analytical service, internal service control service, legal service and administration).¹²⁸

The department has its Central Office in Tbilisi and 9 regional divisions (Kakheti Regional Division, Kvemo Kartli Regional Division, Mtskheta-Mtianeti Regional Division, Samtskhe-Javakheti Regional Division, Western Regional Division, Samegrelo-Zemo Svaneti Regional Division, Adjara and Guria Regional Division, Black Sea Defense Convention Division, Shida Kartli Regional Division).¹²⁹

Tools used by the Department to monitor compliance with environmental regulations include scheduled and unscheduled inspections, post-report exposure, also scheduled risk-based planning, penalising and prevention tools. The criteria have been changing every three years, and in the last three years air pollution became a priority and considered of high risk. The activities of the Department are in two directions – the rapid response, which addresses anti-poaching and other illegal logging, illegal fishing. It is working 24/7 and is being active in all regions of Georgia. The second direction is focused on inspection. For instance, the 2024 plan of scheduled inspections of regulatory objects included 94 entities;¹³⁰ in 2023 - 130 entities;¹³¹ in 2022 - 71 entities.¹³²

With regards to human resources, according to the Law "On the State Budget of Georgia for 2024", the DES has **870 posts** in 2024. According to the Law "On the State Budget of Georgia for 2024", financing of the Department of Environmental Supervision amounted to **GEL 29 000** thousand, representing about 4.2% of the total MEPA budget (Table 8).¹³³

¹²⁵ <https://www.eiec.gov.ge/Ge/Topics/OverView/17> and <https://www.des.gov.ge/Ge/Page/activity>

¹²⁶ <https://www.des.gov.ge/Ge/Page/activity>

¹²⁷ <https://www.eiec.gov.ge/Ge/Topics/OverView/17>

¹²⁸ <https://www.des.gov.ge/Ge/Units>

¹²⁹ <https://www.des.gov.ge/Ge/RegionalDivisions>

¹³⁰ <https://www.des.gov.ge/Ge/Orders>

¹³¹ <https://des.gov.ge/Ge/Files/ViewFile/4046>

¹³² <https://des.gov.ge/Ge/Files/ViewFile/4040>

¹³³ The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

Table 8. Budget and number of employees of the DES, 2022-24, GEL thousand

Environmental supervision	2022	2023	2024
Total	23,682.7	26,000.0	29,000.0
Number of workers	870.0 0	870.0	870.0
Expenses	17,668.3	22,040.0 0	24,500.0
- Salary	10,875.8	14,700.0	16,500.0
Non-financial assets	6,014.4	3,960.0	4,500.0

Source: Law "On the State Budget of Georgia for 2024". The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

Compared to the previous years, the capacity of the DES (both financial and human) significantly increased. Thus, according to the latest publicly available report of the DES for 2022, the number of employees has nearly tripled from its creation in 2013 to 2024 (from 330 staff units in 2013 to 870 in 2024) (Table 9).

Table 9. Number of employees in the DES, 2013-2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Number of employees	330	348	465	434	391	411	870	870	864	856

Source: 2022 report of DES, <https://des.gov.ge/Ge/Files/ViewFile/4050>, see p. 5. Note: the discrepancy in data for 2022 in this and previous tables is probably due to the latest adjustments.

The same tendency with the budget. According to the latest publicly available report of the DES for 2022, its budget has nearly tripled from 2018 to 2024 (from GEL 11 136.6 to GEL 29 000 thousand) (Table 10).

Table 10. Budget of the DES, 2018-2022, GEL thousand

Environmental supervision	2018	2019	2020	2021	2022
Total	11 136.6	17 831.6	15 364.3	16 850.0	20 250.0
Expenses	10 002.4	14 170.4	15 324.2	16 550.0	19 250.0
- salary	6 288.0	8 784.8	10 238.6	11 000.0	13 200.0
Non-financial assets	1 134.2	3 661.3	40.1	300.0	1 000.0

Source: 2022 report of DES, <https://des.gov.ge/Ge/Files/ViewFile/4050>, see p. 6. Note: the discrepancy in data for 2022 in this and previous tables is probably due to the budget adjustments.

Yet, the recently published OECD report evaluating the environmental compliance system in Georgia urged that "public environmental institutions engaged in environmental compliance assurance struggle to attract and retain qualified and experienced staff, who often leave for jobs in the private sector. According to the DES, this challenge results in a lack of coverage of geographical areas and a lower frequency of inspections."¹³⁴ For instance, in 2021 interviews revealed about 200 vacancies out of 864 posts (Box 13).¹³⁵

¹³⁴ OECD report, <https://www.eu4environment.org/app/uploads/2023/10/Environmental-compliance-assurance-system-in-Georgia-ENG-2.pdf>

¹³⁵ Interview of OECD EU4Environment with the Department of Environmental Supervision of Georgia, a draft interview record.

The performance of inspectors is evaluated annually by supervisors based on criteria. There is an electronic system for timber resource management, fishing, but for pollution there is no electronic system, although they are trying to digitise it.¹³⁶

Box 13. Institutional framework for environmental compliance assurance in Georgia: key findings and recommendations

The recent OECD review of the environmental compliance assurance system in Georgia identified gaps and provided recommendations for improvement, including in the field of institutional framework for environmental compliance assurance.

Key findings:

- The institutional framework for environmental compliance assurance has been strengthened. In particular, the establishment of the DES of the MEPA in 2013 helped reinforce control activities in the area of environmental protection and natural resource use. It has clearly separated environmental policy making and control activities.
- The Department of Environmental Damage Remedial Measures has been established within the National Environmental Agency (NEA) of the MEPA to help implement the Law on Environmental Liability. Georgia's Environmental Information and Education Centre (EIEC) carries out important information provision, awareness-raising and capacity-building functions.
- Despite progress, there is a shortage of qualified staff in the compliance assurance institutions due to non-competitive remuneration and an absence of structured training programmes.
- Although several MEPA departments deal with different aspects of environmental compliance assurance, consultation and co-ordination are not always assured.
- The DES has been modernising its equipment in the last few years and has been digitising its information management systems, but it lacks field and laboratory sampling equipment and electronic technology.

Key recommendations:

- Conduct a structural review of the various bodies involved in environmental compliance assurance with the view to reducing their number, and improving co-ordination and communication among them.
- Improve and digitise information management processes for inspection, handling of complaints and responses to violations.
- Address staffing issues in environmental compliance assurance institutions by improving financial incentives for retaining the best staff; adopt structured training programmes, including a skills upgrade of existing staff and training for new staff.
- Modernise and expand the DES's field and laboratory sampling equipment and digital equipment.

Source: <https://www.eu4environment.org/the-environmental-compliance-assurancesystem-in-georgia/> and <https://www.eu4environment.org/app/uploads/2023/10/Environmental-compliance-assurance-system-in-Georgia-ENG-2.pdf>

In 2023, the Department detected 12 772 environmental violations, with the most - 3 111 facts - referring to illegal forest use, 2 595 to violations of the waste management code, 2 097 - of the atmospheric air legislation, 1 477 - of the water legislation, 706 - of the land legislation, 686 - illegal mining, 454 - of permit conditions, 871 - other environmental violations.¹³⁷

3. Environmental Information and Education Center

The **Environmental Information and Education Center** is a special of its kind state body, promoting sustainable development through education and access to environmental information. It was established

¹³⁶ Interview of OECD EU4Environment with the Department of Environmental Supervision of Georgia, a draft interview record.

¹³⁷ <https://www.des.gov.ge/Ge/News/Details/12850>

on 14 May 2013, based on the principles of the Convention of the United Nations Economic Commission for Europe (Aarhus Convention) on “access to information related to environmental issues, public participation in the decision-making process and access to justice in this area”.¹³⁸ It was established on the basis of the Aarhus Centre Georgia, operating in Georgia since 2005, which was a joint initiative of the OSCE and the former Ministry of Environment Protection and Natural Resources of Georgia. Aarhus Centre Georgia was actively engaged in facilitating access to information regarding environmental issues, providing trainings on the Aarhus Convention, monitoring public participation and providing counselling regarding environmental matters. In order to institutionalize the Centre, the Ministry transformed the Aarhus Centre into the Legal Entity of Public Law under MEPA.

Its mandate covers:

- Promotion of environmental and agricultural education of society and awareness raising
- Organization of public hearings and public participation in the environmental decision-making process
- Providing access to environmental and agricultural information.¹³⁹

The Center consists of 4 structural units, including:

- Environmental information service, coordinating the implementation of projects related to eco-labeling systems and eco-standards in order to raise awareness.¹⁴⁰
- Education projects service, coordinating among others the projects to support “green economy” and “green business”. The service closely cooperates the Ministry of education and science of Georgia, as well as with local and international educational institutions.¹⁴¹
- Service of public participation in environmental decision-making process, controls the management of the environmental information portal and makes it possible for the released data required by the Environmental Assessment Code to be posted on this portal.¹⁴²
- Administrative service.¹⁴³

From 1 July 2023, a new function was added to the Environmental Information and Education Center - organisation of public discussions and therefore a new service - Service of public participation in environmental decision-making process (Box 14).¹⁴⁴

Box 14. Environmental information portal, a new tool/technical instrument for advancing public participation

In 2023 the environmental information and education centre launched a new portal - environmental information portal (ei.gov.ge). It was created to facilitate public participation in the environment decision-making process and is available from 1 July 2023.

It provides quick and clear to the public to assist in decision-making, timely access to information and the efficient involvement of society at every stage of the decision-making process. It is aligned with the Georgia law "Environmental Assessment Code" and "Environmental Liability Law" and the main principles of the Aarhus Convention.

The portal is created by the Environmental Information and Education Centre (EIEC) and National Environmental Agency, with the support of the United Nations Development Program (UNDP) and Sweden within the framework of "Strengthening of public participation mechanisms in environmental decision-making processes and promotion of environmental education".

Source: <https://eiec.gov.ge/En/News/details/4084>

¹³⁸ <https://eiec.gov.ge/Ge/Page/AboutEIEC>

¹³⁹ <https://eiec.gov.ge/Ge/Page/AboutEIEC>

¹⁴⁰ <https://eiec.gov.ge/En/Subdivisions/1/>

¹⁴¹ <https://eiec.gov.ge/En/Subdivisions/2/>

¹⁴² <https://eiec.gov.ge/En/Subdivisions/5/>

¹⁴³ <https://eiec.gov.ge/Ge/Structure>

¹⁴⁴ 2023 report of the Center, <https://eiec.gov.ge/Ge/CenterAnnualReports>

According to the Law "On the State Budget of Georgia for 2024", the Center has 25 posts; with financing of **GEL 2 000** thousand, representing about 0.3% of the total MEPA budget (Table 11).¹⁴⁵

Table 11. Budget and number of employees of the Center, 2022-24, GEL thousand

Information accessibility on environment and agriculture and education for sustainable development	2022	2023	2024
Total	3,039.8	1,790.0	2,000.0
Number of workers	17.0	25.0	25.0
Expenses	2,848.1	1,760.0	1,920.0
Salary	460.5	461.0	690.0
Non-financial assets	191.7	30.0	80.0

Source: Law "On the State Budget of Georgia for 2024". The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

Compared to the previous years, the budget was reduced, while the number of posts increased.

The EIEC plays a key role in the capacity building of the MEPA and public in general on environmental issues/green economy by offering various training modules. In 2023, a total of 313 employees of the Ministry were trained through the Center.¹⁴⁶ These trainings will be discussed in more details in the capacity building section of the report. In 2022, the Center was rewarded with the "VET Excellence Award" (Box 12).

The Center also organizes trainings for private entities. One example, trainings for environmental managers of private companies, following the adoption of the Waste Management Code (2015) which requires companies generating waste beyond a certain amount to appoint environmental managers responsible for waste management and developing waste management plans.

In 2023, 5962 people participated in awareness raising events, organised by the Center.¹⁴⁷

Box 12. Success story: VET Excellence Award

In 2022, the Environmental Information and Education Center was rewarded with the "VET Excellence Award". Its program "Environmental and Agricultural Education at School" was voted a winner within the "European Vocational Skills Week 2022" organized by the European Commission.

The VET Excellence Award brings together diverse organisations from throughout Europe to share their success stories. The 2022 European Professional Skills Week was devoted to vocational education and the transition to a green economy, in line with the European Green Deal objectives.

The program "Environmental and Agricultural Education in Schools" was introduced in Georgia in 2021 and covers such topics as sustainable development, biodiversity conservation, water resource protection, air pollution, climate change, natural disaster mitigation, waste and land management, desertification and sustainable agriculture. A support manual for teachers was prepared by the EIEC.

Source: <https://eiec.gov.ge/En/News/details/1897>

¹⁴⁵ The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

¹⁴⁶ The 2023 report of the Center, <https://eiec.gov.ge/Ge/CenterAnnualReports>

¹⁴⁷ 2023 report of the Center, <https://eiec.gov.ge/Ge/CenterAnnualReports>, see p. 19.

The Center is also engaged in international cooperation, notably through the regional programmes, such as EU4Environment activities on sustainable public procurement and eco-labelling components.

4. National Forestry Agency

The National Forestry Agency is the main government body responsible for forest care and restoration and sustainable use of components of biological diversity in the territory of the forest fund (Box 14).¹⁴⁸ It is tasked to:

- manage the forest fund
- implement forest maintenance and restoration measures
- regulate forest use
- implement control (except for licence conditions) in the territory of the forest fund;
- implement forest accounting.¹⁴⁹

According to the Law "On the State Budget of Georgia for 2024", the Agency has 501 staff units; with financing of **GEL 24 680** thousand, representing about 3.6% of the total MEPA budget.¹⁵⁰ The average annual salary amounts to GEL 9.2 thousand (about EUR 3000) (Table 13).¹⁵¹

Table 13. Budget and number of employees of the Agency, 2022-24, GEL thousand

Forestry	2022	2023	2024
Total	16,157.6	20,950.0	24,680.0
Number of workers	501.0	501.0	501.0
Expenses	8,190.9	11,550.0	14,680.0
- Salary	3,918.6	4,200.0	4,620.0
Non-financial assets	7,966.7	9,400.0	10,000.0

Source: Law "On the State Budget of Georgia for 2024". The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

Box 14. Institutional reform of the Forestry Agency

In 2020, the Parliament of Georgia adopted the Forest Code, which is based on sustainable forest management principles and aims to transform the national forest management system. Reforming the National Forestry Agency is at core for enforcing the code. The Agency will be gradually transformed into a multispectral entity; it will be authorised to manage forest and generate income from it for reinvesting back to forest management (recovering the forest, wildfire prevention, infrastructure). The development strategy of the National Forest Agency 2021-26 and its action plan sets key reform directions to ensure effective forest management.

Source: <https://mepa.gov.ge/En/News/Details/20220> and <https://forestry.gov.ge/En/Projects/Details/37?menuId=31#>

¹⁴⁸ <https://forestry.gov.ge/En/Page/GoalsandTasksoftheAgency>

¹⁴⁹ <https://www.forestry.gov.ge/Ge/Page/GoalsandTasksoftheAgency>

¹⁵⁰ The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

¹⁵¹ The calculation is made by the authors based on the data from Law "On the State Budget of Georgia for 2024": total salary amount (4620) / number of workers (501). The exchange rate used for conversion in Euro is the following: 1 GEL = 0,33 EUR, <https://www.xe.com/fr/>

5. Agency of protected areas

The **Agency of protected areas** is the main government body responsible for management of natural reserves, national parks, natural monuments, protected landscapes, biosphere reserves, world heritage sites and wetland sites of international importance.¹⁵² It was created in February 2008.

The Agency is headed by Chairman, two deputies, and consists of 9 structural units (services), including: planning and development service, inspection service, infrastructure projects management service, international relations and projects service, marketing and public relations service, state procurement service, legal, financial and administrative services.

The Agency has 21 territorial administrations.¹⁵³

In Georgia, there are 100 protected areas (namely: 14 state nature reserves, 14 national parks, 40 natural monuments, 26 protected areas, 5 protected landscapes and one multi-use territory), out of which 94 are under the management of the Agency. As of 2023, the protected areas cover 912,862 hectares, which is about 13% of the territory of Georgia.¹⁵⁴

According to the Law "On the State Budget of Georgia for 2024", the Agency has 729 staff units; with financing of **GEL 23 200** thousand, representing about 3.4% of the total MEPA budget.¹⁵⁵ The average annual salary amounts to GEL 11 220 (about EUR 3700) (Table 14).¹⁵⁶

Table 14. Budget and number of employees of the Agency of protected areas, 2022-24, GEL thousand

Protected areas	2022	2023	2024
Total	32,455.3	31,450.0	23,200.0
Number of workers	661.0	701.0	729.0
Expenses	13,971.3	13,615.0	19,948.0
- Salary	7,095.4	7,430.0	8,180.0
Non-financial assets	18,484.0	17,835.0	3,252.0

Source: Law "On the State Budget of Georgia for 2024". The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

To raise the qualifications of employees, the Agency organises various trainings annually. Thus, according to its 2023 report, in total, 144 employees from the agency and its territorial administrations were trained in 2023.¹⁵⁷ The table below provides more details on the scope of such trainings and number of participants (Table 15).

¹⁵² <https://apa.gov.ge/en/saagento/saagentos-misia>

¹⁵³ The full list of territorial administrations is available at the Agency web site, <https://apa.gov.ge/ge/saagento/directorsofterritorialunits>

¹⁵⁴ The 2023 report of the Agency, <https://apa.gov.ge/ge/angariSebi>

¹⁵⁵ The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

¹⁵⁶ The calculation is made by the authors based on the data from Law "On the State Budget of Georgia for 2024": total salary amount (8180) / number of workers (729). The exchange rate used for conversion in Euro is the following: 1 GEL = 0,33 EUR, <https://www.xe.com/fr/>

¹⁵⁷ The 2023 report of the Agency, <https://apa.gov.ge/ge/angariSebi>, see pp. 70-71.

Table 15. Trainings for the employees of the Agency of protected areas in 2023

Subject of the training	Number of employees trained	Donor support, if applicable
Developing a management plan for protected areas	27 employees from 14 administrations	Not specified
Environmental responsibility system	1 employee of the Agency	USAID/USDOI
SMART Connect (online)	7 employees from 3 administrations (Mtirala, Kintrish, Machakhela)	CNF
Inclusive tourism	13 employees of the Agency and its territorial administrations	Not specified
First aid training	79 employees of territorial administrations	Not specified
Water catchment basins and sustainable forest management	17 employees of the Agency and its territorial administrations	Not specified

Source: The 2023 report of the Agency, <https://apa.gov.ge/ge/angariSebi>, see pp. 70-71.

6. National Wildlife Agency

The **National Wildlife Agency**, a legal entity of public law within the MEPA, is the main government body with statewide responsibilities in the field of wild animal and flora management.

More specifically, in the field of flora management it is responsible for:

- registration of wild animal species, monitoring of their habitats and populations;
- promoting the restoration of wild animal species and their habitats;
- organizing the removal of disturbed animal species from their natural environment;
- promotion of hunting and fishing farms;
- promoting the development of fishing and hunting tourism.

In the field of flora management:

- local flora maintenance and reproduction;
- vegetation cover, species of local flora, rare, endangered plants acquisition, breeding, maintenance of existing species and established by law for these purposes provision of appropriate services;
- sowing of decorative and cultural trees and plants and bringing out planting material and promoting urban greening;
- cultivation of forest crops and windbreaks;
- production of agricultural products within the scope of its competence.¹⁵⁸

¹⁵⁸ <https://faolex.fao.org/docs/pdf/geo193841.pdf>

It was created in 2019 by Minister's Order No. 2-249 on Charter of National Agency of Wildlife¹⁵⁹ and Government Resolution No. 112 of 2018 on Charter of the Ministry of Environmental Protection and Agriculture of Georgia.¹⁶⁰

The agency is headed by the chief, who is appointed/dismissed by the Minister, its deputy, and consists of two structural units (services), namely: forestry and technology service and administrative service.¹⁶¹

The main agency's source of funding is the state budget allocations, but the agency also has additional revenues (e.g. grants, revenues from research and educational activity, consulting-expert, provision of the contract-based services, etc.).

According to the Law "On the State Budget of Georgia for 2024", the Agency has 12 staff units; with financing of **GEL 1 800** thousand, representing about 0.3 % of the total MEPA budget.¹⁶² The average annual salary amounts to GEL 41 250 (about EUR 13 600) (Table 16).¹⁶³

Table 16. Budget and number of employees of the National wildlife, 2022-24, GEL thousand

National Wildlife Agency	2022	2023	2024
Total	1,562.5	1,200.0	1,800.0
Number of workers	12.0	12.0	12.0
Expenses	1,562.5	1,200.0	1,655.0
- Salary	306.2	451.0	495.0
Non-financial assets	0	0	145

Source: Law "On the State Budget of Georgia for 2024". The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

Ministry of Economy and Sustainable Development as the steering force for green economy development

The **Ministry Economy and Sustainable Development** serves as a counterpart of the MEPA and leading institution in fostering a green and circular economy. The central body of the public administration, it develops and implements the economic policy of the country and exercises the main competences in the energy sector. It is in charge of sustainable development, resource efficiency and green economy promotion.

- **Sustainable development. green policies:** integrates sustainability principles into economic planning and policy-making. Promotes green business practices and sustainable industrial development. **Innovations and technology:** Supports development and adoption of green technologies and innovations in various sectors.
- **Energy sector. Renewable energy:** develops policies to promote renewable energy sources. Facilitates investments in renewable projects. **Energy efficiency.** Implements programs to enhance energy efficiency across industries, buildings and transport sectors.

It was established in accordance with Article 812 of the Constitution of Georgia and the Law of Georgia "On the Structure, Powers and Procedures of the Government of Georgia". Its mandate is established by

¹⁵⁹ <https://faolex.fao.org/docs/pdf/geo193841.pdf>

¹⁶⁰ <https://faolex.fao.org/docs/pdf/geo190287.pdf>

¹⁶¹ <https://faolex.fao.org/docs/pdf/geo193841.pdf>

¹⁶² The budget document for 2024 is provided by the National Action Coordinator, from publicly available sources, and translated from Georgian.

¹⁶³ The calculation is made by the authors based on the data from Law "On the State Budget of Georgia for 2024": total salary amount (495 000) / number of workers (12). The exchange rate used for conversion in Euro is the following: 1 GEL = 0,33 EUR, <https://www.xe.com/fr/>

the Government Resolution No. 70 of 11 February 2016 on the approval of the regulation of the Ministry of Economy and Sustainable Development of Georgia.¹⁶⁴

The scope of its activity covers: economic policy; sustainable development; trade and investment; production and service promotion; tourism; state property management; construction policy; urban space planning; electronic communications; innovations, ecosystem and information technologies; transport; standardisation; accreditation; capital market development; pension system; sustainable management of mineral resources; energy sector development and energy efficiency.

Within its mandate, the Ministry is explicitly tasked to “encourage the **green economy**”. It is tasked among others to:

- analyse the country's economic situation and develop economic policy to ensure sustainable economic development;
- develop and implement necessary measures for the sustainable development of the country (encourage resource-saving production; encourage energy-efficient measures in the transport and service sectors; encourage the **green economy**);
- develop state policy related to the state property management;
- promote international economic relations and trade policy;
- promote investments and innovations;
- develop standardisation and accreditation policy;
- develop tourism development policy;
- develop engineering, electronic communications and transport;
- create information systems and introduce intelligent systems in the infrastructure;
- facilitate land use planning and urban development; territorial planning and construction-engineering activities;
- develop state policy in the field of electronic communications and modern technologies;
- establishing the information society;
- develop and implement a unified state policy in the field of transport;
- develop the capital market, reform of the Georgian pension system;
- develop state policy in the field of sustainable management of mineral resources and state control in the field of use of minerals.¹⁶⁵

The structure of the Ministry consists of its central apparatus with about 20 structural units (departments) and 18 legal entities of the public law within the Ministry structure (Figure 6).

¹⁶⁴ <https://www.economy.ge/?page=debuleba&lang=ge>

¹⁶⁵

https://www.economy.ge/uploads/files/2017/saministro/ekonomikisa_da_mdgradi_ganvitarebis_saministros_debuleba_25_07_2022.pdf

Figure 6. Structure of the Ministry of Economy and Sustainable Development

Minister						
• Internal Audit Department • Human Resources Management Department • Department of Strategic Communication • Protocol Department • Civil Aviation and Maritime Transport Accident Incident Investigation Bureau • Energy Policy and Investment Projects Department • Energy Efficiency and Renewable Energy Policy and Sustainable Development Department • Energy Reforms Department • State Agency of Oil and Gas						
First Deputy Minister	Deputy Minister	Deputy Minister	Deputy Minister	Deputy Minister	Deputy Minister	
Legal department	Foreign Trade Policy Department	Transport and Logistics Development Policy Department	Transport and Logistics Development Policy Department	Economic Analysis and Reforms Department	Capital Market Development and Pension Reform Department	
	Department of Trade Development and International Economic relations		Communications , Information and Modern Technologies Department	Economic Policy Department	Investment policy and support department	
	Construction Policy Department			Administrative Department		
				Strategic Development Department		

Agencies and Subordinate Bodies to the Ministry (under the respective Deputy Ministers)						
National Agency of Mineral Resources	National Agency for Standards and Metrology	Civil Aviation Agency	Land Transport Agency		Innovation and Technology Agency	
National Agency of State Property	Unified National Accreditation Body	National Tourism Administration	Maritime Transport Agency		Enterprise Georgia	
Spatial and Urban Development Agency	Technical and Constructions Supervision Agency	Resorts Development Agency	State Hydrographic Service			
	Market Supervision Agency		Anaklia Deep Seaport Development Agency			
			Rail Transport Agency			

Source: <https://www.economy.ge/?page=structure&lang=en>

With relevance to a green economy, the main structural unit responsible for the field is the **Energy Efficiency and Renewable Energy Policy and Sustainable Development Department**. It is accountable directly to the Minister. Until end 2021, the preparation of sustainable development policy and measures to support green economy was within the competence of the Sustainable Development Division, which was one of the smallest units in the Ministry, consisting of one staff. By the end of 2021, a new Department of Energy Efficiency and Renewable Energy Policy and Sustainable Development was established in the Ministry, which consists of two structural units (divisions):

- Division for Energy Efficiency and Renewable Energy Implementation and Promotion
- Sustainable Development Promotion Division.¹⁶⁶

Among its functions:

- Facilitate the development of the legal framework in the field of energy efficiency, renewable energy and sustainable development, cooperate with various departments of the Ministry in the process and coordinate activities in accordance with the directives of the Georgia-EU Association Agreement;
- Receive, process, analyse, prepare a report on projects, presentations, meetings and other activities planned in the field of energy efficiency, renewable energy and sustainable development in line with European integration, as well as submit relevant proposals to the leadership of the Ministry;
- Develop and implement short-, medium- and long-term programs according to international standards in order to promote use and development of renewable energy;
- Develop and implement short-, medium- and long-term programs in line with international standards and support the implementation of relevant projects to promote the implementation of energy efficiency measures. Coordination with the UN Sustainable Development Goals;
- Develop and implement short-, medium- and long-term programs to promote sustainable development, innovative projects, to cooperate with international organizations within the scope of

¹⁶⁶ <https://www.economy.ge/?page=departments&dep=98>

competence, to fulfill commitments on sustainable development, fossil fuels, energy efficiency, climate change and renewable energy;

- **Preparation of a sustainable development strategy**, participation in the development of state programs and legislation to support it;
- **Take necessary measures to encourage the green economy**;
- To achieve these goals, within its competence, cooperate with the executive authorities, local self-governments and civil society, business sector and international institutions.¹⁶⁷

The Ministry is also responsible for the **energy sector**. In addition to the three structural units (departments) - Energy policy and investment projects department, Energy efficiency and renewable energy policy and sustainable development department (described above) and Energy reforms department, the Ministry manages the Georgian Energy Development Fund, a state-owned company in charge of unlocking the country's renewable energy potential. There are currently no main horizontal strategic documents on energy policy in place.¹⁶⁸ The Georgia's 2030 Climate Change Strategy and 2021-2023 Action Plan is a national cross-sectoral strategy.¹⁶⁹

According to the Law of Georgia on 'Licenses and Permits' the Ministry of Economy and Sustainable Development issues the licences for use of minerals except for oil and natural gas.

The ministry is also responsible for **SME policy development**, and in particular, SMEs greening component. It developed two key strategic documents to promote SMEs greening - SME Development Strategy of Georgia 2016-20¹⁷⁰ and SME Development Strategy of Georgia 2021-25.¹⁷¹ Both strategies include measures to support SMEs in adopting green economic development approaches. The institutional framework for SMEs support is described below, under subordinate agencies (Box 15).

Box 15. SME Development Strategy of Georgia 2021-25: promoting green economy for SMEs

The SME Development Strategy of Georgia 2021-25 explicitly sets as a goal "promoting the involvement of SMEs in green Economy" (Priority 7: Promoting the Development of the Green Economy for SMEs).

In this regard, it sets 6 specific objectives:

- Development of green growth strategy
- Popularisation of eco-innovative approach
- Development of green-funding mechanism
- Development of legislative framework
- Development of eco-tourism
- Awareness raising of SMEs on environmental protection issues.

Source: https://www.economy.ge/uploads/files/2017/ek_politika/sme_strategy/2022/sme_strategy_2021_2025_eng_2.pdf

MESD participates in several coordination mechanisms on sustainable development and environment such as: Council on SDGs (Acting Head of Division of Sustainable Development is a member); Climate

¹⁶⁷ <https://www.economy.ge/?page=departments&dep=98>

¹⁶⁸ https://neighbourhood-enlargement.ec.europa.eu/system/files/2023-02/SWD_2023_31_Georgia.pdf

¹⁶⁹ <https://www.fao.org/faolex/results/details/es/c/LEX-FAOC209870/#:~:text=Its%20main%20goals%20are%20to, support%20development%20of%20low%2Dcarbon>

¹⁷⁰ SME Development Strategy of Georgia 2016-20,

www.economy.ge/uploads/files/2017/ek_politika/sme_strategy_2016_2020_eng.pdf

¹⁷¹ https://www.economy.ge/uploads/files/2017/ek_politika/sme_strategy/2022/sme_strategy_2021_2025_eng_2.pdf

change council, and Air Protection council. The Ministry is represented at high-level by Deputy Ministers in some of the councils and working groups.

In response to the problem of lack of clear definitions in the country on green economy and green investments, the preparation of sustainable financing taxonomy has started and will cover energy, building and transport sectors. The National bank of Georgia is in charge and the MESD is participating in the process, which is expected to be finalised in 2022.

The Minister of Economy and Sustainable Development, in his position of First Deputy Prime Minister, is well positioned to bring the green economy to the highest level in the government.

Institutions subordinate to the Ministry of Economy and Sustainable Development relevant to the green economy

The Ministry has 18 subordinate administrative authorities, among those at least several are relevant to the green economy:

- National Agency of Mineral Resources (mineral resources management, including licensing)
- Oil and gas agency (oil and gas management, including licensing)
- Enterprise Georgia (greening SMEs component)
- Innovation and Technology Agency (eco-innovations component)
- Accreditation Center (accreditation of laboratories and inspection bodies)

The five above-mentioned agencies constitute an institutional framework for promoting SMEs sector development and boosting innovations in the country, progressively incorporating green considerations in their respective activities.

National Agency of Mineral Resources

The **National Agency of Mineral Resources**, created in 2017, is a public law legal entity within the MESD system. In accordance with the legislation of Georgia, it is in charge of issuing licenses defined by the Law of Georgia "On Licenses and Permits" for the use of mineral resources (except oil and gas) and directing and coordinating the activities to be carried out for this purpose.¹⁷²

Enterprise Georgia

The Agency "**Enterprise Georgia**", established in 2014, is the main state institution for supporting entrepreneurship development in the country, and, in particular, SMEs. It coordinates implementation of SMEs policies and programmes. It aims to increase competitiveness of the private sector, to support export growth and attract investments. It is the main implementer of the government programme "Produce in Georgia", launched in 2014 by the Ministry of Economy and Sustainable Development to promote an entrepreneurial culture throughout the country. In line with its objectives, the agency has 3 key directions: business development, export and investments.¹⁷³

- **Business direction** promotes entrepreneurial activity (support with creating new enterprises and refurbishment of existing ones).
- **Export direction** focuses on the export potential of the country (increasing the competitiveness of local products and the overall volume of exported goods).
- **Invest direction** focuses on attracting foreign investment in Georgia. It bridges foreign investors and the Government, serving as a "one-stop-shop," providing information and supporting investors throughout the process.¹⁷⁴

¹⁷² https://www.namr.gov.ge/en_GB

¹⁷³ https://www.economy.ge/uploads/files/2017/ek_politika/sme_strategy/2022/sme_strategy_2021_2025_eng_2.pdf

¹⁷⁴ <https://www.enterprisegeorgia.gov.ge/en/home/about>

Though Enterprise Georgia does not have a special programme or a stand-alone component on greening SMEs, it provides support and information on green projects. One example, from 2023 it promotes renewable energy production. In 2023 a new economic activity was added to the agency's "business universal" program - small renewable energy projects (hydropower, solar and wind power) (Box 16).

