



ევროკავშირი  
საქართველოსთვის

Project funded by the European Union



# ASSESSING THE READINESS OF GEORGIA FOR ALIGNMENT WITH **THE EU GREEN DEAL**



**EaP** | Eastern   
Partnership



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# ASSESSING THE READINESS OF GEORGIA FOR ALIGNMENT WITH THE EU GREEN DEAL

## **AUTHORS:**

Giorgi Mukhigulishvili

Tutana Kvaratskhelia

Natalia Shatirishvili

Medea Inashvili

Irakli Urgebashvili

## **CONTRIBUTORS:**

Murman Margvelashvili

Elisabeth Kappel

Ekaterine Mikadze

# CONTENTS

## List of Abbreviations

<b>AA</b>	Association Agreement	<b>EBRD</b>	European Bank for Reconstruction and Development
<b>ACER</b>	European Union Agency for the Cooperation of Energy Regulators	<b>EC</b>	Energy Community
<b>ADSL</b>	Asymmetric digital subscriber line	<b>EE</b>	energy efficiency
<b>AFD</b>	Agence Française de Développement	<b>EED</b>	Energy Efficiency Directive
<b>BDD</b>	Basic Data and Direction	<b>EGD</b>	European Green Deal
<b>BSEC</b>	Black Sea Economic Cooperation	<b>EGDIP</b>	European Green Deal Investment Plan
<b>CARI</b>	Coal Regions in Transition and Clean Air Regions Initiative	<b>EIEC</b>	Environmental Information and Education Center
<b>CBAM</b>	Carbon Border Adjustment Mechanism	<b>EPR</b>	Extended Producer Responsibility
<b>CCC</b>	Climate Change Council	<b>ESCO</b>	Electricity System Commercial Operator
<b>CENN</b>	Caucasus Environmental NGO Network	<b>ESR</b>	Effort Sharing Regulation
<b>CLRTAP</b>	Convention on Long-Range Transboundary Air Pollution	<b>ETS</b>	Emissions Trading System
<b>CMA</b>	Common Maritime Agenda for the Black Sea	<b>EU</b>	European union
<b>CoM</b>	Covenant of Mayors	<b>EUR</b>	Euro
<b>COP26</b>	The 2021 United Nations Climate Change Conference	<b>FAO</b>	Food and Agriculture Organization of the United Nations
<b>CSA</b>	Climate-Smart Agriculture	<b>GCAP</b>	Green City Action Plan for Tbilisi
<b>CSAP</b>	Climate Strategy and Action Plan	<b>GCF</b>	Green Climate Fund
<b>DAI</b>	Digital Adoption Index	<b>GDP</b>	Gross Domestic Product
<b>DANIDA</b>	Danish International Development Agency	<b>GEOSTAT</b>	National Statistics Office of Georgia
<b>DCFTA</b>	Deep and Comprehensive Free Trade Agreement	<b>GHG</b>	Greenhouse Gas
<b>DESI</b>	Digital Economy and Society Index	<b>GIZ</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit
<b>DG RTD</b>	Directorate General for Research and Innovation of the European Commission	<b>GNERC</b>	Georgian National Energy and Water Supply Regulatory Commission
<b>DMC</b>	domestic material consumption	<b>GoG</b>	Government of Georgia
<b>EBA</b>	European Battery Alliance	<b>GSE</b>	Georgian State Electrosystem
		<b>GVA</b>	Gross Value Added
		<b>GW</b>	Gigawatts
		<b>GWMA</b>	Georgian Waste Management Association

<b>Ha</b>	hectare	<b>NEEAP</b>	National Energy Efficiency Action Plan
<b>HIS</b>	Heating system improvements	<b>NEFCO</b>	Nordic Environment Finance Corporation
<b>IBAT</b>	Integrated Biodiversity Assessment Tool	<b>NHA</b>	National Hydrogen Association
<b>ISET</b>	International School of Economics at Tbilisi State University	<b>NIR</b>	National GHG Inventory Report
<b>ISUMP</b>	Integrated Sustainable Urban Mobility Plan for the City of Batumi	<b>OECD</b>	Organization for Economic Co-operation and Development
<b>JTM</b>	Just Transition Mechanism	<b>PFA</b> s	Per- And Polyfluoroalkyl Substances
<b>KfW</b>	Kreditanstalt für Wiederaufbau	<b>POP</b>	Persistent Organic Pollutants
<b>LT-LEDS</b>	Long-Term Low GHG Emission Development Strategy	<b>PPP</b>	Public-Private Partnership
<b>LULUCF</b>	Land Use, Land Use Change and Forestry	<b>RED</b>	Renewable Energy Directive
<b>MEPA</b>	The Ministry of Environmental Protection and Agriculture of Georgia	<b>SDC</b>	Swiss Agency for Development and Cooperation
<b>MHDRIS</b>	Multi-Hazard Disaster Risk Information System	<b>SDG</b>	Sustainable Development Goals
<b>MIA</b>	Ministry of Internal Affairs	<b>SECAP</b> s	Sustainable Energy and Climate Action Plans
<b>MoESD</b>	Ministry of Economy and Sustainable Development	<b>SEIP</b>	Sustainable Europe Investment Plan
<b>MRDI</b>	The Ministry of Regional Development and Infrastructure of Georgia	<b>SIDA</b>	Swedish International Development Cooperation Agency
<b>MRV</b>	Monitoring, Reporting and Verification	<b>SME</b>	Small and Medium Enterprises
<b>MSP</b>	Maritime Spatial Planning	<b>TEN-T</b>	Trans-European Transport Network
<b>MSW</b>	Municipal Solid Waste	<b>UCO</b>	Used Cooking Oil
<b>MW</b>	Megawatts	<b>UN</b>	United Nations
<b>NBG</b>	National Bank of Georgia	<b>UNCLOS</b>	United Nations Convention on the Law of the Sea
<b>NBSAP</b>	National Biodiversity Strategies and Action Plans	<b>UNDP</b>	United Nations Development Programme
<b>NCP</b>	National Climate Platform	<b>UNECE</b>	United Nations Economic Commission for Europe
<b>NDC</b>	Nationally Determined Contributions	<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>NEAP</b>	National Environmental Action Programme	<b>USAID</b>	United States Agency for International Development
<b>NECP</b>	National Energy and Climate Plans	<b>VRE</b>	Variable Renewable Energy
		<b>WMTR</b>	Waste Management Technologies in Regions

## Introduction

The **European Green Deal (EGD)**, adopted in December 2019, is **the EU's new growth strategy** and aims to transform the European Union into a fair and prosperous society. It aims to create a modern resource-efficient and competitive economy where there are no net emissions of greenhouse gases by 2050 and where economic growth is decoupled from resource use. It also aims to protect, conserve and enhance the EU's natural capital and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition aims to be just and inclusive. The European Green Deal is a revived EU approach to achieve the UN 2030 Agenda and Sustainable Development Goals, not only within the EU but also across the globe. The Green Deal is a key component of the EU's external assistance with neighboring regions. In line with the European Green Deal, the EU will scale up its support for climate change mitigation and adaptation measures, including the development of renewable energy sources reaffirming that environmental and climate challenges require urgent action by the EU and the partner countries.



The EGD aims to achieve **three main goals**. First, it focuses on achieving **net-zero emissions** by proposing specific strategies that can help curb emissions across all sectors with a strong focus on energy which makes up more than 75% of the total EU-27's greenhouse gas. The objective is to increase the share of renewable energy in the EU's energy mix.



Second, it plans to **decouple growth from resource exploitation**. While reductions in emissions have been achieved in the last decade, Europe remains one of the major contributors of resource consumption in the world. Described as a “generation-defining task,” achieving this objective will not only require a boost in technological advancements but also rethinking lifestyles, communities and societies.



Third is the need to **foster an inclusive green transition and to leave none behind** supported through the Just Transition Mechanism which will provide between 65€ and 75€ billion over the period of 2021-2027 to alleviate the socio-economic impacts of the transition.

According to the guidelines for the implementation of the EU Green Deal, there are **five pillars of the Green Agenda**:<sup>1</sup>

- ①  **climate action/decarbonization**, including climate, energy and mobility;
- ②  **circular economy**, addressing, in particular, waste, recycling, sustainable production and the efficient use of resources;
- ③  **biodiversity**, aiming to protect and restore the natural wealth of the region;
- ④  **depollution/fighting pollution** of air, water and soil and
- ⑤  **sustainable food systems and rural areas.**

Digitalization will be a key enabler for the above five pillars in line with the concept of the dual green and digital transition. The objectives of these pillars should be pursued through concrete actions and supported by mechanisms and financial instruments.

Ranging across eight policy areas - **biodiversity, sustainable food systems, sustainable agriculture, clean energy, sustainable industry, building and renovating, sustainable mobility, eliminating pollution and climate action**<sup>2</sup> - the EGD represents an unprecedented effort to review more than 50 European laws and redesign public policies.



The European Green Deal is a set of policy initiatives by the European Commission with the overarching aim of making the European Union (EU) climate neutral in 2050. This has been enshrined in **the EU Climate Law** setting the intermediate target of reducing net greenhouse gas emissions (GHG) by at least **55% by 2030 as compared to 1990 levels** and achieve **net zero GHG emissions (climate neutrality) by 2050**.

The European Commission proposed the **first European Climate Law** in 2020. This enshrines the 2050 climate neutrality objective in legislation. The Climate Law also ensures that all EU policies contribute to the climate neutrality objective and that all sectors play their part.

In July 2021, the European Commission published the first part of the **Fit for 55 Package** which was followed by a second part including the Hydrogen and Decarbonized Gas Markets package in December 2021. The **Fit for 55 Package** represents a series of legislative proposals setting out how it intends to reach its climate targets under the EU Green Deal. These proposals include revisions of existing legislation and new legislation. In March 2022 following Russia's invasion of Ukraine, the European Commission proposed a **REpowerEU** plan to cut the EU's dependence

<sup>1</sup> [green\\_agenda\\_for\\_the\\_western\\_balkans\\_en.pdf \(europa.eu\)](#)

<sup>2</sup> [The European Green Deal: What to know and what comes next | World Economic Forum \(weforum.org\)](#)

on Russian fossil fuels by 2027, starting with gas. The plan, which was presented on 18 May 2022, sets new targets for renewable energy (45%) and energy efficiency (13%) development.<sup>3</sup>

The EU-Georgia Association Agreement and Georgia's Energy Community membership create a legal framework for the future transposition of the EU climate and energy acquis into national legislation. Georgia, as a non-EU member state, signed the **EU-Georgia Association Agreement** in 2014, emphasizing the need for cooperation in climate change mitigation and adaptation, emissions trading, climate change integration into sectorial policies and the development of clean technologies.

Georgia's accession to the **Energy Community Treaty** in 2016 also encouraged the inter-sectoral integration of climate-related issues. The Protocol of Georgia's accession to the Treaty requires the harmonization of Georgian legislation with the EU Directives and Regulations. In the context of climate change, the Treaty includes some obligations which require an increase of energy efficiency, facilitating the use of renewable energy sources (which serves the decarbonization of the economy), the safety of energy supply and the elaboration of the **National Energy and Climate Plan (NECP)**.

The NECP is a new initiative of the European Union and the member states of the Energy Union also have a recommendation to develop a unified integrated policy and measures for energy and climate issues at the national level. The NECP development process takes place in parallel with the **Nationally Determined Contributions (NDC)** and its Climate Action Plan development. The NECP covers the period 2021-2030 and includes a vision for 2050 to be in line with the policy objectives of the European Union, the Energy Community or the UNFCCC.

Georgia submitted its **updated NDC** on May 5, 2021, committing to an unconditional reduction target of 35% below the 1990 level of its domestic total greenhouse gas emissions and a conditional reduction target of 50-57% in the case of international support.

**The objective of this study** is to assess the extent to which the current policy framework in Georgia is in line with the policies of the EU Green Deal and identify the main policy measures to be addressed/implemented. This is done by mapping relevant policies and making a gap analysis of the key pillars of the EU Green Deal. The gap analysis is complemented by the national best practice examples (e.g., flagship initiatives), identifying not only existing bottlenecks but also good practice in Georgian climate and environmental policies. The result of this study will support the Georgian government in designing a roadmap for the further alignment of Georgian Legislation with the EGD policies and the attraction of international financial support.

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<sup>3</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2022%3A230%3AFIN&qid=1653033742483>

## Methodology

The assessment of the readiness of Georgia for alignment with the European Green Deal was performed through the following components:



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Mapping of the relevant EGD documents in Georgia.

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Identifying the progress indicators to monitor the implementation of the EGD and to compare Georgia with EU Member States.

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Assessing the gaps in Georgia's policy and legislative framework for alignment with the EGD and providing relevant recommendations.

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Identifying and analyzing Georgian best practice examples relevant to the EGD.

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Document mapping refers to listing relevant documents. At the EGD level, it included the Communication from the European Commission - the European Green Deal and the Roadmap, the European Green Deal Investment Plan, EU taxonomy, the Green Agenda for the Western Balkan Countries, EU sectoral strategies, etc. As for the national level, legislative and other strategic documents addressing one or more components of the EGD five pillars (decarbonization, circular economy, biodiversity, depollution, sustainable food systems and rural areas) were reviewed. Overall, about 100 strategic documents were analyzed.

As a next step, progress indicators to monitor the implementation of the EGD were identified for each of the five pillars based on the assessment of the strategies and action plans, studies on EGD indicators and sustainable development indicators. Indicators were selected taking into consideration the national characteristics of Georgia. Data for evaluating the indicators were obtained from official sources; for those indicators where official statistics were not available, the data gaps were outlined.

The gaps between the EGD and the Georgian legislative and policy framework were identified and assessed based on a desk study and stakeholder consultations conducted by the project team. Ranked recommendations (priority levels - low medium, high) were provided by sectoral experts. The prioritization of the recommendations is based on the project team's personal expert judgement. The prioritization was made based on the following criteria: relevance to the EGD and Georgia's strategic priorities, efficiency and impact of the measures, synergy with other measures and country specificity.

To identify relevant EGD best practice examples in Georgia, the project team assessed implemented and ongoing projects in different sectors using the following criteria: social, economic and environmental impact, including GHG emissions reduction potential, other co-benefits and financing schemes. Six best practice examples were identified in total.

## EU and Georgian Documents Relevant to the European Green Deal



The European Green Deal is a set of policy initiatives by the European Commission with the overarching aim of making the European Union (EU) climate neutral by 2050. The table below represents the mapping of the EU and Georgian strategies and legislation relevant to the European Green Deal.

CROSSCUTTING	
N EU Documents Relevant to the Green Deal	
1 Communication From the European Commission - the European Green Deal <sup>4</sup> and the Roadmap	
Aim of the Document	Georgian Documents Relevant to the Green Deal and Aim of the Document
<p>It is a new growth strategy that aims to transform the EU into a fair and prosperous society with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use.</p> <p>It also aims to protect, conserve and enhance the EU's natural capital and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition must be just and inclusive. It must put people first and pay attention to the regions, industries and workers who will face the greatest challenges.</p>	<p><b>Georgia does not have one unified strategy;</b> however, it has adopted several strategies and action plans, including:</p> <p><b>Nationally Determined Contribution (NDC)<sup>5</sup></b> - The goal of the NDC of Georgia is to support the sustainable and balanced development of the country, equally taking into consideration climate change and environmental and socio-economic challenges. The updated NDC aims to support the sustainable development of the country and defines the following targets:</p> <ul style="list-style-type: none"> <li>👉 Unconditional limiting target of 35% below the 1990 level of its national GHG emissions by 2030.</li> <li>👉 Provided international support, Georgia is committed to a target of 50% below the 1990 level by 2030 if the world commits to the 2°C average global temperature increase holding scenario.</li> </ul>

<sup>4</sup> [EUR-Lex - 52019DC0640 - EN - EUR-Lex \(europa.eu\)](https://eur-lex.europa.eu/lexuri/cs.do?uri=CELEX:52019DC0640-EN)

<sup>5</sup> <https://mepa.gov.ge/Ge/Files/ViewFile/50125>

The roadmap has actions to boost the efficient use of resources by moving to a clean circular economy and stopping climate change, reducing biodiversity loss and cutting pollution. It outlines investments needed and financing tools available and explains how to ensure a just and inclusive transition.

