



MINISTRY OF ECONOMY
AND SUSTAINABLE
DEVELOPMENT
OF GEORGIA

Green Economy Policy and Strategy

GOAL

Modernize economy of Georgia

and achieve sustainable development of the country

by elaboration and realization of

Green Economy/Green Growth Strategy

and **Action Plan**



WHY GREEN ECONOMY?

RATIONALE

- Green Economy is an approach to policy formulation and assessment that more effectively leads to sustainable development. It aims at integrating social, economic and environmental considerations to improve policy coherence. As a result, it aims at improving the performance of the country as a whole rather than focusing on sectoral performance. Green economy achieves this goal by (1) improving efficiency (e.g. in buildings and in the manufacturing sector) and by (2) reducing the impact of human activity on the environment (e.g. by lowering water and air pollution, reducing and recycling waste).
- Green Growth is the result of implementing the Green Economy approach when formulating and assessing policies, or, in other words, Green Growth is economic growth in a Green Economy. Green Growth is achieved by considering the investment required for interventions, as well the avoided costs and added benefits resulting from its implementation, across social, economic and environmental indicators, for several economic actors and over time.

RATIONALE

- the preparation of a Green Growth strategy that simultaneously highlights social, economic and environmental outcomes, would ensure the harmonization of several existing policy processes that have as end goal the achievement of sustainable development. These include the national LEDS process, which informs efforts aimed at reducing emissions intensity; the complementary INDC, which extends beyond climate change mitigation and also mentions adaptation; Elaboration of the first national NEEAP; the SDGs commitment signed by the government, which is likely to become the backbone of upcoming plans for social inclusion and political participation as the EU Association Agreement and the DCFTA are already shaping the adoption of several standards for, among others, health and safety, environmental preservation and international trade. The creation of a Green Growth Strategy is therefore meant to strengthen the existing policy landscape by accounting for “externalities” or side effects created by existing policies and finding interdependencies across sectors and policies in a way that the results obtained are greater than the sum of the results that could be achieved if policies were pursued in isolation

SUSTAINABLE DEVELOPMENT GOALS 2030

- Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- Goal 11. Make cities and human settlements inclusive, safe resilient and sustainable
- Goal 12. Ensure sustainable consumption and production patterns
- Goal 13. Take urgent action to combat climate change and its impact



EU-GEORGIA ASSOCIATION AGREEMENT

Article 277

The EU and Georgia shall facilitate the process of economic reform by improving the understanding of the fundamentals of their respective economies and the formulation of economic policies

Article 301

The Parties shall develop and strengthen their cooperation contributing to the long-term objective of sustainable development and greening the economy.

SOCIAL-ECONOMIC DEVELOPMENT STRATEGY OF GEORGIA

- Goal of the Georgian Government is conducting of such economic policy which ensures sustainable development of the country.
- The state will facilitate the introduction of environmentally-friendly modern technologies and development of a “green” economy.
- With a view to developing innovation and modern technologies, the Government will encourage FDI-s oriented towards the introduction of new technologies—especially environmentally-friendly and resource-saving technologies which will encourage the development of a “green” economy.

SPECIFIC OBJECTIVES

- Engineering a structural basis for the green economy
- “Greening” of existing industries and promotion of green industries
- Promotion of green technologies
- Promotion of economic tools for resource efficiency
- Building the green transportation infrastructure and promotion of green transport
- Promotion of green construction materials and green building certification
- Creation and advancement of new, green jobs
- Strengthening the capacity to adapt to climate change, etc.
- **Become a role-model for the ECA region as a green growth leader**



MAIN ACTORS

- Ministry of Economy and Sustainable Development
 - Covering Construction; Transport; Industry; Buildings; Trade; State Property; Communications; Innovations; Entrepreneurship; Investment Policy, etc.
 - NEEAP; Residential EE; LEDS; DCFTA; SME Strategy; INDC;
- Ministry Of Environment and Natural Resources Protection
 - NEEAP; Residential EE; LEDS; DCFTA; SME Strategy; INDC;
- Ministry of Energy
 - NEEAP; Residential EE; LEDS; DCFTA; SME Strategy; INDC;

Also – Ministry of Agriculture; Ministry of Regional Development and Infrastructure; Ministry of Education and Science; Local Governments; etc.

WHAT HAS BEEN DONE SO FAR

Green Growth Policy Paper elaborated

**Proposed Arrangements for Drafting
Green Growth Strategy prepared**

Green Growth Policy Paper

Prepared by Dr. Andrea M. Bassi

*Proposed institutional arrangement for drafting the
National Green Growth Strategy*

Draft 2, May 3rd, 2016.

Prepared by Dr. Andrea M. Bassi

ACTIONS

- Finalization of Green Economy Policy Paper and approval by the Government
- Elaboration of Green Economy Strategy 2030
- Preparation of Green Economy Action Plan for 2017-2022
- Implementation of Green Economy Action Plan
- Creation of enabling conditions for transition to green economy, including institutional framework, regulations, incentives, legal infrastructure, carbon trading
- Public awareness on Green Economy

Sector	Goals	Investment	Fiscal Policies	Capacity building
Manufacturing and entrepreneurship	Creation of green jobs Constantly improve resource efficiency	Green certification Energy and water efficient technology Support transition to green jobs	Abolishment of perverse subsidies Taxation on waste emissions and/or materials extraction Incentives to invest in green technologies	Consumer awareness and education programs Environmental impact assessments Retraining of workers and technicians
Waste	Minimization of material use and waste generation Recycling and reuse of waste Recovery of energy from waste	Collection services MSW management infrastructure Reclaiming contaminated sites	Volumetric landfill taxes Pay-as-you-throw (PAYT) Recycling credit Deposit-refund	National certification programs Creative reuse of wastes Training for waste workers in the informal sector
Transport	Expand public transport Constantly improve resource efficiency Reduce congestion	Public transport infrastructure Green vehicles and fuels Remote work	Taxes on fossil fuels Congestion charges Subsidies for low carbon vehicles and transport modes	Public information Mobility management, labeling of new cars and driver education Best practices
Tourism	Energy and water efficiency Conserve biodiversity and cultural heritage Generate local income	Infrastructure Environmental conservation Technology improvements	Tax reduction and subsidies Payment for environmental services (PES)	Labor force skills Public awareness campaigns on sustainable tourism
Provinces and municipalities	Reduce carbon emissions and pollution Minimize environmental risks	Public transport infrastructure New smart monitoring and metering devices	Tax incentives and removal of harmful incentives Land and license plate auctioning	Green education into school curriculums Demonstration projects

Thank you for your attention