Box 16. Georgia in 2024 SME Policy Index: scoring institutional framework and facilitating green SME practices

According to the 2024 OECD SME Policy Index, Georgia received the highest score (4.37) on progress in the institutional and regulatory framework dimension and was scored second (3.08), after Moldova, on progress in the green economy dimension (above the EaP average score of 2.81).

While the first dimension evaluates parameters to identify SMEs, institutions responsible for SME policy design, delivery, monitoring and evaluation and mechanisms for policy alignment, the second dimension evaluates government backing for greener SME practices using regulatory, financial and informational tools.

In June 2023, Georgia was the only country implementing a dedicated SMEs strategy covering the period 2021-25.

Source: SME Policy Index Eastern Partner Countries 2024 BUILDING RESILIENCE IN CHALLENGING TIMES, <https://www.oecd-ilibrary.org/docserver/3197420e-en.pdf?expires=1717678633&id=id&accname=quest&checksum=16D957EB6FF48F9CCFCC953CA25F9BAB>

Innovation and Technology Agency

The **Innovation and Technology Agency**, established in 2014, is the main state institution fostering the development of knowledge, innovations and technologies-based economy. It coordinates building a national innovation ecosystem in the country. It aims to create an effective system in the country for developing innovation and technology, promoting the commercialization of innovative knowledge to incorporate the latest technologies into all economic sectors and to create the necessary platform for innovative development. To this end, the Agency develops the country-wide infrastructure for innovation, including technoparks, innovation centers and industrial laboratories. It develops tools supporting the commercialization of innovation and technology, provides training and incentives to encourage innovation and technology development.¹⁷⁵

In regard to **eco-innovation**, a world-wide emerging sustainable business model, this concept is relatively new for Georgia. The Agency is not explicitly responsible for eco-innovation. To date, the Agency does not have a dedicated structural unit for eco-innovations, or green economy more generally.¹⁷⁶ Though the green economy is not explicitly mentioned in its activities, the agency has a key role to play in uptaking circular solutions.

The recent analysis of the eco-innovation landscape in Georgia showed that one of the main support mechanisms to assist technology-based business start-ups is GITA's small grants programme, which finances innovative projects. It warned about the overall low level of technological development in Georgia, leading in turn to irrational use of natural resources. Agriculture and hospitality were identified as two most suitable sectors for introducing eco-innovation.¹⁷⁷

Another positive sign - several start-ups focusing on environmentally friendly technologies were among the winners of the 2021 Agency's Matching Grants Program (Box 17).

¹⁷⁵ <https://gita.gov.ge/en/about>

¹⁷⁶ <https://gita.gov.ge/en/about/our-team>

¹⁷⁷ Market Assessment and Policy Analysis of the Eco-innovation Landscape in Georgia, <https://www.eu4environment.org/app/uploads/2023/06/Market-Assessment-and-Policy-Analysis-of-the-Eco-innovation-Landscape-in-Georgia.pdf>

Box 17. Georgian start-ups focusing on environmentally friendly technologies

In 2021, among the twenty winner startups of the Innovation Agency's Matching Grants program, each receiving a grant of GEL 100,000, were several start-ups focusing on environmentally friendly technologies. Among them:

- Unique integrated agro-biotechnological system for potato seed in vitro cloning and mini-tubers propagation.
- Environment friendly dyeing technology with natural ingredients to make bio fabric.
- Environment friendly and universal technology for the purification of petroleum pollution that simplifies the purification process.
- Green smart sensor automation system that helps agro businesses and farmers.

Source: <https://gita.gov.ge/en/news/twenty-winner-startups-of-the-innovation-agency-s-matching-grants-program-4clZDZpB8>

Accreditation Center

The **Unified National Body Accreditation (Accreditation Center)**, created in 2005, is a public institution within the MESD system, which carries out accreditation of conformity assessment bodies. It grants accreditation in accordance with international standards to: testing and calibration laboratories; inspection bodies; medical laboratories; personnel certification bodies; product, process and service certification bodies; bodies providing qualification testing; audit and management systems certification bodies.¹⁷⁸

Spatial and Urban Development Agency

The **Spatial and Urban Development Agency** within the MESD structure may be mentioned with the relevance to applying SEA procedures in spatial planning.¹⁷⁹

Georgian Energy Development Fund

Georgian Energy Development Fund is a joint-stock state-owned company, founded in 2010 and managed by the Ministry of Economy and Sustainable Development. Its main goal - search for perspective projects of renewable energy sources and promoting their development.¹⁸⁰

Other ministries and agencies relevant to the green transition

The green transition requires a coordinated approach across all government bodies, each playing a crucial role in their respective domains. The key among them: Ministry of Regional Development and Infrastructure, Ministry of Finance, and Ministry of Education, Science and and Youth. This report elaborates in brief on its main functions in this field.

Ministry of Regional Development and Infrastructure

The **Ministry of Regional Development and Infrastructure** is the main government body with statewide responsibility for regional development and infrastructure projects. Within the scope of its mandate, it has a key role to play with incorporating green components into its sphere of activities, namely - green infrastructure, efficient waste management and water management.

¹⁷⁸ <https://gac.gov.ge/ge/about/about-georgian-accreditation-center>

¹⁷⁹ <https://www.economy.ge/?page=economy&s=137>

¹⁸⁰ <https://gedf.ge/en/page/aboutcompany>

Green infrastructure

The Ministry promotes the development of green infrastructure projects, including sustainable urban development, and eco-friendly transportation systems (Box 18).

Box 18. Strengths and weaknesses of institutional set-up for sustainable infrastructure planning in Georgia

The 2019 OECD report on Sustainable Infrastructure for Low-Carbon Development in Central Asia and the Caucasus warned that government bodies responsible for managing infrastructure face major capacity constraints. The report calls for a need to strengthen the institutional capacity of government bodies in infrastructure development in order to analyse risks effectively and develop, screen and implement infrastructure projects.

According to the report, while Georgia received a high score for the quality of electricity infrastructure, there is a window for improvement in the quality of transport and water infrastructure, which remain low.

Source: <https://www.oecd-ilibrary.org/sites/c9c594ac-en/index.html?itemId=/content/component/c9c594ac-en>

With regard to the eco-friendly transportation system, Georgia undertakes large-scale reforms of the sector, including approximation with the EU directives. In August 2023, the government adopted the **National Transport and Logistics Strategy 2023-30** (prepared by the Ministry of Economy), which foresees sustainable development of transport sectors as one of its strategic goals.¹⁸¹ The new consultative body - interagency commission for the Development of the Transport and Logistics Sector - was established by the Government Resolution No. 314 of 15 August 2023 to implement and monitor the strategy. It will include the heads of the agencies responsible for the development of the transport and logistics sector.¹⁸²

There is a notable increase in 2023 of 33% in the number of electric vehicles in Georgia (reaching 4 369 units in 2023); though their share in the total vehicle fleet remains low - only 0.3%.¹⁸³

Waste management

The Ministry develops and implements policies for effective waste management and recycling programs. With relevance to the environment, the Ministry is responsible for managing the solid waste landfills, except for Tbilisi and the Adjara Autonomous Republic. This is done through its subordinate agency - the **Solid Waste Management Company of Georgia**, established in 2012. The main task of the company - to improve the waste management system in Georgia. The company operates municipal and regional landfills.

The Company is in charge of transforming the waste management system in Georgia in line with its **Strategy 2014-24** and international standards. This includes changing the waste disposal system, operating, rehabilitating and closing municipal landfills, and constructing new regional landfills. The strategy foresees replacing the existing 54 municipal landfills under its management by a system of 8-10 new regional landfills compliant with international standards. These new regional landfills will serve all regions throughout the country (except for Tbilisi and the Autonomous Republic of Adjara).¹⁸⁴

The company head office, located in Tbilisi, is managed by the Director, three Deputy Directors and consists of 8 departments with 58 staff units. The company also has 9 regional offices, administrated by the Regional Management Department in the central office and supported by two regional coordinators based in Kutaisi and in Rustavi. The 9 regional offices have 219 staff units and operate the landfills under

¹⁸¹ https://unece.org/sites/default/files/2024-01/SIII_MOESD_AS.pdf

¹⁸² <https://civil.ge/archives/555990> and <https://www.economy.ge/index.php?page=news&nw=2432&lang=en>

¹⁸³ https://unece.org/sites/default/files/2024-01/SIII_MOESD_AS.pdf

¹⁸⁴ http://waste.gov.ge/ka/?page_id=1794&lang=en

administration of the company. In total, the company has 277 staff units and operates the 54 landfills (Box 19).¹⁸⁵

Box 19. Solid Waste Management Company

With the new regional landfills Georgia plans to build a fully integrated solid waste management system, with waste separation and recycling in full compliance with the European Waste Directive. Currently, three such landfills are under construction: 1) Imereti and Racha-Lechkhumi and Kvemo Svaneti; 2) Kvemo Kartli; 3) Kakheti and Samegrelo (stage of feasibility study).

Achievements:

- 54 landfills are operated by the company
- 31 landfills have been rehabilitated since 2013
- 23 landfills have been closed

Source: http://waste.gov.ge/ka/?page_id=1439&lang=en and http://waste.gov.ge/ka/?page_id=1790&lang=en

In 2022, the government amended **National Waste Management Strategy 2016-30**.

Water management

The state-owned **United Water Supply Company of Georgia**, subordinate agency of the Ministry established in 2010, provides water supply and sanitation services to urban settlements throughout the country, except for Tbilisi, Mtskheta, Rustavi, Gardabani Municipality, and Adjara Autonomous Republic. More specifically, its activities include: water extraction, treatment and supply to customers; design, construction, operation and maintenance of water supply and sewerage systems. Its goal: supply of quality drinking water to the population; improving the water supply and sewerage systems, construction of sewerage treatment facilities in accordance with international standards to reduce the impact on the environment.¹⁸⁶

It was established on 14 January 2010 by the order N1-1 / 13 of January 11, 2010 of the Minister of Economy of Georgia. With its head office in Tbilisi, the company has 11 regional branches and 57 service centers, with a total number of employees up to 3,000 people.

The Company's coverage area is quite broad: it operates currently in 57 cities and 315 villages.¹⁸⁷ It serves 341 533 domestic and 24 605 non-domestic customers.¹⁸⁸

Within its mandate, the company pays attention to energy efficiency and water waste, related to existing infrastructure for water/wastewater systems and wastewater treatment plants.

Ministry of Finance

The **Ministry of Finance** is an executive government agency of the country performing the public administration function in finance, budgeting and taxation by ensuring the development and adherence to the legislation for budgeting, inland revenue and accounting purposes, prevention of economic offences through efficient investigation and preliminary scrutiny.¹⁸⁹ It allocates the annual budgets for MEPA and its subordinate institutions and programmes.

Regarding the role of the Ministry with relevance to the environment/green economy, two aspects can be mentioned in this regard:

¹⁸⁵ http://waste.gov.ge/ka/?page_id=24&lang=en

¹⁸⁶ <https://water.gov.ge/page/full/3>

¹⁸⁷ <https://water.gov.ge/news/full/1811>

¹⁸⁸ <https://water.gov.ge/page/full/3>

¹⁸⁹ <https://mof.ge/en/4473>

- **Green budgeting:** Funding allocations: allocates funds for environmental protection, sustainable development projects, and green initiatives in the national budget. Fiscal policies: develops fiscal policies and incentives to support green investments and sustainable policies.
- **International cooperation** to secure international funding and grants for environment and sustainable development projects. The examples include in 2022 allocation of EUR 27 mln by Germany for Energy Sector Reform of Georgia. With this commitment, the country will continue strides towards using the full potential of renewable energy, energy efficiency and a market-driven power market.¹⁹⁰ Another example, the A loan agreement was signed between Georgia and the International Bank for Reconstruction and Development (IBRD) for the Geophysical and Geotechnical Study of the Black Sea Seabed (Phase I of the Multi-Phase Programmatic Approach for Strengthening Energy Security through Energy Interconnection and Renewable Energy Programs).¹⁹¹ One example, in 2022 Georgia Energy and Green Sector Reform Agenda Continues with Support of KfW, AFD and EU. concluded a Declaration of Intent to continue international support for Georgia reforms efforts in the energy and green sectors. In addition to ongoing the energy sector reform (alignment of Georgian energy legislation with EU rule), Team Europe partners and the Government have expressed their commitment to develop and implement a reform focused on energy, climate, environmental and green transformation objectives akin to the European Green Deal.¹⁹²

Did you know?... Georgia ranks 1st in budget transparency

According to the Open Budget Index 2023 Georgia ranks first among 125 countries in budget transparency, and 5th out of 125 countries on budget oversight and public participation.

The Open Budget Survey is conducted every two years by the International Budget Partnership, an independent non-profit organization, with the support of the non-governmental sector.

Source: <https://mof.ge/en/News/10912>

Ministry of Education, Science and Youth

The **Ministry of Education, Science and Youth** is an executive government agency of the country performing the public administration function in establishing a modern and innovative educational and scientific environment.

Regarding its role with relevance to the environment, it integrates environmental education and sustainable development into the education programmes at school and other levels.

- **Environment education.** Curriculum development: incorporates environment and sustainability topics into the national education curriculum. Public awareness: promotes public awareness campaigns and education programmes on environmental protection and sustainable practices.
- **Research and innovation.** funds research in environmental sciences, green technologies, and sustainability. Partnership: collaborates with universities and international bodies to advance knowledge and innovation in the green economy.

The **Unified National Strategy of Education and Science of Georgia for 2030** and respective action plan for 2022-24 was adopted by the Decree N446 of the Government of Georgia on 31 August 2022.¹⁹³

¹⁹⁰ <https://mof.ge/en/News/10263>

¹⁹¹ <https://mof.ge/en/News/10921>

¹⁹² <https://mof.ge/en/News/10017>

¹⁹³ <https://sdgs.un.org/partnerships/unified-national-strategy-education-and-science-georgia-2022-2030#:~:text=The%20Unified%20National%20Strategy%20of%20Education%20and%20Science%20for%202022,equitable%20>

It sets a framework for the country's education, training, science, technology, and innovation, aligned with the European policy.

National Statistics Office

One important element of environmental and green economy policy implementation – monitoring. The main body responsible for data collection is the **National Statistics Office of Georgia** (Geostat), established in 2009. Prior to that, the Department of Statistics was subordinated to the Ministry of Economic Development.¹⁹⁴

The Office is managed by the Executive Director, appointed by the Prime-Minister, Council and Advisory Board. The Board of Geostat consists of 8 members, including among others former representatives of the Ministry of Economy and Sustainable Development; there is no representative of MEPA.¹⁹⁵

The Office has in its structure the **Agricultural and Environment Statistics Department**, consisting of two divisions: Agricultural Statistics Division and Environment Statistics Division. The main tasks and functions of the department:

- Agricultural census planning, organization, implementation, analysis and dissemination of results;
- Statistical surveys on agriculture and environment;
- Collection, processing, analysis and distribution of data on agriculture and environment;
- Production of food balances;
- Collection, analysis and dissemination of data on food security.¹⁹⁶

There is no dedicated structural unit to a green economy. Up to date, Georgia did not adopt the OECD-based set of green growth indicators, a framework created to measure progress towards a green economy (Table 17).

The Geostat collects environmental data and produces regularly the **annual reports on Natural Resources of Georgia and Environment Protection** (the latest edition published in November 2023).¹⁹⁷ These reports present information on the land and forest resources, protected areas, water resources, ambient air protection, natural disasters and environmental violations. Some of this data is provided in cooperation with MEPA. However, there is limited information on the use of such reports by MEPA or the Ministry of Economy and Sustainable Development for policy making, or on establishing a regular dialogue between Geostat, MEPA and the Ministry of Economy and Sustainable Development.

The environmental statistics disseminated by Geostat is mainly produced by the MEPA. The memorandum of cooperation between the two institutions facilitates timely data exchange and effective communication.

The **Strategy Plan for Agricultural, Environmental and Rural Statistics in Georgia 2016-20** provided the overview of the capacity of the national statistical system.¹⁹⁸ Though this information is a bit old (there is no a strategy plan beyond 2020), it provides insights on the capacity for the environmental statistics in the country. Thus, indicators of the capacity of the national statistical system in Georgia by type of resource showed lack of human resources (training - 10) and physical infrastructure (50) as weak points, while

[access%20to%20inclusive%20and](#) and <https://mes.gov.ge/uploads/files/2022-2030%20Unified%20National%20Strategy%20of%20Education%20and%20Science.docx>

¹⁹⁴ <https://www.geostat.ge/en/modules/categories/189/about-geostat>

¹⁹⁵ <https://www.geostat.ge/en/page/saqstatis-sabicho>

¹⁹⁶ <https://www.geostat.ge/ka/page/soflis-meurneobisa-da-garemos-statistikis-departamenti>

¹⁹⁷ Geostat, <https://www.geostat.ge/en/single-categories/109/environment> and Natural Resources of Georgia and Environment Protection 2020, https://www.geostat.ge/media/41827/ENVIRONMENT_2020_V3.pdf

¹⁹⁸ <https://www.geostat.ge/en/modules/categories/550/Strategic-Plan-agriculture>

financial resources (58) and human resources (staffing - 73) were scored well.¹⁹⁹ There is no regular training programme for statistical staff of Geostat and the line ministries. Geostat has established 221 permanent posts for official statistics and 15 posts are in AESD. For statistical purposes the Ministry of Environment and Natural Resources (at that time) had 25 people (16 in headquarter of National Forest Agency and 9 in field offices), along those 21 people were working on forestry, 2 on air and 1 on water resources. One person was coordinating statistical activities of the Ministry, but statistics was not a primary duty.

Table 17. Strengths and weaknesses of the environmental statistics system in Georgia

Strengths	Weaknesses
• Annual progress of the national statistical system and clear improvements in the quality and coverage of official statistics • Geostat is an independent agency, independently running its budget, using the international methodologies and dealing with international cooperation. • Legal basis enabling to produce official statistics according to the UN principles, European Statistics Code of Practice on the basis of internationally recognized basic principles of statistics • Government's support, commitments and willingness to improve the quality of agricultural and rural statistics. • Centralized and well-developed national statistical system. • An active participation of all stakeholders in improving the quality and coverage of agricultural and rural statistics.	• Limited financial resources • Limited trainings opportunities for agricultural and environmental statistics staff • Weak infrastructure (transport, office space and equipment) • Lack of experience in local authorities to produce statistics • Incomplete regional statistics and absence of municipal data. • Absence of officially agreed strategic plan for agricultural, environmental and rural statistics. • New technology is not fully utilized for data collection and data processing, which can delay dissemination of data • Low level of core data availability • Absence of some data (fishery, crop forecast, up to date land data) • Weak administrative data (registers).

Source: https://www.geostat.ge/media/19436/SPAERS_eng.pdf

State Procurement Agency

The **State Procurement Agency of Georgia** is an independent legal entity of public law, operating under direct supervision of the Government of Georgia (Prime Minister's Office, Administration of the Government) and responsible for the public procurement in the country.²⁰⁰ The public procurement expenditure in Georgia accounts for a large part of its GDP (12% in 2020).²⁰¹ More specifically, the Agency's goal:

- Supervision of legality of public procurement procedures and transactions;
- Securing the principles of publicity, transparency, fairness and nondiscrimination;

¹⁹⁹ https://www.geostat.ge/media/19436/SPAERS_eng.pdf See p.50.

²⁰⁰ <http://procurement.gov.ge/en/page/features>

²⁰¹ <http://procurement.gov.ge/files/showfiles?id=1580f95a-0faa-47a2-8de3-4d9ea45de0cf>

- Ensuring precise procedures and calculations, fair competition, rational and free choice of participants in the public procurement transactions;
- Development and maintenance of the Georgian Electronic Government Procurement System;
- Improvement of legislation, regulating competition and public procurement, Public Private Partnership, Concessions, administrative review tribunals and ensuring its compliance with international standards.

Though **green public procurement** is a new concept for Georgia, there has been significant reforms in this direction in recent years, with the elaboration of new public procurement regulatory legislation. The Public Procurement Agency is the key player in promoting green procurement in the country, which involves integrating environmental considerations into the procurement process. The Agency plays a key role in developing a regulatory framework for sustainable public procurement, more specifically:

- SPP related provisions elaborated and integrated into the new Law on Public Procurement
- The Governmental Decree on SPP drafted
- Assessments of the state of SPP and eco-labelling conducted
- Products for SPP pilot tenders prioritised and sustainability criteria for these products elaborated (with a focus on cleaning materials and IT equipment)
- Assessment of existing public procurement practices and use of non-price criteria (environmental, energy efficiency) conducted.²⁰²

The Agency is headed by the chairperson, appointed by the Prime Minister. Its structure, statute, staffing and budget are approved by the Government.²⁰³ The Agency does not have a dedicated structural unit on green public procurement. The Agency has its own training centre, incorporated in its structure, under supervision of the Deputy Chairman.²⁰⁴

The Agency is responsible for developing and operating the **Georgian Electronic Government Procurement System** (Ge-GP), its official portal, ensuring an open, transparent and competitive environment for any participant of state procurement procedures.²⁰⁵

The Agency closely collaborates with the Ministry of Environmental Protection and Agriculture, and its Environmental Information and Education Centre. One fruit of such collaboration - the recent analysis of Sustainable Public Procurement reforms and practices in Georgia (2023). The analysis showed several cases of successful tenders with SPP criteria, indicating the willingness of policy-makers, contracting organizations (particularly big cities' municipalities), other stakeholders for implementing SPP framework.²⁰⁶ The SPP criteria are progressively applied by the line Ministries, their subordinate agencies, universities and municipalities (Box 20).

²⁰² <https://www.eu4environment.org/sustainable-public-procurement-and-eco-labelling-in-georgia/>

²⁰³ <http://procurement.gov.ge/en/page/features>

²⁰⁴ <http://procurement.gov.ge/files/showfiles?id=c67c4c1a-4234-4e10-91d0-d0546da8b4f3>

²⁰⁵ <https://tenders.procurement.gov.ge/login.php?lang=en>

²⁰⁶ <https://eiec.gov.ge/En/Projects/ViewFile/94>

Box 20. Examples of tenders with sustainable public procurement criteria in 2022

Tender number	Procurement object	Estimated value of procurement	SPP criteria included in the tender requirements	Contracting organization
CON220000301	Buses	561,140 GEL	Fuel efficiency, emission standards and social requirements	State Procurement Agency
Tender number: CON220000174	Buses	661,720 GEL	Fuel efficiency and emission standards	State Procurement Agency
Tender number: NAT220014549	Minibus	157,522 GEL	Fuel efficiency, emission standards and social requirements	Public Safety Command Center "112" of the Ministry of Internal Affairs
Tender number: SPA220002504	Generators	20,000 GEL	Fuel efficiency	Agency of nuclear and radiation safety
Tender number: NAT220012414	Generators	94,488 GEL	Fuel efficiency	Emergency Management Service
Tender number: NAT220021178	Air conditioners	16,600 GEL	Energy efficiency class A+	The House of Justice
Tender number: NAT220017507	Air conditioners	2,670 GEL	Energy efficiency class A	Gori Municipality City Hall
Tender number: NAT220021444	Air conditioners	8,850 GEL	Energy efficiency class A	Ivane Djavakhishvili Tbilisi State University
Tender number: NAT220022491	Refrigerators	7,000 GEL	Energy efficiency class A	Ilia State University
Tender number: NAT220006686	Refrigerators	17,700 GEL	Energy efficiency class A	Rustavi Day Nurseries Union
Tender number: NAT220021405	A3 laser printers	36,816 GEL	Page yield of cartridges	Ministry of Justice
Tender number: NAT220020933	Laser printers	134,400 GEL	Page yield of cartridges	Parliament of Georgia
Tender number: NAT220008873	Bulbs and spotlights	167,000 GEL	Energy efficiency and durability	Special Penitentiary Service
Tender number: NAT220009454	Cleaning and sanitary services	331,811 GEL	The minimum remuneration of the supplier's staff	Ministry of Finance
Tender number: NAT220020990	Administrative building cleaning and sanitary services	60,000 GEL	The minimum remuneration of the supplier's staff	Maritime Transport Agency
Tender number: NAT220022690	Cleaning services for the needs of the special penitentiary service	1,510,000 GEL	The minimum remuneration of the supplier's staff	Special Penitentiary Service

Source: see p. 19, <https://eiec.gov.ge/En/Projects/ViewFile/94>

The analysis also identified some challenges in the existing practice in regard to SPP (Box 21).²⁰⁷

Box 21. Remaining challenges in green public procurement in Georgia

- **LACK OF SPP DATA FILTERING FUNCTIONALITY IN THE EPROCUREMENT SYSTEM FOR TRANSPARENCY AND MONITORING PURPOSES:** The eProcurement system does not have built-in information filtering functionality that would allow interested parties to easily find tenders that incorporate SPP criteria.
- **ABSENCE OF LIFE CYCLE COST CALCULATORS OF PROCUREMENT OBJECTS:** It is a good practice of SPP to purchase goods, services and construction works not only according to the lowest price, but also taking into account the full life cycle cost of the procurement objects.
- **SPP CRITERIA FOR PROCUREMENT OBJECTS ARE NOT ELABORATED:** it is important to adopt standardized SPP criteria of various procurement objects, which contracting organizations could easily incorporate in tender documentations without incurring additional expenses. A good example of international practice is the common criteria for Green Public Procurement.

Source: <https://eiec.gov.ge/En/Projects/ViewFile/94>

The public procurement agency plays a pivotal role in advancing green procurement practices, contributing to the country's overall sustainability goals. By integrating environmental considerations into the procurement process, the Agency helps ensure that public spending promotes environmental protection, economic efficiency and social responsibility.

Co-ordination mechanisms for greening the economy

The coordination mechanisms for greening the economy in Georgia involve a multi-faced and collaborative approach, engaging various stakeholders to ensure environmental sustainability is integrated into economic development. By fostering inter-ministerial cooperation, engaging with the private sector and civil society, and leveraging international support, Georgia can effectively transition towards a green economy.

The main coordination mechanism for cooperation between ministries and other governmental institutions is the Government of Georgia. Though Georgia does not have a dedicated inter-ministerial coordination body on a green economy, there are several mechanisms in place related to environment protection and sustainable development, established by the Government, in which the MEPA participates. This includes:

- Inter-Ministerial Coordination Board on circular economy
- National Sustainable Development Goals Council
- Climate Change Council
- Interagency Commission on Air Quality Improvement
- Coordinating Council of the National Biodiversity Monitoring System

²⁰⁷ <https://eiec.gov.ge/En/Projects/ViewFile/94>

Inter-Ministerial Coordination Board on circular economy

The **Inter-Ministerial Coordination Board** was established in 2021 by the Government of Georgia to facilitate transition to a circular economy, in the context of accelerating circular transformation, and is the main inter-ministerial body coordinating the process.

In 2018 Georgia accelerated transition towards a circular economy by incorporating the concept of the Extended Producers Responsibility into the Waste Management Code and conducting **circularity mapping** of the national economy in 2020-22 (resulted into a report “Circularity Mapping for Georgia 2022”). To coordinate the process, the government established on 15 March 2021 the **Inter-Ministerial Coordination Board**, led by the Ministry of Environmental Protection and Agriculture (Deputy Minister) and consisting of 36 experts from various ministries and governmental agencies,²⁰⁸ among those: Ministry of Economy and Sustainable Development, Ministry of Finance, Ministry of Regional Development and Infrastructure, National statistics office, two Parliamentary committees - Environmental protection and natural resources committee and Sector economy and economic policy committee. The Board was tasked to promote the circular economy principles and develop recommendations for the Circular Economy Roadmap and Strategy of Georgia.

In 2023, building on the results of the circularity mapping process, Georgia started developing a **national roadmap for transition to a circular economy** (Box 22). The process is coordinated by the government. The Ministry of Environmental Protection and Agriculture has a lead coordinating role in the process. Another key stakeholder in this process is the Ministry of Economy and Sustainable Development. The coordination among key government stakeholders is ensured through the **Inter-Ministerial Coordination Board** (first plenary session was held in October 2023; the latest (third) session in March 2024).²⁰⁹

Box 22. Key findings of the circulatory mapping in Georgia

Georgia is 1.3% circular, with a significant circularity gap of more than 98.7%. This means that the country's economy is largely linear, and the majority of resources coming from virgin sources. More than 315 million tonnes of resources are entering the Georgian economy each year (nearly 78 tonnes per person).

Source: <https://forbes.ge/en/circularity-mapping-for-georgia-by-dr-dariusz-edward-prasek-and-dr-medgar-tchelidze/#:~:text=The%20circularity%20mapping%20was%20implemented,the%20end%20of%20October%202022.>

Sustainable Development Goals Council

The Government Administration is a main institution responsible for overseeing the national sustainable development agenda. The **Sustainable Development Goals (SDG) Council** is the main coordination mechanism/platform for achieving the sustainable development goals, ensuring its implementation and monitoring.²¹⁰

In 2015, Georgia alongside other countries worldwide embarrassed the sustainable development agenda. Across 17 SDGs, the government defined over 90 objectives with over 200 indicators. To facilitate the implementation and monitoring process, in 2016 the government created an **Inter-Agency Council**, aiming to coordinate and report on the process of achieving SDGs.²¹¹

The Council is chaired by the Head of the Government Administration and reports to the Prime Minister. It consists of all line ministries (Deputy Ministers), representatives of GeoStat, the Government Administration, Public Service Bureau, NGOs and the local municipalities. The chairpersons of the

²⁰⁸ https://orkisi.ge/wp-content/uploads/2024/03/Briefing-Note-on-CE-Roadmap_March-2024.pdf

²⁰⁹ <https://mepa.gov.ge/En/News/Details/21442> ; <https://mepa.gov.ge/En/News/Details/21620> and <https://www.giz.de/de/downloads/giz2024-en-baseline-study-georgia-extern.pdf>

²¹⁰ <https://georgia.un.org/en/sdgs>

²¹¹ Initially the Council was established as the Council for Public Administration Reform and Sustainable Development Goals. It was created as a separate entity in 2020.

parliamentary committees also participate in the work of the Council; as well as UN representatives in Georgia (Resident Coordinator and the Heads of various UN agencies) and the international organizations, contributing to SDGs through their projects. The Council meets at least once a year. The Council has four thematic working groups, to ensure sector-specific coordination: (1) democratic governance, (2) social inclusion, (3) economic development and (4) **sustainable energy and environmental protection**. Each group is co-chaired by relevant ministries, non-governmental organizations and relevant UN agencies.

The Secretariat of the Council is at the Strategic Planning and Coordination Division of the Policy Planning and Government Coordination Department of the Government of Georgia. It provides analytical and organizational support to the functioning of the Council and its working groups. The Secretariat coordinates with all relevant public, non-governmental and international organizations. It collects data, develops recommendations and provides progress reports. The Secretariat created a dedicated **website** on sustainable development goals with an innovative tool, SDG Tracker, providing real-time information on SDG indicators.²¹²

In 2020, the Inter-Agency Council received a new status: the Sustainable Development Goals Council became an independent entity, separate from the Public Service Reform Council. Its compositions, functions and activities were updated. These include the recommendations provided by Institute for Development of Freedom of Information (IDFI), a Georgian non-governmental organization in previous years. Nevertheless, challenges remain in areas such as staffing of the Board, transparency of the Board and working groups, involvement of the business sector in the process of nationalizing the Sustainable Development Goals, and raising public awareness of the Sustainable Development Goals.²¹³

Climate Change Council

The **Climate Change Council** established in 2020 (Resolution of the Government No. 54 from 23 January 2020 on the creation of the Climate Change Council)²¹⁴ aims to coordinate measures to reduce greenhouse gases causing climate change and prevent threats caused by climate change in Georgia. It ensures the implementation of the requirements of the UN Climate Change Convention, Kyoto Protocol and the Paris Agreement on Climate Change.