☞ In the case that the world commits to the 1.5°C average global temperature growth scenario, Georgia will target reducing emissions by 57% as compared to its 1990 level by 2030.

**The Climate Change Strategy and Action Plan<sup>6</sup>** provides targets for some sectors and defines policy objectives for others, such as: reducing GHG emissions by 15% in the transport sector by 2030 as compared to the baseline scenario, decreasing GHG emissions by 15% in the energy generation and transmission sector by 2030 as compared to the baseline scenario, reducing GHG emissions by 5% in the industry sector by 2030 as compared to the baseline scenario, increasing the carbon capture capacity of forests by 10% and promoting low-emission approaches in the building, agriculture and waste sectors.

**The Long-Term Low GHG Emission Development Strategy (LT LEDS)** intends to promote the goals and policies of the Paris Agreement and ensure low-emission and climate-friendly development for the period 2020-2050.

**National Energy and Climate Plans (NECPs)**, which describe a unified integrated policy and measures for energy and climate issues at the national level, need to be developed by each EU Member State and by the Contracting Parties of the Energy Community.

Georgia, being a member of the Energy Community, plans to submit its NECP by the end of 2022. It will cover the period 2021-2030 and include a vision for 2050 to be in line with the policy objectives of the EU, the Energy Community and the UNFCCC/Paris Agreement. The NECP covers five main areas: energy security, Georgia's internal energy market, energy efficiency, decarbonization and renewable energy sources and research, innovation and competitiveness.

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<sup>6</sup> [Georgia's Updated Nationally Determined Contribution \(NDC\), Climate Change Strategy 2030 and Action Plan 2021-2023 \(matsne.gov.ge\)](https://matsne.gov.ge)

**The National Environmental Action Program-3 of Georgia 2017-2021<sup>7</sup>** aims at achieving the sustainable and balanced development of the country in which environmental and socio-economic challenges are considered equally. Currently, Georgia has been developing its fourth NEAP.

**N EU Documents Relevant to the Green Deal**

**2 The European Green Deal Investment Plan<sup>8</sup>**

 **Aim of the Document**

The European Green Deal Investment Plan (EGDIP), also referred to as the Sustainable Europe Investment Plan (SEIP), is the investment pillar of the Green Deal. The Investment Plan mobilizes EU funding and creates an enabling framework to facilitate and stimulate the public and private investments needed for the transition to a climate-neutral, green, competitive and inclusive economy.

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

**Georgia does not have an investment plan.**

**EU Taxonomy**

 **Aim of the Document**

In order to meet the EU's climate and energy targets for 2030 and reach the objectives of the European green deal, it is vital that we direct investments towards sustainable projects and activities.

The EU taxonomy is a classification system<sup>9</sup> establishing a list of environmentally sustainable economic activities. It could play an important role helping the EU scale up sustainable investment and implement the European Green Deal. The EU taxonomy would provide

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

The National Bank of Georgia develops the Sustainable Finance Framework and publishes the **Sustainable Finance (SF) Taxonomy** draft<sup>11</sup>. The SF Taxonomy provides a classification system for identifying activities that deliver on key climate, green, social or sustainability objectives. The primary purpose of the taxonomy is to support the development of a sustainable finance market and consequently contribute to the country's sustainable development.

<sup>7</sup> [Strategic documents | The Third Programme of Environmental Protection Activities of Georgia 2017-2021 \(mepa.gov.ge\)](https://mepa.gov.ge)

<sup>8</sup> [Financing the green transition \(europa.eu\)](https://europa.eu)

<sup>9</sup> [EU taxonomy for sustainable activities | European Commission \(europa.eu\)](https://europa.eu)

<sup>11</sup> [The NBG publishes Sustainable Finance Taxonomy for public consultations / Sustainable Finance Taxonomy for Georgia \(nbg.gov.ge\)](https://nbg.gov.ge)

companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. In this way, it should create security for investors, protect private investors from greenwashing, help companies to become more climate-friendly, mitigate market fragmentation and help shift investments where they are most needed.

The Taxonomy Regulation (EU 2020/852) was published in the Official Journal of the European Union on June 22, 2020 and entered into force on July 12, 2020. It establishes the basis for the EU taxonomy by setting out four overarching conditions that an economic activity has to meet in order to qualify as environmentally sustainable.

The Taxonomy Regulation<sup>10</sup> establishes six environmental objectives

- 👉 Climate change mitigation
- 👉 Climate change adaptation
- 👉 The sustainable use and protection of water and marine resources
- 👉 The transition to a circular economy
- 👉 Pollution prevention and control
- 👉 The protection and restoration of biodiversity and ecosystems

Moreover, the NBG is working on the Regulation on Loan Classification and Reporting according to the Sustainable Finance Taxonomy (Taxonomy Regulation) which will be adopted in the near future. The Taxonomy Regulation formally defines green, social, and sustainable loans and imposes reporting requirements for commercial banks on taxonomy-aligned loans. The NBG will also develop a green, social and sustainable bond framework for capital market participants based on the Taxonomy.

## N EU Documents Relevant to the Green Deal

### 3 Fit for 55 Package<sup>12</sup>

#### Aim of the Document

The Fit for 55 Package consists of a set of inter-connected proposals which all drive towards the same goal of ensuring a fair, competitive and green transition by 2030 and beyond. Where possible, existing legislation is made more ambitious and where needed, new proposals are put on the table. Overall, the package strengthens eight existing pieces of legislation and presents five new initiatives across a range policy areas and economic sectors: climate, energy and fuels, transport, buildings, land use and forestry.

#### Georgian Documents Relevant to the Green Deal and Aim of the Document

**Transposition of this legislation into national legislation is not yet mandatory for Georgia.** However, the transposition of this legislation into national legislation will become a critical factor in trading high-polluting goods (cement, iron and steel, aluminum, fertilizers, electricity) with EU countries. There is an ongoing discussion in Georgia to develop an emission trading mechanism.

<sup>10</sup> [Regulation \(EU\) 2020/852 of the European Parliament and of t... - EUR-Lex \(europa.eu\)](#)

<sup>12</sup> [EUR-Lex - 52021DC0550 - EN - EUR-Lex \(europa.eu\)](#)

## Aim of the Document

The Fit for 55 Package includes the following initiatives<sup>13</sup>:

-  Revision of the **EU Emissions Trading System (ETS)**, including maritime, aviation and CORSIA as well as a proposal for ETS as its own resource.
-  **Carbon Border Adjustment Mechanism (CBAM)** and a proposal for CBAM as its own resource.
-  Effort Sharing Regulation (ESR).
-  Revision of the **Energy Tax Directive**.
-  Amendment to the **Renewable Energy Directive** to implement the ambition of the new 2030 climate target (RED).
-  Amendment of the **Energy Efficiency Directive** to implement the ambition of the new 2030 climate target (EED).
-  Revision of the Regulation on the Inclusion of Greenhouse Gas Emissions and Removal from Land Use, Land Use Change and Forestry (LULUCF).
-  Revision of the Directive on the Deployment of **Alternative Fuels Infrastructure**.
-  Revision of the Regulation Setting CO<sub>2</sub> Emission Performance Standards for New Passenger Cars and for New Light Commercial Vehicles.

Fit for 55 is a draft amendment to eight existing legal acts and the adoption of five new legal or policy documents<sup>13</sup>. Particularly noteworthy in this regard is the increase in the share of renewable energy up to 40% and the noticeable increase in the total target energy efficiency (36-39%), the change in the emissions trading system and the adoption of a regulation of effort sharing. Among the innovations are the development of carbon price mechanisms (the so-called regulation of the carbon border correction mechanism) and the promotion of green hydrogen popularization.

## Georgian Documents Relevant to the Green Deal and Aim of the Document

Georgia also transposed RED and EED (previous versions) into national legislation:

-  [Law on Promoting the Generation and Consumption of Energy from Renewable Sources.](#)
-  [Law On Energy Efficiency.](#)

<sup>13</sup> [The EU's Fit-for-55 package: The European Green Deal's fitness test | Heinrich Böll Stiftung | Brussels office - European Union \(boell.org\)](#)

## N EU Documents Relevant to the Green Deal

### 4 Just Transition Mechanism



#### Aim of the Document

The Just Transition Mechanism (JTM) is a key tool to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind. The Mechanism will create the necessary investment to help workers and communities which rely on the fossil fuel value chain.

The Just Transition Mechanism will consist of three main sources of financing:

1. a Just Transition Fund,
2. a dedicated Just Transition scheme under InvestEU and
3. a public sector loan facility with the European Investment Bank backed by the EU budget.

#### Georgian Documents Relevant to the Green Deal and Aim of the Document

**Georgia does not have a Just Transition Mechanism.**

## N EU Documents Relevant to the Green Deal

### 5 New EU Strategy on Adaptation to Climate Change<sup>14</sup>



#### Aim of the Document

The strategy aims to realize the 2050 vision of a climate-resilient European Union by making adaptation smarter, more systemic, swifter and by stepping up international action. This translates throughout the policy cycle into improved knowledge and data, support to policy development and climate risk management at all levels and accelerated adaptation action across the board. This would mean adaptation awareness and planning spread to every single local authority, company and household; adaptation implementation well underway for those most affected and global leadership in areas such as climate services, climate proofing or nature-based solutions.

#### Georgian Documents Relevant to the Green Deal and Aim of the Document

**Georgia does not yet have the National Adaptation Plan to Climate Change.**

**Nationally Determined Contributions (NDC)<sup>15</sup>** - The goal of the NDC of Georgia is to support the sustainable and balanced development of the country, equally taking into consideration climate change and environmental and socio-economic challenges. Adaptation to climate change is one of the priorities of the climate policy of Georgia.

The **National Plan for Adaptation to Climate Change for the Agricultural Sector (2017)<sup>16</sup>** - defines objectives and measures in the agricultural sector.

<sup>14</sup> [A new EU Strategy on Adaptation to Climate Change \(europa.eu\) / EUR-Lex - 52021DC0082 - EN - EUR-Lex \(europa.eu\)](#)

<sup>15</sup> [NDC Georgia\\_ENG WEB-approved.pdf \(unfccc.int\)](#)

<sup>16</sup> <https://eiec.gov.ge/ge/Documents/Download/531>

**N EU Documents Relevant to the Green Deal**

**6 EU Gender Strategy<sup>17</sup>**

 <b>Aim of the Document</b>	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b>
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One of the main aims is to encourage a higher number of women in the labor market and their progress in securing better education and training.	<b>Georgia does not have a Gender Strategy.</b>
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**N EU Documents Relevant to the Green Deal**

**7 Digital Europe Program<sup>18</sup>**

 <b>Aim of the Document</b>	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b>
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<p>The Digital Europe Program (DIGITAL) is a new EU funding program focused on bringing digital technology to businesses, citizens and public administration. The Digital Europe Program will provide strategic funding supporting projects in five key capacity areas: in supercomputing, artificial intelligence, cybersecurity, advanced digital skills and ensuring a wide use of digital technologies across the economy and society, including through Digital Innovation Hubs. With a planned overall budget of 7.5 € billion (in current prices), it aims to accelerate economic recovery and shape the digital transformation of Europe’s society and economy, bringing benefits to everyone but, in particular, to small and medium-sized enterprises.</p>	<p>Georgia plans to develop a <b>long-term national strategy for the development of the digital economy and information society and the plan for its implementation<sup>19</sup></b> which will define the future directions of its digital economy and promote the development of electronic services in the public and the private sectors, increase digital literacy and enhance the country’s competitiveness in the global digital economy.</p> <p>In addition, the <b>Georgian National Broadband Network Development Strategy 2020 - 2025 and Action Plan for its Implementation</b> is already developed and will contribute to the abovementioned goals. The program aims to give the population access to high-speed internet and gradually create the environment for digital services across the country. According to the plan, households will have access to 100 mb/s while the quality will be 1 Gb/s for the public sector.<sup>20</sup></p>
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<sup>17</sup> [https://ec.europa.eu/info/policies/justice-and-fundamental-rights/gender-equality/gender-equality-strategy\\_en](https://ec.europa.eu/info/policies/justice-and-fundamental-rights/gender-equality/gender-equality-strategy_en)

<sup>18</sup> [Digital Programme | Shaping Europe's digital future \(europa.eu\)](https://digital.europa.eu/)

<sup>19</sup> Government Program 2021 – 2024 For the Construction of a European State, p. 32.

<sup>20</sup> <https://tinyurl.com/yudxfa78>

**N EU Documents Relevant to the Green Deal**

<b>8 Digital Finance Strategy<sup>21</sup></b>	
 <b>Aim of the Document</b> The digital finance strategy and legislative proposals on crypto-assets and digital resilience for a competitive EU financial sector gives consumers access to innovative financial products while ensuring consumer protection and financial stability.	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b> <b>Georgia does not have a Digital Finance Strategy.</b>

 **DECARBONIZATION<sup>22</sup>**

**N EU Documents Relevant to the Green Deal**

<b>9 European Climate Law<sup>23</sup></b>	
 <b>Aim of the Document</b> The European Climate Law entered into force on July 29, 2021. The law sets a legally binding target of net zero greenhouse gas emissions by 2050. The law also puts the intermediate target of reducing net greenhouse gas emissions by at least 55% by 2030 as compared to 1990 levels. It sets a high standard for public involvement (the principle of equitable energy regulation).	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b> <b>Georgia does not yet have a climate law.</b>

**N EU Documents Relevant to the Green Deal**

<b>10 Methane Strategy (EU Strategy to Reduce Methane Emissions)<sup>24</sup></b>	
 <b>Aim of the Document</b> The European Commission presented an EU strategy to reduce methane emissions on October 14, 2020. Tackling methane emissions is essential for reaching our 2030 climate targets and the 2050 climate neutrality goal as well as contributing to the European Commission's zero-pollution ambition.	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b> Georgia joined the Global Methane Pledge, which was launched at the COP26 in November 2021, to catalyze action to reduce methane emissions. The MEPA plans to develop the Methane Strategy for Georgia in the near future.

<sup>21</sup> [https://ec.europa.eu/info/publications/200924-digital-finance-proposals\\_en](https://ec.europa.eu/info/publications/200924-digital-finance-proposals_en)

<sup>22</sup> The five pillars of the Green Agenda: (1) **climate action/decarbonisation**, including climate, energy and mobility; (2) **circular economy**, addressing, in particular waste, recycling, sustainable production and the efficient use of resources, (3) **biodiversity**, aiming to protect and restore the natural wealth of the region, (4) **fighting the pollution** of air, water and soil and (5) **sustainable food systems and rural areas**.