The Council is chaired by the Minister of Environment Protection and Agriculture. It is composed of representatives of several Ministries and public authorities, including among others the MEPA, Ministry of Economy and Sustainable Development, Ministry of Regional Development and Infrastructure, Ministry of Finance.²¹⁵

Interagency Commission on Air Quality Improvement

The **Interagency Commission on Air Quality Improvement** was created on 24 July 2020.²¹⁶ The commission is headed by the Ministry of Environment Protection and Agriculture and includes all relevant government agencies. The commission is working on various thematic state programs for the improvement of atmospheric air quality.

The first session of the commission was held in July 2022 and discussed the reform of atmospheric air quality management, resulting from the 2020 changes to the Law “On Ambient Air Protection”, in line with the EU experience and the Association Agreement. It focused on the air pollution in the target cities (Tbilisi, Batumi and Rustavi), for which the Ministry is developing three plans for the management of atmospheric air quality (Tbilisi agglomeration, the Black Sea areas, including Batumi city, and Rustavi city).²¹⁷

²¹² <https://unglobalcompact.ge/sustainability-spotlight/en/mdgradi-ganvitarebis-miznebi-da-saqartvelo/>

²¹³ https://idfi.ge/ge/amendments_to_the_rules_of_operation_of_the_sdgs_council_in_georgia

²¹⁴ <https://www.matsne.gov.ge/ka/document/view/4780380?publication=0>

²¹⁵ https://climate-laws.org/document/decreed-54-2020-establishing-the-climate-change-council_a204 and <https://www.matsne.gov.ge/ka/document/view/4780380?publication=0>

²¹⁶ https://unece.org/sites/default/files/2021-04/Georgia_final.pdf

²¹⁷ <https://mepa.gov.ge/Ge/News/Details/20952>

Coordinating Council of the National Biodiversity Monitoring System

The **Coordinating Council of the National Biodiversity Monitoring System**, led by the MEPA, held its first meeting in March 2024. It aims to coordinate the creation of a national biodiversity monitoring system. The EU-Georgia Association Agreement commits Georgia to enhance its biodiversity monitoring. The Biodiversity Monitoring Division was created in the MEPA's Department of Biodiversity and Forestry to develop an effective National Biodiversity Monitoring System.²¹⁸

The above-mentioned coordination mechanisms create a solid platform for a dialogue on various aspects of environmental and climate change issues, contributing to the green economy. However, currently, there is no inter-ministerial coordination mechanism on the green economy as such, covering the entire spectrum of issues. In light of an increasing focus on green growth, Georgia may consider establishing an inter-ministerial working group on a green economy. Moldova could be a good reference in this regard (Box 23).

Box 23. To get inspired... Success story in the Republic of Moldova: Inter-ministerial Working Group for the promotion of Sustainable Development and Green Economy 2015-23

The Inter-ministerial Working Group for the promotion of Sustainable Development and Green Economy in Moldova was established jointly by the Ministry of Economy and Ministry of Environment in 2015. Initially, it was created as part of the EU-funded EaP GREEN project, but it became the platform for high-level inter-ministerial dialogue on a green economy. Since 2019, the working group also served as National Implementation Committee for EU4Environment in Moldova. It discusses a wide range of green issues, such as eco-innovation, eco-labelling and clean public transport. Members of the working group include national focal points from the ministries of environment and economy, technical focal points from these ministries, National Coordinator and key beneficiaries (Organization for Small and Medium Enterprise Sector Development (ODIMM), Public Property Agency, NGOs). High-level state representatives and other ministries, as relevant, are invited to attend the meetings. The working group meets twice a year (in February and September).

Source: EU4Environment.

Role of regional and local governments relevant to the green economy

The decentralised structure of governance allows to better accommodate the diverse needs of the country's regions and communities, notably in the sphere of environment. While the previous sections focused on the central government as the supreme authority, the following section zooms at vertical levels of governance in Georgia and their role in promoting the green economy.

Georgia is a unitary state, meaning it is governed as a single power in which the central government is ultimately supreme and any administrative divisions exercise only the powers that the central government chooses to delegate.²¹⁹

Georgia consists of two autonomous republics (Adjara and Abkhazia), nine regions (mkharebi), which are rather historic-geographical units, rather than legally established units, and Tbilisi with a special status of the region-level city and the capital.²²⁰

- The first level of administrative division (12 regional level administrations): 2 autonomous republics (Adjara and Abkhazia), nine regions and the region-level city Tbilisi;
- Second level of administrative division: Georgia is further subdivided into self-governing municipalities (municipalitetebi). This includes self-governing cities and municipalities.

However, the administrative division differs from the governance system. Georgia is a unitary state with only one-level system of decentralised governance.²²¹ Regional level of governance is not defined by

²¹⁸ <https://mepa.gov.ge/En/News/Details/21611>

²¹⁹ <https://rm.coe.int/local-and-regional-democracy-in-georgia-monitoring-committee-rapporteur/16808e551a>

²²⁰ <https://rm.coe.int/local-and-regional-democracy-in-georgia-monitoring-committee-rapporteur/16808e551a>

²²¹ <https://www.oecd.org/regional/regional-policy/profile-Georgia.pdf>

law.²²² It is an extension of the central government. So there is no intermediary level as such between the central government and municipal level.

Regional level, extension of the central government

After the central government, the next layer level of administrative division includes 2 autonomous republics (Adjara and Abkhazia), nine regions and the region-level city Tbilisi. The nine regions are: Guria, Imereti, Kakheti, Kvemo Kartli, Mtskheta-Mtianeti, Racha-Leckhumi and Kvemo Svaneti, Samegrelo and Zemo Svaneti, Samtskhe-Javakheti, Shida Kartli).²²³ Those are territorial divisions, but they do not constitute a level of local government. They are lower-level central government authorities, upwardly accountable to the central government. As mentioned above, regional level of governance is not defined by law.²²⁴

Regions do not constitute a level of local government. Each region has a regional administration, headed by the central government representative - called a **governor** (Rtsmunebuli) appointed by the central government (by the Prime Minister). Governors coordinate regional policies and ensure that national policies are implemented at the regional level. The **Regional Consultation Council** (Sabcho), established in each region, is a consultative/advisory body, headed by a governor.²²⁵ There are no representative bodies at regional level. Its administration is under the responsibility of the government representative. A region is not a self-governing unit. Its function is to co-ordinate communication between several municipalities and the central government. Regions are not legal entities. They have no powers or revenues of their own. There are no elected representative bodies at the regional level.

Tbilisi has a special status, defined by the Constitution (Article 2) and by the Code of Local Self-Government (Section III – Chapter VII “Status of the Capital of Georgia”). As a municipality with regional status, Tbilisi enjoys the powers granted to municipalities by the Code and in addition, Tbilisi has further competences in the areas of transport, communication, primary health care, emergency services and local development.²²⁶ Tbilisi is divided into several districts, each with its own local administration.

With the relevance to the environment / green economy, their role and responsibilities are limited to coordinating and implementing the state policy in the field. The cooperation with the Ministry of Environmental Protection and Agriculture is ensured through its regional divisions. For instance, regional divisions of the State sub-agency “Environmental supervision department” under the MEPA, which contribute to ensuring an effective service in the field of environmental and natural resources protection in the regions.²²⁷

Municipal level, the only local government

The 12 regional level administrations are subdivided into 64 self-governing municipalities: 59 self-governing communities and five self-governing cities.²²⁸

In Georgia there is only one level of local government - the **municipalities**, including self-governing cities (Tvitmmartveli Qalaqi) and self-governing communities (Tvitmmartveli Temi). According to the Registry of Municipalities of the National Agency of Public Registry there are currently 69 municipalities.²²⁹ The remaining 64 are divided into 5 cities and 59 communities. The current situation reflects the changes of 30

²²²

<https://www.researchgate.net/publication/343869182 ADMINISTRATIVE DIVISION REGIONS OF GEORGIA AND THEIR CHARACTERISTICS>

²²³ <https://www.visiting-georgia.com/regions>

²²⁴

<https://www.researchgate.net/publication/343869182 ADMINISTRATIVE DIVISION REGIONS OF GEORGIA AND THEIR CHARACTERISTICS>

²²⁵ <https://www.oecd.org/regional/regional-policy/profile-Georgia.pdf>

²²⁶ <https://rm.coe.int/local-and-regional-democracy-in-georgia-monitoring-committee-rapporteur/16808e551a>

²²⁷ <https://mepa.gov.ge/En/News/Details/11685>

²²⁸ <https://rm.coe.int/local-and-regional-democracy-in-georgia-monitoring-committee-rapporteur/16808e551a>

²²⁹ <http://mreg.reestri.gov.ge/> ; this number includes 5 municipalities located in Abkhazia and South Ossetia.

June 2017, when the Parliament amended the Code, reducing the number of self-governing cities from 12 to five (Tbilisi, Kutaisi, Rustavi, Poti and Batumi kept their status as independent self-governing units). In addition, the 14 municipalities that were formed as a result of the 2014 territorial reform were reunited into seven municipalities – a return to the situation prior to the 2014 reform. Thus, the overall number of self-governing municipalities was reduced from 71 to 64.²³⁰

The legislative base for the local governance is set up by the Constitution, laws (notably, 2014 Organic Law of Georgia Local Self-Government Code, amended in 2017) and international commitments (the European Charter of Local Self-Government). Georgia signed and ratified the European Charter of Local Self-Government, into force since 2005, which commits the parties to guarantee the political, administrative and financial independence of local authorities.²³¹

According to the Constitution, local self-government regulates matters of local importance (Article 2.4) and are granted independence from the central government. The Local Self-Government Code further defines the scope of municipalities powers, notably with the relevance to environment (Article 16), also defined by the Environment Protection Law:

- management of local natural resources, including water, forest and land resources within the municipality;
- municipal waste management;
- improvement of the municipal territory and development of the appropriate engineering infrastructure; cleaning of streets, parks, public gardens and other public areas within the municipality, landscaping, and provision of external lighting;
- water supply (including technical water supply) and provision of a sewerage system; development of the local melioration system;
- spatial planning;
- management of local motor ways and regulation of traffic on local roads;
- issuance of a construction permit;
- drafting, discussion and approval the municipal budget and local taxes.²³²

Thus, local self-governments are responsible for the management of natural resources of local importance (water, forest and land) and municipal waste collection.

The National Waste Management Strategy 2016-2030 and National Waste Management Action Plan 2022-2026 reveal that the municipal waste collection, recycling and disposal system in Georgia requires significant reforms. According to the Waste Management Code (2015), the collection and transportation of municipal waste, including household waste, are the responsibility of the municipalities. At present, there are no established systems for separation of municipal waste. The existing municipal waste management system includes waste collection and disposal only. Municipalities are responsible for collecting and transporting municipal waste to the landfills as well as cleaning the streets within their administrative boundaries. The strategy points out that most of the equipment in almost all municipalities (except large cities) are obsolete or damaged. Although the National Waste Management Policy prioritizes waste prevention and recycling, currently municipal waste collected throughout the country is mostly disposed of in landfills (Box 24).²³³

²³⁰ <https://rm.coe.int/local-and-regional-democracy-in-georgia-monitoring-committee-rapporteur/16808e551a> ; see also <https://www.oecd.org/regional/regional-policy/profile-Georgia.pdf>

²³¹ <https://www.coe.int/en/web/impact-convention-human-rights/european-charter-of-local-self-government/#/>

²³² <https://matsne.gov.ge/en/document/view/2244429?publication=72>

²³³ <https://rec-caucasus.org/wp-content/uploads/2022/12/National-Waste-Management.pdf>

Box 24. Municipal waste in Georgia

The 2020 average Waste Generation Index was 0.95 kg/inh/d (kilogram per inhabitant per day) for urban areas and 0.54 kg/inh/d for rural areas. The total municipal waste generated in 2021 was 1,104,952 tons, with 768,257 tons generated in urban areas and 336,695 tons in rural areas.

The strategy targets collection of all municipal waste (95 % by 2026 and 100% by 2030) and waste recycling (minimum 80% by 2030 for paper, glass, plastic and 90% for metal).

Source: <https://rec-caucasus.org/wp-content/uploads/2022/12/National-Waste-Management.pdf>

Local self-governments issue construction permits for activities of certain categories, part of which could be the environmental impact assessment called decision of ecological expertise. Spatial planning and street lighting also opens opportunities for integrating environmental considerations.

The municipality self-government bodies consisting of:

- the City Hall (Gamgeoba) carries out the local administrative responsibilities and is headed by the Mayor (Gamgebeli) is the executive organ.
- The municipality **executive** body and the highest official is the Mayor (Gamgebeli). The Mayor represents the municipality, exercises the municipality powers and the enforcement of decisions of a municipality representative body. A City Hall is an institution subordinated to the municipality executive body, which ensures the exercise of powers of the Mayor. The City Hall is headed by the Mayor.
- The municipality **representative** body is a collegiate administrative body – the **Council** (Sakrebulo), elected for 4 years. Its chairperson is elected by the Sakrebulo.²³⁴

The municipalities in Georgia are progressively engaged at fostering local-level commitment to sustainable energy and climate policies. Many of them have joined the **Covenant of Mayors**, an across Europe initiative of local and regional authorities, voluntarily committing to increasing energy efficiency and use of renewable energy sources on their territories. Up-to-date 32 municipal governments have signed the Covenant of Mayors, including six municipalities joined in 2023 (Aspindza, Dmanisi, Martvili, Senaki, Shuakhevi and Tsageri). Several municipalities developed Sustainable Energy and Climate Action Plan (a requirement within the first two years of adhesion). The MEPA and the MESD are the Covenant National Coordinators in Georgia.²³⁵

The municipalities in Georgia continue progress on transparency and accountability, with wider access to electronic resources (Box 25).

²³⁴ <https://matsne.gov.ge/en/document/view/2244429?publication=72>

²³⁵ <https://www.eecgeo.org/en/como.htm> and <https://eu-mayors.ec.europa.eu/en/signatories>

Box 25. 2023 Assessment Results of the Local Self-Government Index

According to the 2023 assessment, the municipality with the highest score was the municipality of the city of Poti. On a 100% assessment scale, it received a score of 75%. Following Poti, the highest results were achieved by Ambrolauri (66%), Lagodekhi (63%), Mestia (56%), and Oni (55%) municipalities.²³⁶ According to the 2023 results of the Local Self-Government Index, the average transparency and accountability score of Georgian municipalities in 2023 is 33%, 5% higher than the 2021 result. Municipalities improved the proactive disclosure of public information and electronic governance components.

Electronic management portal of municipal services

The access of municipalities to electronic resources is improving, as well as the capabilities of websites of municipalities. The electronic management portal of municipal services was developed (<https://ms.gov.ge/>), which is available to all municipalities.²³⁷

Source: https://idfi.ge/en/national_assessment_of_georgian_municipalities_2023

In recent years there are increasing examples of institutional collaboration between the central government and municipalities, and engagement with international partners, to foster sustainability (Box 26).

Box 26. Greening municipalities, examples of institutional collaboration between central government, international partners and municipalities

Batumi: Parliament support to the mayors on green spaces

Batumi City Hall hosted the meeting of Chairman of the Environmental Protection and Natural Resources Committee with the mayors of the municipalities in the Autonomous Republic of Adjara to promote green spaces in Georgia. The meeting aimed to familiarize the attendees with the recent amendments by the Parliament to the Code of Spatial Planning, Architectural, and Construction Activities of Georgia and provide support to local authorities in addressing related issues. The Code mandated local municipalities to identify the types of green plants to be cultivated within their administrative boundaries and establish rules and conditions for planting, issuing cutting permits, and compensatory planting by 1 January 2024.

Source: <https://parliament.ge/en/media/news/maia-bitadzem-gamtsvanebis-proektis-gankhortsiebis-sakitkhebbe-acharashi-shekhvedra-gamarta>

Tbilisi: Smart sustainable city profile

The Smart Sustainable City Profile of Tbilisi was developed upon the request of the Tbilisi City Hall, within the project on Smart Sustainable Cities for the 2030 Agenda for Sustainable Development and the New Urban Agenda in the UNECE Region. The project supports the transition of selected beneficiary cities towards smartness and sustainability with a view to accelerating the implementation of SDGs. The Profile was developed in close collaboration between UNECE (led the development), the Tbilisi City Hall and the Government of Georgia. It evaluated Tbilisi against the performance indicators for smart sustainable cities and provided recommendations for the consideration of the Tbilisi City Hall and the Government of Georgia. The Profile provides recommendations for improving such areas as: urban mobility, housing, green and open space, water management, blue space and disaster risk management and waste management.

Source: https://unece.org/sites/default/files/2023-04/SSCP%20Tbilisi_0.pdf

Industrial Waste Mapping in pilot areas in Georgia: Rustavi and Zestaponi municipalities

Waste mapping is a common method used to quantify and demonstrate the distribution and management of waste within a geographic area. In Georgia, industrial waste mapping (IWM) was carried out in two pilot municipalities: Rustavi and Zestaponi,

²³⁶

[https://idfi.ge/en/presentation_of_the_2023_assessment_results_of_the_local_self_government_index#:~:text=According%20to%20the%202023%20assessment,and%20Oni%20\(55%25\)%20municipalities.](https://idfi.ge/en/presentation_of_the_2023_assessment_results_of_the_local_self_government_index#:~:text=According%20to%20the%202023%20assessment,and%20Oni%20(55%25)%20municipalities.)

²³⁷ https://idfi.ge/en/national_assessment_of_georgian_municipalities_2023

selected in collaboration with the Ministry of Environmental Protection and Agriculture. In both pilot regions, the large majority of all industrial waste surveyed is made up of a small number of material types. There is a large reliance on landfill and relatively little sorting. There is variation in how wastes are managed in the different pilot regions. Rustavi benefits from a pilot-scale granulation plant which reprocesses end-of-life tyres into rubber crumbs, whereas in Zestaponi no solution for tyres currently exists. The landfill in Rustavi (although soon closing) has some limited pre-sorting facilities to extract recyclables, whereas, in Zestaponi, the landfill currently lacks such a capability. This allowed to provide recommendations for a more circular waste management in these municipalities.

Source: <https://www.eu4environment.org/app/uploads/2023/09/EN-ES-IWM-Georgia.pdf>

There are many emerging opportunities to promote sustainable management practices at the municipal level. To this end, the municipalities need to be equipped with proper financial and human resources and the necessary infrastructure.

The role of civil society and academia

Institutional framework for public participation

In general, CSOs in Georgia play an important role in **addressing environmental issues** and represent significant voices in environmental advocacy. Though Georgian people tend to favor noninstitutional engagement, the population's engagement with CSOs is increasing, especially on practical issues such as environmental protection or waste management.²³⁸

There is no separate law on CSOs and NGOs in Georgia, they are mainly regulated by the Constitution (1995), the Civil Code (1999), the Law on Entrepreneurs (1994), and the Tax Code (2010). CSOs are registered as non-commercial legal entities. In 2019, Georgia's business registry counted 12 861 CSOs. There are also many unregistered informal groups, the number of which is unknown. The National Agency of Public Registry provides information on the total number of registered CSOs, but no database with detailed information such as names, contact information, place of registry. CSOs in Tbilisi mostly focus on four areas: human rights, good governance, the **environment**, and capacity building. CSOs in other locales tend to operate across wider range of areas, such as education, health, **environment**, housing, and civic education.

There are many environmental NGOs registered in Georgia among those Caucasus Environmental NGOs Network (CENN), Centre for Biodiversity Conservation & Research (NACRES), Energy Efficiency Centre, Georgia's Environmental Outlook, Green Alternative, Greens Movement of Georgia, Regional Environmental Centre for the Caucasus (REC Caucasus), Society for Nature Conservation (SABUKO) (Box 27).

²³⁸ <https://www.adb.org/sites/default/files/publication/678381/civil-society-brief-georgia.pdf>

Box 27. Examples of prominent environmental Civil Society Organizations

- **Caucasus Environmental NGO Network:** a regional organization, established in 1998, specializes in climate change, sustainable resource management and waste management (<https://cenn.org/>).
- **Centre for Biodiversity Conservation & Research (NACRES),** established in 1989, aims to safeguard the biodiversity of Georgia and the South Caucasus (<https://nacres.org/>).
- **Energy Efficiency Center (EEC) Georgia,** created in 1999, aims with to support renewable energy and energy efficiency for sustainable development (<https://eecgeo.org/>).
- **Georgia's Environmental Outlook (GEO),** aims at promoting effective environmental governance and inclusive sustainable development (<https://geo.org.ge/about/>).
- **Green Alternative:** established in 2000, aims to protect the environment through sound environmental policies. (<http://greenalt.org/home/>).
- **Greens Movement of Georgia / Friends of the Earth,** one of the first environmental protection organizations in the country established in 1989, aims to protect the environment and promote sustainable development (<https://greens.ge>).
- **Regional Environmental Centre for the Caucasus (REC Caucasus),** aims to assist in solving environmental problems (<https://rec-caucasus.org/>).
- **Society for Nature Conservation (SABUKO):** created in 2014, aims at nature conservation (<https://sabuko.org/en/>).

There are multiple platforms for CSOs **engagement with the government**, including in the field of environment. At a higher level, the Parliament signed with CSOs a Memorandum of Understanding (2013) to improve their collaboration and also introduced an annual “CSO Day” for meeting CSO representatives with the chair of the Parliament. Well-established CSOs and local branches of international NGOs, have built ties with the executive and legislative branches of government. The government provides financial support to CSOs, in the form of public procurement contracts or grants, including for environmental projects. Experienced CSOs can be hired by the government agencies to provide training, awareness-raising and capacity-building activities. Government institutions provide grants for CSOs or contract CSOs to deliver services such as educational activities. The CSOs that work with the government place a strong emphasis on the production of policy documents, drafts of laws, research reports, and recommendations regarding government policies. Individual ministries and state agencies also cooperate with CSOs. Many ministries and agencies establish CSO–government thematic working groups, where strategies, legislative proposals, and policies are discussed together.²³⁹

Regarding the Ministry of Environment Protection and Agriculture, such examples include CSOs participation in various coordination mechanisms, as described above (climate council, biodiversity council), various thematic working groups (such as working group on sustainable land management²⁴⁰ or on alternative energy resources),²⁴¹ joint awareness raising events and trainings (climate change awareness raising²⁴² and training to strengthen drought management policies) (Box 28).²⁴³

²³⁹ <https://www.adb.org/sites/default/files/publication/678381/civil-society-brief-georgia.pdf>

²⁴⁰ <https://mepa.gov.ge/En/News/Details/21672>

²⁴¹ <https://mepa.gov.ge/En/News/Details/20290>

²⁴² <https://eap-csf.ge/index.php/2022/12/09/meeting-in-the-ministry-of-environment-protection-and-agriculture-of-georgia/?lang=en>

²⁴³ <https://www.cenn.org/the-public-sector-and-ngos-team-up-to-strengthen-drought-management-policies-in-georgia/>

Box 28. Parliament and civil society supporting green business startups

Green Economy School, a short-term green business development initiative, supports green business startups. It is organized by CENN, “Georgian Forest Product” Association and the Agrarian Committee of the Parliament.

Source: <https://georgiatoday.ge/green-economy-school-for-young-entrepreneurs/>

The CSO network is an efficient way for engaging with the government. The **Georgian National Platform of the EaP Civil Society Forum**, biggest CSO network established in 2010, unites local and international civil society organisations to support the European integration process. It serves as a platform for dialogue between civil society and the government. It has 185 members, among those 41 are members of the working Group 3 on environment and climate change and energy security.²⁴⁴

Civil society is also engaged in monitoring the implementation of the EU-Georgia Association Agreement, and its environmental considerations.²⁴⁵ This is done through the **EU-Georgia Civil Society Platform**, established on 16 June 2016, based on the Agreement provisions (Article 412). It complements the existing bodies within the Agreement and allows civil society to monitor the implementation and submit its recommendations to the relevant authorities.²⁴⁶ The EaP Civil Society Forum is one of its members on the EU side.²⁴⁷ On the Georgian side, several environmental NGOs such as Biological Farming Association “Elkana”, association “Green Alternative”, Greens Movement of Georgia are the members of this Platform.²⁴⁸

Research Organizations and Think Tanks also contribute to environmental goals. They operate mostly in Tbilisi and work in such areas as economics and environment among others. The **Economic Policy Research Center** (EPRC), one of the leading economic think tanks in Georgia since 2002, focuses among others on taxation, financial market, investments, energy issues and EU approximation.²⁴⁹ Some research organizations are affiliated with universities, like the International School of Economics at Tbilisi State University (ISET). There are also regional research institutions, such as the Caucasus Research Resource Center (CRRC).²⁵⁰ Institute for Sustainable Development, an independent think tank with a mission to promote Sustainable Development in Georgia.²⁵¹

CSOs in Georgia, especially smaller ones, face a number of **challenges**, jeopardising sustainability of their operations, and consequently their influence on policy-making. These challenges are also relevant to environmental CSOs. This includes the limited funding (primarily coming from international donors; financial stability and sustainability is one of main concerns), leading to gaps in projects and lack of human resources. The international donors remain the main sources of funding with 95% coming from them. Staffing remains an important issue. This limits organisational capacity and institutional memory. As a result, CSOs struggle to influence policymaking. Despite several formal mechanisms for CSO involvement in policymaking and progress in the recent years, more can be done to uplevel CSO role.²⁵²

The role of universities in enhancing “green” thinking: Institutionalising green education

Universities are pivotal in fostering green thinking and promoting sustainable development through their educational programmes, research initiatives and community engagement. By integrating sustainability into their curricula they contribute significantly to building a more environmentally conscious, sustainable and inclusive society.

²⁴⁴ <https://eap-csf.ge/index.php/members-2/> ; <https://eap-csf.ge/index.php/concept/>

²⁴⁵ [2021 association implementation report in georgia.pdf](https://www.eesc.europa.eu/en/sections-other-bodies/other/eu-georgia-civil-society-platform) (europa.eu)

²⁴⁶ <https://www.eesc.europa.eu/en/sections-other-bodies/other/eu-georgia-civil-society-platform>

²⁴⁷ <https://www.eesc.europa.eu/en/sections-other-bodies/other/eu-georgia-civil-society-platform>

²⁴⁸ <https://www.eesc.europa.eu/en/sections-other-bodies/other/eu-georgia-civil-society-platform/organisation>

²⁴⁹ <https://eprc.ge/en/publikatsiebi/>

²⁵⁰ <https://www.adb.org/sites/default/files/publication/678381/civil-society-brief-georgia.pdf>

²⁵¹ <https://www.isd.ge/who-we-are/>

²⁵² <https://www.adb.org/sites/default/files/publication/678381/civil-society-brief-georgia.pdf>

Several leading public universities in Georgia offer various environment-related programmes in their curriculum and conduct research in environmental studies:

- **Tbilisi State University**, founded in 1918, offers programs on geography and sustainable development of the environment, integrated management of water resources, geology and others,²⁵³ as well as trainings on such subjects as ecology, geography, geology and biology. It hosts the Department of Scientific Research and Development and Knowledge Transfer and Innovation Center, is a scientific support unit aiming to leverage innovative activities.²⁵⁴ There are 27 scientific and research centers and institutes created on the bases of Tbilisi State University, including the Institute of Geology.²⁵⁵
- **Georgian Technical University**, founded in 1922, focuses among others on developing green technologies and renewable energy solutions through its engineering programs.²⁵⁶
- **Ilia State University**, founded in 2006, offers programs in environmental science and conducts research on ecology and sustainable development.²⁵⁷ Among those programs on ecology, nature conservation and forestry, natural resources,²⁵⁸ and mineral resources, energy management and sustainable development.²⁵⁹ The Institute of Ecology of Ilia State University conducts advanced studies and research in animal and plant ecology, species protection and forest resources.²⁶⁰
- **Batumi State University**, founded in 1945, offers programs in ecology, forestry.²⁶¹

The private universities also provide their contribution, notably through research. One example, Business and Technology University conducted a study on the importance of integrating green technologies for the Georgian economy (December 2023).²⁶²

Collaboration between universities, the public authorities (notably the Parliament Committee on Environmental Protection and Natural Resources, the Ministry of Environment Protection and Agriculture and the Ministry of Economy and Sustainable Development, the Ministry of Education, Culture and Sports) and international partners is essential for fostering environmental sustainability. Universities host various events and organise trainings. The examples of such collaboration include:

- **International scientific conference** “Science for sustainable development”, including the topic of environmental sustainability at Caucasus University (upcoming, October 2024).²⁶³

²⁵³

<https://www.tsu.ge/ge/faculty/%E1%83%96%E1%83%A3%E1%83%A1%E1%83%A2%20%E1%83%93%E1%83%90%20%E1%83%A1%E1%83%90%E1%83%91%E1%83%A3%E1%83%9C%E1%83%94%E1%83%91%E1%83%98%E1%83%A1%E1%83%9B%E1%83%94%E1%83%A2%E1%83%A7%E1%83%95%E1%83%94%E1%83%9A%E1%83%9D%20%E1%83%9B%E1%83%94%E1%83%AA%E1%83%9C%E1%83%98%E1%83%94%E1%83%A0%E1%83%94%E1%83%91%E1%83%90%E1%83%97%E1%83%90%20%E1%83%A4%E1%83%90%E1%83%99%E1%83%A3%E1%83%9A%E1%83%A2%E1%83%94%E1%83%A2%E1%83%98/programs/70>

²⁵⁴ <https://www.tsu.ge/en/innovation-center>

²⁵⁵ https://asue.am/upload/files/international-programs/TSU_TT_Strategy.pdf

²⁵⁶ <https://gtu.ge/en/>

²⁵⁷ <https://iliauni.edu.ge/en/iliauni/history>

²⁵⁸ <https://iliauni.edu.ge/en/iliauni/AcademicDepartments/sainjinro-fakulteti-270/programebi-310/sabunebismetyvelo-fakultetis-samagistro-programebi/ekologia>

²⁵⁹ <https://iliauni.edu.ge/en/iliauni/AcademicDepartments/bte/programebi-276/schooloftechnology3/mastersprograms/energetikisa-da-mineraluri-resursebis-martva-da-mdgradi-ganvitareba>

²⁶⁰ <https://research.iliauni.edu.ge/en/institution/25-institute-of-ecology>

²⁶¹ <https://www.bsu.edu.ge/sub-25/program/2/index.html>

²⁶² <https://btu.edu.ge/en/wef-content/importance-of-integration-of-green-technologies-for-georgian-economy/>

²⁶³ <https://www.cu.edu.ge/en/events/caucasus-university-9th-annual-international-scientific-conference-science-for-sustainable-development-2024>

- **Public lecture on environmental rights** at Tbilisi State University by the Chair of the Parliament Committee on Environmental Protection and Natural Resources, with participation of the Environmental Information and Education Center (December 2023).²⁶⁴
- **Green economy and sustainable development week** at Caucasus international university, in partnership with private and state organizations, including the Ministry of Environment Protection and Agriculture and Environmental Information and Education Center (November 2023). The week was held within the Green Economy Ambassadors Program, which is being launched by the Caucasus International University to raise awareness on wise use of natural resources, reducing negative environmental impact, and promoting green skills among young people.²⁶⁵
- **Training on sustainable development** at Tbilisi State University, led by experts from the MEPA (Geological Department of the National Environmental Agency) and Tbilisi State University (Faculty of Exact and Natural Sciences) (2023).²⁶⁶
- **International scientific conference** on sustainable development of economics and business at Batumi Shota Rustaveli State University, in collaboration with the Ministry of Education, Culture and Sports (October 2023).²⁶⁷
- **International conference** on landscape dimension of sustainable development at Tbilisi University (2022).²⁶⁸

Universities also collaborate with civil society. One example of such collaboration is a youth forum on sustainable development and European integration (March 2023), under the initiative of Tbilisi State Medical University and the Green Movement of Georgia, supported by the MEPA among others.²⁶⁹

Overall, universities provide important contributions through their education programs, research and various events to leveraging sustainable economic growth. The increasing collaboration with public authorities in this field is a positive sign. Yet, there are no programs specifically on the green economy in the curriculum. There is no specific institutional mechanism or platform for regular collaboration with the government authorities, which seem to have a patching approach. Institutionalising green education in Georgia is a comprehensive effort that involves policy development, curriculum integration, training, research, all stakeholders engagement and international cooperation. By embedding sustainability principles into the education system, Georgia is investing in the human capital to address environmental challenges and contribute to a sustainable future.