<sup>23</sup> [European Climate Law \(europa.eu\)](#) / [EUR-Lex - 32021R1119 - EN - EUR-Lex \(europa.eu\)](#)

<sup>24</sup> [TA MEF \(europa.eu\)](#)



**N EU Documents Relevant to the Green Deal**

**12 European Climate Pact<sup>28</sup>**

 **Aim of the Document**

In 2020, the European Commission launched a European Climate Pact – an EU-wide initiative to engage with different stakeholders and civil society with the aim of committing them to climate action and more sustainable behavior. The Pact focuses on three ways to engage with the public on climate action.

1. First, it will encourage **information sharing**, inspiration and fostering public understanding of the threat and the challenge of climate change and environmental degradation and on how to counter it. It will use multiple channels and tools to do so, including events in Member States on the model of the European Commission’s on-going citizens’ dialogues.
2. Second, there should be both **real and virtual spaces for people to express their ideas** and creativity and work together on ambitious actions, both at the individual and collective levels. Participants would be encouraged to commit to specific climate action goals.
3. Third, the European Commission will work on **building capacity to facilitate grassroots initiatives on climate change and environmental protection**.

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

**The UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention).**<sup>29</sup> The Aarhus Convention links environmental rights and human rights and establishes that sustainable development can be achieved only through the involvement of all stakeholders. It focuses on interactions between the public and public authorities in a democratic context and is forging a new process for public participation in the negotiation and implementation of international agreements.

**Decree of the Government of Georgia #629 (December 20, 2019) on the Approval of the Rules of Policy Planning, Monitoring and Evaluation.**<sup>30</sup> Policy planning rules and guidelines require a public consultation step before the adoption of a policy document.

**Sustainable Energy (and Climate) Action Plans**, adopted by local governments, a signatory’s action plan describe the steps towards their 2020 or 2030 targets.

**N EU Documents Relevant to the Green Deal**

**13 New European Bauhaus<sup>31</sup>**

<sup>28</sup> <https://europa.eu/climate-pact/system/files/2020-12/20201209%20European%20Climate%20Pact%20Communication.pdf>

<sup>29</sup> <https://unece.org/DAM/env/pp/documents/cep43e.pdf>

<sup>30</sup> <https://matsne.gov.ge/ka/document/view/4747283?publication=0>

<sup>31</sup> [New European Bauhaus: Commission launches design phase \(europa.eu\)](#) / [Call for Partners \(europa.eu\)](#)



### Aim of the Document

The New European Bauhaus is a creative initiative, breaking down boundaries between science and technology, art, culture, and social inclusion, to find solutions for everyday problems. The New European Bauhaus is an environmental, economic and cultural project aiming to combine design, sustainability, accessibility, affordability and investment in order to help deliver the European Green Deal. The core values of the New European Bauhaus are thus sustainability, aesthetics and inclusiveness. The goal of the design phase is to use a co-creation process to shape the concept by exploring ideas, identifying the most urgent needs and challenges and connecting interested parties.

It is an interdisciplinary project, co-steered by an advisory board of external experts including scientists, architects, designers, artists, planners and civil society that create experimental spaces where art, culture, science and technology can imagine, test and demonstrate new solutions.

### Georgian Documents Relevant to the Green Deal and Aim of the Document

**There is no such initiative at the national level in Georgia.**

## N EU Documents Relevant to the Green Deal

14

### Renovation Wave Strategy<sup>32</sup> - A Renovation Wave for Europe – Greening Our Buildings, Creating Jobs, Improving Lives



### Aim of the Document

It aims to double annual energy renovation rates in the next ten years while also improving the quality of life (eliminating energy poverty) and creating new jobs.

The Renovation Wave identifies three focus areas:

1. tackling energy poverty and worst-performing buildings,
2. public buildings and social infrastructure and
3. decarbonizing heating and cooling.

### Georgian Documents Relevant to the Green Deal and Aim of the Document

The **Law of Georgia on Energy Efficiency**.<sup>33</sup> The general goal of the Law on Energy Efficiency is to provide the legal foundation for promoting and implementing energy efficiency in the country, establish a procedure for developing national energy efficiency targets and coordinate, control, supervise and monitor the energy efficiency policy.

The **Law on Energy Performance of Buildings**.<sup>34</sup> The purpose of this law is to promote the rational use of energy resources and improve the energy efficiency

<sup>32</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0662>

<sup>33</sup> [On Energy Efficiency | LEPL “Legislative Herald of Georgia” \(matsne.gov.ge\)](https://www.matsne.gov.ge/en/document/view/4873932?publication=0)

<sup>34</sup> <https://www.matsne.gov.ge/en/document/view/4873932?publication=0>

of buildings, considering the external climate and local conditions of buildings, the demand for indoor climate conditions and cost-effectiveness.

However, its full implementation is pending the adoption of necessary secondary legislation which is currently being developed.

The **National Energy Efficiency Action Plan (NEEAP) (2019–2020) (NEEAP)**<sup>35</sup> – establishes a set of investment and policy measures. The aim of the NEEAP is to optimize and reduce the use of energy resources as compared to a Business as Usual (BAU) scenario. A separate section is devoted to energy efficiency measures in buildings. The EED requires that the NEEAP present a long-term strategy for mobilizing investment in the renovation of buildings and that it is included in the NEEAP. However, there is currently no national building renovation strategy in place and very limited information is available on the building stock.

The **National Energy and Climate Plan (NECPs)** describes a unified integrated policy and measures for energy and climate issues at the national level. Georgia, being a member of the Energy Community, plans to submit its first NECP by the end of 2022. It will cover the period 2021-2030 and include a vision for 2050. The NECP covers five main areas: energy security, Georgia's internal energy market, energy efficiency, decarbonization and renewable energy sources, and research, innovation and competitiveness. The Energy Efficiency of Buildings is an important part of the NECP. Renovation targets and related measures are described in the document.

**Georgia's 2030 Climate Change Strategy.**<sup>36</sup> The Climate Strategy and Action Plan identify a long-term vision of GHG emissions reduction by 2030 and specific planned actions. Buildings are one of the main contributors of GHG emissions.

<sup>35</sup> <http://www.economy.ge/?page=ecopolitic&s=63&lang=ge>

<sup>36</sup> <https://mepa.gov.ge/En/Files/ViewFile/50123>

**N EU Documents Relevant to the Green Deal**

**15 European Battery Alliance<sup>37</sup>**

 **Aim of the Document**

With the massive migration from fossil fuels to clean tech, electricity is considered as a cleanest energy carrier. In the future with electricity, batteries play a significant role and the demand for efficient batteries grows faster than ever before. The European Battery Alliance (EBA) was created to help Europe establish crucial goals – a complete battery value chain with the aim of a clean energy transition. The EBA is a community with more than 700 actors from different sectors of the economy with the same goal of building a competitive European battery industry. For more than a decade, the European Commission has developed policies and directives including the New Battery Regulation, the Batteries Directive, the Eco-design Directive, the Strategic Action Plan on Batteries and the List of Critical Raw Materials. These documents should help the community electrify the future.

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

**Georgia does not have a battery regulation or other related strategies.**

**N EU Documents Relevant to the Green Deal**

**16 EU Strategy on Offshore Renewable Energy<sup>38</sup>**

 **Aim of the Document**

The Strategy proposes to increase Europe’s offshore wind capacity from its current level of 12 GW to at least 60 GW by 2030 and to 300 GW by 2050. The European Commission aims to complement this with 40 GW of ocean energy and other emerging technologies such as floating wind and solar by 2050.

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

**Georgia does not have a strategy on Offshore Renewable Energy.**

**N EU Documents Relevant to the Green Deal**

**17 EU Strategy on Energy System Integration<sup>39</sup>**

<sup>37</sup> <https://www.eba250.com>

<sup>38</sup> [https://energy.ec.europa.eu/topics/renewable-energy/eu-strategy-offshore-renewable-energy\\_en](https://energy.ec.europa.eu/topics/renewable-energy/eu-strategy-offshore-renewable-energy_en)

<sup>39</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0299&from=EN>

## Aim of the Document

The Strategy sets out a vision on how to accelerate the transition towards a more integrated energy system, one that supports a climate neutral economy at the least cost across sectors. Energy system integration refers to the planning and operating of the energy system “as a whole” across multiple energy carriers, infrastructures and consumption sectors by creating stronger links between them with the objective of delivering low-carbon, reliable and resource-efficient energy services at the least possible cost for society. It includes three core pillars:

**👉 A more ‘circular’ energy system, with energy efficiency at its core**, in which the least energy intensive choices are prioritized, unavoidable waste streams are reused for energy purposes and synergies are exploited across sectors.

**👉 A greater direct electrification of end-use sectors.** The rapid growth and cost competitiveness of renewable electricity production can service a growing share of energy demand – for instance, using heat pumps for space heating or low-temperature industrial processes, electric vehicles for transport or electric furnaces in certain industries.

**👉 The use of renewable and low-carbon fuels, including hydrogen, for end-use applications** where direct heating or electrification are not feasible.

System integration will likely follow different pathways in each EU country depending on their respective starting points and policy choices. Some of these are already reflected in the national energy and climate plans 2021-2030.

## Georgian Documents Relevant to the Green Deal and Aim of the Document

The **National Energy and Climate Plan (NECP)** is under development where key domains are related to the core pillars of the EU’s strategy on energy system integration. The NECP uses the TIMES-Georgia model for energy sector planning.

A **net-metering scheme** was introduced to support the use of renewable energy in end-use sectors which allows consumers to trade excess generation.

The use of renewables for end-use applications where direct electrification is not feasible is also taking place with the support of donor funds and in cooperation with the Ministry of the Economy and Sustainable Development. Solar PV panels were installed in high mountainous villages that had no access to the national electricity grid.<sup>40</sup>

The government introduced incentives to support the faster penetration of more efficient (e.g., hybrid) and electric cars in order to tackle air pollution caused by old and inefficient vehicles. These included tax subsidies and exceptions for hybrid and electric cars, taxes on the purchase of cars over ten years of age and increasing fuel rates for petrol and diesel. As a result, hybrid and electric cars are gradually gaining popularity among Georgian drivers. Fiscal incentives include an increased excise tax for older cars, a reduced excise tax on hybrid cars, no excise and import tax on electric cars and increased excise tax on fuels. The compulsory technical inspection of cars was introduced on January 1, 2019.

At the same time, however, there is no common approach that will consider all of these pillars together and the energy system “as a whole” across multiple energy carriers, infrastructures and consumption sectors.

<sup>40</sup> <https://www.agenda.ge/en/news/2020/2295>

18 Hydrogen Strategy for a Climate-Neutral Europe<sup>41</sup>

 Aim of the Document

The priority for the EU is to develop green hydrogen, produced using mainly **wind and solar** energy.

This gradual transition will require a phased approach:

-  From 2020 to 2024, we will support the installation of at least 6 gigawatts of renewable hydrogen electrolyzers in the EU and the production of up to one million tons of renewable hydrogen.
-  From 2025 to 2030, hydrogen needs to become an intrinsic part of our integrated energy system with at least 40 gigawatts of renewable hydrogen electrolyzers and the production of up to ten million tons of renewable hydrogen in the EU.
-  From 2030 to 2050, renewable hydrogen technologies should reach maturity and be deployed at large scale across all hard-to-decarbonize sectors.

Georgian Documents Relevant to the Green Deal and Aim of the Document

Georgia does not have an official Hydrogen Strategy but it is making some steps towards the development of green hydrogen potential.

The Georgian government has asked the EBRD to explore the country’s potential for generating green hydrogen which could then be blended and transported to end-users through existing gas pipelines.

Georgia signed an agreement with the KfW. The declaration between Georgia and the German KfW intends to:

-  Assess the potential and benefits of green hydrogen in Georgia.
-  Undertake a pilot project providing benefits to the country’s economy and assisting the development of clean and renewable energy.
-  Reduce the country’s dependence on imported gas and increase supply security.
-  Increase the pace of development of renewable energy projects for mitigating carbon emissions and the creation of export opportunities for the country.

The **National Hydrogen Association (NHA)** was founded in 2021 to support the practical implementation of global energy transition goals in Georgia by working on the development of the country’s hydrogen sector. The Association acts as a platform for advancement of hydrogen research and development and works to bridge Georgia’s clean hydrogen potential with national and international actors and opportunities in the energy and climate fields.

<sup>41</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0301&from=EN>

19 Clean Energy for All Europeans Package<sup>42</sup>



**Aim of the Document**

The package, adopted in 2019, will help to decarbonize the EU's energy system in line with the European Green Deal objectives. The package consists of eight new laws:

1. Energy performance in buildings.<sup>43</sup>
2. Renewable energy.<sup>45</sup>
3. Energy efficiency.<sup>45</sup>
4. Governance of the energy union.<sup>46</sup>
5. Electricity regulation.<sup>47</sup>
6. Electricity directive.<sup>48</sup>
7. Risk preparedness.<sup>49</sup>
8. ACER (European Union Agency for the Cooperation of Energy Regulators).<sup>50</sup>

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

As a member of Energy Community, Georgia is implementing the respective EU Directives. Some of the laws already entered into the force; however, their full implementation is pending the adoption of secondary legislation.

1. **Law on Energy Efficiency of Buildings.**<sup>51</sup>
2. **Law on Promoting the Generation and Consumption of Energy from Renewable Sources.**<sup>52</sup>
3. **Law on Energy Efficiency.**<sup>53</sup>
4. N/A
5. **Law on Electricity and Water Supply.**<sup>54</sup>
6. Law on Electricity and Water Supply.
7. **Rules for Security of Electricity Supply.**<sup>55</sup>
8. N/A

<sup>42</sup> [https://energy.ec.europa.eu/topics/energy-strategy/clean-energy-all-europeans-package\\_en](https://energy.ec.europa.eu/topics/energy-strategy/clean-energy-all-europeans-package_en)

<sup>43</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?toc=OJ:L:2018:156:TOC&uri=uriserv:O-J:L:2018:156:01:0075:01:ENG>

<sup>44</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L.:2018:328:01:0082:01:ENG&toc=O-J:L:2018:328:TOC>

<sup>45</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L.:2018:328:01:0210:01:ENG&toc=O-J:L:2018:328:TOC>

<sup>46</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L.:2018:328:01:0001:01:ENG&toc=O-J:L:2018:328:TOC>

<sup>47</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L.:2019:158:01:0054:01:ENG&toc=O-J:L:2019:158:TOC>

<sup>48</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L.:2019:158:01:0125:01:ENG&toc=O-J:L:2019:158:TOC>

<sup>49</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2019:158:FULL&from=EN>

<sup>50</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L.:2019:158:01:0022:01:ENG&toc=O-J:L:2019:158:TOC>

<sup>51</sup> <https://www.matsne.gov.ge/en/document/view/4873932?publication=0>

<sup>52</sup> <https://matsne.gov.ge/en/document/view/4737753?publication=1>

<sup>53</sup> <https://matsne.gov.ge/en/document/view/4873938?publication=0>

<sup>54</sup> <https://matsne.gov.ge/ka/document/view/4747785?publication=6>

<sup>55</sup> <https://www.matsne.gov.ge/ka/document/view/5043284?publication=0>

20 Sustainable and Smart Mobility Strategy– Putting European Transport on Track for the Future<sup>56</sup>

 Aim of the Document

The European Green Deal includes a target to reduce transport-related greenhouse gas emissions by 90% by 2050. The objectives of the strategy are:

-  Increasing the uptake of zero-emission vehicles.
-  Making sustainable alternative solutions available to the public and businesses.
-  Supporting digitalization and automation.
-  Improving connectivity and access.

The key milestones are:

By 2030:

-  At least 30 million zero-emission vehicles will be in operation on European roads.
-  100 European cities will be climate neutral.
-  High-speed rail traffic will double.
-  Scheduled collective travel of under 500 km should be carbon neutral within the EU.
-  Automated mobility will be deployed at a large scale.
-  Zero-emission vessels will become ready for the market.