²⁶⁴ <https://parliament.ge/en/media/news/maia-bitadzem-tsu-is-studentebistvis-garemosdatsviti-uflebebis-taobaze-sajaro-lektsia-tsaiktkha>

²⁶⁵ <https://ciu.edu.ge/news/index/mwvane-ekonomikisa-da-mdgradi-ganvitarebis-kvireuli?lang=en>

²⁶⁶

<https://tsu.ge/en/news/%E1%83%A2%E1%83%A0%E1%83%94%E1%83%9C%E1%83%98%E1%83%9C%E1%83%92%E1%83%98-%E2%80%9E%E1%83%9B%E1%83%93%E1%83%92%E1%83%A0%E1%83%90%E1%83%93%E1%83%98-%E1%83%92%E1%83%90%E1%83%9C%E1%83%95%E1%83%98%E1%83%97%E1%83%90%E1%83%A0%E1%83%94%E1%83%91%E1%83%90,-%E1%83%A1%E1%83%A2%E1%83%98%E1%83%A5%E1%83%98%E1%83%A3%E1%83%A0%E1%83%98-%E1%83%9E%E1%83%A0%E1%83%9D%E1%83%AA%E1%83%94%E1%83%A1%E1%83%94%E1%83%91%E1%83%98-%E1%83%93%E1%83%90-%E1%83%92%E1%83%94%E1%83%9D%E1%83%94%E1%83%99%E1%83%9D%E1%83%9A%E1%83%9D%E1%83%92%E1%83%98%E1%83%A3%E1%83%A0%E1%83%98-%E1%83%9E%E1%83%A0%E1%83%9D%E1%83%91%E1%83%9A%E1%83%94%E1%83%9B%E1%83%94%E1%83%91%E1%83%98%E2%80%9C>

²⁶⁷ <https://www.bsu.edu.ge/main/news/3/2/index.html>

²⁶⁸ <https://www.tsu.ge/en/news/%E2%80%9CLandscape-Dimension-of-Sustainable-Development-Research,-Cartography-GIS,-Planning,-Management%E2%80%9D---International-Conference-at-TSU>

²⁶⁹ https://tsmu.edu.ts/news-details.php?title=axalgazrduli_forumi_mdgradi_ganviTarebisa_da_evrintegracisTvis&id=6016&lang=ge

Capacity building

National efforts

The institutional framework for upskilling civil servants

There is political support for investing and developing human capital. Georgia is one of the EaP countries putting a lot of effort into advancing environmental education and capacity building. There are many nationally driven capacity-building efforts. This is done through the **Environmental Information and Education Centre**, a unique among the EaP countries institutional framework for fostering capacity building activities.

Local think tanks, alternative opportunity for upskilling civil servants

The role of local think tanks in training civil servants has been significantly increasing.

To leverage the voice and impact of the local think tanks, the **Eastern Partnership Think Tank Network** was created in 2020. It connects more than 90 think tank members from the EU and the Eastern Partnership, including Georgia. It produces a variety of events and publications, among those on green transformation in the Eastern Partnership countries (ex., workshop on green transformation in November 2021). In February 2023 it conducted national consultations on Georgia's energy and connectivity issues.²⁷⁰

Upskilling civil servants in the MEPA and spreading environmental education

The **Environmental Information and Education Centre** plays a central role in upskilling the Ministry's employees (its central apparatus and subordinate entities) by offering every year a variety of training opportunities. The selection of trainings is based on survey results, which determine the training needs of employees. According to the 2022 report of the Environmental Information and Education Centre, in total, **590 employees** of the Ministry were trained in 2022,²⁷¹ which represent about 16% out of the total 3657 workers in the Ministry that year.²⁷²

Out of the total of 590 employees of the Ministry trained, the majority - about 42% came from the environmental pillar of the Ministry (72 from the National Environment Agency and the State Sub-Agency Department of Environmental Supervision, 74 from Environmental Information and Education Center and 107 National Forestry Agency), while about 34% (206 employees) from agriculture-focused pillar (Rural Development Agency, National Monitoring Agency and Food Agency). About 22% (131 employees) came from the Ministry and its subordinate agencies in general (without specifying environmental or agricultural pillar).²⁷³

In 2022 the scope of trainings covered mostly general issues (such as communication, public participation, computer skills, gender), with some specialised trainings (issues related to finance, compliance and climate change). There were no specialised in-person green economy courses. The table below presents more detailed information on the training scope, its main beneficiaries and a number of the trained employees by the structural entity of the Ministry (Table 18).

²⁷⁰ <https://dgap.org/en/research/programs/international-order-and-democracy-network-on-eastern-partnership>

²⁷¹ <https://eiec.gov.ge/En/CenterAnnualReports>

²⁷² The number of workers in the Ministry is extracted from the budget table; see the section on the MEPA.

²⁷³ Calculations are made by the authors based on the data in Table 18.

Table 18. Trainings of the MEPA staff in 2022

Domain of training	Beneficiary	Number of trained employees
Budgeting and costing of policy documents	Ministry	8 persons
Microsoft excel basic course	Ministry	13 people
Communication with disabled persons	Ministry	19 people
Training of trainers	Ministry (Department of Human Resources)	15 people
Climate change and public relations	Subordinate agencies to the Ministry	40 persons
Gender equality and gender mainstreaming mechanisms	Subordinate agencies to the Ministry	36 persons
Remedial measures for significant environmental damage: determination, assessment and preparation of remedial measures plan	National Environment Agency and the State Sub-Agency Department of Environmental Supervision	18 people
Proceedings of administrative offence	SSA Department of Environmental Supervision (for supervisory staff)	13 persons
System of environmental responsibility	SSA Department of Environmental Supervision (for employees)	41 persons
Mechanisms for public participation in the environmental decision-making process	Environmental Information and Education Center	19 persons
Public information and participation in line with the Environmental Assessment Code provisions	Environmental Information and Education Center	17 person
Environmental responsibility and environmental programs	Environmental Information and Education Center	17 persons
Training of trainers for local coordinators and environmentalists	Environmental Information and Education Center	14 people
Obtaining the right to professional training program	Environmental Information and Education Center	7 persons
Sorting and loading timber, fire equipment, first aid, training of trainers, computer skills, work safety, management skills, environmental protection.	National Forestry Agency	107 persons
Climate-smart agriculture	Rural Development Agency	12 people
Methods and means of conducting online extension	Rural Development Agency	31 people

Domain of training	Beneficiary	Number of trained employees
Communication and presentation skills	Rural Development Agency	20 people
Digital marketing	Rural Development Agency	29 persons
Remote sensing in agronomy; sustainable land management and use	National Monitoring Agency (Land Cadastre Department)	10 persons
Maximum permissible limit of lead in food and sampling rules	National Food Agency	104 persons
Total:		590

Source: <https://eiec.gov.ge/En/CenterAnnualReports>

In 2023, the number of the trained Ministry's employees was more modest, compared to the previous year - a total of **313 employees** of the Ministry participated in various capacity building activities in 2023. The scope of trainings, as previous year, covered mostly general issues, except for environmental liability and emissions control. It is not possible to distinguish from the report the proportion of staff, representing environmental and agricultural pillars (Table 19).

Table 19. Trainings of the MEPA staff in 2023

Domain of training	Beneficiary	Number of trained employees
Environmental responsibility system	Ministry employees	58 participants
Mechanisms to facilitate public discussions	Ministry employees	18 participants
Research techniques and methodology	Ministry employees	25 participants
Microsoft Excel basic course	Ministry employees	30 participants
Microsoft Powerpoint basic course	Ministry employees	27 participants
Rights of disabled persons	Ministry employees	26 participants
Sexual harassment	Ministry employees	57 participants
Control of vehicle emissions (equipment, legislative changes, communication, electronic control system)	Department of Environmental Supervision employees	27 participants
First emergency aid	Environmental Information and Education Center	45 participants
Total:		313

Source: The 2023 report of the Center, <https://eiec.gov.ge/Ge/CenterAnnualReports>

In addition to the government officials, the Environmental Information and Education Center also offers training opportunities to the local governments, experts and public in general interested in the environmental field. In 2023, this included:

- Training on the revised guidelines of greenhouse gases national inventory, for experts (12 participants).
- Training on reducing the risk of climate change disasters, for young people (1664 participants).
- Training on community-based disaster risk management, for local governments of Lanchkhuti and Chokhatauri municipalities (28 participants).
- Training on disaster risk: emergency management plans, for the schools of the target municipalities (58 participants).
- Training for business sector on the environmental responsibility system (28 participant)
- Training on environmental legislation and administrative responsibility, for judges (35 participants).
- Training on disaster risk reduction and risk management, for lecturers in universities (43 participants).
- Training on climate change, for schools in 13 target municipalities (108 participants).
- Training on emergency management, for schools and preschools in 13 target municipalities (180 participants).²⁷⁴

Though the Center does not offer in-person green economy courses, it offers online green economy courses (Box 29).

Box 29. Environmental Information and Education Centre promoting green economy e-course

The Environmental Information and Education Centre promotes green economy e-course, which was launched in Georgia during the 2021 EU Green Week.

Thus, mid-2022, the Centre renewed registration to the Green Economy E-Course from the world's leading educational platform - UN One Partnership for Climate Change Learning (UN CC: Learn):
<https://unccelearn.org/course/view.php?id=123&page=overview>

Source: <https://eiec.gov.ge/En/News/details/1915>

The **National Environment Agency** also encourages strengthening the capabilities of its employees. Thus, according to 2023 report of the NEA, the NEA employees participated in following capacity building activities (though mostly with external support):

- Training on water management and hydrological issues (measurements, costing, modelling, flood risk and forecasting).
- Several trainings on environmental responsibility, according to EU standards, including:
 - EU experience on environmental liability systems (18-21 April 2023).
 - Environmental responsibility system (April 12, 2023).
 - Biodiversity damage assessment and environmental responsibility (April 24-26, 2023).
 - International experience of environmental damage restoration measures (November 29 - December 5, 2023).
- Three workshops on marine ecosystems, fishery, innovative technologies for prevention and control of fish diseases (March 8-10, May 8-19, September 19-20, 2023).

²⁷⁴ The 2023 report of the Center, <https://eiec.gov.ge/Ge/CenterAnnualReports>

- Trainings on sustainable aquaculture (June 11-18, 2023) and on aquaculture promotion information system (July 11 - 13, 2023).²⁷⁵

One important issue is ensuring supervisors allocate enough time in employees' workloads to pursue learning. Sometimes, learning might be seen as conflicting with daily tasks and performance. The evaluation on the e-learning course "Green Transition in Eastern Partnership" illustrates the challenge. It showed that officials nominated for training who did not attend or dropped out early commonly cited "professional workload" as the reason (23 of 73 nominated officials from EaP countries; 2 of 13 in Georgia) (EU4Environment, 2023).

Despite the variety of training opportunities offered by the Center and driven by the national efforts, de facto most specialised training for ministry on green economy or related issues is provided with external support.

Upskilling civil servants in the Ministry of Economy and Sustainable Development on the green economy

As in the MEPA, external organisations provide most of the training for the Ministry of Economy and Sustainable Development staff that contains green elements. The government did not offer any specific training activities on environment or green economy to the Ministry's staff.

External support

EU assistance through regional programmes

The donor community and international organisations play an important role in training civil servants in Georgia, complementing the national efforts in this direction. The external support has driven most specialised capacity-building efforts. This support includes EU-funded projects such as EU4Environment ("EU4Environment – Green Economy" with its predecessor EaP GREEN,²⁷⁶ and "EU4Environment – Water and Data" with its predecessor EUWI+²⁷⁷), EU4Business, EU4Climate²⁷⁸ and EU4Energy. Within EU4Environment, UNEP supports capacity building on the green economy. The United Nations Economic Commission for Europe (UNECE) focuses on capacity building on SEI and EIA. The United Nations Industrial Organization (UNIDO) targets the circular economy, resource efficiency and cleaner production, eco-industrial parks and a single market for green products. The OECD addresses one of the main institutional weaknesses, namely environmental compliance assurance and environmental liability regimes.

Georgia is an active participant in regional projects under the EaP initiative, benefiting from country-specific assistance and a number of regional programmes.

E-learning and self-education – new approaches to building knowledge

The COVID-19 pandemic plunged capacity building into a virtual world, advancing use of e-learning and self-education (Box XX). This trend expanded opportunities for government officials and the broader audience to learn, while trainers could reach a wider number of participants. Since 2019, with EU4Environment support, an impressive number of government officials and stakeholders were trained across the EaP region: more than 1 800 on sustainable public procurement and eco-labelling, over 800 on SEA, over 750 on the RECP, over 200 on environmental compliance, 180 on extended producer responsibility, 150 on green public investment and 50 on green economy (EU4Environment, n.d.) (Box 30).

²⁷⁵ <https://nea.gov.ge/Ge/Bill>

²⁷⁶ <https://www.green-economies-eap.org/>.

²⁷⁷ <https://www.euwipluseast.eu/en/countries/>.

²⁷⁸ <https://eu4climate.eu/>

Box 30. Learning courses on green economy in Georgia

“Introduction to the Green Economy” course

EU4Environment launched the online course “Introduction to the Green Economy” and its Georgian version. The course, open to civil servants and the broader public, shows how an inclusive green economy can be achieved at the international, national and sectoral levels. The ten-hour course is free; upon completion, learners receive a certificate.

The course includes basic concepts, policy instruments and international frameworks that promote inclusive green economies at all levels. It has five modules with interactive exercises that reinforce readers’ learning.

“Green Transition in Eastern Partnership Countries”: In-depth course on the green economy for civil servants

EU4Environment also organised a tailored course for selected civil servants from EaP countries working on green economy policies. The pilot e-learning course, “Green Transition in Eastern Partnership Countries”, was held from 15 February to 9 April 2021. The course develops the abilities of policy makers to analyse, set up and carry out green economy policies in their respective countries. It includes interactive lessons, live webinars, forums, assessments, assignments and peer reviews.

In Georgia, 11 of 13 nominated participants completed the course, 10 of the 11 receiving a certificate. The reasons cited by nominated officials who opted not to take the training included their professional workload, changing jobs and COVID-19.

Different paths are anticipated to institutionalise the green economy courses, including plans to develop a “green economy” curriculum for universities. These efforts will increase the capacity and knowledge of government staff and broader audience on this issue.

Source: EU4Environment, [https://www.eu4environment.org/news/launch-of-an-e-learning-course-introduction-to-the-green-economy-in-](https://www.eu4environment.org/news/launch-of-an-e-learning-course-introduction-to-the-green-economy-in-moldova/)

[moldova/](https://www.eu4environment.org/news/launch-of-an-e-learning-course-introduction-to-the-green-economy-in-moldova/) and EU4Environment, UNITAR, evaluation report, e-learning course “Green Transition in Eastern Partnership Countries”,

www.eu4environment.org/app/uploads/2023/06/e-course_GE-in-EaP-countries_EvaluationReport_final.pdf

The green economy courses in Georgia are complemented by various tailored capacity-building activities, with some examples of which are presented in Box 31.

Box 31. Examples of tailored capacity-building activities in Georgia

Capacity building on resource efficiency

Several training workshops for Resource Efficient and Cleaner Production experts in Georgia, held in February and April 2022, presented the RECP methodology and developed practical skills on the RECP assessment. It gathered specialists in environmental management, engineering (chemical, industrial, environment) and the demonstration companies. Another training on specialised resource efficiency topics for the manufacturing sector, held in August 2020 for the RECP experts from Armenia and Georgia, explored energy management issues faced by SMEs in meat, chocolate and metal processing sectors.

Source: EU4Environment, <https://eu4environment.org/events/first-training-workshop-for-resource-efficient-and-cleaner-production-experts-in-georgia/>; <https://eu4environment.org/events/second-training-workshop-for-resource-efficient-and-cleaner-production-experts/>; <https://www.eu4environment.org/events/online-trainings-on-specialized-resource-efficiency-topics-for-the-manufacturing-sector/>

Capacity building of the Georgian enterprises on circular economy, with BAT focus

The specialised training for Georgian enterprises on circular economy with a focus on Best Available Technology (BAT) introduced the EU best available techniques reference documents, indicators, benchmarks, waste and emissions sources.

Source: EU4Environment, <https://www.eu4environment.org/events/specialized-training-for-georgian-enterprises-on-the-role-of-bat-in-circular-economy/>

Capacity building on the sustainable public procurement

Series of trainings to build capacity on the sustainable public procurement (SPP) included:

- **Two training courses on sustainable public procurement**, held in October and November 2022, presented SPP concept, its benefits and provisions to the draft legislation (draft law “On Public Procurement” and its by-law) and international best practice.
- **Training session on SPP promotion**, held in June 2022, raised awareness of the Georgian economic operators in the IT sector on SPP approach, its benefits, green and sustainability criteria and EU case studies.
- **Training session on promoting the effective SPP implementation**, held in May 2022, raised awareness of the Georgian business associations and SMEs on SPP approach, its benefits, criteria for selected products (such as imaging equipment, printers, plotters, cleaning products), EU examples, and challenges to respond to the public tenders with inclusive sustainability criteria.
- **Training on using sustainable procurement criteria in public procurement** for the prioritized products, held in July 2021, presented SPP concept, its benefits, provisions to the draft law “On Public Procurement” and its by-law, and further implementation of SPP concept on selected procurement goods in Georgia.

Source: EU4Environment, <https://www.eu4environment.org/events/second-session-of-the-training-course-on-the-sustainable-public-procurement-in-georgia/>; <https://www.eu4environment.org/events/training-course-on-the-sustainable-public-procurement-in-georgia/>; <https://www.eu4environment.org/events/training-session-on-promoting-the-sustainable-public-procurement-in-georgia/>; <https://www.eu4environment.org/events/invitation-to-participate-in-the-training-session-on-promoting-the-effective-implementation-of-sustainable-public-procurement-in-georgia/>; <https://www.eu4environment.org/events/training-on-the-use-of-sustainable-procurement-criteria-for-the-prioritized-products-in-public-procurement/>

Capacity building on eco-labelling

The training on eco-labelling, held in May 2021, informed participants about eco-labelling mechanisms and schemes, including those that function in Georgia; discussed challenges and opportunities of eco-labelling systems in Georgia; and explained benefits of eco-labels. It gathered 30 participants from Government agencies and business associations.

Source: <https://www.eu4environment.org/events/training-on-eco-labelling-mechanisms-in-georgia/>

Capacity building on environmental liability

The training course on identification and assessment of remediation measures for significant environmental damage and preparation of a remediation plan, held in July 2022, raised awareness about the Environmental Liability Directive and its application in EU countries.

Source: <https://www.eu4environment.org/events/training-course-on-identification-and-assessment-of-remediation-measures-for-significant-environmental-damage-and-preparation-of-a-remediation-plan/>

Designing and implementing green public investment programmes

The training on designing and implementing green public investment programmes on bio-waste in Georgia, held in April 2022, improved understanding of government officials and experts in the design and costing of medium to long-term green public investment programmes and provided access to modern management tools in line with international practices.

Source: <https://www.eu4environment.org/events/training-on-designing-and-implementing-green-public-investment-programmes-on-bio-waste-in-georgia/>

Gender sensitization in greening the Georgian industry

The training workshop on gender sensitization in greening the Georgian industry, held in December 2020, evaluated the gender knowledge and developed an action plan for gender mainstreaming. This will further help in assessing Georgia's potential on gender-differentiated impacts of promoting the RECP and circular economy principles, and inform the strategies and actions that should be taken to address existing local inequalities.

Source: <https://www.eu4environment.org/events/gender-sensitization-in-greening-the-national-industry-training-workshop-in-georgia/>

Strategic environmental assessment

The training workshop focused on preparing a SEA report, quality control in SEA, and SEA recommendations as the final step of the SEA process in accordance with the Environmental Assessment Code of Georgia. It was based on the existing SEA case - the Resort Lebarde Development Regulation draft Plan.

Source: <https://www.eu4environment.org/events/training-workshop-on-sea-report-quality-control-in-sea-and-final-sea-recommendations/>

Twinning and TAIEX, instruments of bilateral interventions

Bilateral interventions, such as Twinning and Technical Assistance and Information Exchange (TAIEX), have proved effective tools for transferring EU best practices in the field of institutional reforms and legislation. According to TAIEX and Twinning Activity Report 2023, 952 TAIEX events were organised (24% of which on Green and digital transitions, connectivity) and 91 Twinning projects were ongoing in 2023 (24% of which in Neighbourhood East).²⁷⁹

Twinning is an EU instrument for institutional co-operation between public administrations of EU member states and beneficiary countries (SEC, n.d.1). It was launched in 1998 to support candidate countries in the EU integration process. Today, it is widely used as an effective peer-to-peer learning instrument, relying on the learning by doing principle and sharing of best practices.

According to TAIEX and Twinning Activity Report 2023, Georgia had the highest number of ongoing twinning projects (10 in total) after North Macedonia.²⁸⁰ In 2023-24 Georgia benefited from several new Twinning projects (in such fields as education, data protection, transport sector, and public health).²⁸¹ Yet, no new Twinning projects were directly related to the environment or benefiting the MEPA.

In the previous years, the MEPA also benefited from the Twinning instrument. The examples of projects related to the environment include:

- Twinning project on improving environmental health in Georgia (2022).²⁸²
- Twinning project on improving the food safety system in Georgia (2022).²⁸³
- Twinning project on enhancing cooperation between research and industry, implemented by the Environment Agency Austria (2022).²⁸⁴
- Twinning project on strengthening the administrative capacities of the Ministry of Environment and Natural Resources Protection, with focus on the EU environmental 'acquis' on industrial pollution and industrial hazards (2017-19).²⁸⁵

The Ministry of Economy and Sustainable Development also benefited from the Twinning instrument. The examples include projects on capacity building of its agencies - the Market Surveillance Agency (2022)²⁸⁶ and National Agency for Standards and Metrology (2021).²⁸⁷

TAIEX (Technical Assistance and Information Exchange) (European Commission, n.d.1) is another EU instrument, designed to support public administrations with the approximation, application and enforcement of EU legislation and sharing of EU best practices, including in environment policy. It is largely needs-driven and delivers tailor-made expertise through workshops, expert missions and study visits (European Commission, n.d.2). It was launched in 1996 to support the EU accession process with adoption

²⁷⁹ https://neighbourhood-enlargement.ec.europa.eu/document/download/9da2f60a-8938-45d5-9101-e9da379b3bd2_en?filename=TAIEX-Twinning-AAR-2023_EN.pdf

²⁸⁰ https://neighbourhood-enlargement.ec.europa.eu/document/download/9da2f60a-8938-45d5-9101-e9da379b3bd2_en?filename=TAIEX-Twinning-AAR-2023_EN.pdf

²⁸¹ https://neighbourhood-enlargement.ec.europa.eu/document/download/20b47f82-04cc-4fbd-b508-bc58f80b9409_en?filename=Twinning%20pipeline%20update%20May%202024.pdf and https://neighbourhood-enlargement.ec.europa.eu/document/download/bb5e382d-c1d2-4093-9280-7b74c284f7f3_en

²⁸² <https://www.expertisefrance.fr/en/fiche-projet?id=861905>

²⁸³ <https://mepa.gov.ge/En/News/Details/20644>

²⁸⁴ https://www.eeas.europa.eu/delegations/georgia/eu-launches-new-twinning-project-support-enhanced-cooperation-between-research-and-industry_en

²⁸⁵ <https://mepa.gov.ge/En/Projects/Details/31>

²⁸⁶ https://neighbourhood-enlargement.ec.europa.eu/document/download/651dd4ba-633b-48b3-be25-558d00390b17_en

²⁸⁷ https://neighbourhood-enlargement.ec.europa.eu/document/download/8d51628e-e845-42cd-8791-742479d20ffa_en

of the EU acquis. Today, TAIEX is available for all countries covered by the European Neighbourhood Policy, by the Partnership Instrument and EU development policies. The TAIEX mandate covers, therefore, Georgia and environment, among other policy fields (Box 32).

Box 32. TAIEX mandate in environment and energy policy fields

Classical TAIEX assistance or support via the Environment and Climate Regional Accession Network (ECRAN) provides beneficiaries in all fields covered by environmental legislation (air quality, waste management, nature protection, chemicals, industrial pollution and climate change). Environment and energy are key policies closely linked as production of energy has an impact on the environment and the climate. Topics range from renewable energy and energy savings to market liberalisation in the oil, gas and electricity sectors.

Source: EU Commission, n.d.2, https://neighbourhood-enlargement.ec.europa.eu/funding-and-technical-assistance/taie_x_en.

TAIEX has become one of the key co-operation tools in Georgia within the frame of the EU Neighbourhood Instrument. This is evidenced by a high number of TAIEX events in the country (over 30 in 2000-2024).²⁸⁸

In the recent years, Georgia benefited from several TAIEX expert missions and study visits related to nature protection, industrial emissions, circular economy, waste management, infrastructure resilience, and environment in general:

- TAIEX expert mission on waste management practices: stakeholder engagement, packaging extended producers responsibility schemes, and special waste streams, June 2024 (beneficiary institution: Ministry of Environmental Protection and Agriculture; number of participants: 16).
- TAIEX study visit on empowering capacities and formulating a roadmap for topographic map production, May 2024 (beneficiary institution: National Agency of Public Registry).
- TAIEX expert mission on sharing the best available accreditation/licensing systems of environmental consulting, September 2023 (beneficiary institution: National Environmental Agency; number of participants: 18).
- TAIEX study visit on air quality monitoring, October 2019 (beneficiary institution: Ministry of Environmental Protection and Agriculture; number of participants 3).²⁸⁹

Overall, both instruments – twinning and TAIEX – are largely applied in Georgia and foster co-operation and international ties in the field of environment and green economy.

Other capacity-building opportunities with external support

The MEPA staff benefit from other programmes on environmental issues as part of bilateral collaboration. The examples include bilateral agreements in the field of environment protection between the MEPA and the Ministries of environment of Bulgaria, Latvia and Estonia, and Memorandums of Understanding on environmental cooperation and climate change between the MEPA and the Ministries of environment of the Austria, Czech Republic, Italy, Iran, the Republic of Korea, as well as bilateral agreements on environment and forestry between the governments of Georgia and Turkey.²⁹⁰ These different programmes include capacity building elements (Box 33).

²⁸⁸ <https://webgate.ec.europa.eu/TMSWebRestrict/resources/js/app/#/library/list>

²⁸⁹ <https://webgate.ec.europa.eu/TMSWebRestrict/resources/js/app/#/library/list>

²⁹⁰ <https://eiec.gov.ge/En/BilateralAgreements?page=1&pageSize=6>

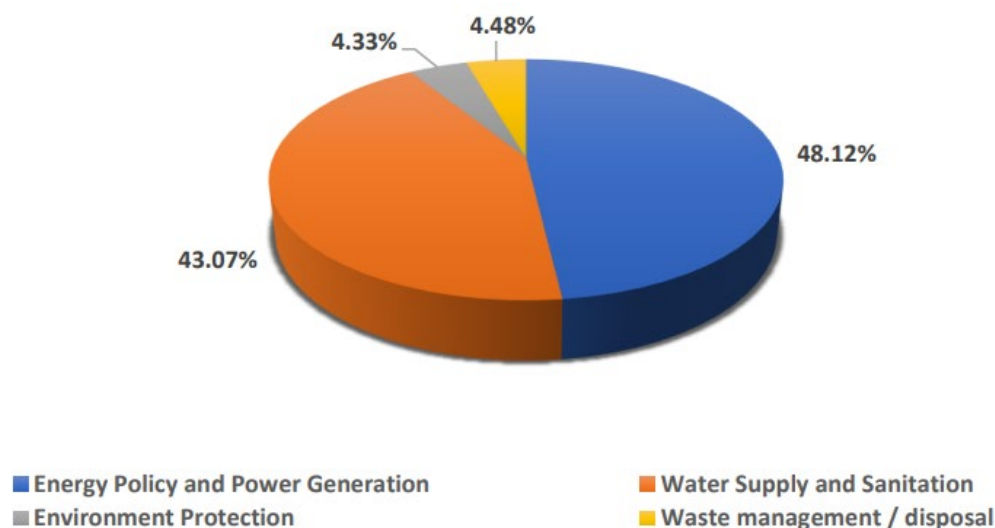
Box 33. Examples of international support for capacity building of NEA

With the support of UNDP and the Swedish government NEA is improving air quality monitoring. The staff of the Agency's Environmental Pollution Monitoring Department and the MEPA's Air Division was trained on data collection and processing for air quality modeling. Specialists from NEA and MEPA were invited to upgrade their qualifications in higher education institutions in Switzerland, Austria and Slovakia as part of the International Education Center project - "Overseas Training Program".

Source: [National Environmental Agency | Nea](#)

According to the External aid in Georgia report 2020, "Sustainable Use of Natural Resources" thematic area is the second-largest recipient of assistance from the international donor community, after "economic growth", with a total active/ongoing aid portfolio at above GEL 5.8 billion (20.8% of total assistance provided). The largest share of the assistance is provided for energy policy and power generation, followed by water supply and sanitation, waste management, and environmental protection (Figure 7).

Figure 7. Share of the assistance provided to environmentally related areas



Source: External aid in Georgia report 2020,
https://www.gov.ge/wp-content/uploads/2022/07/EXTERNALAIDINGEORGIAREPORT2020_FINAL_ENG.pdf

Learning from institutional innovations in the EaP countries and beyond

Lessons can be drawn from the experience of other EaP countries to address institutional and administrative caveats with relevance to the environment and green economy. This includes the smart government in Azerbaijan (Box XX), the Inter-Ministerial Working Group for the Promotion of Sustainable Development and Green Economy in the Republic of Moldova, facilitating dialogue on green and circular economy (Box XX)²⁹¹ and the "Reform Support Teams" in Ukraine, boosting the reforms (Boxes 34 and 35).

²⁹¹ See section on coordination mechanism.

Box 34. *To get inspired...* Smart government in Azerbaijan

ASAN and the Ministry of Ecology and Natural Resources

The Azerbaijani Service and Assessment Network, or “ASAN” – which means “easy” in the Azerbaijani language – is a one-stop shop for public services. It was created in 2012 under the State Agency for Public Service and Social Innovations under the President. The services are made available online through 22 ASAN centres (including 6 in Baku and 16 in regions). In 2015, ASAN won the UN Public Service Awards (CPI, 2016; World Bank, 2021).

ASAN services provided by the Ministry of Ecology and Natural Resources:

- Allowing the release of harmful substances into the atmosphere and harmful physical effects.
- Acceptance of applications and documents for the purpose of allocating quotas and issuing fishing tickets for industrial fishing of fish and other aquatic bioresources.
- Acceptance of applications for hunting permits for foreigners and stateless persons.
- Issuing permission for the circulation of objects (ozone-depleting substances and products containing such substances) whose civil circulation is restricted.
- Issuing permission for the circulation of objects (ozone-depleting substances and products containing such substances) whose civil circulation is restricted.
- Issuance of a hunting ticket to persons who wish to engage in hunting activities.
- Extension of the period of hunting license issued to persons who want to engage in hunting activities.

Mobile ASAN, innovative approach to bring public services to rural areas

To facilitate access to public services for rural population, mobile ASAN offices travel to remote areas via ten large well-equipped buses and one train.

Source: ASAN, <https://asan.gov.az/en/category/asan-xidmetler/funksional-yardimci-xidmetler/ekologiya-ve-tebii-servetler-nazirliyi-terefinden-goesterilen-xidmetler>; Inji Jafari, Effective Public Service Delivery: The Case Of Azerbaijan, <https://www.astanahubjournal.org/index.php/ijcsrp/article/view/153/161>; State Agency for Public Services and Social Innovations, <https://vxsida.gov.az/en>.

E-government

Reform of public administration and digitalisation of public services go hand in hand. Azerbaijan aims to improve efficiency and transparency of administrative services through e-government in line with SIGMA principles of good governance. It introduced the E-Government Portal (www.e-gov.az/en) offering 443 public e-services, provided by all ministries, including the MENR, most state agencies and local executive authorities. According to the report “Smart government: Case of Azerbaijan”, 468 tons of paper and 7 962 trees are saved through e-government in Azerbaijan (Aliyev, n.d).