By 2035:

-  Zero-emission large aircraft will become ready for the market.

By 2050:

-  Nearly all cars, vans and buses as well as new heavy-duty vehicles will be zero-emission.
-  Rail freight traffic will double.

Georgian Documents Relevant to the Green Deal and Aim of the Document

The **Climate Change Strategy 2030<sup>57</sup> and Action Plan for 2021-2023<sup>58</sup>** aims to: reduce greenhouse gas emissions in the transport sector to 15% below the reference scenario projections by 2030. This goal can be achieved through the fulfilment of the following objectives:

-  **Increase the share of low- and zero-emission and roadworthy private vehicles in the vehicle fleet.** This includes increasing the share of electric and hybrid vehicles in the total registered vehicles in Georgia with 5% and 20%, respectively, by 2030.
-  Encourage the reduced demand on fossil fuel and the use of biofuels.
-  **Promote non-motorized means of mobility and public transport.** The strategy uses the percentages of transportation by non-motorized transport (cycling and walking) and by public transport (metro, bus, minibus) as the outcome indicators. The identified 2030 targets for these indicators are - 35% and 45%, respectively.
-  Implement innovative, evidence-based initiatives in the transport sector.

Several potential plans and strategies have been developed that would have a positive impact for shifting freight from road to railroad but there remains a lack of clarity on what would be the most effective option to pursue. The 2021-2023 Climate Action Plan includes conducting of a cost-benefit analysis and a (technical and economic) feasibility study in order to assess the most suitable policy options in this area.

<sup>56</sup> [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12438-Sustainable-and-Smart-Mobility-Strategy\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12438-Sustainable-and-Smart-Mobility-Strategy_en)

<sup>57</sup> <https://mepa.gov.ge/En/Files/ViewFile/50123>

<sup>58</sup> <https://mepa.gov.ge/En/Files/ViewFile/50122>

- 👉 High-speed rail traffic will triple.
- 👉 The multimodal Trans-European Transport Network (TEN-T) equipped for sustainable and smart transport with high-speed connectivity will be operational for the comprehensive network.

### **Integrated Sustainable Urban Mobility Plan for Batumi<sup>59</sup>**

The key objectives of the Urban Mobility Plan for Batumi are:

- 👉 Increase transport safety and security.
- 👉 Offer and optimize **alternative sustainable transport options** for walking, cycling and public transport.
- 👉 Reduce the effects of transport on people, health and the environment.

### **Sustainable Urban Strategy for Tbilisi<sup>60</sup> and Associated Long-Term Action Plan (2022-2030)**

The Tbilisi SUT Strategy focusses on environmentally friendly and low emission solutions and the realignment of the Tbilisi urban mobility system along an efficient, innovative, safe, economically viable and financially sustainable model. The strategy covers all transport modes including personal motor vehicles, public transport and non-motorized transport as well as institutional and land use aspects to foster better living conditions, city attractiveness and competitiveness, and economic development.

The **Green City Action Plan for Tbilisi (2017-2030)<sup>61</sup>** (GCAP) covers eight sectors including transport.

The main objectives in the transport sector<sup>62</sup> are:

- 👉 Develop and implement a Sustainable Urban Mobility Plan.
- 👉 Public road vehicle fleet with low levels of emissions and noise and high levels of safety.
- 👉 An optimized transport infrastructure network with the prioritization of public transport on roads.
- 👉 An optimized city traffic management system including all achievable features of an Intelligent Transport System.

<sup>59</sup> [https://www.undp.org/sites/g/files/zskgke326/files/migration/ge/UNDP\\_GE\\_ENV\\_Green\\_Cities\\_Batumi\\_Integrated\\_Sustainable\\_Urban\\_Mobility\\_Plan\\_ENG.pdf](https://www.undp.org/sites/g/files/zskgke326/files/migration/ge/UNDP_GE_ENV_Green_Cities_Batumi_Integrated_Sustainable_Urban_Mobility_Plan_ENG.pdf)

<sup>60</sup> [http://mdf.org.ge/storage/assets/file/documents%202016/murtazi/Strategic%20Paper%20Report%20PDF%20Geo\(18\\_03\\_2016\)/Strategic%20Paper%20Report%20final%20ENG.pdf](http://mdf.org.ge/storage/assets/file/documents%202016/murtazi/Strategic%20Paper%20Report%20PDF%20Geo(18_03_2016)/Strategic%20Paper%20Report%20final%20ENG.pdf)

<sup>61</sup> <https://tbilisi.gov.ge/page/green-city?lang=en>

<sup>62</sup> <https://wecoop.eu/wp-content/uploads/2022/02/Clinic-1-SUMP-Session-3-5-Vladislav-Bizek-WECOOP-EN-080222.pdf>

The **Tbilisi Resilience Strategy**<sup>63</sup> is based on existing strategies by highlighting complementary actions and expanding initiatives to include a resilience approach.

Among other goals, the strategy aims at developing active and inclusive transport systems, including measures to increase the use of electric (metro) public transportation means.

## CIRCULAR ECONOMY

### N EU Documents Relevant to the Green Deal

#### 21 Circular Economy Action Plan<sup>64</sup>

##### Aim of the Document

This Circular Economy Action Plan provides a future-oriented agenda for achieving a cleaner and more competitive Europe in co-creation with economic actors, consumers, citizens and civil society organizations. It aims at accelerating the transformational change required by the European Green Deal while building on circular economy actions implemented since 2015.

This plan also aims at ensuring that the circular economy works for people, regions and cities; fully contributes to climate neutrality and harnesses the potential of research, innovation and digitalization. It foresees the further development of a sound monitoring framework contributing to measuring well-being beyond the GDP.

A circular economy reduces pressure on natural resources and is a precondition for achieving the climate-neutrality target by 2050 and halting biodiversity loss.

##### Georgian Documents Relevant to the Green Deal and Aim of the Document

**Georgia plans to develop a circular economy development strategy and action plan.** The MEPA is currently developing target indicators. Throughout the elaboration of the economic development policies, the new waste management code implies the first steps of circularity. In parallel with the code, the MEPA also cultivated an extended consumer responsibility and an entailing principle which will boost several regulations that will foster a circular approach to waste and ensure the accrual of materials and their processing (Minister Davitashvili, July 2021).<sup>65</sup>

### N EU Documents Relevant to the Green Deal

#### 22 Sustainable Blue Economy.<sup>66</sup> A New Approach for a Sustainable Blue Economy in the EU, Transforming the EU's Blue Economy for a Sustainable Future

<sup>63</sup> [https://resilientcitiesnetwork.org/downloadable\\_resources/Network/Tbilisi\\_Resilience-Strategy-English.pdf](https://resilientcitiesnetwork.org/downloadable_resources/Network/Tbilisi_Resilience-Strategy-English.pdf)

<sup>64</sup> [New Circular Economy Action Plan \(europa.eu\) / new\\_circular\\_economy\\_action\\_plan.pdf \(europa.eu\) / Circular economy action plan \(europa.eu\)](#)

<sup>65</sup> [News | Ministry of Environmental Protection and Agriculture of Georgia \(mepa.gov.ge\)](#)

<sup>66</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021DC0240&from=EN>

## Aim of the Document

It is a systemic view that integrates ocean policy into Europe's new economic policy. This communication sets out a detailed and realistic agenda for the blue economy to play a major role to achieve the European Green Deal's objectives.

This communication:

-  Calls on all maritime players to base their activities on the responsible use of natural resources, on decarbonization and on circular economy concepts.
-  Sets out a detailed agenda for greening the blue economy, underpinned by international ocean governance.
-  Facilitates the coexistence and the synergies of economic activities in the maritime space through maritime spatial planning without damaging the environment.

Proposes a series of actions to boost investment in research (e.g., Mission on Oceans and Waters), skills and innovation, and mobilizes financing opportunities under the new European Maritime, Fisheries and Aquaculture Fund and other EU Program (e.g., Resilience and Recovery Facility).

## Georgian Documents Relevant to the Green Deal and Aim of the Document

The World Bank supports Georgia's transition to a more sustainable blue economy. World Bank reports include: **Impacts of Climate Change on Georgia's Coastal Zone: Vulnerability Assessment and Adaptation Options<sup>67</sup> and The Cost of Coastal Zone Degradation in Georgia: A Tool for the Coastal Zone Adaptation and the Nationally Determined Contributions.<sup>68</sup>**

The recommendations provided in these two reports seek to raise the level of urgency needed to reduce the impact of climate change on the country's coastal zone, address the escalating cost of inaction and focus on the blue economy as a vehicle to accelerate climate change adaptation and mitigation measures and contribute to Georgia and the region's socio-economic development, tourism and environmental conservation. The purpose of these studies is to support the implementation of the coastal zone-related NDC targets with the integration of blue economy gains. Its findings are to be used to start raising the ambition of Georgia's NDC and help define climate adaptation targets for the country's Black Sea coast. This report is also a key part of the World Bank's Blueing the Black Sea Program (BBSEA) that is being developed in support of the Common Maritime Agenda signed by all of the countries of the Black Sea plus Moldova in May 2019.

The **Common Maritime Agenda for the Black Sea (CMA)<sup>69</sup> and its Implementation Process<sup>70</sup>** - is a sea basin initiative that aims at supporting regional cooperation for a more sustainable blue economy in the Black Sea and is developed in the broader framework of the Black Sea Strategy. The Republic of Bulgaria, Georgia,

<sup>67</sup> <https://openknowledge.worldbank.org/bitstream/handle/10986/34886/Impacts-of-Climate-Change-on-Georgia-s-Coastal-Zone-Vulnerability-Assessment-and-Adaptation-Options.pdf?sequence=1&isAllowed=y>

<sup>68</sup> <https://openknowledge.worldbank.org/bitstream/handle/10986/35179/The-Cost-of-Coastal-Zone-Degradation-in-Georgia-A-Tool-for-the-Coastal-Zone-Adaptation-and-the-Nationally-Determined-Contributions.pdf?sequence=1&isAllowed=y>

<sup>69</sup> <http://www.bsec-bsvkc.org/UploadedDocuments/Annex%201%20-%20Common%20Maritime%20Agenda%20for%20the%20Black%20Sea.pdf>

<sup>70</sup> <http://www.bsec-bsvkc.org/UploadedDocuments/Annex%202%20-%20CMA%20implementation.pdf>

the Republic of Moldova, Romania, the Russian Federation, Republic of Turkey and Ukraine, all BSEC Member States, are the participating countries. It is complemented by its scientific pillar, the Strategic Research and Innovation Agenda for the Black Sea (SRIA), supported by the Directorate General for Research and Innovation of the European Commission (DG RTD).

The CMA sets three goals:

1. healthy marine ecosystems,
2. An innovative blue economy and
3. investment – and ten priorities further defined into actions.

**N EU Documents Relevant to the Green Deal**

**23 Framework for Maritime Spatial Planning<sup>71</sup> (EU Directive)**

 **Aim of the Document**

This Directive establishes a framework for maritime spatial planning aimed at promoting the sustainable growth of maritime economies, the sustainable development of marine areas and the sustainable use of marine resources.

Through their maritime spatial plans, Member States aim to contribute to the sustainable development of energy sectors at sea, of maritime transport and of the fisheries and aquaculture sectors as well as to the preservation, protection and improvement of the environment, including resilience to climate change impacts. In addition, Member States may pursue other objectives such as the promotion of sustainable tourism and the sustainable extraction of raw materials.

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

Georgia does not have an approved Maritime Spatial Plan. However, in accordance with Association Agreement, the government introduces some amendments to the Law on Maritime Space and included provisions to protect the country's coastal zone and the Black Sea from pollution as well as ensuring its monitoring.

**Law on Maritime Space<sup>72</sup>**

**N EU Documents Relevant to the Green Deal**

**24 A New Industrial Strategy for Europe<sup>73</sup>**

<sup>71</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0089&from=EN>

<sup>72</sup> <https://matsne.gov.ge/ka/document/view/18244?publication=24>

<sup>73</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0102>

### Aim of the Document

This Strategy helps Europe's industry lead the twin transition and drive its competitiveness. The package of initiatives set out a range of actions to support all players of European industry to maintain competitiveness in the internal market and globally, make Europe climate-neutral by 2050 and shape Europe's digital future.

### Georgian Documents Relevant to the Green Deal and Aim of the Document

#### **Government Program 2021 - 2024 For the Construction of a European State<sup>74</sup>**

The document aims to form the general development perspectives for every sector of the economy, including Industry. By focusing on increasing economic output, it is planned to maintain a favorable tax system and implement innovative approaches, including digital and state-of-the-art technologies to create a comfortable environment for industry and entrepreneurs. It is planned to continue the Mining Sector Development Program which aims to create an attractive mining industry and optimize economic benefits.<sup>75</sup> The document also references other strategies and action plans, both already developed and in progress, and their purpose is to enhance competitiveness, access to international markets, infrastructure and labor skills in order to help the industry to sustainably grow. It is planned to adopt new legislation on entrepreneurs with a view to fully reflect the benefits of the Association Agreement.

## **N** EU Documents Relevant to the Green Deal

### **25** Action Plan on Critical Raw Materials<sup>76</sup>

### Aim of the Document

The Action Plan on Critical Raw Materials is aimed to develop resilient value chains for EU industrial ecosystems, reduce dependency on primary critical raw materials through circular use of resources, sustainable products and innovation and strengthen domestic sourcing of raw materials in the EU.

### Georgian Documents Relevant to the Green Deal and Aim of the Document

**Georgia does not have an Action Plan on Critical Raw Materials.**

## **N** EU Documents Relevant to the Green Deal

### **26** An SME Strategy for a Sustainable and Digital Europe<sup>77</sup>

<sup>74</sup> [https://www.gov.ge/files/68\\_78941\\_292978\\_govprogramme.pdf](https://www.gov.ge/files/68_78941_292978_govprogramme.pdf)

<sup>75</sup> <https://nam.gov.ge/?m=text&menu=4&id=115>

<sup>76</sup> <https://erma.eu>

<sup>77</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0103>

 <b>Aim of the Document</b>	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b>
<p>The SME sector accounts for more than half of the GDP in the EU, creates two-third of the jobs and covers every sector of the economy. Underlining the importance of SMEs, the strategy builds on the foundation of the EU's existing SME policy framework and support programs and sets the objective of unleashing the power of Europe's SMEs while increasing their participation in sustainable development as well as in the digital technologies business.</p>	<p><b>SME Development Strategy of Georgia, 2021-2025<sup>78</sup></b></p> <p>The strategy is based on the principles of the 2008 Small Business Act and on the best practice of European countries within the small and medium business sector. The main priorities of the strategy include the improvement of legislation regarding permits/licenses and strengthening the institutions and the operational environment. Different institutions and agencies will contribute to the support of entrepreneurship by low-interest funding, research in e-communication, informational technologies and innovation and by searching for additional export markets. According to the strategy, it is planned to simplify procedures for starting a business as well as digital services for entrepreneurs, digitalizing the tax administration system and prioritizing the fight against corruption. By doing so, competitiveness between SMEs will be enhanced which will create a solid base for inclusive and sustainable economic growth. The action plan sets out several targets and well-defined plans for accomplishment and the performance reports for the period of 2016-2020 and for 2021. These reports are already available.</p>
<b>N EU Documents Relevant to the Green Deal</b>	
<b>27 Single Market Barriers Report<sup>79</sup></b>	
 <b>Aim of the Document</b>	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b>
<p>Most reported barriers in the market including gathering information about requirements, cross-border purchases and deliveries of goods and services and so on.</p>	<p>The relevant information is presented in Georgia's SME strategy.</p>
<b>N EU Documents Relevant to the Green Deal</b>	
<b>28 Intellectual Property Action Plan<sup>80</sup></b>	

<sup>78</sup> <http://www.economy.ge/?page=ecopolitic&s=45&lang=ge>

<sup>79</sup> [https://ec.europa.eu/info/sites/default/files/communication-eu-single-market-barriers-march-2020\\_en.pdf](https://ec.europa.eu/info/sites/default/files/communication-eu-single-market-barriers-march-2020_en.pdf)

<sup>80</sup> [Intellectual property action plan implementation \(europa.eu\)](https://ec.europa.eu/info/sites/default/files/communication-eu-intellectual-property-action-plan-implementation_en.pdf)

	 <b>Aim of the Document</b>	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b>
	<p>This strategy aims to help SMEs protect their intellectual property.</p>	<p>In Georgia, two similar laws are already adopted - Law of Georgia on Copyright and Related Rights<sup>81</sup> and the Patent Law of Georgia.<sup>82</sup></p>
<b>N</b>	<b>EU Documents Relevant to the Green Deal</b>	
<b>29</b>	<b>Pact for Skills<sup>83</sup></b>	
	 <b>Aim of the Document</b>	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b>
	<p>To support a fair and resilient recovery and deliver on the ambitions of the green and digital transitions and of the EU Industrial and SME Strategies, the Commission invites public and private organizations to join forces and take concrete action to upskill and reskill people in Europe.</p>	<p>The long-term strategy and action plan for the development of the vocational education system<sup>84</sup> is a document with similar purposes.</p>
<b>N</b>	<b>EU Documents Relevant to the Green Deal</b>	
<b>30</b>	<b>European Innovation Council<sup>85</sup></b>	
	 <b>Aim of the Document</b>	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b>
	<p>The EIC is Europe's flagship innovation program to identify next generation technologies, accelerate their commercial application and help them support the rapid scale up of start-ups.</p>	<p>Georgia's Innovation and Technology Agency serves this purpose in Georgia.</p>
<b>N</b>	<b>EU Documents Relevant to the Green Deal</b>	
<b>31</b>	<b>Digital innovative Hubs (DHIs)<sup>86</sup></b>	
	 <b>Aim of the Document</b>	<b>Georgian Documents Relevant to the Green Deal and Aim of the Document</b>
	<p>These are agencies which consult SMEs about sustainability and digitalization.</p>	<p>Similar agencies are already presented in Georgia such as, for example, the Chamber of Commerce and Industry.</p>

<sup>81</sup> [Law of Georgia on Copyright and Related Rights | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](#)

<sup>82</sup> [Patent Law of Georgia | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](#)

<sup>83</sup> <https://ec.europa.eu/social/main.jsp?catId=1517&langId=en>

<sup>84</sup> The document should be prepared within the next four years.

<sup>85</sup> [European Innovation Council \(europa.eu\)](#)

<sup>86</sup> [Digital Innovation Hubs: helping companies across the economy make the most of digital opportunities – Brochure | Shaping Europe's digital future \(europa.eu\)](#)

**N EU Documents Relevant to the Green Deal**
**32 The EU Biodiversity Strategy For 2030<sup>87</sup>**

**Aim of the Document**

To set Europe's biodiversity on the path to recovery by 2030 and ensure that by 2050 all of the world's ecosystems are restored, resilient and adequately protected.

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

The **National Biodiversity Strategy and Action Plan of Georgia 2014-2020** (latest)<sup>88</sup> strategy covers the biodiversity of the following areas: species and habitats, protected areas, forests ecosystems, agricultural biodiversity and natural grasslands, inland water ecosystems and the Black Sea. It sets strategic goals, national targets, objectives and actions for each area.

Georgia is a signatory of **the Bern Convention** – on the Conservation of European Wildlife and Natural Habitats. The total area (the so-called, 'emerald' area) under this convention in Georgia covers 1,285,974 ha which is 18.45% of the country's territory.<sup>89</sup> According to the EC Directive N92/43/EEC.<sup>90</sup> the owners of the areas protect them from negative impact and ensure the maintenance of proper ecological conditions and components defined for the 'emerald' status.

(SDG 14.c.1) Georgia is a party to:

1. UNCLOS, the UN Convention on the Law of the Sea (Accession on March 21, 1996).
2. FAO Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels (Accession on September 7, 1994).
3. The Convention on the Protection of the Black Sea Against Pollution (Bucharest Convention) (Ratified on September 1, 1993).

<sup>87</sup> [EUR-Lex - 52020DC0380 - EN - EUR-Lex \(europa.eu\)](#)

<sup>88</sup> [CBD Strategy and Action Plan - Georgia \(English version\)](#)

<sup>89</sup> [Strategic Documents | Ministry of Environmental Protection and Agriculture of Georgia \(mepa.gov.ge\)](#)

<sup>90</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31992L0043&from=EN>

N EU Documents Relevant to the Green Deal

33 Zero Pollution Action Plan (EU Action Plan: Towards Zero Pollution for Air, Water and Soil)<sup>91</sup>

 Aim of the Document

It sets out an integrated vision for 2050: a world where pollution is reduced to levels that are no longer harmful to human health and natural ecosystems as well as the steps to get there. The plan ties together all relevant EU policies to tackle and prevent pollution with a special emphasis on how to use digital solutions to tackle pollution. Reviews of relevant EU legislation are foreseen to identify remaining gaps in EU legislation and where better implementation is necessary to meet these legal obligations.

The Action Plan sets out key 2030 targets to reduce pollution at the source in comparison to the current situation. Namely:

-  Improving air quality to reduce the number of premature deaths caused by air pollution by 55%.
-  Improving water quality by reducing waste, plastic litter in the sea (by 50%) and microplastics released into the environment (by 30%).
-  Improving soil quality by reducing nutrient losses and chemical pesticide use by 50%.
-  Reducing EU ecosystems where air pollution threatens biodiversity by 25%.

Georgian Documents Relevant to the Green Deal and Aim of the Document

**Georgia does not yet have a chemical strategy for sustainability.** However, it has adopted Laws on Environmental Protection<sup>92</sup> and on Ambient Air Protection.<sup>93</sup>

The amendments to the Law on Ambient Air Protection adopted in 2021 will enable Georgia to fully switch to the European ambient air quality management system in line with appropriate EU directives.

There is a state program for reducing the pollution of ambient air<sup>94</sup> containing measures in Tbilisi city, including transport.

The [EU Georgia Association Agreement](#)<sup>95</sup> determines the ways of approximation to EU regulations. The EU-Georgia AA is a key document defining air protection related strategic directions in the future. The AA includes selected provisions from five air protection related EU directives. The National Action Plan for the Implementation of the AA<sup>96</sup> provides a set of measures to implement the AA requirements in given timeframes. These actions are adequately reflected in the present Action Program: THE EU-GEORGIA ASSOCIATION AGREEMENT IMPLEMENTATION FRAMEWORK. Trade and Sustainable Development. Work Plan 2021-23.

<sup>91</sup> [Commission aims for zero pollution in air, water and soil \(europa.eu\) / www.eubusiness.com/topics/environ/zero-pollution-action-plan](#)

<sup>92</sup> [On Environmental Protection | LEPL “Legislative Herald of Georgia” \(matsne.gov.ge\)](#)

<sup>93</sup> [277 \(eiec.gov.ge\)](#)

<sup>94</sup> [Strategic Documents | Ministry of Environmental Protection and Agriculture of Georgia \(mepa.gov.ge\)](#)

<sup>95</sup> [EU/Georgia Association Agreement | EEAS Website \(europa.eu\)](#)

<sup>96</sup> [Ministry of Foreign Affairs of Georgia - National Action Plans for the implementation of the Association Agreement and Association Agenda \(mfa.gov.ge\)](#)

 Reducing the share of people chronically disturbed by transport noise by 30%.

 Significantly reducing waste generation and residual municipal waste by 50%.

ENVIRONMENT AND CLIMATE ACTION<sup>97</sup> and the Renovated EU-Georgia Association Agenda.<sup>98</sup>

**Order #297 of the Minister of Labor, Health and Social Protection** provides sets of environmental quality rules for the protection of surface waters from pollution (Annex 2), hygiene requirements imposed on water quality in non-centralized water supply systems, sanitary protection of water sources (Annex 3), the protection of marine coastal waters in areas of water use by the population (Annex 4) and sanitary rules for the protection of underground waters (Annex 16).<sup>99</sup>

 **The Law of Georgia on Water Resource Management<sup>100</sup> determines the national policy with respect to water resources, their sustainable use and management.**

 **The Conditions of Discharge and Acceptance of Wastewater into Sewage System and Maximum Permissible Conditions of Pollutant Substances<sup>101</sup> determines the regulation regarding wastewater discharge and the thresholds of pollutant substances.**

 **Extended Producer Responsibility (EPR)<sup>102</sup> is a part of the National Waste Management Code.<sup>103</sup>**

<sup>97</sup> [2021-2023 EU-Georgia work plan for the implementation of the Trade and sustainable development chapter \(europa.eu\)](#)

<sup>98</sup> EU-Georgia Association Agreement and Agenda, [old.civil.ge/files/files/annex\\_ii\\_-\\_eu-georgia\\_association\\_agenda\\_text.pdf](#)

<sup>99</sup> [Order No 297/N of 2001 of Minister of Labor, Health and Social Affairs of Georgia on Environmental Quality Requirements | InforMEA](#)

<sup>100</sup> [On Water | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](#)

<sup>101</sup> [On the approval of the technical regulation on the conditions of discharging and receiving wastewater into the sewage system and the marginally permissible norms of polluting substances | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](#)

<sup>102</sup> [Strategic Documents | Ministry of Environmental Protection and Agriculture of Georgia \(mepa.gov.ge\)](#)

<sup>103</sup> [Waste Management Code | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](#)

34 Chemicals Strategy for Sustainability (Annexed with Action Plan for 2021-2024)<sup>104</sup>

 Aim of the Document

The Strategy aims to significantly increase the protection of human health and the environment from harmful chemicals, paying particular attention to vulnerable population groups. Flagship initiatives include, in particular:

-  Phasing out consumer products, such as toys, child-care articles, cosmetics, detergents, food contact materials and textiles with the most harmful substances which include endocrine disruptors, chemicals that affect the immune and respiratory systems and persistent substances such as per- and polyfluoroalkyl substances (PFAS), unless their use is proven essential for society, among others.
-  Minimizing and substituting as far possible the presence of substances of concern in all products. Priority will be given to those product categories that affect vulnerable populations and those with the highest potential for a circular economy.
-  Addressing the combination effect of chemicals (cocktail effect) by taking better account of the risk that is posed to human health and the environment by daily exposure to a wide mix of chemicals from different sources.

Ensuring that producers and consumers have access to information on chemical content and their safe use by introducing information requirements in the context of the Sustainable Product Policy Initiative.

Georgian Documents Relevant to the Green Deal and Aim of the Document

**Georgia does not yet have a chemical strategy for sustainability.** However, it has adopted the **Law on Environmental Protection<sup>105</sup>** and a **resolution on the procedure for the export-import of certain hazardous chemicals and pesticides and the procedure of prior informed consent<sup>106</sup>** with annexes. This is a list of chemicals and pesticides under ban or strict restriction for export and import (Annex I) and a list of hazardous chemicals and pesticides prohibited for production, export and import under the Stockholm Convention.

In 2014, Georgia took an obligation under the EU-Georgia AA about chemicals management, embracing the elaboration of corresponding legislation and its harmonization with the EU’s legislation, accounting and reporting of chemicals and dangerous/hazardous waste and the creation of a register of chemicals.

<sup>104</sup> [Commission adopts new Chemicals Strategy \(europa.eu\)](#) / [Chemicals strategy \(europa.eu\)](#) / [resource.html \(europa.eu\)](#) / [resource.html \(europa.eu\)](#) / [chemicals-strategy-factsheet.pdf \(europa.eu\)](#)

<sup>105</sup> [On Environmental Protection | LEPL “Legislative Herald of Georgia” \(matsne.gov.ge\)](#)

<sup>106</sup> [On the procedure for export-import of certain hazardous chemical substances and pesticides and the procedure for prior informed consent | LEPL “Legislative Herald of Georgia” \(matsne.gov.ge\)](#)



### N EU Documents Relevant to the Green Deal

#### 35 From Farm To Fork (Farm To Fork for a Fair, Healthy and Environmentally Friendly Food System)<sup>107</sup>

##### Aim of the Document

The Farm to Fork Strategy is at the heart of the European Green Deal aiming to make food systems fair, healthy and environmentally friendly. It aims to reduce the environmental and climate footprint of the EU food system and strengthen its resilience, ensure food security in the face of climate change and biodiversity loss and lead a global transition towards competitive sustainability from farm to fork and tapping into new opportunities.

##### Georgian Documents Relevant to the Green Deal and Aim of the Document

The **Agriculture Development Strategy 2017-2021 and the Action Plan 2021-2023 of Georgia**<sup>108</sup> aim towards the diversification/development of economic opportunities in rural areas and the improvement of the social status and the standard of living based on the principles of sustainable development.

The **Environmental Protection and Agriculture Development Plan 2030 of Georgia**<sup>109</sup> has the following as its main objectives: self-sufficiency ratio enhancement for food safety, environmental and natural resources protection, ensuring sustainable development, fostering the greater utilization of export potential for Georgia's agro-production and the development of crucial institutional capacity for enhancing sustainable and competitive agriculture.

### N EU Documents Relevant to the Green Deal

#### 36 Organic Action Plan<sup>110</sup>

##### Aim of the Document

A sustainable food system is at the heart of the European Green Deal. Under the Green Deal's Farm to Fork strategy, the European Commission has set a target of at least 25% of the EU's agricultural land under organic farming and a significant increase in organic aquaculture by 2030.

##### Georgian Documents Relevant to the Green Deal and Aim of the Document

**Georgia does not yet have a separate organic strategy or action plan.**

<sup>107</sup> [f2f\\_action-plan\\_2020\\_strategy-info\\_en.pdf \(europa.eu\)](https://european-council.europa.eu/media/e30004/1/684444maincorporatecommunication_en.pdf)

<sup>108</sup> [Strategic Documents | Ministry of Environmental Protection and Agriculture of Georgia \(mepa.gov.ge\)](https://mepa.gov.ge/en/strategic-documents)

<sup>109</sup> [Strategic documents | Ministry of Environmental Protection and Agriculture of Georgia \(mepa.gov.ge\)](https://mepa.gov.ge/en/strategic-documents)

<sup>110</sup> [Organic action plan | European Commission \(europa.eu\) / resource.html \(europa.eu\) / resource.html \(europa.eu\)](https://european-council.europa.eu/media/e30004/1/684444maincorporatecommunication_en.pdf)

To achieve this target and help the organics sector reach its full potential, the European Commission developed an action plan for organic production in the EU.

**Georgia does not yet have a separate organic strategy or action plan.**

According to the Agriculture and Rural Development Strategy of Georgia 2021-2027<sup>111</sup> - the sustainable use of natural resources, the conservation of ecosystems and adaptation to climate change are among the strategic goals and promoting environmentally friendly and climate-smart agricultural practices while promoting the development of bio/organic production are key objectives under this goal.