Government agencies in charge of e-government: Department of Economic Issues and Innovative Development Policy of the Presidential Administration, State Agency for Public Service and Social Innovations under the President and its E-Government Development Center. The e-government executive team includes the Ministry of Ecology and Natural Resources (MENR), represented by Head of the Information Department of the Forest Fund, Biological Resources and Emergency Events of the State Information-Archive Fund for Environment and Natural Resources.

E-service portals, with relevance to environment and green economy

Among other services, the MENR issues permits for hunting and fishing through its e-services portal (<https://www.e-gov.az/en/services>). Other portals relevant to environment and the green economy are

offered by:

- State Environmental Expertise Agency (<https://e-xidmet.eco.gov.az/>), including among others permits on release of harmful substances into the atmosphere, use of water bodies, categorization of land, waste disposal.
- Ministry of Economy (<https://e-services.economy.gov.az/>), including its “E-licenses and permits” portal (<https://lisenziya.gov.az/>), issuing licenses and permissions for commercial activities.

- “E-procurement” portal, centralizing procurement services of all government agencies (www.etender.gov.az).

Source: ASAN, <https://asan.gov.az/en/category/asan-xidmetler/funksional-yardimci-xidmetler/ekologiya-ve-tebii-servetler-nazirliyi-terefinden-goesterilen-xidmetler>; Inji Jafarli, Effective Public Service Delivery: The Case Of Azerbaijan, <https://www.astanahubjournal.org/index.php/ijcsrp/article/view/153/161>; State Agency for Public Services and Social Innovations, <https://vxsida.gov.az/en>.

Box 35. To get inspired... Reform Support Teams in Ukraine, an innovative institutional approach to boost reforms

In Ukraine, under public administration reform, Reform Support Teams (RSTs) were set up in a number of ministries, including the Ministry of Environment. The teams are usually composed of Ukrainian professionals, complemented by international experts as needed. They are not ministry employees; their salaries are funded by the Ukraine Multi-Donor Account.

The teams develop policy proposals, provide expertise on strategic legislation and facilitate co-ordination with different international projects. In addition to their expertise and their financial independence from the ministry, the teams are not overburdened by everyday activities. They are thus helpful with pipelines of reforms and strategic thinking.

The RST in the Ministry of Environment is expected to boost environmental reform. It operates based on a Memorandum of Understanding, indicating needs and capacity gaps, based on the EU Association Agreement.

RSTs are seen as a positive institutional innovation and as agents of change both by national and by international stakeholders and experts. They are:

- demand-driven: responsive to the needs of each institution, with full Ukrainian ownership
- capable of rapid mobilisation of teams
- complementary to host capacities and other international assistance
- results-oriented: focusing on results and impact for citizens
- dynamic and flexible: adapting to changing priorities and needs.

The impact of RSTs can be summarised as follows:

- strengthened reform capacity of the host institution
- capacity development of civil servants, with knowledge transfer and coaching by RST experts
- planning and support of institutional reorganisation, modernisation of procedures and other measures within the public administration reform framework
- benefiting from a project approach, with flexibility to work outside formal bureaucratic procedures
- Better coordination and communication with donors to ensure complementary advisory and technical support.

RST experience, an innovative institutional approach, could help Georgia boost environmental reform.

Source: URA PPT, “Reform Support Teams as Drivers of Reforms, Capacity Development & Sustainable Change in Ministries and Agencies”.

Beyond the EaP countries, institutional innovations in EU member states can also provide inspiration for Georgia, for example in tailored institutional support for SEA and EIA (Box 36).

Box 36. To get inspired... Institutional innovations for environmental impact assessment

France: In 2009, an environmental authority (Autorité Environnementale) was created to advise on the quality of certain environmental impact assessment (EIA) reports, when the project/programme developer is the Ministry of the Environment or a public organisation under its supervision (e.g. large infrastructure projects) or when the ministry has the final decision (e.g. nuclear installations). This primarily provides a guarantee of impartiality but also offers a guarantee of quality and transparency for the public. It includes 17 people, 12 of whom are part of the evaluation services of the Ministry of the Environment and 5 external qualified experts.

Netherlands: The Netherlands Commission for Environmental Assessment, independent of the Ministry of Ecology, advises the competent authority on the quality of EIA reports, on request from the competent authority. It is a pool of 700 experts, working for governmental organisations, research institutes or universities and private companies. They are hired on a project-by-project basis. For every EIA or strategic environmental assessment, a working group is created, usually with three to six experts.

Source: ECRAN (2016).

3. Progress, challenges identified and ways forward

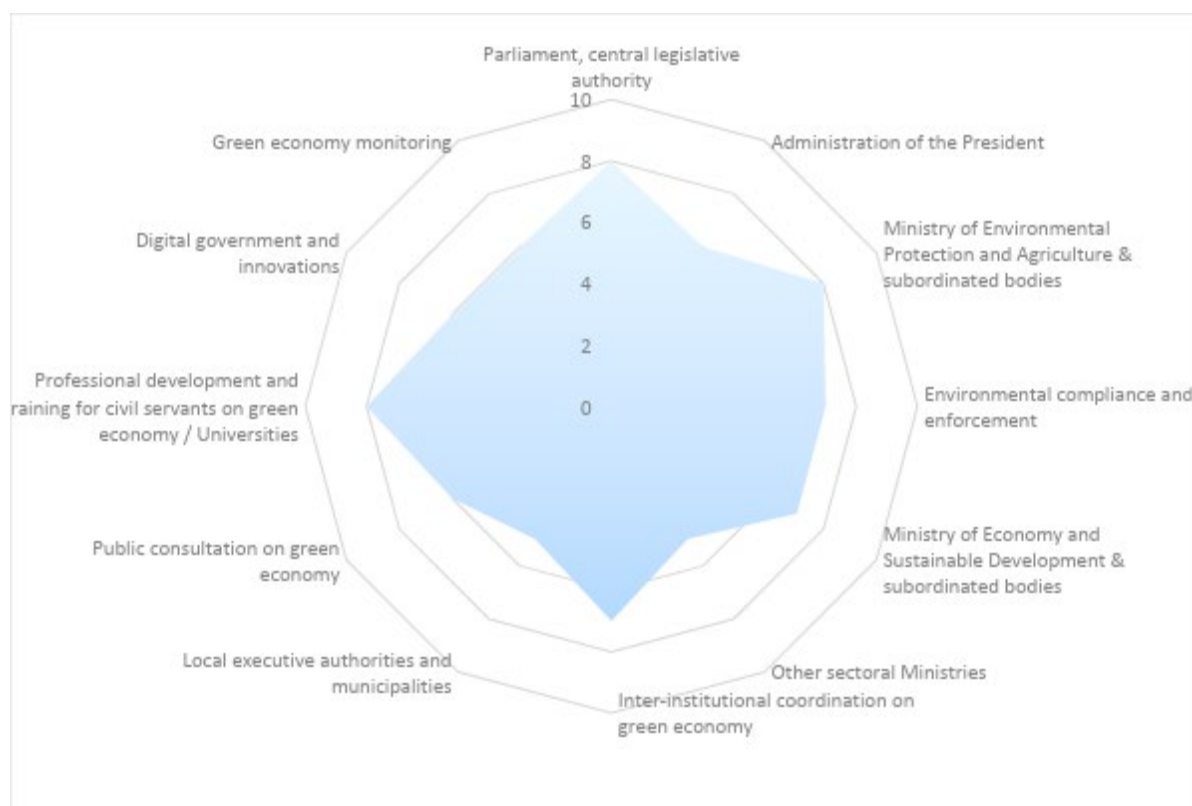
This chapter summarises progress on strengthening administrative capacity in Georgia for the environment and management of the green economy, as well as challenges in protecting and managing natural resources and the environment. It covers central legislative and executive authorities and policy frameworks for a green economy, digitalisation, innovations in public administration and financial incentives. It focuses on the ability of the MEPA, the Ministry of Economy and Sustainable Development and their subordinate institutions to work in environmental areas. Sectoral ministries and institutions relevant to the green economy are discussed and efforts to improve coordination of government agencies. After reviewing areas of improvement for local executive authorities and municipalities, the chapter assesses public participation in decision making and awareness, the role of universities in institutionalising environmental education, capacity-building opportunities for environmental professionals, and regional and international cooperation. It ends with recommendations for national authorities and international stakeholders to address various capacity gaps.

The issues presented in this chapter were identified based on information in the report but also on interviews with representatives of the government, international organisations, civil society organisations (CSOs) and experts. This approach is inevitably subjective. The findings indicate the need for more in-depth analysis, possible reforms, capacity development and external support.

The Ministry of Environment Protection and Agriculture is the main player of environmental action in Georgia and the primary focus of this report, alongside the Ministry of Economy and Sustainable Development, serving as its counterpart in fostering a green and circular economy. Both ministries have a green economy within their mandates. Yet, the green economy concept is well beyond and requires a multifaceted approach, engaging multiple actors at all levels. Thus, the report covers central legislative and executive authorities, subordinate institutions, inter-Ministerial dialogue, role of sub-national level, civil society, academia.

The matrix below presents different angles covered by the report and progress/areas for improvement, estimated by the authors (from 1 to 10). This assessment inevitably is subjective. It has to be interpreted as possible directions for in-depth analysis, needed support and potential reforms rather than as a solid assessment (Figure 8).

Figure 8. Administrative capacity for a green economy in Georgia: Views from different angles



Note: Score scale is from 1 to 10 (1 is lowest; 10 is highest).

Areas of progress and remaining challenges

In recent years, Georgia has accelerated its efforts towards a green transformation of its economy and improved environment management. This section acknowledges positive developments to strengthen environmental administration. It summarizes progress and highlights areas for further strengthening administrative capacity for environment and green economy management. It also highlights remaining challenges to protect and manage the country's natural resources and environment effectively.

Central legislative authority: Parliament and its committees. Institutional structures are in place to provide opinions on legislation with relevance to the environment/green economy. Three Committees out of 16 - Committee on environmental protection and natural resources, the Sector economy and economic policy committee and the Committee on European integration - provide such opinions on legislation, presented to the Parliament for approval. Transition to the green economy is explicitly mentioned in the annual committee reporting on 2022 results and activity plan for 2023. The Committee on environmental protection and natural resources is supported by the Scientific-Advisory Council and establishes thematic working groups (including MEPA and MESD representatives) to produce thematic inquiry reports. The Parliament has its Training and Research Centers.

Remaining challenges and areas for improvement:

- The Parliament plays a crucial role in greening the economy by legislating and overseeing policies, laws and initiatives related to environmental sustainability and economic development. The granted by the European Council in December 2023 a candidate status to Georgia for joining the EU, the approximation with the EU legislation and transposition of the EU Directives from the Association Agreement to national legislation increased the Parliament's workload. Significant efforts will be needed to align Georgian legislation with the EU acquis in the field of environment and climate action, including reforms in view of

European Green Deal targets. Effective parliamentary oversight on the EU integration agenda is at core of these efforts.

Administration of the President. The Administration of the President plays a central role in shaping the green agenda. High-level support is a positive signal for change and a vital element in successful reforms, according to SIGMA principles. Though limited, in Georgia the examples of green initiatives include international cooperation on green energy development and green agenda cluster in the EU approximation process.

Remaining challenges and areas for improvement:

- The limited constitutional power vested in the president in internal affairs imposes certain limitations in advancing the green transformation, as compared with such countries as Azerbaijan, where the Administration of the President is involved in every sphere of domestic policy. Georgia's European aspirations, however, leverage the role of the Administration of the President.
- No adviser has been designated to lead the environment or green transition. It is unclear whether the adviser on relations with international organisations and socio-economic matters covers green economy and environmental matters.

Central executive authority: Government and its ministries. The Cabinet, set up in December 2020, reflects the structural changes occurred at the end of 2017, which, among others, saw the Ministry of Environment and Natural Resources Protection merged together with Ministry of Agriculture in 2018. The Ministry of Energy and the natural resources management component of the Ministry of Environment and Natural Resources Protection were incorporated into the Ministry of Economy and Sustainable Development.

Apart from the Ministries, there are institutions under direct supervision of the Government. One of them - the **public procurement agency**, pivotal in promoting green procurement. Georgia has made significant reforms in this direction in recent years, elaborating new public procurement legislation (adopted in 2023) and analyzing sustainable public procurement reforms (2023), in collaboration with the MEPA and EIEC. The Agency has its own training centre and operates the Georgian Electronic Government Procurement System (Ge-GP).

In February 2023 the Government approved the new **administration reform strategy for 2023-26**, its 2023-24 action plan and set up the coordination mechanism, **Public Administration Reform Inter-agency Coordination Council**, chaired by the Head of Government Administration. Though the public administration reform sets objectives for the whole administration in the country, it inevitably has implications on the environmental institutions. The priorities for 2026 include: enhancing institutional capacities for policy planning, monitoring and evaluation; improving data management; strengthening human resources management; supporting professional development; enhancing inter-agency coordination and digital governance; improving municipal service delivery.

Remaining challenges and areas for improvement:

- Since 2018 there have been no significant institutional reforms. However, the recently adopted legislation enacted (though mainly internal) institutional movements which may accelerate in the years to come. The ongoing changes make it difficult to capture all aspects of the complex cross-institutional, cross-sectoral green and circular economy.
- In general, the 2018 changes were perceived negatively by the interviewed stakeholders as the importance and the weight of the environment has decreased.
- Green public procurement is a relatively new concept for Georgia and sustainable criteria are not yet fully incorporated into the electronic system. The Agency does not have a dedicated structural unit on green public procurement. The 2023 SPP analysis relieved remaining challenges (lack of SPP data filtering functionality in e-procurement; absence

of life cycle cost calculators of procurement objects; and lack of standardized SPP criteria for procurement objects).

- The administration reform strategy sets a general framework for reinforcing the environmental institutions, as part of the state administration. Yet, no strategy in place specific to the environmental institutions.

Policy frameworks for a green economy. Most legislation and policies on the green economy have been adopted or are in development, in line with EU standards. Since 2021, significant progress has been made on adopting a policy framework, accelerated by Georgia's application for EU membership and granted status of a candidate country. It includes two key state-wide policy documents - national development strategy "Georgia's Vision 2030" and Government program 2021-24 "Construction of the European state". Sectoral legislation and policies have been modernized, including the laws on industrial emissions (adopted in 2023), on public procurement (adopted in 2023), on biodiversity (adopted in 2023), on water resources management and the related package of legislative amendments (adopted in 2023), on environmental liability (adopted in 2021), on energy efficiency (adopted in 2020) and the Forest Code (adopted in 2020). Several government strategies and programmes were developed, including climate change strategy 2030 (under public consultation), low emission development strategy 2050 (adopted in 2023), waste management strategy for 2016-30 (adopted in 2022). These legal frameworks provide the solid foundation for environmental and green economy management in Georgia.

Remaining challenges and areas for improvement:

- There is no dedicated national green economy strategy with clear targets, timelines and assessment of needed capacity and institutional support. The legislation takes a patchwork approach to green growth elements. There is no green economy umbrella legislation in Georgia, but rather a comprehensive legal framework composed of many laws aligned with EU aquis.
- Although many "good" policies are in place or under development, the strategies and programmes, like in other countries, lack the appropriate capacity needs assessment for implementation, which may jeopardise their effectiveness. The implementation side should go hand in hand with policy design. Performance should be assessed based on indicators of changes in the quality of environment, rather than on the number of laws and regulations developed.
- New policy areas and accession process. The perspective of the EU membership and EU Green Deal create an all-encompassing framework to accelerate reforms. Georgia needs to strengthen action on the green transition. Emerging areas call for new legislation or amendments and capacity building.

Digitalisation and innovations in public administration. Georgia can leverage e-government solutions to enhance environmental protection. COVID-19 pushed Georgia, like other countries, into the digital world, accentuating a need to accelerate digital transformation. Digital government is one of the priorities of the public administration reform 2023-26. The Government program 2021-24 "Construction of the European state" focuses mainly on digitalizing internal processes of public institutions to enhance their effectiveness. "Georgia's Vision 2030" and National Broadband Development Strategy (adopted in 2020) aims to create the Digital Hub in Georgia.²⁹² A new digital strategy (2021-24) is being developed, with focus on three areas: front-end service delivery, back-end service production, and enabling capacities and capabilities.²⁹³ As part of the country's digital transformation process, Georgia holds annual Digital transformation forums, a platform for dialogue between government, business and academia (involving among others the MESD).²⁹⁴

²⁹² https://www.carecprogram.org/uploads/Session-2.b_Bokuchova.pdf

²⁹³ https://www.itu.int/en/ITU-D/Regional-Presence/Europe/Documents/Publications/Digital%20Development%20Country%20Profiles/Archives/Digital%20Development%20Country%20Profile_Georgia_29.10.21.pdf

²⁹⁴ <https://eufordigital.eu/georgia-digital-transformation-forum-explores-economy-and-it-development/>

The key institution is the Digital Governance Agency, created in mid-2020 under the Ministry of Justice, to provide state e-services and develop digital governance.²⁹⁵ The MESD department on Communications, Information and Modern Technologies also takes an active part in the process.

Digital solutions are progressively integrated into service delivery; digital platforms and services are expanding. The government institutions, including the MEPA, are developing digital platforms. Several digital platforms were developed at the level of the central government, including the electronic procurement portal of the State Procurement Agency.²⁹⁶ The MEPA, like other public institutions, uses digital platforms for internal management (such as the document and human resource management systems). The MEPA introduced digital solution for 'live' monitoring of air quality in four cities (Tbilisi, Rustavi, Kutaisi, and Batumi): the online portal (<https://air.gov.ge/>), administrated by the NEA. In 2023 MEPA (its EIEC) launched a new portal - environmental information portal (ei.gov.ge), created to facilitate public participation in the environment decision-making process and is available from 1 July 2023.

Remaining challenges and areas for improvement:

- The digital transformation of the government, including the Ministry of Environment Protection and Agriculture, is in its early stages, but has great potential.
- Green elements have not yet been fully incorporated into e-service portals to exploit the opportunities of a digital world. Georgia can leverage this capacity by including sustainability criteria, thus stimulating the economy by creating demand for sustainable goods.
- Transition to e-government also requires digital infrastructure and expertise. Capacity building is needed at all levels (national, regional and local).

Ministry of Environment Protection and Agriculture. The Ministry plays a key role in promoting the green economy, as its mandate covers promoting the sustainable development principles and introducing the green economy. Its agricultural pillar also has a green component - bio-agriculture. Since 2018 (its merge with the Ministry of Agriculture), there have been no significant structural changes. Its structure (central apparatus) has four main departments working on environmental issues, namely Department of Environment and Climate Change; Department of Biodiversity and Forestry; Department of Hydrology and Land Management; Department of Waste and Chemicals Management. No separate department responsible for the green economy. This function is within the Department of Environment and Climate Change. The Department of International Relations and European Integration covers responsibilities related to the EU Association and Green Deal objectives. The MEPA also has a number of subordinate entities and regional branches.

The adoption of the new legislation enacted some **structural (internal) reforms** within the MEPA to strengthen some of its systems. Ex., moving the Department of environmental assessment from MEPA to the NEA; creating the Department of environmental damage remedial measures within the NEA to implement the Law on Environmental Liability and creation of the environmental fund (special account in the state budget, to implement "polluter pay" principle); expected institutional development within MEPA, NEA and Environmental Supervision Department to implement the Law on industrial emissions (adopted in 2023).

The ministry has 3 725 staff **across the country**. It is estimated that in 2024 about 2 757 staff (out of 3 725) could be involved in different aspects of environmental management, representing 74% of total Ministry's staff. In its **central apparatus** only 1/3 of the staff is involved in different aspects of environmental

²⁹⁵ <https://www.dga.gov.ge/>

²⁹⁶ <https://thedocs.worldbank.org/en/doc/bd555a478d4a4a63acc0739084838b20-0350062022/original/GovTech-Case-Studies-Georgia-Promoting-Digital-Transformation-through-GovTech.pdf> ; other examples of digital platforms of the central government include (not directly related to environment): Electronic Public Financial Management (ePFM) system, Government Cloud, Digital Signature Infrastructure, and Data Exchange Infrastructure.

management (73 out of 210 staff in 2021, representing 35%). In 2023, this number likely decreased due to the transfer of the Environment assessment department (which counted 21 staff units) to the NEA.

The average salary in public administration in Georgia has been progressively increasing, but remains less attractive compared to other alternatives (GEL 1 823.2 in public administration in 2022, vs GEL 3033.4 and GEL 2730 in the communication and financial sectors). In the MEPA, in 2024 the average monthly salary amounted to about GEL 1574.5, compared to GEL 1433.5 in 2023 and GEL 1276.4 in 2022. There is a significant gap between the management and specialist positions (ex. ranging in 2021 between GEL 2500-4400 at the management level and GEL 1300-2100 at the specialist level).

The MEPA budget has also been progressively increasing (GEL 688 000 thousand in 2024). It is estimated that GEL 128 120 thousand were allocated to its environmental pillar (18.6% of total). The share of environment-related budget allocations increased compared to the previous years: 18.6% in 2024, 15.5% in 2023 and 16.5% in 2022. This, though modest, increase sends a positive sign of leveling up the environment on the agenda.

The MEPA staff undergo performance assessment at least once a year (with mid-term evaluation). While mid-term evaluation has no legal consequences, the end of the year evaluation provides a basis for promotion, incentives, determining professional development needs (with establishing by managers individual professional development plans).

Remaining challenges and areas for improvement:

- The **merge** in 2018 of the Ministry of Environment and Natural Resources Protection (which prior to merge was for 27 years the separate institution and main government agency responsible for environmental management and natural resources) with the Ministry of Agriculture was mainly perceived the interviewed stakeholders with a concern of decreasing the weight of the environment, creating imbalance in favor of agriculture. In fact, environment was added to the existing at that time Ministry of Agriculture, resulting into the environment losing its significance as a policy issue. Lower priority of environment compared to agriculture is visible for instance in the Department of policy analysis of the MEPA which covers both environmental and agricultural policy but with less staff dealing with the environment.²⁹⁷ After the merge, mineral resources management component was incorporated into the Ministry of Economy and Sustainable Development. In the recent years, the trend is reversing with the environment regaining its importance in the light of the EU approximation and new legislation adopted or being-developed.
- It is **difficult** to precisely **estimate the exact number of staff** working for the environmental pillar of the Ministry and its budget allocation for the environment. This is due to the fact that the MEPA's budget lines (also covering the number of workers) related to environmental activities are not explicitly separated from the budget lines related to agriculture. The estimations made in this report should be taken with precaution and considered as an indication, rather than precise information. Though the Ministry seems not to face the issue of **understaffing** (with only 2 vacancies announced by the Public Service Bureau for the MEPA in February 2024), it was pointed out by the interviewees back in 2021 a shortage of staff in the units dealing with water management, air, climate.
- **Staff turnover** and the **low appeal** of a civil service career to the young generation is another issue. The interviewed stakeholders noted that there is a lack of interest among young people in the professions of geologists, hydrologists. They pointed out that students coming to the MEPA gather experience and leave. The general statistics also show a declining trend of people working in public administration: 91.6 thousand people in 2022, compared to 92.4 in 2021 and 94.5 in 2020. This results in a loss of the developed capacity within the environmental institutions, subsequently leading to low knowledge retention, loss of institutional memory and a lack of continuity. The HR department at the MEPA may pay more attention to staff development. The amendments to the Law on Public Service

²⁹⁷ Interview took place in 2021. It may not reflect the situation in 2024.

(February 2020) aim at increasing the attractiveness of public administration, career development opportunities and staff retention.

- Another obstacle is **knowledge gaps** on the green and circular economy, practical skills, sound understanding of the environment linkages to other sectoral policies and new legislation. The institutional issues (limited human capacities and staff turnover) in the MEPA is a key factor for the insufficient understanding of these concepts, and tools needed to achieve green transition. The interviewees mentioned that the economic interests usually prevail environmental concerns. The economic background is needed for such legislation and policies as extended producer responsibility (EPR), developed for 6 waste streams or the EIA/SEA process. Indeed, some SEAs have been prepared for city development plans but the capacity for SEA development for strategic documents remains insufficient. There are only a few employees with economic backgrounds in the MEPA. In the past, there was a small division focusing on environmental economics but such a unit does not exist anymore. In MEPA there is insufficient knowledge of economic aspects of environmental policies, while in MESD there is a shortage of experts understanding the environment.
- The **EU candidate status** of Georgia with new complex legislation and evolving policies (on climate change, industrial emissions, energy efficiency, sustainable public procurement, environmental liability, extended producer responsibility, waste and recycling, biodiversity, water and forest management) sets new challenges, on development and implementation sides. It requires institutional adjustments and capacity building of the respective departments and agencies within the MEPA's structure.
- Shared responsibilities of the MEPA with local governments or other ministries may be another obstacle. This is the case of waste management, with the local governments in charge of municipal waste collection and street cleaning, while MEPA is responsible for developing and managing most of the municipal solid waste landfills.

Environmental compliance and enforcement. The state sub-agency “Environmental supervision department” under the MEPA is the main state control body over environmental protection and natural resources, except for oil and gas which are under the MESD mandate (the State Agency of Oil and Gas). Its creation in 2013 is perceived as a positive step to strengthen institutional infrastructure for compliance. Its predecessor - Environmental Protection Inspectorate - created in 2005, was abolished in 2011, with the inspection functions split among other agencies.

Its structure consists of 7 services, with a central office in Tbilisi and 9 regional divisions. The activities of the Department are in two directions – the rapid response and inspections. The 2024 plan of scheduled inspections included 94 entities; in 2023 - 130 entities; in 2022 - 71 entities.

Since 2013, its human and financial capacities have been significantly reinforced. In 2024 it counted 870 posts with a budget of GEL 29 000 thousand, about 4.2% of the total MEPA budget (GEL 26,000 in 2023 and GEL 23,682.7 in 2022). The number of employees has nearly tripled (from 330 staff units in 2013 to 870 in 2024). The budget also nearly tripled from 2018 to 2024 (from GEL 11 136.6 to GEL 29 000 thousand).

Remaining challenges and areas for improvement:

- The Environmental Supervision Department faces capacity gaps to perform effectively its functions. The OECD analysis of environmental compliance in Georgia urged that institutions, responsible for environmental compliance, struggle to attract and retain qualified staff, leaving for the private sector. This leads in turn to a lower geographical coverage and frequency of inspections. For instance, in 2021 interviews revealed about 200 vacancies. The analyses pointed to the issues of a qualified staff shortage, non-competitive remuneration, lack of trainings, insufficient co-ordination among the MEPA departments, dealing with compliance, lack of sampling equipment and electronic technology.

- Upgrading the qualification of inspectors is key, especially with regards to the new EU regulations adopted in Georgia. The inspectors need training on best practices and manuals in Georgian language as most of them do not speak English. Besides, the businesses are not aware of different environmental requirements, and, in some cases, violations occur because of lack of knowledge on the business side. Obsolete technologies used by companies also trigger their penalisation.²⁹⁸ In addition, new requirements stemming from the newly adopted environmental laws pose the need for restructuring of the inspection process, developing of sectoral guidelines, new monitoring equipment and the development of an electronic system for reporting on the inspections.

Institutions subordinate to the Ministry of Environment: The MEPA has within its structure a state sub-agency - Department of Environmental Supervision, and several subordinate entities (legal entities of the public law). With relevance to environment, there are six main agencies:

National Environment Agency, created in 2008, is in charge of hydrometeorology, geology, environmental pollution monitoring, fisheries and aqua biodiversity, licencing, environmental assessment and remedial measures for environmental damage. Its structure consists of 7 departments. The Environmental Pollution Department monitors the environmental (air, soil, water) quality and collaborates with the DES. The most notable recent structural changes within NEA include: a transfer in 2022 of the EIA/SEA functions from the MEPA to the NEA (now the NEA Environmental Assessment Department covers EIA/SEA procedures) and creation of the dedicated department - Department of Remedial Measures for Significant Environmental Damage - to implement the Law on Environmental Liability (adopted in 2021). Georgia is the first country in Eastern Europe to establish an environmental fund, a special account in the state budget to implement the "polluter pay" principle. Governmental allocation to NEA, amounts to GEL 23 780 for 2024 (about 3.5% of the total MEPA budget). The technical capacity of NEA has been progressively improving due to increasing national and donor financing. It is supported by several laboratories, including the re-accredited in 2023 laboratory of atmospheric air, water and soil analysis. A step towards improving access to information for the public is the air quality [portal](#) that was developed at the MEPA initiative, jointly with the NEA and EIEC.

The **Environmental Information and Education Center** is a special of its kind state body, promoting environmental education and access to environmental information for over a decade. Its creation in 2013 institutionalized its predecessor, the Aarhus Centre Georgia (the Ministry transformed the Aarhus Centre into the Legal Entity of Public Law under MEPA). In addition to its two main workstreams (environmental education and education) from 1 July 2023, a new function was added to the Center - public participation (organisation of public discussions) and therefore a new service - Service of public participation in environmental decision-making process. In 2023 the centre launched a new portal - environmental information portal (ei.gov.ge), created to facilitate public participation in the environment decision-making process and is available from 1 July 2023. The Center has only 25 posts; with financing of GEL 2 000 thousand (about 0.3% of the total MEPA budget). Number of posts slightly increased (17 in 2022, 25 in 2023 and 25 in 2024), mainly due to creation of the new service on public participation. Its budget however decreased from GEL 3,039.8 in 2022 to GEL 1,790. in 2023 and GEL 2000 in 2024. The EIEC is key in the capacity building of the MEPA and public in general on environmental issues/green economy by offering various training modules. In 2023, a total of 313 MEPA staff were trained through the Center and 5962 people participated in its awareness raising events. In 2022, the Center was rewarded with the "VET Excellence Award". While the initial focus of the EIEC was on awareness raising, access to information and education for sustainable development, the EIEC is also contributing to building capacity on green economy among MEPA's staff and local governments. It is actively involved in various regional programmes. The EIEC maintains a database of trainers but faces challenges with finding experts on eco-labelling assessment, environmental liability, themes that will require significant capacity building activities.

The **National Forestry Agency** is the main government body responsible for forest management and restoration and biodiversity. It has 501 staff units; with financing of GEL 24 680 thousand (about 3.6% of the total MEPA budget). No change in number of posts; budget increased (GEL 16,157.6 in 2022, GEL 20,950.0 in 2023 and GEL 24,680 in 2024). In 2020, the Parliament of Georgia adopted the Forest Code,

²⁹⁸ Interview of OECD EU4Environment with the Department of Environmental Supervision of Georgia, a draft interview record.

which is based on sustainable forest management principles and aims to transform the national forest management system. Reforming the National Forestry Agency is at core for enforcing the code. The Agency will be gradually transformed into a multispectral entity; it will be authorised to manage forest and generate income from it for reinvesting back to forest management (recovering the forest, wildfire prevention, infrastructure). The development strategy of the National Forest Agency 2021-26 and its action plan sets key reform directions to ensure effective forest management.

The **Agency of Protected Areas**, created in 2008, is the main government body responsible for management of natural reserves, national parks, natural monuments, protected landscapes, biosphere reserves, world heritage sites and wetland sites of international importance. It consists of 9 services and has 21 territorial administrations. Out of 100 protected areas 94 are managed by the Agency. As of 2023, the protected areas cover 912,862 hectares (about 13% of the territory). It has 729 staff units; with financing of GEL 23 200 thousand (about 3.4% of the total MEPA budget). Number of posts increased (661 in 2022 to 729 in 2024); budget decreased (GEL 32,455.3 in 2022 to GEL 23,200 in 2024). To raise the qualifications of employees, the Agency organizes annual trainings. In 2023, 144 employees from the agency and its territorial administrations were trained, including on topics of environmental responsibility system, management plan for protected areas, inclusive tourism, sustainable forest management.

The **National Wildlife Agency**, created in 2019, is the main government body with statewide responsibilities in the field of wild animal and flora management. It consists of two services: forestry and technology service and administrative service. It is one of the smallest entities with only 12 staff units and financing of GEL 1 800 thousand (about 0.3 % of the MEPA budget). No change in number of posts in 2022-2024; budget slightly increased (GEL 1,562.5 in 2022 to GEL 1,800.0 in 2024).

Remaining challenges and areas for improvement:

- In general, the agencies face similar issues as the MEPA. Subordinate entities lack qualified staff on a green economy due to similar issues faced by the ministry itself (e.g. the weight of environmental pillar within the MEPA, limited human and financial resources, equipment, staff turnover, knowledge gaps and practical skills, limited training opportunities).
- Capacity building is needed, in particular, for the new legislation and EU complex requirements, standards and best practices.

Ministry of Economy and Sustainable Development. The ministry serves as a counterpart of the MEPA in fostering the green economy. Its mandate covers sustainable development, green economy promotion, innovations and energy efficiency.

Since 2018, the MESD is in charge of the energy sector (including energy efficiency, renewable energy) and natural resources management. The most significant structural changes occurred in 2018, when the Ministry of Energy and the natural resources management component of the Ministry of Environment and Natural Resources Protection at that time were incorporated into the MESD. It has three departments in charge of energy policy (including Energy efficiency and renewable energy policy and sustainable development), and manages the Georgian Energy Development Fund, a state-owned company in charge of unlocking the renewable energy potential. There are currently no main horizontal strategic documents on energy policy in place. The 2030 Climate Change Strategy is a national cross-sectoral strategy.

The MESD consists of about 20 structural units (departments) and 18 legal entities of the public law within its structure. Green economy is within the **Energy Efficiency and Renewable Energy Policy and Sustainable Development Department**, accountable directly to the Minister. Until end 2021, the sustainable development policy and measures to support green economy was within the competence of the Sustainable Development Division, which was one of the smallest units in the Ministry, consisting of one staff. In 2021, a new Department of Energy Efficiency and Renewable Energy Policy and Sustainable Development was established with two structural units (divisions): Division for Energy Efficiency and Renewable Energy Implementation and Promotion and Sustainable Development Promotion Division. Among its functions: preparing a sustainable development strategy and encourage the green economy.

The coordination between the MESD with the MEPA has significantly improved, especially within regional initiatives, such as EU4Environment and its predecessor EaP GREEN. MESD participates in several

coordination mechanisms on sustainable development and environment such as: Council on SDGs, Climate change council, and Air Protection council. The Minister of Economy and Sustainable Development, in his position of First Deputy Prime Minister, is well positioned to bring the green economy to the highest level in the government.

Through its subordinate entities, the MESD is in charge of greening SMEs, mineral resources management (including licensing), oil and gas management (including licensing), innovations (including eco-innovations component) and accreditation (including of laboratories and inspection bodies).

The MESD mandate covers oil and gas (the State Agency of Oil and Gas, under direct supervision of the Minister). The MESD issues the licenses for use of oil and natural gas.

The ministry is responsible for **SME policy development**, and SMEs greening component. It developed two key strategic documents to promote SMEs greening - SME Development Strategy 2016-20 and SME Development Strategy 2021-25. Both strategies include measures to support SMEs in adopting green economic development approaches.

Remaining challenges and areas for improvement:

- Better communication between ministries and industries. On the level of SMEs the understanding of green economy and circular economy is also limited and associated with extra costs and regulations.
- With regards to the circular economy there is no clear understanding whose mandate it is – of the MEPA or the MESD. Undoubtedly, MESD should have a strong role in this area.

Institutions subordinate to the MESD, relevant to the green economy. The MESD has several subordinate structures for green elements, the National Agency of Mineral Resources (natural resource management, including licensing), State Agency of Oil and Gas (oil and gas management, including licensing), Enterprise Georgia (greening SMEs), Innovation and Technology Agency (eco-innovations), Accreditation Center (accreditation of laboratories, inspection bodies).

The Agency “**Enterprise Georgia**”, established in 2014, is the main state institution for supporting entrepreneurship development, and, in particular, SMEs. It is the main implementer of the government programme “Produce in Georgia”, launched in 2014 by the MESD to promote an entrepreneurial culture. It has 3 key directions: business development, export and investments. Though Enterprise Georgia does not have a special programme or a stand-alone component on greening SMEs, it provides support and information on green projects. One example, from 2023 it promotes renewable energy production. In 2023 a new economic activity was added to the agency’s “business universal” program - small renewable energy projects (hydropower, solar and wind power). According to the 2024 OECD SME Policy Index, Georgia received the highest score (4.37) on progress in the institutional and regulatory dimension.

The **Innovation and Technology Agency**, established in 2014, is the main state institution fostering the development of knowledge, innovations and technologies-based economy. **Eco-innovation** concept is relatively new for Georgia. The Agency is not explicitly responsible for eco-innovation. To date, the Agency does not have a dedicated structural unit for eco-innovations, or green economy more generally. Though the green economy is not explicitly mentioned in its activities, the agency has a key role to play in uptaking circular solutions. The recent analysis of the eco-innovation landscape in Georgia showed that one of the main support mechanisms to assist technology-based business start-ups is GITA’s small grants programme, which finances innovative projects. It warned about the overall low level of technological development in Georgia, leading in turn to irrational use of natural resources. Agriculture and hospitality were identified as two most suitable sectors for introducing eco-innovation. Another positive sign - several start-ups focusing on environmentally friendly technologies were among the winners of the 2021 Agency’s Matching Grants Program.

The **National Agency of Mineral Resources**, created in 2017, is a public law legal entity within the MESD system. In accordance with the legislation of Georgia, it is in charge of issuing licenses defined by the Law

of Georgia "On Licenses and Permits" for the use of mineral resources (except oil and gas) and directing and coordinating the activities to be carried out for this purpose.²⁹⁹

The **State Agency of Oil and Gas**, under direct supervision of the Minister. The MESD issues the licenses for use of oil and natural gas.

The **Accreditation Center**, created in 2005, is a public institution within the MESD system, which carries out accreditation of conformity assessment bodies. It grants accreditation in accordance with international standards to laboratories and inspection bodies among others.³⁰⁰

The **Spatial and Urban Development Agency** within the MESD structure may be mentioned with the relevance to applying SEA procedures in spatial planning.³⁰¹

Remaining challenges and areas for improvement:

- Although some subordinate structures are well placed to accommodate green elements, training and specialised departments/units are needed to increase their capacity for a green economy.

Other sectoral ministries and government institutions relevant to the green economy. The green transition requires a coordinated approach across all government bodies. The sectoral ministries are becoming progressively involved in greening the economy.

The **Ministry of Regional Development and Infrastructure** is the main government body with statewide responsibility for regional development and infrastructure projects. Within the scope of its mandate, it has a key role to play with incorporating green components into its sphere of activities, namely - green infrastructure (sustainable urban development, and eco-friendly transportation systems), efficient waste and water management. Georgia undertakes large-scale reforms of the transport sector, aligning with the EU directives. In August 2023, the government adopted the **National Transport and Logistics Strategy 2023-30** (prepared by the MESD), which foresees sustainable development of transport sectors as one of its strategic goals. The new consultative body - interagency commission for the Development of the Transport and Logistics Sector - was established. There is a notable increase in 2023 of 33% in the number of electric vehicles in Georgia (reaching 4 369 units in 2023); though their share in the total vehicle fleet remains low - only 0.3%. The Ministry develops and implements policies for effective waste management and recycling programs.

With relevance to the environment, the Ministry is responsible for managing the solid waste landfills, except for Tbilisi and the Adjara Autonomous Republic. This is done through its subordinate agency - the **Solid Waste Management Company of Georgia**, established in 2012. The main task of the company - to improve the waste management system in Georgia. The company operates municipal and regional landfills. The Company is in charge of transforming the waste management system in Georgia in line with its **Strategy 2014-24** and international standards. This includes changing the waste disposal system, operating, rehabilitating and closing municipal landfills, and constructing new regional landfills. The strategy foresees replacing the existing 54 municipal landfills under its management by a system of 8-10 new regional landfills compliant with international standards. The company head office consists of 8 departments with 58 staff units. The company also has 9 regional offices. In total, the company has 277 staff units (58 in headoffice in Tbilisi and 219 in 9 regional offices) and operates the 54 landfills. Since 2013 it rehabilitated 31 landfills.

In 2022, the government amended **National Waste Management Strategy 2016-30**. The state-owned **United Water Supply Company of Georgia**, subordinate agency of the Ministry established in 2010, provides water supply and sanitation services to urban settlements throughout the country, except for Tbilisi, Mtskheta, Rustavi, Gardabani Municipality, and Adjara Autonomous Republic. It supplies drinking water; improves the water supply and sewerage systems, and constructs sewage treatment facilities. It has 11 regional branches and 57 service centers, with about 3000 employees. It operates in 57 cities and 315 villages, serving 341 533 domestic and 24 605 non-domestic customers. Within its mandate, the

²⁹⁹ https://www.namr.gov.ge/en_GB

³⁰⁰ <https://gac.gov.ge/ge/about/about-georgian-accreditation-center>

³⁰¹ <https://www.economy.ge/?page=economy&s=137>

company pays attention to energy efficiency and water waste, related to existing infrastructure for water/wastewater systems and wastewater treatment plants.

The **Ministry of Finance** performs the public administration function in finance, budgeting and taxation. It allocates the annual budgets for the MEPA and its subordinate institutions and programmes. Regarding the role of the Ministry with relevance to the environment/green economy, two aspects can be mentioned in this regard: green budgeting (funds allocations for environmental protection and fiscal policies development to support sustainable policies) and international cooperation to secure international funding and grants for the environment and sustainable projects. According to the Open Budget Index 2023 Georgia ranks first among 125 countries in budget transparency.

The **Ministry of Education, Science and Youth** is the main government agency in establishing a modern and innovative educational and scientific environment. Regarding its role with relevance to the environment, it integrates environmental education and sustainable development into the education programmes. It has a key role to play in **environment education** (incorporating environment and sustainability topics into the national education curriculum), promoting public awareness and **research and innovation**. The **Unified National Strategy of Education and Science of Georgia for 2030** sets a framework for the education, training, science, technology, and innovation, aligned with European policy.

The main body responsible for data collection is the **National Statistics Office of Georgia** (Geostat), established in 2009. Prior to that, the Department of Statistics was subordinated to the Ministry of Economic Development. It is managed by the Executive Director, appointed by the Prime-Minister, Council and Advisory Board. The Board consists of 8 members, including among others former representatives of the MESD; there is no representative of MEPA. The Office has in its structure the **Agricultural and Environment Statistics Department**, which has Environment Statistics Division. It conducts statistical surveys on environment and collects environmental data. The Geostat collects environmental data and produces the **annual reports on Natural Resources of Georgia and Environment Protection** (the latest edition in November 2023). These reports present information on the land and forest resources, protected areas, water resources, ambient air protection, natural disasters and environmental violations. Some of this data is provided in cooperation with MEPA. The environmental statistics disseminated by Geostat is mainly produced by the MEPA. The memorandum of cooperation between the two institutions facilitates timely data exchange and effective communication.

The **State Procurement Agency** is an independent legal entity of public law, operating under direct supervision of the Government of Georgia (Prime Minister's Office, Administration of the Government) and responsible for the public procurement in the country. The public procurement expenditure in Georgia accounts for a large part of its GDP (12% in 2020). Though green public procurement is a new concept for Georgia, there has been significant reforms in this direction in recent years, with the elaboration of new public procurement regulatory legislation. The Public Procurement Agency is the key player in promoting green procurement in the country, which involves integrating environmental considerations into the procurement process. The Agency plays a key role in developing a regulatory framework for sustainable public procurement (SPP related provisions integrated into the new Law on Public Procurement; the Governmental Decree on SPP drafted; Assessments of the state of SPP and eco-labelling conducted; Products for SPP pilot tenders prioritised and sustainability criteria for these products elaborated (with a focus on cleaning materials and IT equipment); Assessment of existing public procurement practices and use of non-price criteria (environmental, energy efficiency) conducted. The Agency is headed by the chairperson, appointed by the Prime Minister. Its structure, statute, staffing and budget are approved by the Government. The Agency does not have a dedicated structural unit on green public procurement. The Agency has its own training centre.

The Agency is responsible for developing and operating the **Georgian Electronic Government Procurement System** (Ge-GP), its official portal for state procurement procedures. The Agency closely collaborates with the MEPA, and its EIEC. One fruit of such collaboration - the recent analysis of Sustainable Public Procurement reforms and practices in Georgia (2023). The analysis showed several cases of successful tenders with SPP criteria, indicating the willingness of policy-makers, contracting organizations (particularly big cities' municipalities), other stakeholders for implementing SPP framework. The SPP criteria are progressively applied by the line Ministries, their subordinate agencies, universities and municipalities. 16 tenders with sustainable public procurement criteria in 2022. The public procurement

agency plays a pivotal role in advancing green procurement practices, contributing to the country's overall sustainability goals. By integrating environmental considerations into the procurement process, the Agency helps ensure that public spending promotes environmental protection, economic efficiency and social responsibility.

Remaining challenges and areas for improvement:

- The institutional infrastructure for integrating provisions on the green economy into the sectors can be improved. A major challenge in greening the economy is the low capacity of other ministries on environmental issues.
- The 2019 OECD report on Sustainable Infrastructure for Low-Carbon Development in Central Asia and the Caucasus warned that government bodies responsible for managing infrastructure face major capacity constraints. The report calls for a need to strengthen the institutional capacity of government bodies in infrastructure development in order to analyse risks effectively and develop, screen and implement infrastructure projects. According to the report, while Georgia received a high score for the quality of electricity infrastructure, there is a window for improvement in the quality of transport and water infrastructure, which remain low.
- Geostat, no GGIs. However, there is limited information on the use of such reports by MEPA or the Ministry of Economy and Sustainable Development for policy making, or on establishing a regular dialogue between Geostat, MEPA and the Ministry of Economy and Sustainable Development. There is no dedicated structural unit to a green economy. Up to date, Georgia did not adopt the OECD-based set of green growth indicators, a framework created to measure progress towards a green economy. The **Strategy Plan for Agricultural, Environmental and Rural Statistics in Georgia 2016-20** provided the overview of the capacity of the national statistical system.³⁰² Though this information is a bit old (there is no a strategy plan beyond 2020), it provides insights on the capacity for the environmental statistics in the country. Thus, indicators of the capacity of the national statistical system in Georgia by type of resource showed lack of human resources (training - 10) and physical infrastructure (50) as weak points, while financial resources (58) and human resources (staffing - 73) were scored well.³⁰³ There is no regular training programme for statistical staff of Geostat and the line ministries. Geostat has established 221 permanent posts for official statistics and 15 posts are in AESD. For statistical purposes the Ministry of Environment and Natural Resources (at that time) had 25 people (16 in headquarter of National Forest Agency and 9 in field offices), along those 21 people were working on forestry, 2 on air and 1 on water resources. One person was coordinating statistical activities of the Ministry, but statistics was not a primary duty.
- **Remaining challenges in green public procurement in Georgia**
 - LACK OF SPP DATA FILTERING FUNCTIONALITY IN THE EPROCUREMENT SYSTEM FOR TRANSPARENCY AND MONITORING PURPOSES: The eProcurement system does not have built-in information filtering functionality that would allow interested parties to easily find tenders that incorporate SPP criteria.
 - ABSENCE OF LIFE CYCLE COST CALCULATORS OF PROCUREMENT OBJECTS: It is a good practice of SPP to purchase goods, services and construction works not only according to the lowest price, but also taking into account the full life cycle cost of the procurement objects.
 - SPP CRITERIA FOR PROCUREMENT OBJECTS ARE NOT ELABORATED: it is important to adopt standardized SPP criteria of various procurement objects, which contracting organizations could easily incorporate in tender documentations

³⁰² <https://www.geostat.ge/en/modules/categories/550/Strategic-Plan-agriculture>

³⁰³ https://www.geostat.ge/media/19436/SPAERS_eng.pdf See p.50.

without incurring additional expenses. A good example of international practice is the common criteria for Green Public Procurement.

- The mandate regarding environment is with several ministries: MEPA, MESD, Ministry of Regional Development and Infrastructure. A key hurdle for transition to green economy is the low capacity of other ministries with regards to environmental issues. While there is reason behind this split, the pursue of green economy objectives requires strong cooperation between the institutions which is currently not the case.
- As green economy is a cross-cutting theme most of the areas require the contribution and involvement of multiple institutions. Currently, the capacity of MESD to address circular economy is very limited - in the MESD there is only one person dealing with sustainability issues.

Coordination between government agencies on the green economy. The coordination among the government agencies has significantly improved. The Government of Georgia plays a key role in this regard. It established several mechanisms related to environment protection and sustainable development, in which the MEPA participates. This includes: Inter-Ministerial Coordination Board on circular economy; National Sustainable Development Goals Council; Climate Change Council; Interagency Commission on Air Quality Improvement and Coordinating Council of the National Biodiversity Monitoring System. Though Georgia does not have a dedicated inter-ministerial coordination body on a green economy, there are several mechanisms in place related to environment protection and sustainable development, established by the Government, in which the MEPA participates.

The **Inter-Ministerial Coordination Board on circular economy**, established in 2021 by the Government and led by the MEPA, facilitates transition to a circular economy. It consists of 36 experts from various ministries and was tasked to develop recommendations for the Circular Economy Roadmap and Strategy of Georgia. In 2023, building on the results of the circularity mapping process, Georgia started developing a **national roadmap for transition to a circular economy**. The process is coordinated by the government. The MEPA has a lead coordinating role in the process. Another key stakeholder is the MESD. The coordination among government stakeholders is ensured through the **Inter-Ministerial Coordination Board** (first plenary session was held in October 2023; the latest (third) session in March 2024). The Circular economy council chaired by MEPA is well-placed to intensify the coordination for greening the economy.

The Government Administration is a main institution responsible for overseeing the national sustainable development agenda. The **Sustainable Development Goals (SDG) Council**, created in 2016, is the main coordination mechanism on the sustainable development goals. The Council is chaired by the Head of the Government Administration and reports to the Prime Minister. It consists of all line ministries, representatives of GeoStat, the Government Administration, Public Service Bureau, NGOs and the local municipalities. The chairpersons of the parliamentary committees also participate in the work of the Council. The Council meets at least once a year. The Council has four thematic working groups, including on **sustainable energy and environmental protection**. The Secretariat of the Council is at the Strategic Planning and Coordination Division of the Policy Planning and Government Coordination Department of the Government of Georgia. The Secretariat created a dedicated **website** on sustainable development goals with an innovative tool, SDG Tracker, providing real-time information on SDG indicators. In 2020, the Inter-Agency Council received a new status: the Sustainable Development Goals Council became an independent entity, separate from the Public Service Reform Council.

The **Climate Change Council**, created in 2020 and chaired by the MEPA, coordinates measures to reduce greenhouse gases and prevent threats caused by climate change. It ensures the implementation of the UN Climate Change Convention, Kyoto Protocol and the Paris Agreement. It is composed of several Ministries, including the MEPA, MESD, Ministry of Regional Development and Infrastructure, Ministry of Finance.

The **Interagency Commission on Air Quality Improvement**, created in 2020. The commission is headed by the Ministry of Environment Protection and Agriculture and includes all relevant government agencies.

The commission is working on various thematic state programs for the improvement of atmospheric air quality. The first session of the commission was held in July 2022 and discussed the reform of atmospheric air quality management, resulting from the 2020 changes to the Law “On Ambient Air Protection”, in line with the EU experience and the Association Agreement. It focused on the air pollution in the target cities (Tbilisi, Batumi and Rustavi), for which the Ministry is developing three plans for the management of atmospheric air quality (Tbilisi agglomeration, the Black Sea areas, including Batumi city, and Rustavi city).³⁰⁴

The **Coordinating Council of the National Biodiversity Monitoring System**, led by the MEPA, held its first meeting in March 2024. It aims to coordinate the creation of a national biodiversity monitoring system. The EU-Georgia Association Agreement commits Georgia to enhance its biodiversity monitoring. The Biodiversity Monitoring Division was created in the MEPA's Department of Biodiversity and Forestry to develop an effective National Biodiversity Monitoring System.

The above-mentioned coordination mechanisms create a solid platform for a dialogue on various aspects of environmental and climate change issues, contributing to the green economy. In general, integration of environmental concerns into other sectors is done through the formal exchange and consultation of policy documents. The Department of Strategic Communication of MEPA carries out some functions of the coordination with other ministries, general public and other stakeholders but many interviewees acknowledged that the coordination between MEPA and MESD on green and circular economy is not sufficient and not done on a systematic basis.

Remaining challenges and areas for improvement:

- The pursuit of green economy objectives requires strong co-operation between institutions. There is no dedicated inter-ministerial co-ordination body on green economy in Georgia. The Circular economy council chaired by MEPA is well-placed to intensify the coordination for greening the economy. There is no inter-ministerial coordination mechanism on the green economy as such, covering the entire spectrum of issues. In light of an increasing focus on green growth, Georgia may consider establishing an inter-ministerial working group on a green economy. Moldova could be a good reference in this regard. Pursuing green economy goals will require strong cooperation between all institutions, and this will be intensified with the EU accession negotiations.
- Coop-operation and co-ordination between the MEPA, MESD and other line ministries needs to extend beyond the consultation of policy documents. The inter-institutional platform can be for a dialogue on the institutional set-up, the capacity needed to accompany the policy documents and a clear division of tasks and responsibilities.
- On a sectoral basis the coordination of donor support could be improved with the purpose of avoiding duplication and encouraging regular information exchange between projects that address similar issues. This will also help informing future planning of new interventions.
- Georgia's candidate status for the EU membership and implementation of the new environmental legislation and policies requires strong co-operation between institutions.
- The effective cooperation can help to better manage the areas which seem to have fragmented mandates. This is the case for waste, where responsibilities are spread between the MEPA, Ministry of Regional Development and local authorities. The institutional dialogue should also involve local authorities.

Regional and municipal levels: Local authorities. Environmental protection is concentrated within the central government. Georgia is a unitary state with only one-level of decentralised governance. Regional level of governance is not defined by law. It is rather historic-geographical units, rather than legally established units. It is an extension of the central government. After the central government, the next layer level of administrative division includes 2 autonomous republics (Adjara and Abkhazia), nine regions and the region-level city Tbilisi. Those are territorial divisions, but they do not constitute a level of local

³⁰⁴ <https://mepa.gov.ge/Ge/News/Details/20952>

government. They are lower-level central government authorities, upwardly accountable to the central government. So there is no intermediary level as such between the central government and municipal level. Georgia consists of two autonomous republics (Adjara and Abkhazia), nine regions, and Tbilisi with a special status of the region-level city and the capital. Georgia is further subdivided into self-governing municipalities.

Regions do not constitute a level of local government. Each region has a regional administration, headed by a **governor**, the central government representative, appointed by the Prime Minister. Governors ensure that implementation of national policies and co-ordinate communication between municipalities and the central government. Regions are not legal entities. They have no powers or revenues of their own, no elected representative bodies at the regional level. Tbilisi has a special status of a municipality with regional status. With the relevance to the environment / green economy, their role is limited to coordinating and implementing the state policy in the field. The cooperation with the MEPA is ensured through its regional divisions.

The 12 regional level administrations are subdivided into 64 self-governing municipalities: 59 self-governing communities and five self-governing cities. In Georgia there is only one level of local government - the **municipalities** (self-governing cities and self-governing communities). The current situation reflects the changes of 30 June 2017, when the Parliament amended the Code: the number of self-governing cities was reduced from 12 to 5; while the 14 municipalities were reunited into 7 municipalities – a return to the situation prior to the 2014 territorial reform. Local self-government regulates matters of local importance and are granted independence from the central government. They are empowered within their territories to (Article 16 of Local Self-Government Code): **manage local natural resources (water, forest and land)**; municipal waste management; developing engineering infrastructure; cleaning of streets, parks, provision of external lighting; water supply and provision of a sewerage system; development of the local melioration system; spatial planning; management of local motor ways; issuance of a construction permit; drafting, and approval the municipal budget and local taxes. Thus, local self-governments are responsible for the management of natural resources of local importance (water, forest and land) and municipal waste collection. Local self-governments issue construction permits for activities of certain categories, part of which could be the environmental impact assessment called decision of ecological expertise. Spatial planning and street lighting also opens opportunities for integrating environmental considerations.

The municipality is governed by the City Hall, headed by the Mayor (the executive body) and the Council (the representative, elected for 4 years). The municipalities continue progress on transparency and accountability, with wider access to electronic resources. According to the 2023 Local Self-Government Index, the municipality with the highest score was the municipality of the city of Poti.

The role of local authorities was leveraged through a number of initiatives and local projects. The 32 municipalities joined the Covenant of Mayors (including six municipalities joined in 2023), promoting energy efficiency and renewable energy. The MEPA and the MESD are the Covenant National Coordinators in Georgia. There are increasing examples of institutional collaboration between the central government and municipalities, and engagement with international partners, to foster sustainability. The examples include Parliament support to the mayors on green spaces in Batumi, Tbilisi Smart sustainable city profile and industrial waste mapping in two pilot municipalities (Rustavi and Zestaponi).

Remaining challenges and areas for improvement:

- The environmental and green economy capacity at the sub-national level is weak. In theory, local authorities are empowered to address local ecological issues, but in fact their capacity is limited due to limited resources and staff. In general, capacities of the municipal governments for environmental management especially for the promotion of green economy are weak. None of the municipal governments have environmental unit within the administrative structure. Rather the functions related to environmental management are carried out by the units responsible for management of infrastructure, urban planning or similar.
- The problem that natural resources of national and local importance have not been clearly delineated in the municipalities leads to lack of clarity among local governments about their responsibilities associated with the implementation of newly adopted environmental

laws and bylaws. The reason behind is in the failure to properly explain to them these obligations which is also due to the fact that at local level MEPA is represented only by the inspectorates. Besides, the local governments are not involved in the information exchange during the preparation of the new legislation.

- There are many emerging opportunities to promote sustainable management practices at the municipal level. To this end, the municipalities need to be equipped with proper financial and human resources and the necessary infrastructure.
- While, the civil society is contributing to building the knowledge base for green economy at local level CSO must be involved more actively to ensure local governance transparency, accountability and inclusiveness and effectively implement PAR at the local level.
- The National Waste Management Strategy 2016-30 and National Waste Management Action Plan 2022-26 reveal that the municipal waste collection, recycling and disposal system in Georgia requires significant reforms. According to the Waste Management Code (2015), the collection and transportation of municipal waste, including household waste, are the responsibility of the municipalities. At present, there are no established systems for separation of municipal waste. The existing municipal waste management system includes waste collection and disposal only. Municipalities are responsible for collecting and transporting municipal waste to the landfills as well as cleaning the streets. The strategy points out that most of the equipment in almost all municipalities are obsolete. Although the National Waste Management Policy prioritizes waste prevention and recycling, currently municipal waste collected throughout the country is mostly disposed of in landfills. The strategy targets collection of all municipal waste (95 % by 2026 and 100% by 2030) and waste recycling (minimum 80% by 2030 for paper, glass, plastic and 90% for metal).

Public participation in decision making and awareness building. Environmental NGOs in Georgia play an important role in environmental protection, with the population's engagement with CSOs is increasing, especially on practical issues such as environmental protection or waste management. Public participation in environmental governance has been gradually improving. Institutional framework for public participation. There is no separate law on CSOs and NGOs in Georgia; they are registered as non-commercial legal entities. In 2019, Georgia's business registry counted 12 861 CSOs. There are many environmental NGOs registered in Georgia among those Caucasus Environmental NGOs Network (CENN), Centre for Biodiversity Conservation & Research (NACRES), Energy Efficiency Centre (EEC), Georgia's Environmental Outlook, Green Alternative, Greens Movement of Georgia, Regional Environmental Centre for the Caucasus (REC Caucasus), Society for Nature Conservation (SABUKO).

There are multiple platforms for CSOs **engagement with the government**, including in the field of environment. At a higher level, the Parliament signed with CSOs a Memorandum of Understanding (2013) to improve their collaboration and also introduced an annual "CSO Day" for meeting CSO representatives with the chair of the Parliament. Well-established CSOs and local branches of international NGOs, have built ties with the executive and legislative branches of government. The government provides financial support to CSOs, in the form of public procurement contracts or grants, including for environmental projects. Experienced CSOs can be hired by the government agencies to provide training, awareness-raising and capacity-building activities. Government institutions provide grants for CSOs or contract CSOs to deliver services such as educational activities. The CSOs that work with the government place a strong emphasis on the production of policy documents, drafts of laws, research reports, and recommendations regarding government policies. Individual ministries and state agencies also cooperate with CSOs. Many ministries and agencies establish CSO–government thematic working groups, where strategies, legislative proposals, and policies are discussed. Regarding the MEPA, such examples include CSOs participation in coordination mechanisms (climate council, biodiversity council), thematic working groups (ex., on sustainable land management or on alternative energy resources), joint awareness raising events and trainings.

The CSO network is an efficient way for engaging with the government. The **Georgian National Platform of the EaP Civil Society Forum**, biggest CSO network established in 2010, unites local and international civil society organisations to support the European integration process. It serves as a platform for dialogue between civil society and the government. It has 185 members, among those 41 are members of the working Group 3 on environment and climate change and energy security.³⁰⁵

Civil society is also engaged in monitoring the implementation of the EU-Georgia Association Agreement, and its environmental considerations.³⁰⁶ This is done through the **EU-Georgia Civil Society Platform**, established on 16 June 2016, based on the Agreement provisions (Article 412). It complements the existing bodies within the Agreement and allows civil society to monitor the implementation and submit its recommendations to the relevant authorities.³⁰⁷ The EaP Civil Society Forum is one of its members on the EU side.³⁰⁸ On the Georgian side, several environmental NGOs such as Biological Farming Association "Elkana", association "Green Alternative", Greens Movement of Georgia are the members of this Platform.³⁰⁹

Research Organizations and Think Tanks also contribute to environmental goals. They operate mostly in Tbilisi and work in such areas as economics and environment among others. The **Economic Policy Research Center** (EPRC), one of the leading economic think tanks in Georgia since 2002, focuses among others on taxation, financial market, investments, energy issues and EU approximation.³¹⁰ Some research organizations are affiliated with universities, like the International School of Economics at Tbilisi State University (ISET). There are also regional research institutions, such as the Caucasus Research Resource Center (CRRC).³¹¹ Institute for Sustainable Development, an independent think tank with a mission to promote Sustainable Development in Georgia.³¹²

Remaining challenges and areas for improvement:

- Exploring the creation of institutional structures within the MEPA and other ministries for public participation (ex, public councils under each ministry).
- Reinforcing participation mechanisms at the local level.
- CSOs in Georgia, especially smaller ones, face a number of **challenges**, jeopardising sustainability of their operations, and consequently their influence on policy-making. These challenges are also relevant to environmental CSOs. This includes the limited funding (primarily coming from international donors; financial stability and sustainability is one of main concerns), leading to gaps in projects and lack of human resources. The international donors remain the main sources of funding with 95% coming from them. Staffing remains an important issue. This limits organisational capacity and institutional memory. As a result, CSOs struggle to influence policymaking. Despite several formal mechanisms for CSO involvement in policymaking and progress in the recent years, more can be done to uplevel CSO role.

The role of universities in institutionalising environmental education. The need for knowledgeable and skilled civil servants and experts to shape green policies has been growing in recent years and will accelerate with the EU accession process and adoption of new legislation. Universities are pivotal in fostering green thinking and promoting sustainable development through their educational programmes, research initiatives and community engagement. Several leading public universities in Georgia offer various environment-related programmes in their curriculum and conduct research in environmental studies, among those **Tbilisi State University** (programs on geography and sustainable development of the environment, integrated management of water resources, geology and trainings). It hosts the

³⁰⁵ <https://eap-csf.ge/index.php/members-2/> ; <https://eap-csf.ge/index.php/concept/>

³⁰⁶ [2021_association_implementation_report_in_georgia.pdf](https://eap-csf.ge/index.php/concept/) (europa.eu)

³⁰⁷ <https://www.eesc.europa.eu/en/sections-other-bodies/other/eu-georgia-civil-society-platform>

³⁰⁸ <https://www.eesc.europa.eu/en/sections-other-bodies/other/eu-georgia-civil-society-platform>

³⁰⁹ <https://www.eesc.europa.eu/en/sections-other-bodies/other/eu-georgia-civil-society-platform/organisation>

³¹⁰ <https://eprc.ge/en/publikatsiebi/>

³¹¹ <https://www.adb.org/sites/default/files/publication/678381/civil-society-brief-georgia.pdf>

³¹² <https://www.isd.ge/who-we-are/>

Department of Scientific Research and Development and Knowledge Transfer and Innovation Center, is a scientific support unit aiming to leverage innovative activities.³¹³ There are 27 scientific and research centers and institutes created on the bases of Tbilisi State University, including the Institute of Geology. **Georgian Technical University**, founded in 1922, focuses among others on developing green technologies and renewable energy solutions through its engineering programs. **Ilia State University**, offers programs in environmental science and conducts research on ecology and sustainable development.³¹⁴ Among those programs on ecology, nature conservation and forestry, natural resources,³¹⁵ and mineral resources, energy management and sustainable development.³¹⁶ The Institute of Ecology of Ilia State University conducts advanced studies and research in animal and plant ecology, species protection and forest resources. **Batumi State University**, offers programs in ecology, forestry. The private universities also provide their contribution, notably through research. One example, Business and Technology University conducted a study on the importance of integrating green technologies for the Georgian economy (December 2023).