The World Bank has recently assessed Georgia's agricultural sector- in its Climate-Smart Agriculture in Georgia report.<sup>112</sup>

**N EU Documents Relevant to the Green Deal**

**37 Strategic Guidelines for Sustainable and Competitive EU Aquaculture<sup>113</sup>**

 **Aim of the Document**

The European Commission aims at engaging all relevant stakeholders in the development of EU aquaculture as a sector that supplies nutritious and healthy food with a low environmental and climate footprint, creates economic opportunities and jobs and becomes a global reference for sustainability and quality. In particular, the guidelines have the following objectives:

-  Building the resilience and the competitiveness of the EU aquaculture sector.
-  Ensuring the participation of EU aquaculture sector in the green transition.
-  Fostering social acceptance and improved consumer information on EU aquaculture activities and products.

**Georgian Documents Relevant to the Green Deal and Aim of the Document**

**The Common Maritime Agenda for the Black Sea (CMA)<sup>114</sup> and its Implementation Plan<sup>115</sup>** include provisions for the development of sustainable aquaculture in the Black Sea. Priority 3: Support sustainable fisheries and aquaculture in the Black Sea as well as actions: Support for aquaculture research and joint pilot projects; Innovation in blue biotechnologies, marine technologies and aquaculture.

The **Law of Georgia on Aquaculture<sup>116</sup>** has the following objectives:

- a) to regulate aquaculture activities in specific areas of the continental shelf (of the Black Sea) of Georgia, territorial waters (the territorial sea), the special economic zone (marine waters) and internal waters – water reservoirs;

<sup>111</sup> [Strategic Documents | Ministry of Environmental Protection and Agriculture of Georgia \(mepa.gov.ge\)](https://mepa.gov.ge/Strategic-Documents)

<sup>112</sup> [World Bank Document - Climate-Smart Agriculture in Georgia](#)

<sup>113</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2021:236:FIN>

<sup>114</sup> <http://www.bsec-bsvkc.org/UploadedDocuments/Annex%201%20-%20Common%20Maritime%20Agenda%20for%20the%20Black%20Sea.pdf>

<sup>115</sup> <http://www.bsec-bsvkc.org/UploadedDocuments/Annex%202%20-%20CMA%20implementation.pdf>

<sup>116</sup> <https://matsne.gov.ge/en/document/view/4901055?publication=0>

👉 Increasing knowledge and innovation in the EU aquaculture sector.

b) to promote the **responsible and sustainable development of aquaculture**;

c) to protect the environment, biodiversity and biological water resources when implementing aquaculture activities;

d) to ensure the rational and effective use of water and land resources when implementing aquaculture activities and protect the interests of other water and land users;

e) to ensure the implementation of **aquaculture activities in accordance with the sustainable development goals of the United Nations**;

f) to ensure the effective environmental monitoring and state control of aquaculture entities.

The **National Aquaculture Development Strategy (under development)**.

The EU and the FAO support the Georgian government in creating the National Aquaculture Development Strategy. The National Aquaculture Strategy will be developed with the consideration of the EU Strategic Vision for Sustainable Aquaculture Production and Consumption.

## Progress Indicators to Monitor the Implementation of the European Green Deal



The table below is a summary of the indicators used for assessing EGD implementation in Georgia. The assessment is conducted by using qualitative and quantitative indicators selected and developed by the project team. As EGD related activities are partially reflected in the Sustainable Development Goals (SDG), the SDG indicators are used where relevant.

CROSSCUTTING INDICATORS	
Sub-Topic of the Green Deal	Financing
1  <b>Indicator</b>	National financial resources allocated to achieve the objectives of the Green Deal.
<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
Finances allocated from the national budget (%) to achieve the objectives of the Green Deal (climate change, green budget).	Data gap. Need to develop national budget labeling system. Development of the climate budget tagging system is ongoing. Climate Budget Tagging (CBT) is a tool for monitoring and tracking climate-related expenditures in the national budget system.
Sub-Topic of the Green Deal	Digitalization
2  <b>Indicator</b>	Digital Adoption Index-DAI (World Bank <sup>117</sup> ) and Digital Economy and Society Index (DESI) <sup>118</sup>
<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
The DAI is a worldwide index that measures the digital adoption of countries across three dimensions of the economy: people, government and business.	DAI for Georgia: 2014 – 0.564 2016 – 0.599  Currently, DESI estimates are only available for EU countries.

<sup>117</sup> [Digital Adoption Index \(worldbank.org\)](https://worldbank.org)

<sup>118</sup> <https://digital-strategy.ec.europa.eu/en/policies/desi>

The index covers 180 countries on a 0–1 scale and emphasizes the “supply-side” of digital adoption to maximize coverage and simplify theoretical linkages. The overall DAI is the simple average of three sub-indexes.

The Digital Economy and Society Index (DESI) summarizes the indicators on Europe’s digital performance and tracks the progress of EU countries.

<b>Sub-Topic of the Green Deal</b>		<b>Digitalization</b>
<b>3</b>	 <b>Indicator</b>	Internet Access (OECD <sup>119</sup> )
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
Internet access is defined as the percentage of households which reported that they had access to the internet. In almost all cases, this access is via a personal computer either using a dial-up, ADSL or cable broadband access. This indicator is measured in a percentage of all households.		Georgia: <sup>120</sup> 2020 – 83.8% 2021 – 86.1% <sup>121</sup>
<b>Sub-Topic of the Green Deal</b>		<b>Gender Equality</b>
<b>4</b>	 <b>Indicator</b>	Proportion of seats held by women in Parliament and city councils.
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
SDG-16.7.1.2 Proportion of seats held by women in Parliament and in city councils (Sakrebulo).		16.7.1.2: 2016: women hold 16 % of seats in the Parliament. 2016: women hold 11.6 % of seats in city councils (Sakrebulo).  2019: Share of seats in the Parliament 14.8% - according to the GII.  16.7.1.2: 2017 - women hold 13.4 % of seats in city councils (Sakrebulo).

<sup>119</sup> [Information and communication technology \(ICT\) - Internet access - OECD Data](#)

<sup>120</sup> [Trends of Internet Access and Use in Georgia \(idfi.ge\)](#)

<sup>121</sup> [Use of information and communication technologies in households – GEOSTAT/National Statistics Office of Georgia \(geostat.ge\)](#)

Sub-Topic of the Green Deal		Gender Equality
5	 Indicator	UNDP - Gender Inequality Index (GII) <sup>122</sup>
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
The GII is a composite measure, reflecting the inequality in achievements between women and men in three dimensions: reproductive health, empowerment and the labor market.		GII value for Georgia is 0.33 – above the world average (0.43). <sup>123</sup>
 <b>DECARBONIZATION</b>		
Sub-Topic of the Green Deal		Climate Targets
6	 Indicator	Climate target and annual amount of National GHG Emissions compared to 1990.
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
Climate target by 2030 and 2050 compared to 1990.		35% reduction of GHG emissions by 2030 compared to 1990 (will not exceed ≈30 mln. t CO2 eq).
Annual amount of National GHG Emissions compared to 1990 in mln t CO2 eq.		17.8 mln. t CO2 eq was in 2017 (39% of the GHG emissions in 1990).
Sub-Topic of the Green Deal		Climate Indicators
7	 Indicator	GHG intensity per capita GHG intensity per GDP (real)
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
Greenhouse gas emission intensity per capita –		In 2017: GHG emission intensity per capita – 4.76 t/capita.
GHG emission intensity per real GDP		GHG emission intensity per real GDP – 0.485 kg/GEL (in 2015 prices).
Sub-Topic of the Green Deal		Methane Strategy
8	 Indicator	Amount of methane-CH4 (Gg) reduced/recovered

<sup>122</sup> <https://hdr.undp.org/data-center/thematic-composite-indices/gender-inequality-index#/indicies/GII>

<sup>123</sup> The index ranges from 0 where women and men fare equally to 1 where one gender fares as poorly as possible in all of the measured dimensions.

	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Amount of methane-CH4 (Gg) reduced/ recovered annually at the national level.	In 2017, methane (CH4) emissions were – 235.29 Gg (NIR, 2017). <sup>124</sup>
	<b>Sub-Topic of the Green Deal</b>	<b>Stop Deforestation</b>
<b>9</b>	 <b>Indicator</b>	GHG emission/sink from LULUCF
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Measures the GHG emissions (Gg CO2e) from LULUCF sector. Compares the figures of actual and previous emissions from National GHG Inventory Reports of Georgia (NIR).	In 2017 GHG emissions <sup>125</sup> – 3,813 Gg CO2 eq. and removal – 8,737 Gg CO2 from LULUCF sector.  Net-removals – (4,924 Gg CO2).
	<b>Sub-Topic of the Green Deal</b>	<b>Stop Deforestation</b>
<b>10</b>	 <b>Indicator</b>	SDG 15.1.1. Forest area
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	SDG 15.1.1. Forest area as a proportion of total land area.	15.1.1: 2015: 40 % (2,822,500 ha)  2017: 39% (2,747,068 ha including Abkhazia, Adjara, and protected areas). <sup>126</sup>  SDG 15.1.1. - It is not convenient to set a target for this indicator at this stage as the existing baseline value (40%) is completely satisfactory and a sufficient index for the country. However, the ongoing forest inventory is worth notice and its results will be finalized in the near future. If the inventory showcases a different result, appropriate actions will be planned on a policy level and the target indicator will also be determined.
	<b>Sub-Topic of the Green Deal</b>	<b>Stop Deforestation</b>
<b>11</b>	 <b>Indicator</b>	Forest density (annual) in sample spots.

<sup>124</sup> [NIR Eng 30.03.pdf \(unfccc.int\)](#)

<sup>125</sup> [National Inventory Report \(NIR\) to NC4 Georgia. | UNFCCC](#)

<sup>126</sup> [National Inventory Report \(NIR\) to NC4 Georgia. | UNFCCC](#)

	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Density of trees in the forests. Constant value (in sample areas) will prove that deforestation does not take place.	Data gap.
	<b>Sub-Topic of the Green Deal</b>	<b>Stop Deforestation</b>
<b>12</b>	 <b>Indicator</b>	Number of cases of illegal logging (annual).
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Cases of illegal logging (according to the Forest Code).	Number of illegally logged trees. The annual values (data) can be obtained from the MEPA (National Forestry Agency): 1,692 cases (2021).  Unknown in cubic meters.
	<b>Sub-Topic of the Green Deal</b>	<b>Climate Pact<sup>127</sup></b>
<b>13</b>	 <b>Indicator</b>	Number of Climate Pact Ambassadors from Georgia.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Pact Ambassadors are citizens who lead by example in climate and environmental protection action and become a proactive bridge between civil society, stakeholders and the European Commission. Ambassadors are endorsed through an objective and transparent process based on the merits and the motivation of applicants for one year with the possibility of prolongation.	Georgia has one Climate Pact Ambassador. <sup>128</sup>
	<b>Sub-Topic of the Green Deal</b>	<b>Climate Pact</b>
<b>14</b>	 <b>Indicator</b>	Number of educational programs integrating climate science and solutions.

<sup>127</sup> [https://ec.europa.eu/clima/eu-action/european-green-deal/european-climate-pact\\_en](https://ec.europa.eu/clima/eu-action/european-green-deal/european-climate-pact_en)

<sup>128</sup> [https://europa.eu/climate-pact/ambassadors/meet-our-ambassadors\\_en?f%5B0%5D=world\\_world%3A78](https://europa.eu/climate-pact/ambassadors/meet-our-ambassadors_en?f%5B0%5D=world_world%3A78)

Description of the Indicator	Result of the Indicator
<p>Promoting climate literacy through educational programs in schools, vocational education and training, higher education and life-long learning.</p> <p>SDG 12.8.1 Extent to which (i) global citizenship education and (ii) education for sustainable development (including climate change education) are mainstreamed in (a) national education policies, (b) curricula, (c) teacher education and (d) student assessment.</p>	<p>Georgia has an <b>Environmental information and Education Center (EIEC)</b> under the Ministry of Environmental Protection and Agriculture which was established on May 14, 2013. The main priority of the EIEC is to promote environmental and agricultural education among Georgian society and raise public awareness, support public participation in decision-making processes and ensure access to environmental and agricultural information. The Center provides certificate courses, training courses/programs, lectures/seminars, organizes environmental and agricultural contests, etc.</p> <p>Trainings and educational activities are held under various donor funded projects as well.</p> <p><b>Certification Course on Climate Change and Sustainable Development</b> - In 2016, Ilia State University, with the support of the analytical center World Experience for Georgia and the Heinrich Boell Foundation, established a course entitled Climate Change and Sustainable Development for Public Officials and Journalists. The course was supported by the donors within the framework of the project. The course's syllabus and materials can be updated and adapted.</p> <p>Climate change policy is taught in the Master's level program in <b>Environmental Management and Policy at the Georgian Institute of Public Affairs</b>. The program was created in 2016 with the support of the Ministry of Environment and the GIZ.</p> <p>12.8.1: The indicator belongs to Tier II and its baseline data are not yet defined.</p>

<b>Sub-Topic of the Green Deal</b>	<b>Climate Pact</b>
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<b>15</b>  <b>Indicator</b>	Number of climate change related stakeholder platforms (which are still active).
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Description of the Indicator	Result of the Indicator
<p>E.g., Stakeholder Platform and Multi-stakeholder Platform on Sustainable Development Goals.</p> <p>Industrial alliances and other business-related initiatives.</p>	<p><b>Climate Change Council (CCC)</b> – established in 2020 to strengthen cooperation on climate change and support information sharing at the national level. The Council is led by the Minister of Environmental Protection and Agriculture while members are high level government officials from different ministries, the head of the Coordination Team of the Covenant of Mayors of signatory municipalities and the Executive Director of the Georgian National Statistics Office.</p> <p><b>National Climate Platform (NCP)</b> – association of stakeholders working in the climate change sector.</p>

**Sustainable Development Goals Inter-Agency Council** (SDG Council), chaired by the head of the Administration of the Government of Georgia, is the key coordination body for the implementation of the national SDG targets. Since 2015, the Administration of the Government of Georgia has led the nationalization and the coordination process of the SDGs. The Council has four thematic working groups on:

- 👉 Social Inclusion,
- 👉 Economic Development,
- 👉 Sustainable Energy and Environmental Protection,
- 👉 Democratic Governance.

The Council engages stakeholders from the public, civil, international, academic and private sectors in its working groups. The Policy Planning Unit of the Policy Planning and Coordination Department at the Administration of the Government of Georgia serves as the secretariat to the SDG Council. That unit also monitors the implementation of the national SDGs through a special electronic system.

<b>Sub-Topic of the Green Deal</b>	<b>Climate Pact</b>
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<b>16</b> <b>Indicator</b>	Local governments engaging citizens and stakeholders in climate actions.
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Description of the Indicator	Result of the Indicator
Number of cities and municipalities signatures of the Covenant of Mayors.	Out of 69 municipalities on the territory of Georgia, including five self-governing cities and 64 self-governing communities, 24 municipalities are signatories of the Covenant of Mayors which commits them to the development of municipal action plans for sustainable energy development and climate change impact mitigation. In the context of the latter, the municipalities are responsible for municipal waste management and municipal transport services, amongst other responsibilities and competencies imposed by law. The 24 CoM signatory municipalities are represented in the CCC by the coordination team of the Covenant of Mayors.

<b>Sub-Topic of the Green Deal</b>	<b>European Bauhaus</b>
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<b>17</b> <b>Indicator</b>	Setting up a creative European Bauhaus platform.
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Description of the Indicator	Result of the Indicator
Interdisciplinary project co-steered by an advisory board of external experts including scientists, architects, designers, artists, planners and civil society.	No similar incentives in Georgia.