Collaboration between universities, the public authorities (notably the Parliament Committee on Environmental Protection and Natural Resources, the Ministry of Environment Protection and Agriculture and the Ministry of Economy and Sustainable Development, the Ministry of Education, Culture and Sports) and international partners is essential for fostering environmental sustainability. Universities host various conferences, lectures and trainings (covering on green economy, sustainable development). Universities also collaborate with civil society (ex, youth forum on sustainable development and European integration, March 2023). Overall, universities provide important contributions through their education programs, research and various events to leveraging sustainable economic growth. The increasing collaboration with public authorities in this field is a positive sign.

Remaining challenges and areas for improvement:

- Yet, there are no programs specifically on the green economy in the curriculum. There is no specific institutional mechanism or platform for regular collaboration with the government authorities, which seem to have a patching approach. Institutionalising green education in Georgia is a comprehensive effort that involves policy development, curriculum integration, training, research, all stakeholders engagement and international cooperation. By embedding sustainability principles into the education system, Georgia is investing in the human capital to address environmental challenges and contribute to a sustainable future. There is no a separate university or high school on sustainable development or green economy.
- Possibilities for further involvement of universities through implementing projects, training and developing a new curriculum need to be further explored to continue building human capital on green economy. A lack of corresponding field of study in universities relevant for new elements of environmental legislation turns into a knowledge gap.
- Special attention should be paid to increasing the capacity of local authorities and extending training opportunities to their staff.
- While donor-funded training programmes, as well the activities of the EIEC of MEPA have contributed to building the knowledge base on green economy, there are no courses on circular economy including at university level. A positive step in this direction are the efforts of EIEC to collaborate with universities for integration of environmental topics into vocational training. Also, the EIEC intends to get accreditation in order to offer the modules of farmer management, forest taxation and environmental managers.

³¹³ <https://www.tsu.ge/en/innovation-center>

³¹⁴ <https://iliauni.edu.ge/en/iliauni/history>

³¹⁵ <https://iliauni.edu.ge/en/iliauni/AcademicDepartments/sainjinro-fakulteti-270/programebi-310/sabunebismetyvelo-fakultetis-samagistro-programebi/ekologia>

³¹⁶ <https://iliauni.edu.ge/en/iliauni/AcademicDepartments/bte/programebi-276/schooloftechnology3/mastersprograms/energetikisa-da-mineraluri-resursebis-martva-da-mdgradi-ganvitareba>

- Different paths are anticipated to institutionalise the green economy courses, including plans to develop a “green economy” curriculum for universities. These efforts will increase the capacity and knowledge of government staff and broader audience on this issue.

Capacity-building opportunities for environmental professionals. Human capital development is a key pillar of sound environmental administration. The institutional framework for upskilling civil servants. There is political support for investing and developing human capital. Georgia is one of the EaP countries putting a lot of effort into advancing environmental education and capacity building. There are many nationally driven capacity-building efforts. This is done through the Environmental Information and Education Centre, a unique among the EaP countries institutional framework for fostering capacity building activities.

The **Environmental Information and Education Centre** plays a central role in upskilling the Ministry's employees (its central apparatus and subordinate entities). The selection of trainings is based on survey results, which determine the training needs of employees. In 2022 the EIEC trained in total, **590** the Ministry **staff** (about 16% out of the total MEPA staff), out of which the majority - about 42% came from the MEPA environmental pillar (72 from the National Environment Agency and the State Sub-Agency Department of Environmental Supervision, 74 from Environmental Information and Education Center and 107 National Forestry Agency), while about 34% (206 employees) from agriculture-focused pillar (Rural Development Agency, National Monitoring Agency and Food Agency). About 22% (131 employees) came from the Ministry and its subordinate agencies in general (without specifying environmental or agricultural pillar). In 2022 trainings covered mostly general issues (communication, public participation, computer skills, gender), with some specialised trainings (issues related to finance, compliance and climate change). There were no specialised in-person green economy courses. In 2023, the number of the trained Ministry's employees was more modest - a total of **313 of MEPA employees**. Trainings covered mostly general issues, except for environmental liability and emissions control.

In addition to the government officials, the EIEC also offers training opportunities to the local governments, experts and public in general interested in the environmental field. In 2023, it trained XXX on greenhouse gases national inventory (12 experts), climate change disasters (1664 young people), disaster risk management, f (28 participants, local governments of Lanchkhuti and Chokhatauri municipalities), on disaster risk: emergency management plans, (58 participants, for the schools of the target municipalities), on the environmental responsibility system (28 business), on environmental legislation and administrative responsibility, (35 for judges), on disaster risk reduction and risk management, (43 participants, for lecturers in universities), on climate change, (108 participants, for schools in 13 target municipalities), on emergency management, (180 for schools and preschools in 13 target municipalities).

Though the Center does not offer in-person green economy courses, it offers online green economy courses. In mid-2022, the Centre renewed registration to the Green Economy E-Course from the world's leading educational platform - UN One Partnership for Climate Change Learning.

The **National Environment Agency** also encourages strengthening the capabilities of its employees. In 2023 report, the NEA employees participated in following capacity building activities (though mostly with external support): on water management, on environmental responsibility, on marine ecosystems, on sustainable aquaculture.

The role of local think tanks in training civil servants has been significantly increasing. To leverage the voice and impact of the local think tanks, the **Eastern Partnership Think Tank Network** was created in 2020. It connects more than 90 think tank members from the EU and the Eastern Partnership, including Georgia. It produces a variety of events and publications, among those on green transformation in the Eastern Partnership countries (ex., workshop on green transformation in November 2021). In February 2023 it conducted national consultations on Georgia's energy and connectivity issues.

Despite the variety of training opportunities offered by the Center and driven by the national efforts, de facto most specialised training for ministry on green economy or related issues is provided with external support. As in the MEPA, external organisations provide most of the training for the MESD staff that contains green elements. The government did not offer any specific training activities on environment or green economy to the Ministry's staff.

Remaining challenges and areas for improvement:

- External support for training remains crucial. Most training on the green economy or related issues for ministry is provided with external support, while the training topics offered by the government usually cover general issues of public administration. Thus, the ministry itself offered no green economy training in 2022-23.
- There is a need to extend the training opportunities on green economy and environmental issues more generally to other institutions involved in green transition, described in this report.
- The regular internal evaluation for staff in the MEPA rather than a meaningful assessment. It is not used to identify specific training needs or get first-hand insights on knowledge gaps. Lack of time in their workload for learning discourages officials from profiting from training opportunities.
- Need training to improve English language skills (inspections; local level).
- One important issue is ensuring supervisors allocate enough time in employees' workloads to pursue learning. Sometimes, learning might be seen as conflicting with daily tasks and performance. The evaluation on the e-learning course "Green Transition in Eastern Partnership" illustrates the challenge. It showed that officials nominated for training who did not attend or dropped out early commonly cited "professional workload" as the reason (23 of 73 nominated officials from EaP countries; 2 of 13 in Georgia).

Regional and international cooperation. The donor community and international organisations, as implementing entities, play a crucial role in training civil servants in the green economy, providing methodological support for designing policy documents and related issues. This is not surprising, given that external support has, to date, driven most capacity-building efforts in Georgia. Most international and regional initiatives contain capacity-building elements and are essential for addressing knowledge gaps. This includes various EU-funded initiatives and instruments of bilateral intervention, such as Twinning, TAIEX and fellowship programmes, as in other EaP countries.

Georgia is an active participant in regional projects under the EaP initiative, benefiting from country-specific assistance and a number of regional programmes. ***In-depth course on the green economy:*** In Georgia, 11 of 13 nominated participants completed the course, 10 of the 11 receiving a certificate.

According to TAIEX and Twinning Activity Report 2023, Georgia had the highest number of ongoing twinning projects (10 in total) after North Macedonia. Yet, no new Twinning projects were directly related to the environment or benefiting the MEPA. In the previous years, the MEPA also benefited from the Twinning instrument, including on improving environmental health and strengthening the administrative capacities of the Ministry of Environment and Natural Resources Protection. The MESD also benefited from the Twinning instrument. TAIEX has become one of the key co-operation tools in Georgia within the frame of the EU Neighbourhood Instrument. This is evidenced by a high number of TAIEX events in the country (over 30 in 2000-2024). In the recent years, Georgia benefited from several TAIEX expert missions and study visits related to nature protection, industrial emissions, circular economy, waste management, infrastructure resilience, and environment in general: TAIEX expert mission on waste management practices; on accreditation/licensing systems; on air quality monitoring. Overall, both instruments – twinning and TAIEX – are largely applied in Georgia and foster co-operation and international ties in the field of environment and green economy.

Remaining challenges and areas for improvement:

- Georgia faces similar challenges as other EaP countries. Often, training ends with the project, undermining continuity and impact. Addressing this issue requires transferring ownership to the country through institutionalisation of training. Discussions are ongoing to institutionalise green economy courses in the universities and develop a new curriculum. Retaining trained officials in the public service is another concern that affects the ministry's overall capacity. Additional incentives would encourage staff to stay but also maximise use of their knowledge.

Overall, despite the remaining challenges, Georgia has made a good start, accelerated by its EU aspirations and acknowledged in its efforts to develop a green economy and strengthen administrative capacity for its management.

Way forward and insights for the action plan

Although the MEPA remains the main player of environmental action, the increasing involvement of the MESD in green economy concepts requires a multi-faceted approach with more actors and at all levels to manage a green transition effectively. The report develops a number of recommendations targeted at national authorities and international stakeholders to address various capacity gaps, identified during the analysis.

i. Targeted at the central government

- **Develop an action plan for strengthening administrative capacity for environmental management and green economy**, with clear targets, timeline and indicators at national and subnational levels, with regular revisions to address the new acquis. The selected SIGMA indicators can provide some guidance in this regard (see Annex B).
- **Create a national co-ordination mechanism on a green economy and needed capacity**, involving the MEPA, MESD, sectoral ministries and agencies as relevant horizontally, and different administrative levels vertically. CSOs and academia can be invited as observers. The meetings could be held twice a year, on an ad hoc basis. It should be closely linked with development and implementation of the action plan (as above). The existing platform on the circular economy is well placed to take this function. **More intensive integration and cooperation is also necessary with different societal actors** (CSO, business intermediaries, academia, etc.) through different types of initiatives. This is especially important in the context of the transition to the circular economy which is a cross-sectoral, cross-institutional and multi-actor area. Establishing a platform on circular economy is one possible solution. An alternative solution would be to extend the mandate of the Circular Economy Council. The rules and modalities for such dialogues should be jointly agreed by all parties and be based on clear procedures.
- **Conduct in-depth analysis on optimal institutional set-up and capacities** for environmental management and green economy to assess the system's effectiveness, identify gaps and opportunities for optimisation, and eliminate overlaps. This report can serve as a starting point. The analysis may also attempt to transpose the SIGMA principles of good public administration to the environment/green economy sector with external support. The analysis needs clearly distinguish environmental and agricultural pillars.
- **Strengthen the analytical capacity of legislative authority.** Civil society or international specialists could support the Committee for Natural Resources, Energy and Ecology with tailored expertise to analyse and provide independent opinion on laws presented to the Parliament for approval.
- **Scale up role of the Administration of the President.** The adviser on relations with international organizations and socio-economic matters should be involved in green economy and environmental matters. It could be considered designating a dedicated advisor to lead the environmental/green economy issues.
- **Reinforce policy frameworks for a green economy with capacity needs assessments.** The development of a horizontal national green economy strategy could set targets and timelines, and access needed capacity and institutional support. Such strategy should also **clarify roles and responsibilities with regards to the green and circular economy of environmental institutions at national level.** Each new strategy or programme should assess capacity needed to implement those policies. There are also emerging areas, where new legislation or amendments are still needed.
- **Continue seizing digital opportunities and innovations in public administration for environmental management and green economy.** The green elements need to be fully

incorporated into e-service portals. E-procurement of public services should contain sustainability criteria. Transition to e-government requires the appropriate digital infrastructure and knowledge. Capacity building is especially needed at sub-national level (municipalities in particular). This could be done as part of training programmes and pilot projects. Meanwhile, creation, use and storage of data should minimise dark data and contribute to a digital decarbonisation.

- **Continue improving the appeal of environmental administration** to attract and retain a knowledgeable workforce and a younger generation by offering improved working conditions (infrastructure, work-life balance, well-being at work), prospects for career and personal development, and financial and other forms of compensation linked with performance. The progressively increasing salaries of civil servants is a good start. The good communication strategy could be put in place to raise the profile of public administration and its contribution to the state of environment and citizens well-being.
- **Address knowledge gaps on a green economy at all levels** and extend capacity building opportunities for environmental professionals on management (project/staff management, communication, digital and English skills) and substantive new topics relevant to their responsibilities (green/circular economy, green finance/investment, greening SMEs, green procurement, SEA/EIA, eco-innovation and eco-labelling). Ownership of training, provided with external support, needs to be transferred to the government through institutionalisation, leaving a coaching role for external experts. Such courses could be incorporated on a regular basis at the central level into the EIEC of the MEPA, universities. The EIEC created over a decade ago is the excellent place to accommodate such courses on a regular basis. The role of local think tanks in providing training could be further explored. Another approach is secondment of the ministry's staff to other countries to learn how other administrations function. **Creation of a knowledge hub on green economy may be considered**, to facilitate knowledge transfer to new employees and across departments and encourage online self-learning, and retain knowledge in the environmental institutions. The hub can be online knowledge platform integrated into the website of the MEPA/EIEC/MESD/Government and combining different materials, guidance documents, toolkits, online training courses. The EIEC can play a major role in this endeavour.
- **Access financial capacity and design incentives.** The budget analysis is not the primary focus of this report. Moreover, the analysis is challenged by the fact that the budget lines of the environmental pillar are not clearly separated from the agricultural pillar. This does not allow recommendations in this regard. Yet it would be important to incorporate financial capacity and design incentives into in-depth analysis on possible optimal institutional set-up and capacities.

Specific to the Ministry of Ecology and Natural Resources

- **Strengthen analytical capacity to improve policy design** by connecting policy making and research for data-driven and evidence-based decisions in drafting laws. An environment agency or similar body can be created to carry out analysis to support policy making, linking data collection and analytical functions. While policy development is the prerogative of ministries, such an agency could provide a solution to capacity limitations and fragmentation of responsibilities. It could also carry out ex ante and ex post evaluation of the effectiveness of legislation and policies. **Strengthen the capacity for data-driven and evidence-based policy-making** in MEPA by setting up a unit for economic analysis. Such unit was part of MEPA in the past but currently does not exist and should be re-established. The Statistics Office also can play a major role in monitoring green economy.
- **Address knowledge gaps on a green economy, provide opportunities to apply practical skills (SEA par example) and maximise impact of trained specialists** on the ministry's overall capacity by creating incentives to retaining the trained experts in the public service but also maximising use of their knowledge. This can be done through financial incentives and more career prospects and giving them a coaching role to spread knowledge to other staff.

The trained specialists could be tasked with coaching the ministry's staff (mentors) and provided with other opportunities to apply their knowledge.

- **Improve knowledge management system and sustain institutional memory** jeopardised by high staff turnover and low attractiveness of environmental administration to address knowledge retention. This could be done by cross-fertilisation between departments and developing a virtual knowledge platform that centralises new legislation, guidelines, methodologies and tools on a green economy.
- **Improve internal co-ordination** among departments.
- **Make the most of performance assessment** to set objectives, evaluate their achievement, get first-hand feedback on capacity development needs and optimise work. Regular training should be one of the objectives, with proper time allocation.
- **Improve capacities of structures subordinate to ministry institutions** by extending training opportunities and involvement in project implementation to upskill staff on a green economy.
- **Continue strengthening environmental compliance and enforcement.** training and closer engagement with the environment law enforcement network (IMPEL) will further empower the Service. The analysis of environmental inspections and compliance assurance, conducted by EU4Environment, sheds light on system lapses and provides tailored recommendations. **Strengthen capacities for environmental enforcement.** This should be done by supporting the Department of Environmental Supervision to adopt international best practices and strengthen its capacity especially with regards to applying new concepts and legislative requirements. For example, the industrial pollution and integrated permitting legislation requires significant enforcement capacities and skills which are not in place. In addition, reform the inspection system with respect to the damage assessment, which is not covered by the new draft law on Environmental Liability and revise the existing methodologies accordingly. The EU minimum criteria for environmental inspections can serve as a guiding document for quality inspection. **Key recommendations:**
- Conduct a structural review of the various bodies involved in environmental compliance assurance with the view to reducing their number, and improving co-ordination and communication among them.
- Improve and digitise information management processes for inspection, handling of complaints and responses to violations.
- Address staffing issues in environmental compliance assurance institutions by improving financial incentives for retaining the best staff; adopt structured training programmes, including a skills upgrade of existing staff and training for new staff.
- Modernise and expand the DES's field and laboratory sampling equipment and digital equipment.

Specific to the Ministry of Economy

- Assigning a leading role on greening the economy to the MESD to ensure a holistic approach that integrates sustainability into the country's overall economic development. This can be done by extending its mandate and empowering the ministry with responsibilities and resources.
- **Establish a centralised approach within the ministry to deal with the green agenda and enhance capacity.** In the short term, one of the deputy ministers could be a focal point for the green agenda and/or to establish a department or unit in the ministry's structure dedicated to a green economy to ensure a co-ordinated approach within the MESD and liaison with the MEPA and other stakeholders.
- Explicitly define the roles between the MEPA and MESD in regard to a green economy to have clear understanding which aspects are covered by which ministry.

- Leverage the ministry's expertise in green policy making and address knowledge gaps in understanding green and circular economy, green finance and investment, green procurement, greening SMEs and large enterprises, and eco-labelling among staff, as identified in the Questionnaire through regular tailored training.
- **Improve capacities of the institutions subordinate to the MESD** to accommodate green elements by providing training, involving them in project implementation, improving co-ordination/communication flows and assigning focal points (or creating specialised units) to deal with green economy issues.
- **Enhance partnership with the Ministry of Energy and its Renewable Energy Agency.** Both play a crucial role in greening the economy, given the strategic importance of the sector for the national economy. The 30% renewable energy target by 2030 and ambition to establish a "green energy" corridor from Azerbaijan to Europe lay a solid foundation for enhanced co-operation.
- **Improve dialogue with businesses on greening the economy** since the perception that environment brings only extra costs and regulations is prevailing among private sector. (showcase economic benefits of environment, **Establishing regular communication channels** with chambers of commerce and sectoral association with regards to greening the economy will be helpful as they are in a better position to approach groups of enterprises and to promote a green and circular agenda as a horizontal issue., some legal frameworks have direct impact on businesses which is not understood. MEPA and MESD should collaborate with business intermediaries to raise awareness about green investments and implications of newly adopted environmental laws on businesses. This is especially relevant for raising awareness among businesses on EPR. The Georgian Enterprise Development Agency and the Innovation and Technology Agency can also have a role especially with regards to promoting eco-innovation and the uptake of resource efficiency measures by SMEs. This is in line with the SME Development Strategy of Georgia 2025.

Specific to other institutions and inter-ministerial dialogue

- **Strengthen the capacity of sectoral ministries to deal with the green agenda.** In the short term, one of the deputy ministers in each sectoral ministry could become a focal point for the green agenda to co-ordinate related issues in the ministry, liaise with the MENR and MinEcon and participate in the co-ordination body on a green economy. In addition, creation of specialised department/units can be considered, as appropriate. One example could be creation of an organic agriculture department/unit in the Ministry of Agriculture, with data collection and closer co-operation with leading NGOs in the field, such as GABA.
- **Enhance green thinking among sectoral ministries** by continuing awareness raising on costs/benefits to overcome outdated perception of environment being a side effect of economic development, improving conceptual and technical understanding of green economy terms (new for public administration in general) and converting declarative commitments into concrete actions through project co-ordination/implementation. The inclusion of green growth as a priority in "Azerbaijan 2030" opens ample opportunity for engaging sectoral ministries.
- **Enhance partnership with the Ministry of Energy and its Renewable Energy Agency.** Both play a crucial role in greening the economy, given the strategic importance of the sector for the national economy. The 30% renewable energy target by 2030 and ambition to establish a "green energy" corridor from Azerbaijan to Europe lay a solid foundation for enhanced co-operation.
- **Scale up role of the State Statistical Committee** in monitoring progress towards a green economy. Institutionalisation of green growth indicators, developed in 2018, and regular data collection is one practical step in this regard. A specialised department on green/circular economy could be created, similar to the Department on Sustainable Development, to manage the 2030 Agenda.

- **Reinforce inter-ministerial co-ordination on a green economy** by using the existing platforms or creating a dedicated inter-ministerial coordination body on a green economy, as proposed above. Closer co-ordination will also facilitate preparation of legislation and contribute to reducing fragmentation of mandates by revealing gaps/overlaps and opening opportunities for institutional improvements (e.g. waste management or water sector).

Specific to the sub-regional level, public participation and academia

- **Empower sub-national level (municipalities)** with functions, budget and knowledge on a green economy. Carry out a functional review on possible decentralisation of environmental management functions to LEAs and municipalities. This should aim to give them more independence in decisions on local ecological issues, accompanied by appropriate equipment and financial resources (especially for municipalities), and clearly define their roles. At the same time, a mechanism for strengthening capacity at both levels should be developed to build knowledge and expertise and ease access to information (especially to new legislation). Municipalities should be considered part of public administration. **Develop institutional capacities on green economy on a sub-national level** as currently regional and local authorities are not empowered to carry out the transition to green and circular economy. They should be involved in the policy making process and need to get better access to information; better knowledge of the new environmental legislation, principles and priorities as well as their roles and responsibilities associated with implementation of new laws. Municipal staff should have information about and access to the trainings prepared by EIEC. The needs assessment preceding the EIEC training programmes should also target the local municipalities, so that the training programmes also takes into account their needs and gaps. The development of institutional capacity on sub-national level should be in parallel with the ongoing administrative reform. Also, carry **a functional review as to what functions could be done on central level and which ones could be decentralised**.
- **Enhance public participation and capacity of civil society.** Public councils in the ministries are a good start for NGOs to advocate their position. To leverage their visibility and impact, annual activity reports, sectoral diversification and a stronger role in environmental education would be advisable. There is also a need to work closer with NGOs to build their capacity, especially on new topics, stimulate their participation in public councils and promote co-operation among sectoral CSOs and their international ties. Mechanisms for public participation at subnational level can be part of the functional review on decentralisation. **Encourage public participation in decision making** at national and local level by raising awareness about environment and supporting environmental education. The EIEC can play a key role in promoting environmental education for sustainable development in schools but also in universities.
- **Scale up role of universities in green education and capacity building.** Institutionalising green education should be at the core of efforts to ensure sustainability. Continue integrating green economy into the Public Administration Academy, State University of Economics (UNEC), Ganja State University and others, further strengthening their involvement in project implementation, training and developing a new curriculum. A review could be conducted to identify gaps in the universities' study field relevant to new environmental legislation (e.g. on forest management) and ways of closing those gaps. In addition, it could consider creation of a separate high school on green economy.
- **Continue engaging in regional and international co-operation** through multiple donor-funded regional and bilateral programmes, which are a steppingstone to advance new green concepts and build capacity. A centralised register with past and ongoing international initiatives could be established to help ministries navigate among them and have a clear overview of who is doing what to avoid overlap. **Sustainability** beyond the end of a project should be addressed through government ownership and institutionalisation, to the extent possible, of the achieved result. The ongoing discussion on institutionalisation of the green economy courses in the two universities and developing a new curriculum is a good start.

- **Consider replicating the best practices and institutional innovations of other EaP countries**, optimising some features and adapting them to the national context. Inspirations could include the ASAN and smart government in Azerbaijan, the inter-ministerial working group on green economy in Moldova and RSTs in Ukraine. The latter could be optimized to provide a more active coaching role to shift capacities and skills to the ministry's staff. Once achieved, RSTs could be kept for more strategic thinking and new issues requiring tailored expertise and co-ordination.

Targeted at the EU and international organisations

- **Continue providing support to build capacity for environment and green economy at national level** by incorporating capacity building elements into donor-funded initiatives. The EU country programme for Georgia should also contain a strong focus on environment/green economy management.
- **Consider more technical support** as part of regional or country programmes by placing international/national independent experts at different levels and institutions, as needed, to provide independent analysis of a specific law in the legislative branch, or support with law-drafting or implementation to the executive pillar, among others.
- **Ensure sustainability and continuity of capacity building beyond the end of a project** by transferring ownership to the country through institutionalisation of results. The focus should be on creating a sustainable mechanism to build capacity for environmental management and green economy in public administration and on incorporating such a curriculum in the educational system at all levels. In addition, it should bridge any gaps between two programmes to ensure smooth continuation of support.
- **Optimise impact of trained officials to improve the ministry's capacity** by accompanying ministries in creating incentives to retain the trained staff and maximising use of their knowledge.
- **Reinforce support to building capacity for environment and green economy at regional and local levels** by supporting local projects, working more closely with LEAs and municipalities, and providing tailored training on green economy and support for navigating in the digital infrastructure.
- **Work more closely with local NGOs and civil society to build their capacities** and stimulate their participation by involving them in implementation of international green projects, offering tailored training and incorporating them in international environmental networks.
- **Support creating a national co-ordination mechanism on a green economy and needed capacity**, involving horizontally the MENR, MinEcon and other agencies, as relevant, and different administrative levels on the vertical axis. It should be closely linked with development and implementation of the action plan on administrative capacity development.
- **Continue facilitating knowledge sharing through regional programmes** by offering the international organisations' expertise and regional capacity building events. A dedicated online platform or regional network for EaP countries on capacity building for a green economy, beyond the scope and duration of one project, could be considered to exchange best practices; liaise with the European Union, international actors, experts and NGOs; and access data/information and training opportunities.
- **Support the country's integration into existing international networks** with strong capacity building elements, such as development of common projects with the EU Network for the Implementation and Enforcement of Environmental Law (IMPEL).
- **Develop a tool for (self-)assessment and monitoring of administrative capacity** to draw more attention to the institutional capacity needed for implementation of legislation in addition to the adoption of acquis.

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Annex A. Administrative and policy context for strengthening institutional capacity in Georgia

Country administrative context

According to the national Constitution (1995),³¹⁷ Georgia is a democratic republic with the separation of the legislative, executive and judicial powers. Its Article 5 states that “the State shall take care of environmental protection and the rational use of natural resources.”

Table 20 presents an overview of institutions in the government architecture with relevance to environment.

Table 20 Legislative and executive pillars: institutions with relevance to environment

Executive pillar: Government				Legislative pillar: Parliament				
Prime Minister								
Ministry of Regional Development and Infrastructure	Ministry of Economy and Sustainable Development	Ministry of Foreign Affairs	Ministry of Internal Affairs	Environmental Protection and Natural Resources Committee	Budget and Finance Committee	Committee on European Integration	Culture Committee	Defense and Security Committee
Ministry of Environment Protection and Agriculture	Ministry of Finance	Ministry of Defense	Ministry of Culture, Sports and Youth	Diaspora and Caucasus Issues Committee	Education and Science Committee	Foreign Relations Committee	Health Care and Social Issues Committee	Human Rights and Civil Integration Committee
Ministry of Education and Science	Ministry of Justice	Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs	Ministry of Reconciliation and Civic Equality	Legal Issues Committee	Procedural Issues and Rules Committee	Regional Policy and Self-Government Committee	Sector Economy and Economic Policy Committee	Sport and Youth Issues Committee
National Statistics Office								
Regional and local governments								
Level 1: City of Tbilisi, two autonomous republics and nine regions								
Level 2: 69 municipalities								

³¹⁷ <https://matsne.gov.ge/en/document/view/30346?publication=36>

Source: Parliament of Georgia, <https://parliament.ge/en/parliament/committees/50920/about>

Public administration reform

Reforming the public administration was one of the priorities of the Georgian Government's policy in 2012-20 as outlined in the Government Program "For Strong, Democratic and Unified Georgia". Objectives of the reforms were achieving good governance, improvement of the quality of services, effectiveness and efficiency of the governmental institutions.

Civil Service Reform Concept was approved by the Government of Georgia on 19 November 2014 (order № 627). A roadmap for public administration reforms for the period 2015-20 was developed. The document prioritized the following directions for the reforms:

- Policy development and coordination;
- Human resources management;
- Accountability;
- Delivery of Services;
- Public Finance Management;
- Local self-governance.

A Council of Civil Service was established under the Prime Minister to coordinate the implementation of the roadmap. The Council consisted of 11 members including the governmental representatives from national and local levels. Administration of the Government of Georgia was charged with the responsibility to be the secretariat of the Council. Various institutions such as Administration of the Government of Georgia, Civil Service Bureau, Ministry of Finance, Ministry of Justice, Ministry of Regional Development and Infrastructure are responsible for implementing the different parts of the reforms.

As per the [Annual Monitoring Report on the Implementation of the Action Plan 2019-20 of the Public Administration Reform](#) a total of 28 outcome indicators and 54 output indicators were evaluated in five directions of the Public Administration Reform Action Plan 2019-20: Policy Development and Coordination, Civil Service and Human Resource Management, Accountability, Public Service Delivery, Local Self-government. In 2015-20 the public sector reforms were supported by various donors such as SIDA, USAID, UNDP, and UK government.

Public Administration reforms have not been included in the newly adopted (December 2020) governmental program [Government Programme 2021-24 Toward Building a European State](#). However, a new Government decree and its supporting Handbook on Public Policy Making laying the regulatory and procedural foundation for good evidence-based policy development is a positive step forward. It has quickly become the primary guidance document for Ministries. Its implementation requires comprehensive training and support, to ensure better integration between policy and budget planning, and building the right capacities, structures and processes in the relevant ministries. The introduction of a mandatory Regulatory Impact Assessment for specific legislation is an important milestone, but also requires extensive training for proper implementation. In February, amendments to the Law on Public Service (LPS) provided for internal competitions to fill civil service vacancies, aimed at increasing career development opportunities and staff retention within each public institution.³¹⁸

The **Civil Service Bureau**³¹⁹ has a key role in the public administration reform in the area of human resources management in Georgian public sector. Its mission is to promote the implementation of centralized policy and development of a professional, career-based civil service. It has developed a number of manuals and guidelines for the appraisal of the performance of the public servants and public institutions including the following:

³¹⁸ [2021 association implementation report in georgia.pdf \(europa.eu\)](#)

³¹⁹ <http://csb.gov.ge/>

- [Appraisal System - Civil Service Bureau's Recommendations for Public Institutions](#)
- [Guidelines and methodology for the assessment of functions and institutional arrangement of public organizations](#)
- [Public Servants Professional Development Guide](#)
- [Guide to human resource management in public institutions](#)

The PAR Plan foresees two main objectives regarding the local government: strengthening of local governments by increasing their power and gradual development and improvement of electronic services in municipalities to improve their accessibility in local self-governments. An essential component of strengthening local self-government is the gradual development and improvement of e-services in municipalities, an issue addressed in the reform action plan for 2019-20.

To steer and successfully implement the Public Administration Reform, the Government of Georgia was assisted by UNDP OPEN project, which started in 2016 and will be completed in December 2022.³²⁰

The monitoring reports are publicly available monitoring reports on the website of the Government of Georgia.³²¹

Key government strategies and policies relevant to strengthening institutional capacities

The strategic vision of Georgia to build the sustainable and green economy is anchored into two international commitments – 2030 Agenda and EU Association Agreement, driving the internal reforms.

2030 Agenda

In 2015, Georgia along with other countries committed itself to the UN 2030 Agenda and its 17 Sustainable Development Goals. While SDGs 8, 12-15 tackle environmental aspects, aiming to improve resource efficiency, responsible consumption and production, address climate change, and biodiversity. The SDG 16 aims “build effective, accountable and inclusive institutions at all levels”.

According to the Voluntary National Review 2020, Georgia has achieved the tangible progress in democratic governance by building effective, transparent, inclusive and accountable state institutions. It is committed to furthering public administration and open governance reforms, increasing transparency and accountability of state institutions. The country continues further development of its already robust public service delivery bringing innovation and technology for increased efficiency.³²²

EU Association Agreement as a driving force for institutional strengthening

The **EU-Georgia Association Agreement (AA)** called Deep and Comprehensive Free Trade Area Agreement (DCFTA) draws attention to sustainable development and the green economy. Article 301 of the agreement document notes that “the Parties shall develop and strengthen their cooperation on environmental issues, thereby contributing to the long-term objective of sustainable development and greening the economy.

The dialogues between the EC and Georgia on the progress with the implementation of Association Agreement are an important platform for activating administrative and institutional issues. The institutional, general and final provisions of the **EU Association Agreement with Georgia** (Article 412) provides for the establishment of a **Civil Society Platform**, tasked with promoting regular meetings of representatives from the civil societies of both parties, “in order to keep them informed of, and gather input for, the implementation of this Agreement”. Thus, the Platform complements the political bodies existing within the

³²⁰ <https://open.undp.org/projects/00089758>

³²¹ Government of Georgia, https://www.gov.ge/index.php?lang_id=ENG&sec_id=425&info_id=76647

³²² Voluntary National Review 2020, <https://sustainabledevelopment.un.org/memberstates/georgia>; https://sustainabledevelopment.un.org/content/documents/26389VNR_2020_Georgia_Report.pdf

framework of the EU-Georgia Association Agreement. It allows civil society organisations from both sides to monitor the implementation of the Agreement by submitting its recommendations to the relevant authorities. The role of the Civil Society Platform will be discussed in more details in the next Chapter, under Civil Society.

EU Green Deal as an opportunity

The EU has also recently adopted a number of landmark documents, relate to greening the economic development: “The European Green Deal” (adopted on 11 December 2019) and the “Eastern Partnership Policy Beyond 2020 Reinforcing Resilience - an Eastern Partnership that delivers for all” (adopted on 18 March 2020), and the document “Recovery, resilience and reform: post 2020 Eastern Partnership priorities” (adopted on 2 July 2021).

The EU Green Deal opens a new opportunity to correct the current deficiencies of the environmental administration and further align with EU policies including the EU Association Agreement. It has a potential, like in other countries such as Ukraine, to become the accelerator of reforms.

National framework for environmental and green economy

The main national strategic documents in the field of environment and green economy include:

- Amended **Law on Environmental Protection** of Georgia;
- Georgia’s **Third National Environmental Action Plan 2017-21** (NEAP3) includes chapter 13 on Green Economy. The document sets “Transition to a green economy and the implementation of an environmental dimension of sustainable development” as a goal for 2021. “Promotion of knowledge development, support in the elaboration and implementation of the green economy and sustainable development policies and their mechanisms at the national level” is a target of the NEAP3. NEAP 3 provides information on institutional arrangement related to each environmental sector (water, air, waste) and includes plans for capacity building and institutional changes. **Fourth National Environmental Action Plan** (NEAP4) has been drafted and is expected to be approved by the Georgian Government in 2022;
- **2030 Climate Strategy**, adopted in 2021, aims to reduce demand for fossil fuels in the transport sector through the promotion of environmentally friendly fuels, including biofuels and increase the proportion of fuels from renewable sources in total fuel consumption in the transport sector to 10% by 2030. It foresees the development of data-based waste management system along with the improvement in the systematic methodology of the existing waste management database;
- **Programme for 2021-24 Towards Building a European State**, released in February 2021, sets among its priorities protection, sustainability and rational use of natural resources. Concrete actions laid out in the Programme include a separate waste collection system nationwide along with furthering waste recycling, expansion of water and ambient air quality monitoring, extension of the protected areas and creation of ecotourism infrastructure. It also aims to continuing approximation of environmental standards with EU requirements as well as to raise environmental awareness, including through the promotion of environmental education. Within the scope of the Unified Rural Development Policy, the governmental program also foresees perpetuation and boost of greenhouse co-financing measures along with the promotion of the sustainable development of aquaculture in inland and marine waters.
- MEPA released its vision for **Environmental Protection and Rural Development 2030**, which emphasises the importance of decreasing the water, air and soil pollution, coupled with the expansion and management of protected territories;

There is no currently the **green growth strategy** in Georgia. However, MEPA, with GIZ support, has drafted the **Green Growth Policy Paper**, which aims to serve as the basis for political discussion for implementing a green growth approach and for developing a green growth strategy in the country.

Sector-specific documents, with relevance to environment and green growth

There are also a number of recently adopted, or under development sectoral strategic documents, with relevant to environment, which create a framework for green actions, but also require the proper administrative capacity in order to be effectively implemented. This includes, among others:

- Updated waste management strategy for 2016-30. MEPA is developing a new national **waste management plan for 2022-26**, with UNEP support under the EU4Environment Programme;
- Legislation on **sustainable public procurement** developed;
- New law on **environmental liability** adopted;
- **Regulations on EPR** adopted for 4 waste streams;
- New **Forest Code** adopted.

ANNEX B. SIGMA Principles of good public administration

SIGMA (Support for Improvement in Governance and Management) is a joint initiative between OECD and the European Commission (DG NEAR) aiming to improve public governance by supporting capacity development; improving the design of public administration reforms (PARs). OECD and the EC have agreed on six core principles of public administration: the strategic framework for public administration reform; policy development and co-ordination; public service and human resource management; accountability; service delivery; and public financial management. The principles are targeted mainly at policy makers, decision makers and practitioners designing and implementing reforms in their public administration (Box 36).

The Methodological Assessment Framework that goes with the principles allows countries to assess state of play. It could be used with or without external support in the format of self-assessment. The assessment framework requires significant amount of data and analytical capacity. It features internationally recognised indicators (41) and sub-indicators (292) developed by the World Economic Forum (WEF) and the World Bank. The methodological framework is accompanied by an Administrative Capacity Screening Tool which is meant for self-assessment (Box 37).

Though the SIGMA principles and its assessment framework target the public administration in general, they can be also applied and adapted to the environmental sector.

In the case of Georgia SIGMA, the EC and the Georgian authorities agreed a work programme in January 2021 that gives priority in the period to June 2022 to co-operating with several institutions among which the Administration of the Government on developing a revised Public Administration Reform Strategy and a monitoring and reporting framework for the Strategy. Support will also be provided for strengthening policy development and co-ordination following the recommendations set out in the 2018 Baseline Measurement Assessment on the policy development and co-ordination system in Georgia; and the State Procurement Agency and related institutions on the preparation and implementation of the new public procurement legislation, in particular related to the procurement review system, utilities, Public Private Partnerships and concessions.

Box 36. SIGMA principles of good public administration

Strategic Framework of Public Administration Reform

- **Principle 1:** An effective public administration reform agenda is developed which addresses key challenges and is systematically implemented and monitored.
- **Principle 2:** The financial sustainability of public administration reform is ensured.
- **Principle 3:** Institutions involved in public administration reform have clear responsibility for reform initiatives and the capacity to implement them

Policy Development and Co-ordination

- **Principle 1:** Medium-term policy planning is harmonised, with consistent system-wide objectives, and is aligned with the financial circumstances of the state; sector policies meet the overall objectives set by the leadership and are consistent with the medium-term budgetary framework.
- **Principle 2:** Regular monitoring of performance against the plans enables public scrutiny and ensures the achievement of stated objectives.
- **Principle 3:** Policy and legislative decisions are prepared in a transparent manner and based on the administration's professional judgement.
- **Principle 4:** The parliament oversees government policy making.
- **Principle 5:** The organisational structure, procedures and staff allocation of the responsible state institutions ensure the capacity to develop and implement policies and legislation that meet medium-term and annual objectives and plans.
- **Principle 6:** The policy-making and legal-drafting process is evidence-based and impact assessment is regularly used across ministries.
- **Principle 7:** Policies and legislation are designed in an inclusive manner that enables the active participation of society and allows for co-ordinating perspectives within the administration.
- **Principle 8:** Legislation is consistent in structure, style, and language; legal drafting requirements are applied consistently across ministries; legislation is made publicly available.

Public Service and Human Resource Management

- **Principle 1:** The policy and legal frameworks for a professional and coherent public service are in place; the institutional set-up enables consistent and effective human resource management practices across the public service.
- **Principle 2:** The scope of public service is adequate and clearly defined.
- **Principle 3:** The recruitment of public servants, including those holding senior managerial positions, is based on merit and equal treatment in all its phases; the criteria for demotion and termination are explicitly stipulated by law and limit discretion.
- **Principle 4:** The remuneration system of public servants is based on the job classification; it is fair and transparent.
- **Principle 5:** The professional development of public servants is ensured; this includes regular training, fair performance appraisal, and mobility and promotion based on objective and transparent criteria and merit.
- **Principle 6:** Measures for promoting integrity, preventing corruption and ensuring discipline in the public service are in place.

Accountability

- **Principle 1:** The overall organisation of central government is rational, follows adequate policies and regulations, and provides for appropriate independent accountability.

- **Principle 2:** Functioning mechanisms are in place to protect both the rights of the individual to good administration and the public interest.
- **Principle 3:** The right to access public information is enacted in legislation and consistently applied in practice.
- **Principle 4:** Fair treatment in administrative disputes is guaranteed by internal administrative appeals and judicial reviews.
- **Principle 5:** The public authorities assume liability in cases of culpable breach of duty of a public servant and guarantee redress and/or adequate compensation.

Service Delivery

- **Principle 1:** Policy for service delivery-focused state administration is in place and applied.
- **Principle 2:** Good administration is a key policy objective underpinning the delivery of public service, enacted in legislation and applied consistently in practice.
- **Principle 3:** Mechanisms for ensuring the quality of public service are in place.
- **Principle 4:** The accessibility of public services is ensured.

Public Financial Management

- **Principle 1:** The government publishes a medium-term budgetary framework on a general government basis that is founded on credible forecasts and covers a minimum period of three years; all budget institutions operate within it.
- **Principle 2:** The budget is formulated in line with the national legal framework, with comprehensive spending appropriations that are consistent with the medium-term budgetary framework and are observed.
- **Principle 3:** The central budget authority, or authorised treasury authority, centrally controls disbursement of funds from the treasury single account and ensures cash liquidity.
- **Principle 4:** There is a clear debt management strategy in place and implemented so that the country's overall debt target is respected and debt-servicing costs are kept under control.
- **Principle 5:** Budget transparency and scrutiny are ensured.
- **Principle 6:** The operational framework for internal control defines responsibilities and powers, and is implemented by general budget institutions in line with the overall internal control policy.
- **Principle 7:** The operational framework for internal audit reflects international standards and is applied consistently by government institutions.
- **Principle 8:** Public procurement regulations are aligned with internationally recognised principles of economy, efficiency, transparency, openness and accountability; there is central institutional and administrative capacity to develop, implement and monitor procurement policy effectively and efficiently.
- **Principle 9:** The remedies system is aligned with applicable agreements and international regulations and with internationally recognised good practice of independence, probity and transparency and provides for rapid and competent handling of complaints and sanctions.
- **Principle 10:** Public procurement operations comply with basic principles of equal treatment, non-discrimination, proportionality and transparency, and ensure the most efficient use of public funds; contracting authorities have appropriate capacities and use modern procurement techniques.
- **Principle 11:** The independence, mandate and organisation of the supreme audit institution are established and protected by the constitutional and legal frameworks and are respected in practice.
- **Principle 12:** The supreme audit institution applies standards in a neutral and objective manner to ensure high-quality audits, which positively impact on the governance and functioning of the public sector.

Source: SIGMA principles on good governance.

Box 37. Methodological framework for the Principles of Public Administration. Selected indicators.

- Quality of policy planning
- Quality of government monitoring and reporting
- Transparency of government decision making
- Adequacy of organisation and procedures for supporting the development of implementable policies
- Evidence-based policy making
- Public consultation on public policy
- Inter-institutional consultation on public policy
- Predictability and consistency of legislation
- Adequacy of the policy, legal framework and institutional set-up for professional human resource management in public service
- Adequacy of the scope of public service
- Meritocracy and effectiveness of recruitment of civil servants
- Merit-based recruitment and dismissal of senior civil servants
- Fairness and competitiveness of the remuneration system for civil servants
- Professional development and training for civil servants
- Integrity of public servants
- Accountability and organisation of central government
- Effectiveness of scrutiny of public authorities by independent oversight institutions
- Citizen-oriented service delivery
- Fairness and efficiency of administrative procedures

Source: SIGMA

ANNEX C. Other benchmarks related to administrative and institutional capacity

There is no one single universal benchmark for assessing the administrative capacity for environmental management and green economy. There are several benchmarks and tools, listed below, which in combination could provide guidance. This Annex presents the selected tools, targeted at the public administration in general. More specific tools, targeting different aspects of green economy, are presented in Annex C.

UNDP Capacity Assessment Methodology

The UNDP defines capacity assessment as the ‘analysis of desired capacities against existing capacities which generates an understanding of capacity assets and needs that can serve as input for formulating a capacity development response’ (UNDP). The UNDP framework has three dimensions: points of entry (enabling environment, the organizational and the individual); core issues (institutional arrangements; leadership; knowledge; and accountability; and functional and technical capacities (engage stakeholders; assess a situation and define a vision and mandate; formulate policies and strategies; budget, manage and implement; and evaluate). The UNDP approach follows a three-step process to conduct the capacity assessment: mobilise and design; conduct the capacity assessment; and summarise and interpret results.

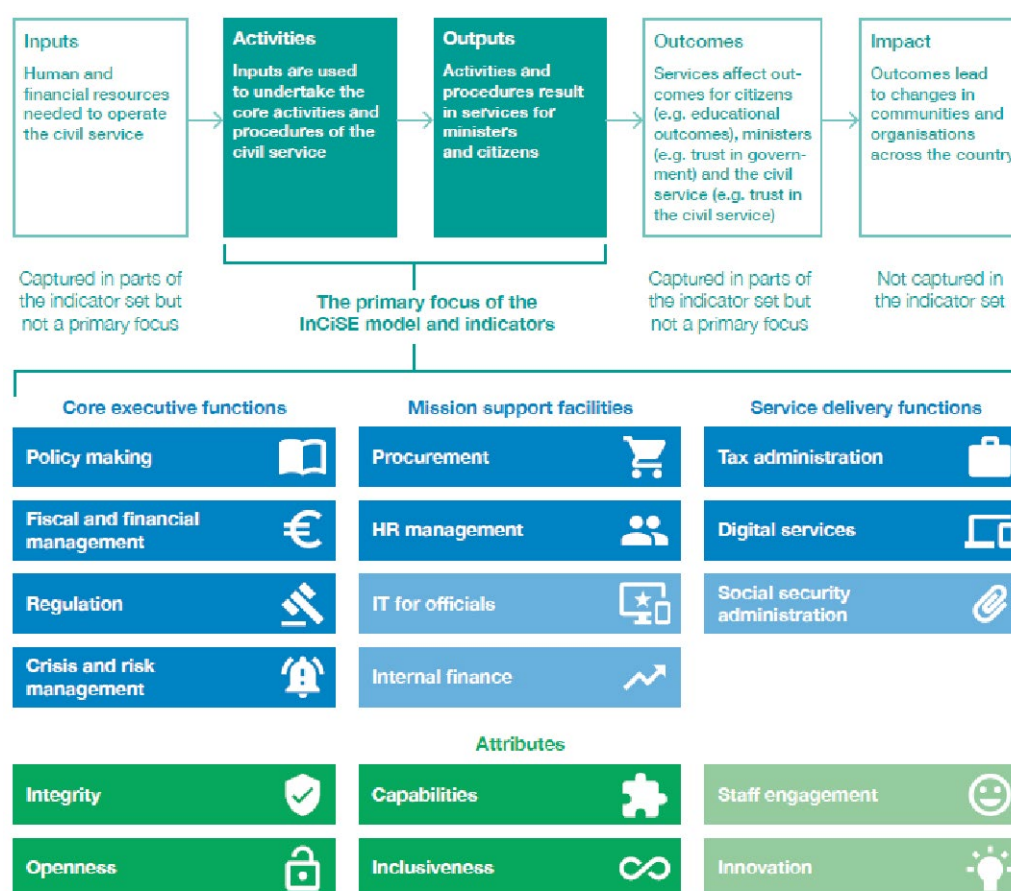
InCiSE Indicators

INCISE is a an index developed in 2017 by the University of Oxford Blavatnik School of Government and the UK Institute for Government for the **assessment of the effectiveness of civil servants within central governments** (Figure 9). It is a performance improvement and accountability tool, mainly targeted at central governments. The tool is divided in:

- Core functions (what a civil service does) – there are 11 indicators;
- Attributes (main characteristics of behaviour of the civil service: how) – there are 6 indicators.

In 2019, some 38 countries (none from the EaP countries) globally have been covered by the index.

Figure 9. The InCiSE Framework



Source: InCiSE Report, 2019

The legitimacy of the results of the index depend to a big extent on the availability of good quality data.

Table 21. Selected indicators relevant for the EaP countries, including Georgia.

Capability	Crisis and risk management	Digital services
- Literacy level - Numeracy level - Problem solving level - Tertiary education - ICT at work - Numeracy at work - Reading at work - Writing at work - Planning skills - Task discretion - Learning at work	- Strategic approach - Lead risk institution - Risk planning - Multi-hazard - Monitoring - Risk management - Preparedness - Appraisal - Int'l cooperation - Cooperation - Early Warning	- User Centricity (UC) business start-up - UC regular businesses - UC Family life - UC lose/find a job - UC small claims - Key enablers (KE) business start-up - KE regular business - KE family life - KE lose/find a job - KE small claims

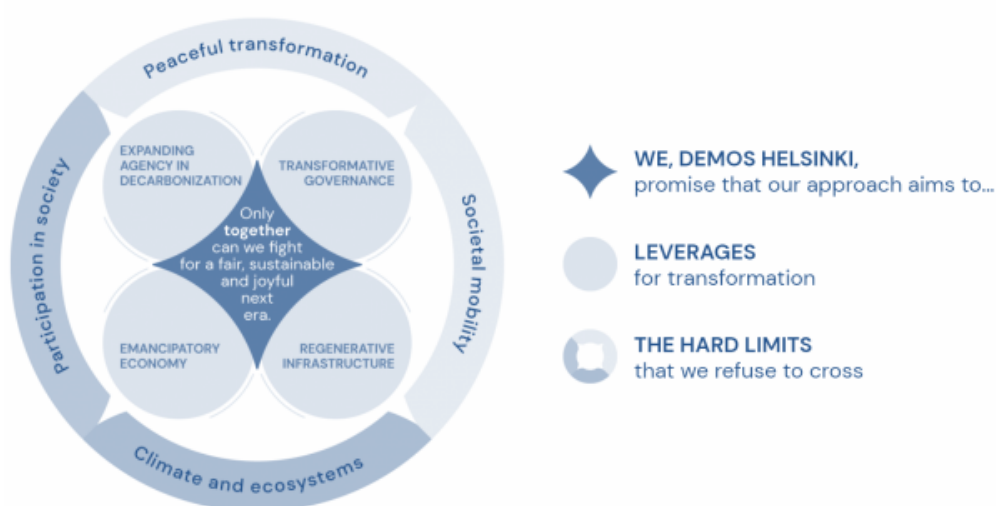
- Readiness to learn - Job-related learning	- Evaluation - Post-disaster	- Cross-border (CB) business start-up - CB regular business - CB small claims
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Source: InCiSE

Index Demos Helsinki Impact Tool

Index Demos Helsinki Impact³²³ is a tool for measuring societal transformation and steer operations towards societal impact (Figure 10).

Figure 10. Demos Helsinki Impact Model



Source: DEMOS Helsinki

Demos is a Finnish think-tank which developed a framework based on the concept of **transformative governance** where *'public organisations have reinvigorated people's trust in the future by establishing new governance approaches through which they lead and manage societal society-wide transformations'*. One of the premises of Demos' approach is that 'current governance systems do not inspire enough trust and confidence in citizens' and that there is a need to 'find a new governance mindset that balances both change and stability, managing critical long-term transitions alongside more immediate needs'.

The impact model is based on the concept of organisational **ethos** describing 'why the organisation exists, the vision for the future and its approach to arriving there'.

³²³ <https://demoshelsinki.fi/2020/11/19/demos-helsinki-impact-model-2/>

ANNEX D. Benchmarks relevant to green economy transition

There is no a benchmark for assessing the administrative capacity for transition towards a green economy. However, there are several relevant benchmarks, presented in this Annex.

Framework for assessing the administrative capacity for transition to the circular economy

The generic framework was designed by the World Bank to test for capacities in EU Member States (MS) to design and implement sustainability transitions crucial for reaching the second objective of Cohesion Policy (2021-2027).

The framework revolves around the concept of **Sustainability transitions** which is “*a long-term, society-wide processes that depend critically on the emergence and spread of diverse forms of innovation that trigger alternative ways of thinking and living – new social practices, technologies, business models, nature-based solutions and so on*”.³²⁴ Sustainability transitions are associated with the achievement of shared goals between ‘all policy areas and levels of government’ (Box 38).³²⁵

Box 38. Focus areas for policy and action

- **FA 2:** Enabling coherent actions across policy areas and levels of governance
- **FA 3:** Promoting experimentation with diverse forms of sustainability innovation and building transformative coalitions
- **FA 4:** Supporting the diffusion of sustainability innovations and practices
- **FA 5:** Anticipating and adapting to risks and unintended consequences
- **FA 6:** Enabling a ‘just transition’
- **FA 7:** Leveraging and strengthening the role of cities and communities in transitions
- **FA 8:** Reorienting financial flows towards sustainable and transformative innovations
- **FA 9:** Developing knowledge and skills for transitions governance and practice
- **FA 10:** Leading international action towards sustainability

Source: EEA, 2019

The **assessment framework** is targeted mainly at national level but also covers sub-regional levels. The application of the framework would be a complicated exercise and requires a certain level of inter-institutional collaboration (Box 39).

³²⁴ European Environment Agency (EEA), 2019, Knowledge for transition to a sustainable Europe

³²⁵ idem

Box 39 Generic stakeholder mapping for circular economy

Leadership

- Champion for change (sufficient resources; leads in holistic approach)
- Implementation capacity (different sectors; capacity on sub-national level)
- Collaborative and inclusive leadership (inclusive development of vision; transparent conflict solving;

Strategy and legal framework

- Strategy (national strategy; locals ones);
- Action plan (availability on national and/or regional and local level; synergies with other strategies)
- Legal framework (adequacy; addressing barriers)
- Stakeholder engagement and communication

Coordination

- Coordination between different stakeholders
- Horizontal coordination
- Vertical coordination
- Overall coordination mechanisms

Policy instruments

- Policy instruments (long-term targets; policy-based instruments; flexibility)
- Economic instruments (supporting financial framework; adapted fiscal framework;
- Soft instruments (voluntary instruments increasing the role of citizens and businesses; GPP; stakeholder empowerment)

Accountability

- Enforcement of the regulations and policies
- Monitoring and evaluation (database for designing CE transition strategies and policies; integrated and consistent monitoring; availability of an evaluation framework)
- Transparency
- Regulations

Source: Factor/Milieu (2020)

SME policy index – benchmark on SME greening (EU4Business)

The SME Policy Index is a benchmarking tool structured around the principles of the Small Business Act (SBA) for Europe. The tool has been developed jointly by the OECD, EBRD, the European Training Foundation and the European Commission.

The assessment is done every four years and the index is based on the 10 EU SBA principles which are translated into 12 measurable dimensions grouped into five thematic pillars and level playing field conditions. Each of the 12 dimensions has a number of sub-dimensions. One of the dimensions is called 'SMEs in a Green Economy' and contains two sub-dimensions: **Environmental policies** and **Incentives and instruments for greening SMEs operations**. The analytical aspects for the two sub-dimension are: Planning and design; Implementation; and Monitoring and evaluation.

Capacity development for the Environmental Impact Assessment (EIA)

Box 40. Suggestions for strengthening the institutional capacity with regards to the Environmental Impact Assessment (EIA) Directive

- staff recruitment to improve capacity, should the implementation of the Directive increase workloads, and the widening of specialist expertise to support the evaluation of environmental reports, together with the possibility to establish multidisciplinary groups of officials that enable them to give their expertise to the evaluation of the environmental reports;
- staff training to improve capability and technical knowledge;
- the extension of existing training curricula to include topics encouraging effective public participation;
- the development of databases tracking the progress of individual projects;
- the development of information technology to support access to environmental information related to EIA documentation and consultation procedures;
- internal communication approaches to integrating other environmental acquis environmental standard-based requirements into EIA approval processes;
- the installation or modification of computer systems for handling applications and improving communications;
- changing and improving existing permitting procedures, taking into account the key issue of cross-references and procedural guarantees (e.g. introducing additional rules into the laws and regulations on construction permitting, for example that attaching an EIA development consent with full legal force is a condition for submitting a request for a permit).

Source: Handbook

Box 41. Institutional innovations: Examples for ensuring high quality of EIA information- national committee

France: An environmental authority ('Autorité Environnementale') was created in 2009 to provide advice on the quality of certain EIA reports, when the project/programme developer is the Ministry of the Environment or a public organisation under its supervision (e.g. large infrastructure projects) or when the final decision is taken by the Ministry itself (e.g. nuclear installations). The main purpose of this measure was to provide a guarantee for impartiality but also a guarantee for quality and transparency towards the public. This authority includes 17 persons, 12 of which are part of the evaluation services of the Ministry of the Environment (CGEDD) and 5 are external qualified experts.

Netherlands: A specific agency, the Netherlands Commission for Environmental Assessment (NCEA), independent from the Ministry of Ecology, provides advice to the competent authority on the quality of EIA reports, upon request from the competent authority. It is composed of a pool of 700 experts, working for governmental organisations, research institutes or universities and private companies. They are hired on a project-by-project base. For every EIA/SEA, a working group is created, usually counting 3-6 experts.

Source: Handbook

ANNEX E. Capacity assessment tools for environmental compliance and enforcement

There is a number of tools targeted at the capacity assessment of the environmental enforcement authorities (environmental inspectorates). This include:

- Minimum criteria for environmental inspections;
- Doing the Right Things Methodology, developed by IMPEL;
- OECD Regulatory Enforcement and Inspections Toolkit (2018);
- OECD Guidance on individual competence development within environmental inspectorates of EECCA, developed under the framework of REPIN (2011).

Minimum criteria for environmental inspections

The minimum criteria for environmental inspections have been in force since 2001 in the form of EC recommendations³²⁶ hence, they have a voluntary character. While they are targeted at EU members, they may be very useful for Ukraine with the purpose of improving the quality and effectiveness of environmental inspections. The recommendations consist of a number of criteria which may be considered as a benchmark for quality environmental inspections and high level of environmental protection. It would be relatively easy to develop a self-assessment tool for environmental inspectorates based on the minimum criteria.

Plans for environmental inspections

- inspection activities are planned in advance - national, regional or local levels. Plans should be based on legal requirements; register of installations; assessment of major environmental issues; appraisal of the state of compliance.

Site visits

- information exchange; findings are contained in reports; legal right to access the site; carry out regular routine site visits; examine full range of environmental impacts;
- promote and reinforce operators' knowledge and understanding of relevant EC legal requirements and environmental sensitivities;
- ensure the carrying out of non-routine inspections in case of investigation of serious environmental complaints, serious environmental accidents or where appropriate for issuing a permit.

Reports and conclusions following site visits: written, processed and stored in an accessible form.

Investigations of serious accidents, incidents and occurrences of non-compliance

³²⁶ Recommendation of the European Parliament and of the Council of 4 April 2001 providing for minimum criteria for environmental inspections in the Member States

- carried out in order to identify the cause of the event and its impact; mitigate and remedy environmental impact; enable enforcement action.

Reporting on environmental inspection activities in general

- data about staffing and other resources of the inspecting authorities; details of the inspecting authority's role and performance; data on inspections carried out; data on the degree of compliance; actions as a result of complaints.

ANNEX F. Additional mechanisms for improving effectiveness of environmental administration

Guidance on necessary administrative capacity that goes with adopting individual pieces of legislation

The Handbook on implementation of the environmental acquis in Western Balkans was developed in the framework of the Environmental and Climate Regional Accession Framework (ECRAN³²⁷). ECRAN (running from 2014-16) builds on the experience of the Regional Environmental Network for Accession (RENA) and aims at 'strengthening regional cooperation between EU candidate countries in the Western Balkans'. The main purpose of the handbook is to provide guidance to policy makers (national, regional and local level) in the transposition and implementation of major EU Directives. It would therefore be of utmost utility to those EaP countries which have signed approximation agreements with the EU and which are undergoing through intensive period of legal approximation. Some 34 directives and 18 regulations are covered in the handbook in the following sectors: horizontal; air quality; waste management; water protection; nature protection; industrial pollution control; chemicals management; and noise.

The handbook defines **an effective and efficient administration as the one that has the following features:**

- clear competencies for the administration of environmental and related legislation;
- clear and efficient procedures for decision making and the implementation of decisions;
- skilled professionals ranging from environmental scientists, engineers and ecologists to environmental law experts;
- sufficient staff and funding to carry out tasks; strong enforcement rights and capabilities.

The utility of the handbook in the context of the current analysis of administrative capacity lies in the fact that: it **outlines the competent authorities and other stakeholders (ministries; environmental agencies; Regional and local authorities; NGOs; public; industry) and their precise roles in provision of different pieces of legislation**. The handbook also highlights the necessary inter-institutional coordination for better integration and implementation.

There is another feature of the Handbook which is of utmost importance namely the institutional and capacity development needed for the implementation of a given directive. For example, in Annex you can find some suggestions for strengthening the institutional capacity with regards to the EIA Directive as well as institutional innovations.

³²⁷ <http://www.ecranetwork.org/>

Twinning

Twinning is an EC initiative launched in 1998 in the context of the preparation for enlargement of the European Union as the principal tool of pre-accession assistance for institution building. The instrument assisted Candidate Countries to strengthen their administrative and judicial capacity to implement EU legislation. Twinning provides the framework for administrations and semi-public organizations in the IPA beneficiary countries and ENP countries to work with their counterparts in Member States on a joint project that targets the transposition, enforcement and implementation of a specific part of the EU acquis.³²⁸

TAIEX

The Technical Assistance and Information Exchange instrument of the European Commission (TAIEX) supports public administrations with regard to the approximation, application and enforcement of EU legislation as well as facilitating the sharing of EU best practices. It is needs-driven and delivers appropriate tailor-made expertise to address issues through workshops, expert missions and study visits. EaP countries are eligible for support.³²⁹

³²⁸ https://ec.europa.eu/neighbourhood-enlargement/tenders/twinning_en

³²⁹ https://ec.europa.eu/neighbourhood-enlargement/tenders/taix_en

ANNEX G. Theory of change for capacity development and reform in the environmental administration

Figure 11. Theory of change: reform in the environmental administration

Political and legislative context	Problem drivers	Problems	Consequences	Specific objectives	General objectives	Areas of measurement
EU Association Agreements	- Low salaries - Unattractive work environment - Low impact and personal satisfaction - Unclear career development opportunities	Relatively weak Ministry of Environment and subordinated agencies	Young ambitious and qualified people make alternative career choices	Improve the quality of environmental policy	High quality of environmental protection across the country and implementation of green transition	1. Improve the attractiveness of civil service
EU Green Deal						2. Align capacity with newly adopted legislation
Public Administration Reform	- Environment is not considered as priority - Environment Ministry does not have strong voice in the government	Relatively weak coordination of environment and green economy issues across agencies	Weak regional and local level environment administration and capacity	Improve enforcement of environmental policy		3. Separate policy making and enforcement functions
Synergies with legislation in other sectors (ex. SMEs)						4. Strengthen regional and local environmental administration
Articulation with related initiatives and other actors	- High level of corruption - Lack of separation between policy and implementation function	High level of centralisation of administration	Low level of enforcement of environmental legislation	Improve integration of environment into sectoral policies		5. Introduce innovative institutional solutions
					6. Strengthen enforcement capacities	

Source: Authors elaboration



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Green Economy in Eastern Partner Countries

Strengthening administrative capacity for green transition in Georgia: State of play and reflections on possible improvements

A well-functioning public administration is a prerequisite for transparent and effective democratic governance. It is the foundation for the functioning of the state, determining a government's ability to provide public services and to encourage competitiveness and growth.

This report takes a snapshot of administrative capacity in the field of environment management and the green economy in Georgia at the central and subnational levels. It provides recommendations for strengthening the capacity of government institutions and their staff.

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