<b>Sub-Topic of the Green Deal</b>		<b>Clean Energy for All Europeans Package</b>
18	 <b>Indicator</b>	Fossil Fuel Subsidies (FFS).
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
Amount of fossil fuel subsidies according to the OECD <sup>129</sup> inventory on an annual base.		2020 – 145 mln. GEL
<b>Sub-Topic of the Green Deal</b>		<b>Renewable Energy</b>
19	 <b>Indicator</b>	SDG 7.2.1 Renewable energy share in the total final energy consumption.
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
SDG 7.2.1 - Renewable energy share in the total final energy consumption.  Target: Renewable energy share (hydro, geothermal and solar, biofuels and waste) in the energy mix by 2030.		As of 2019 – 22.7% (Source: GEOSTAT, Energy Balance)  Target: Renewable energy share (hydro, geothermal and solar, biofuels and waste) in the energy mix will equal approximately 35% by 2030 (draft NECP of Georgia).
<b>Sub-Topic of the Green Deal</b>		<b>Energy Efficiency</b>
20	 <b>Indicator</b>	SDG 7.3.1 Energy intensity per GDP.
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
SDG 7.3.1 Energy intensity measured according to primary energy and the GDP (TJ/mln. GEL real GDP).  Measure energy use in relation to economic output (real GDP). As an indicator of domestic resilience is a sign of a country's economic exposure to energy disruptions.		As of 2019 – 5.30 TJ/real mln. GEL (2015) GDP (Source: GEOSTAT)  As of 2020 – 5.51 TJ/real mln. GEL (2015) GDP
<b>Sub-Topic of the Green Deal</b>		<b>Renovation Wave Strategy<sup>130</sup></b>
21	 <b>Indicator</b>	% of building stock renovated at all public administration levels.

<sup>129</sup> [Fossil Fuel Support - Detailed Indicators \(oecd.org\)](https://www.oecd.org/)

<sup>130</sup> [Renovation wave \(europa.eu\)](https://european-council.europa.eu/)

Description of the Indicator		Result of the Indicator
<ul style="list-style-type: none"> <li>👉 Share of buildings renovated annually.</li> <li>👉 Square meters of buildings renovated annually.</li> <li>👉 Share of new and renovated buildings in total building stock.</li> </ul>	<p>There are no official estimates of the indicators for Georgia.</p> <p>According to the EU Directive on Energy Efficiency in Buildings, Article 5, the government shall take the commitment to renovate 1% of government (public) buildings annually. Starting from 2024 (if the deadline is not postponed for Georgia), the obligation will be to renovate 3% of public buildings annually.</p>	
<b>Sub-Topic of the Green Deal</b>		<b>Renovation Wave Strategy</b>
22	👉 Indicator	Adopted minimum energy performance standards.
Description of the Indicator		Result of the Indicator
<ul style="list-style-type: none"> <li>👉 Mandatory minimum energy performance standard for buildings.</li> </ul>	<p>The Law on Energy Efficiency of Buildings (which came into force on May 29, 2020) set the minimum energy performance standards for primary energy consumption for new buildings or buildings which are undergoing major renovations – to a cost-effective level. The law requires that all new buildings satisfy the requirements of Nearly Zero Energy Buildings unless it is not cost-effective to do so.</p> <p>The <b>minimum energy performance requirements for buildings</b> or building units and building elements and the national calculation methodology for buildings performance was adopted by the government in July and September 2021.</p> <p>A draft rule for a <b>comparative methodology for calculating cost-optimal levels</b> of minimum energy performance requirements for buildings, building units and building elements is developed.</p> <p>A draft Rule for the <b>development and utilization of one or more energy performance calculating programs/software</b> is developed.</p> <p>The government plans to develop a <b>national plan to increase the number of nearly zero-energy buildings (NZEBs)</b> by 2023.</p>	
<b>Sub-Topic of the Green Deal</b>		<b>Renovation Wave Strategy</b>
23	👉 Indicator	Share of buildings with energy performance certificates.
Description of the Indicator		Result of the Indicator
<p>EGD proposes updated energy performance certificates (EPC) in an EU machine-readable data format.</p>	<p>The <b>Law on Energy Efficiency of Buildings</b> (which came into force on May 29, 2020) was developed according to the Energy Performance in Buildings Directive 2010/31/EU adjusted to Energy Community Contracting Parties circumstances.</p>	

		<p>According to the law:</p> <ul style="list-style-type: none"> <li>☞ The national methodology for calculating the energy efficiency of buildings shall be determined and approved.</li> <li>☞ There is a requirement for private buildings sold or rented and all public buildings with more than 500 m<sup>2</sup> (lowered to 250 m<sup>2</sup> on June 30, 2023) and visited often by the public to have energy performance certificates (NECP). The objective is 100% of newly constructed buildings subject to certification being certified for energy efficiency by 2030 (Climate Change Strategy).</li> </ul> <p>The rules for the <b>certification for energy performance of buildings</b> are pending.</p>
	<b>Sub-Topic of the Green Deal</b>	<b>Renovation Wave Strategy</b>
<b>24</b>	<b>Indicator</b>	Number of certified energy auditors.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	The EGD extends energy audit requirements to larger and more complex non-residential buildings such as hospitals, schools or offices.	<p>The <b>Law on Energy Efficiency</b> sets the requirement for setting up certification programs for energy auditors.</p> <p>The government plan to develop a system for the certification of energy service providers, auditors, managers and developers working in the installation of energy appliances in the buildings sector. The qualification, accreditation and certification schemes developed and approved by the government will be fully in line with the Directive 2009/28 /EC.</p> <p>The <b>rules for the certification and accreditation of independent experts issuing energy performance certificates and inspecting heating and air-conditioning systems in buildings</b> are pending.</p> <p>It is not yet clear how the certification of energy auditors should be organized. The Georgian National Accreditation Center (GAC) does not provide the accreditation of legal bodies certifying organizations and is not authorized to approve the training programs. It is also unlikely that the Georgian market can support competition between certification providers. A market-based accreditation system managed by the GAC may, therefore, be a challenge.</p>
	<b>Sub-Topic of the Green Deal</b>	<b>Renovation Wave Strategy</b>
<b>25</b>	<b>Indicator</b>	Digital Building Logbooks.

	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Online tool that integrates all building related data.	Georgia does not have a building registry.
	<b>Sub-Topic of the Green Deal</b>	<b>Renovation Wave Strategy</b>
26	 <b>Indicator</b>	The annual rate of replacement of heating equipment.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	The EGD promotes advanced heating and cooling, including highly efficient low-temperature renewable and waste heat and cold technologies and the development of local and regional heating and cooling plans.	Gap.  The <b>rules for the regular inspection of heating and air-conditioning systems in buildings</b> are pending.
	<b>Sub-Topic of the Green Deal</b>	<b>Renovation Wave Strategy</b>
27	 <b>Indicator</b>	Number of green jobs created in the construction sector annually.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Green jobs are related to energy efficient renovations, energy auditors, etc.	There are no official estimates of the indicator for Georgia.
	<b>Sub-Topic of the Green Deal</b>	<b>Renovation Wave Strategy</b>
28	 <b>Indicator</b>	Amount of accessible and well-targeted funding for building renovation by 2030.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Funds allocated for building renovation (grants, technical assistance, project development support and loans, private financing).	Currently, there is no national fund for energy efficiency.  The Law on Energy Efficiency promotes the use of ESCOs but does not include a framework to support public financing (i.e., an energy efficiency fund). Nevertheless, many international technical assistance projects and financing programs support energy efficiency measures, especially in the building sector.  Support for energy efficiency in buildings is mainly funded by IFIs or donors (NEFCO, KfW, EBRD, DANIDA etc.).

		<p>Additional technical assistance programs are currently being developed to help fully approximate Georgia’s legislative framework with that of the EU. This is most notably linked to a KfW policy-based loan linked with a large technical assistance program and additional technical assistance from the Energy Community Secretariat.</p> <p>The JSC Georgian Energy Development Fund, founded by the MoESD in 2010, supports exploring and developing promising renewable energy projects and, within this framework, makes relevant procurements for the further development of pilot projects on renewable energy.</p> <p>The LEPL Municipal Development Fund of Georgia, coordinated by the MRDI, makes procurements for projects related to municipal infrastructure.</p>
<b>Sub-Topic of the Green Deal</b>		<b>Renovation Wave Strategy</b>
<b>29</b>	<b>Indicator</b>	Number of ESCOs.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Number of active energy service companies.	Currently, there is no ESCO in Georgia.
<b>Sub-Topic of the Green Deal</b>		<b>Renovation Wave Strategy</b>
<b>30</b>	<b>Indicator</b>	Number of electricity prosumers and total installed capacity.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Number of electricity prosumers and total installed capacity under net-metering program.	<p>As of April 2022, 397 micro-generating power plants with 20.4 MW installed capacity are in operation.<sup>131</sup></p> <p>The GNERC regulation on net metering is currently in force to encourage micro power plants. It is used by small commercial and household users or a group of consumers as a support mechanism for their own consumption. The customers or a group of customers can deduct their energy production and consumption and transfer it to the receipt of the next period for further deduction or for the purpose of financial settlement in the case of excess.</p>
<b>Sub-Topic of the Green Deal</b>		<b>Renovation Wave Strategy</b>
<b>31</b>	<b>Indicator</b>	Percentage of people living in energy poverty.

<sup>131</sup> GNERC, 13 April 2022 FB post

Description of the Indicator		Result of the Indicator
Percentage of people living in energy poverty and the energy poverty elimination target by 2030 according to the NECP (DRAFT).		<p>Energy poverty is included in the NECP and National Energy Policy of Georgia. According to the document, the objective is to reduce the percentage of the population in situations characterized by energy poverty from an estimated 43% in 2017 to less than 15% in 2030.</p> <p>In January 2022, a center for alleviating energy poverty was established within the Energy Community Secretariat. The purpose of the center is to collect data and information related to the causes and impact of energy poverty in the Energy Community Contracting Parties, promote the development of appropriate policies and measures for reducing energy poverty and provide a platform for discussion of all related issues among the relevant energy sector stakeholders in the energy community.</p> <p>Georgia, as a member of energy community, will be involved in the process. The first study on energy poverty in energy community countries was published in 2021.</p>
<b>Sub-Topic of the Green Deal</b>		<b>Sustainable and Smart Mobility Strategy</b>
<b>32</b>	 <b>Indicator</b>	Share of transport related GHG emissions.
Description of the Indicator		Result of the Indicator
Transport related GHG emission in mln t CO2 eq. annually.		According to National GHG Inventory Report (NIR) <sup>132</sup> of Georgia to the UNFCCC, transport GHG emissions were 4,1 mln t CO2 eq. in 2017.
<b>Sub-Topic of the Green Deal</b>		<b>Sustainable and Smart Mobility Strategy</b>
<b>33</b>	 <b>Indicator</b>	Share of low and zero emission vehicles.
Description of the Indicator		Result of the Indicator
Share of low (hybrid) and zero emission (electric) vehicles in the total transport fleet.		<p>MIA data for 2022<sup>133</sup></p> <p>Share of electric cars 0.17% (2,401).</p> <p>Share of hybrid cars 7.26% (100,784).</p>
<b>Sub-Topic of the Green Deal</b>		<b>Sustainable and Smart Mobility Strategy</b>
<b>34</b>	 <b>Indicator</b>	Modal share of sustainable alternative solutions for transportation.

<sup>132</sup> [NIR Eng 30.03.pdf \(unfccc.int\)](#)

<sup>133</sup> Ministry of Internal Affairs, data on registered vehicles. [https://info.police.ge/page?id=553&parent\\_id=552](https://info.police.ge/page?id=553&parent_id=552)

Description of the Indicator		Result of the Indicator
Modal share of alternative zero emission means of transportation (e.g., cycling, e-scooters, e-micro mobility, etc.).		<p>According to available 2016-year data, the modal share of alternative zero emissions transportation in Batumi was 32% (cycling and walking).<sup>134</sup></p> <p>The modal share of alternative zero emission transportation in Tbilisi was 27% (mainly walking) in 2016.<sup>135</sup></p> <p>Latest data are not available.</p>
<b>Sub-Topic of the Green Deal</b>		<b>EU Offshore Renewable Energy Strategy</b>
<b>35</b>	 <b>Indicator</b>	Offshore renewable energy.
Description of the Indicator		Result of the Indicator
Installed capacity (MW) of offshore renewable energy (ocean, floating wind and solar).		Georgia does not yet have an offshore renewable energy strategy.
<b>Sub-Topic of the Green Deal</b>		<b>EU Strategy on Energy System Integration</b>
<b>36</b>	 <b>Indicator</b>	NECP implementation progress using pre-defined indicators.
Description of the Indicator		Result of the Indicator
In terms of transposing and implementing the Governance Regulation in the Energy Community context, the Contracting Parties will be requested to submit an NECP in 2024 and integrated energy and climate progress reports every two years starting from 2025. Based on progress reports, the implementation progress (%) will be estimated.		<p>Not yet available.</p> <p>Georgia is currently developing a set of indicators for each domain of the NECP. Based on these indicators, the progress of NECP implementation and the achievement of targets/objectives will be evaluated.</p>
<b>Sub-Topic of the Green Deal</b>		<b>A Hydrogen Strategy for a Climate-Neutral Europe</b>
<b>37</b>	 <b>Indicator</b>	Annual production (tons) of green hydrogen.

<sup>134</sup> Feasibility Studies for Pilot Low-Carbon Urban Transport Corridor and Integrated Sustainable Urban Mobility Plan for the City of Batumi (ISUMP)

<sup>135</sup> Transportation Households Survey in Tbilisi Metropolitan area [https://tbilisi.gov.ge/img/original/2018/4/20/THS\\_Final\\_Report\\_Eng.pdf](https://tbilisi.gov.ge/img/original/2018/4/20/THS_Final_Report_Eng.pdf)

Description of the Indicator	Result of the Indicator
Annual production of green (from renewable) hydrogen (tons).	There is no production of green hydrogen in Georgia.



## CIRCULAR ECONOMY

Sub-Topic of the Green Deal	Research and Innovation
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<b>38</b> Indicator	SDG – 9.5.1 Research and development expenditure.
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Description of the Indicator	Result of the Indicator
9.5.1 Research and development expenditure as a proportion of the GDP.	As of 2018 – 29% <sup>136</sup>

Sub-Topic of the Green Deal	Waste Management
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<b>39</b> Indicator	Generation of municipal waste per capita <sup>137</sup> (kg/capita).
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Description of the Indicator	Result of the Indicator
The indicator measures the waste collected by or on behalf of municipal authorities and disposed of through the waste management system. It consists to a large extent of waste generated by households, although similar wastes from sources such as commerce, offices and public institutions may be included.	505 kg/capita (2020 EU)  Georgia does not yet have a waste management system.

Sub-Topic of the Green Deal	Waste Management
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<b>40</b> Indicator	Generation of waste excluding per GDP.
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Description of the Indicator	Result of the Indicator
Generation of waste excluding major mineral wastes per GDP unit (kg per thousand euro). <sup>138</sup>	66kg/1000 EUR (2018 EU)  Data gap for Georgia.

<sup>136</sup> SDG-Georgia, Statistical Annex, 2019

<sup>137</sup> [Monitoring framework - Circular economy - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)

<sup>138</sup> [Monitoring framework - Circular economy - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)

In a more circular economy, the value of products, materials and resources is maintained in the economy for as long as possible and the generation of waste is to be reduced, where practical, with attention to prospects for recycling and reductions in biotoxicity. Waste prevention is closely linked with improving manufacturing methods and influencing consumers to demand greener products and less packaging. By making the transition to a circular economy, the EU aims at decreasing waste generation while maintaining or increasing economic output.

The data (amount) of municipal solid waste (MSW) is collected by the LEPL Waste Management Company under the MRDI annually. These amounts comprise all the types of SW landfilled (by local/regional landfills). Generated waste can be calculated (there is a default coefficient; however, by law (Waste Strategy) almost all the SW should be landfilled or otherwise processed – implying that there will not be illegal landfilling).

### Sub-Topic of the Green Deal

### Waste Management

#### 41 Indicator

Generation of waste excluding major mineral wastes per domestic material consumption (percentage).<sup>139</sup>

#### Description of the Indicator

#### Result of the Indicator

The indicator is defined as all waste generated in a country (in mass unit), excluding major mineral wastes, divided by the domestic material consumption (DMC) of a country.

12.9% (2018 EU)  
Data gap for Georgia.

This indicator monitors the efficiency of material consumption by comparing the tons of waste generated to the domestic material consumption (DMC). The DMC measures the amount of materials (excluding water and air) directly and actually used in a national economy.

Both waste generation and DMC – in absolute terms and as per unit intensities – are important indicators as “building blocks” for the Circular Economy Monitoring Framework. Their ratio is relevant as an index of relative intensity of raw material and waste “pressures” of an economy such as, for example, in cross-country comparisons.

<sup>139</sup> [Monitoring framework - Circular economy - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)

Sub-Topic of the Green Deal		Waste Management
42	 Indicator	Recycling rate of municipal waste (%). <sup>140</sup>
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
<p>The indicator measures the share of recycled municipal waste in the total municipal waste generation. Recycling includes material recycling, composting and anaerobic digestion. The ratio is expressed in a percentage (%) as both terms are measured in the same unit, namely tons.</p> <p>The recycling rate of municipal waste gives an indication of how waste from final consumers is used as a resource in the circular economy. Municipal waste reflects mainly waste generated by the final consumers as it includes waste from households and waste from other sources that is similar in nature and composition to household waste. Although it accounts for around 10% of the total waste generated in the EU, the sound management of municipal waste is challenging because of its heterogeneous composition. The recycling rate of municipal waste provides a good indication of the quality of the overall waste management system.</p>		<p>47.8 % (2020 EU)</p> <p>Nowadays, too little waste is recycled (and the corresponding coefficient will be near zero).</p>

Sub-Topic of the Green Deal		Waste Management
43	 Indicator	Circular material uses rate (percentage). <sup>141</sup>
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
<p>The indicator measures the share of material recycled and fed back into the economy - thus saving extraction of</p>		<p>12.8 % (2020 EU)</p> <p>Data gap for Georgia.</p>

<sup>140</sup> [Monitoring framework - Circular economy - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&code=sdg_12_8_1&plugin=1)

<sup>141</sup> [Monitoring framework - Circular economy - Eurostat \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&code=sdg_12_8_1&plugin=1)

primary raw materials - in overall material use. The circular material use, also known as circularity rate, is defined as the ratio of the circular use of materials to the overall material use.

The overall material use is measured by summing up the aggregate domestic material consumption (DMC) and the circular use of materials. The DMC is defined in economy-wide material flow accounts.

The circular use of materials is approximated by the amount of waste recycled in domestic recovery plants minus imported waste destined for recovery plus exported waste destined for recovery abroad.

Waste recycled in domestic recovery plants comprises the recovery operations R2 to R11 - as defined in the Waste Framework Directive 75/442/EEC. The imports and exports of waste destined for recycling - i.e., the amount of imported and exported waste bound for recovery - are approximated from the European statistics on international trade in goods.

A higher circularity rate value indicates that more secondary materials are substituted for primary raw materials, thus reducing the environmental impacts of extracting primary material.

**Sub-Topic of the Green Deal**

**A New Industrial Strategy for Europe**

**44**  **Indicator**

SDG 9.2.1 Manufacturing value added as a proportion of the GDP and per capita.

**Description of the Indicator**

SDG 9.2.1 Manufacturing value added as a proportion of the GDP and per capita. The index measures the share of value added created by the manufacturing sector in the total GDP.

**Result of the Indicator**

2019:  
 Manufacturing value added as a proportion of GDP - 9.8 %.  
 Manufacturing value added per capita - 766.9 GEL (\$272).

Sub-Topic of the Green Deal		A New Industrial Strategy for Europe
45	Indicator	SDG 9.2.2 Manufacturing employment.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	SDG 9.2.2 Manufacturing employment as a proportion of total employment. The index measures the extent of manufacturing employment.	SDG 9.2.2. (2018) 6.7% for mining and quarrying and the manufacturing industry. 6.2% for the manufacturing industry.
Sub-Topic of the Green Deal		A New Industrial Strategy for Europe
46	Indicator	SDG 9.3.1: Proportion of small-scale industries in total industry value added.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	The index shows the share of value added created by small-scale industries in the total industry value added.	SDG 9.3.1 (2018): 48.7%
Sub-Topic of the Green Deal		An SME Strategy for a Sustainable and Digital Europe
47	Indicator	SME value added compared to the base year 2019.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	The indicator measures the progress toward the base year made with measures described in the SME action plan.	Georgian target: increase by 20% by 2025.
Sub-Topic of the Green Deal		An SME Strategy for a Sustainable and Digital Europe
48	Indicator	SME employment share compared to the base year 2019.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	The indicator measures the progress toward the base year made with measures described in the SME action plan.	Georgian target: increase by 20% by 2025.

<b>Sub-Topic of the Green Deal</b>	<b>An SME Strategy for a Sustainable and Digital Europe</b>
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<b>49</b> <b>Indicator</b>	SME Policy Index. <sup>142</sup>
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Description of the Indicator	Result of the Indicator																																																										
The index assesses and monitors progress in the design and implementation of SME policies against EU and international best practice.	From an already strong position, Georgia has made further progress since 2016 by adopting a more strategic approach to small and medium-sized entrepreneurship development through targeted initiatives. The adoption of the SME Development Strategy 2016-2020 and respective action plans, the improvements made to entrepreneurial learning and women's entrepreneurship, the continued simplification of business registration and the increase in e-government services have drastically improved the operational environment for SMEs. Pp. 412																																																										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #d9e1f2;">Pillar</th> <th style="background-color: #d9e1f2;">Dimension</th> <th style="background-color: #d9e1f2;">GEO 2020</th> <th style="background-color: #d9e1f2;">GEO 2016</th> <th style="background-color: #d9e1f2;">EaP average 2020</th> </tr> </thead> <tbody> <tr> <td rowspan="3" style="text-align: center; vertical-align: middle;"><b>A</b></td> <td style="text-align: center;">Institutional and regulatory framework</td> <td style="text-align: center;">4.20</td> <td style="text-align: center;">3.48</td> <td style="text-align: center;">3.74</td> </tr> <tr> <td style="text-align: center;">Operational environment</td> <td style="text-align: center;">4.36</td> <td style="text-align: center;">4.33</td> <td style="text-align: center;">3.92</td> </tr> <tr> <td style="text-align: center;">Bankruptcy and second chance</td> <td style="text-align: center;">3.03</td> <td style="text-align: center;">2.94</td> <td style="text-align: center;">2.85</td> </tr> <tr> <td rowspan="2" style="text-align: center; vertical-align: middle;"><b>B</b></td> <td style="text-align: center;">Entrepreneurial learning / Woman's entrepreneurship</td> <td style="text-align: center;">4.24</td> <td style="text-align: center;">2.70</td> <td style="text-align: center;">3.58</td> </tr> <tr> <td style="text-align: center;">SME skills</td> <td style="text-align: center;">4.14</td> <td style="text-align: center;">3.00</td> <td style="text-align: center;">3.36</td> </tr> <tr> <td style="text-align: center; vertical-align: middle;"><b>C</b></td> <td style="text-align: center;">Access to finance</td> <td style="text-align: center;">4.02</td> <td style="text-align: center;">3.76</td> <td style="text-align: center;">3.57</td> </tr> <tr> <td rowspan="3" style="text-align: center; vertical-align: middle;"><b>D</b></td> <td style="text-align: center;">Public procurement</td> <td style="text-align: center;">4.26</td> <td style="text-align: center;">4.04</td> <td style="text-align: center;">3.49</td> </tr> <tr> <td style="text-align: center;">Standards and regulations</td> <td style="text-align: center;">4.56</td> <td style="text-align: center;">4.22</td> <td style="text-align: center;">3.43</td> </tr> <tr> <td style="text-align: center;">Internationalisation</td> <td style="text-align: center;">3.76</td> <td style="text-align: center;">3.60</td> <td style="text-align: center;">2.96</td> </tr> <tr> <td rowspan="3" style="text-align: center; vertical-align: middle;"><b>E</b></td> <td style="text-align: center;">Business development services</td> <td style="text-align: center;">4.39</td> <td style="text-align: center;">3.69</td> <td style="text-align: center;">3.53</td> </tr> <tr> <td style="text-align: center;">Innovation policy</td> <td style="text-align: center;">3.27</td> <td style="text-align: center;">2.70</td> <td style="text-align: center;">2.92</td> </tr> <tr> <td style="text-align: center;">Green economy</td> <td style="text-align: center;">3.05</td> <td style="text-align: center;">2.48</td> <td style="text-align: center;">2.77</td> </tr> </tbody> </table>	Pillar	Dimension	GEO 2020	GEO 2016	EaP average 2020	<b>A</b>	Institutional and regulatory framework	4.20	3.48	3.74	Operational environment	4.36	4.33	3.92	Bankruptcy and second chance	3.03	2.94	2.85	<b>B</b>	Entrepreneurial learning / Woman's entrepreneurship	4.24	2.70	3.58	SME skills	4.14	3.00	3.36	<b>C</b>	Access to finance	4.02	3.76	3.57	<b>D</b>	Public procurement	4.26	4.04	3.49	Standards and regulations	4.56	4.22	3.43	Internationalisation	3.76	3.60	2.96	<b>E</b>	Business development services	4.39	3.69	3.53	Innovation policy	3.27	2.70	2.92	Green economy	3.05	2.48	2.77
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<b>Sub-Topic of the Green Deal</b>	<b>Sustainable Blue Economy</b>
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<b>49</b> <b>Indicator</b>	Gross value added (GVA) in sustainable blue economy. <sup>143</sup>
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Description of the Indicator	Result of the Indicator
GVA from the value of ocean-sea related assets (offshore renewables, coastal tourism, maritime transport, ports activities, etc.).	No data is available for Georgia.

<sup>142</sup> <https://www.oecd.org/countries/georgia/sme-policy-index-eastern-partner-countries-2020-8b45614b-en.htm>

<sup>143</sup> [Blue indicators online dashboard | 'DG Mare Blue Economy' \(europa.eu\)](#)

Sub-Topic of the Green Deal	<b>Sustainable Blue Economy<sup>144</sup></b>
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<b>51</b>	<b>Indicator</b>	Employment in sustainable blue economy.
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
Number of people employed in sustainable blue economy (e.g., marine renewable energy, waste recycling in maritime business, sustainable coastal tourism, etc.).		No data is available for Georgia.

**BIODIVERSITY**

Sub-Topic of the Green Deal	<b>EU Biodiversity Strategy For 2030</b>
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<b>52</b>	<b>Indicator</b>	SDG 2.5.1. Maintain genetic diversity.
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
SDG 2.5.1 Number of plant and animal genetic resources for food and agriculture secured in either medium or long-term conservation facilities.  Target: 2025 - 50-60% of genetic resources to be evaluated.		SDG 2.5.1:  Genetic resources of plants (incomplete) – 7,026 samples (MEPA 2019).  Genetic resources of animals (incomplete) – 2,473 samples (MEPA 2019).

Sub-Topic of the Green Deal	<b>EU Biodiversity Strategy For 2030</b>
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<b>53</b>	<b>Indicator</b>	SDG-15.4.1 Coverage by protected areas of key mountainous biodiversity.
<b>Description of the Indicator</b>		<b>Result of the Indicator</b>
SDG-15.4.1 Coverage by protected areas of key mountainous biodiversity.  Target: 40% by 2022		SDG-15.4.1: 40 % (2019)  The indicator was calculated by the Integrated Biodiversity Assessment Tool (IBAT) Alliance ( <a href="https://www.ibat-alliance.org/country_profiles/GEO">https://www.ibat-alliance.org/country_profiles/GEO</a> ).  Under the Bern Convention, a total of 58 ‘emerald areas’ have been selected in Georgia, 46 of which are approved by the Standing Committee of the Bern Convention, 12 - proposed. The total area of the emerald network in Georgia is 1,285,974 ha which is 18.45% of the country’s territory.

<sup>144</sup> <https://blueindicators.ec.europa.eu/access-online-dashboard>

## DEPOLLUTION

Sub-Topic of the Green Deal		Zero Pollution
54	Indicator	Microplastics released into the environment (tons or % to the baseline/ base year).
Description of the Indicator		Result of the Indicator
Tons of or % to the baseline value (amount) of microplastics into the environment.		EU: to be reduced by 50%. No data for Georgia.
Sub-Topic of the Green Deal		Zero Pollution
55	Indicator	Reduction of residual municipal waste.
Description of the Indicator		Result of the Indicator
Amount of municipal solid waste land-filled (residual after separation of fractions for recycling or other use).		EU: to be reduced by 50%. Georgia: Shares of recycled paper, glass, metal and plastics aim to be 80%, 80%, 90% and 80% ,respectively, by 2030.
Sub-Topic of the Green Deal		Zero Pollution
56	Indicator	SDG 3.9.1 Mortality rate attributed to household from ambient air pollution.
Description of the Indicator		Result of the Indicator
Corresponds to the SDG target 3.9 (By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination) under the SDG3: Good Health and Well-being. <sup>145</sup>		2012: 65 EU is Georgia's adjusted indicator target for 2030. Report of 2016 for Georgia: 184 ♀ Female: 172 ♂ Male: 197
Sub-Topic of the Green Deal		Zero Pollution
57	Indicator	SDG 3.9.2 Mortality rate attributed to unsafe water, unsafe sanitation, and lack of hygiene (exposure to unsafe Water, Sanitation and Hygiene for All (WASH) services).

<sup>145</sup> [Sustainable Development Goals and Georgia \(wordpress.com\)](https://sustainabledevelopmentgoals.wordpress.com/)

	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Relates to water pollution and unsafe sanitation. Corresponds to the SDG target 3.9 (goal 3.9.2).	SDG 3.9.2 - Georgia 0.2 (2016).
	<b>Sub-Topic of the Green Deal</b>	<b>Zero Pollution</b>
<b>58</b>	 <b>Indicator</b>	SDG 3.9.3 Mortality rate attributed to unintentional poisoning.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	SDG 3.9.3 Relates to food, water or air pollution of an unknown nature.	EU: 0.7 is Georgia's adjusted indicator target for 2030. Georgia: 0.8 (Female: 0.5, Male: 1.2, 2016 data). <sup>146</sup>
	<b>Sub-Topic of the Green Deal</b>	<b>Zero Pollution</b>
<b>59</b>	 <b>Indicator</b>	SDG 3.9.4 Cases of lower respiratory diseases per 100,000 population.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	SDG 3.9.4 cases of lower respiratory diseases per 100,000 population related to air pollution in general.	Georgia: 1,314.3 per 100,000 inhabitants (aggregated data 2018). Substantial reduction since 2015 (2,669.9).
	<b>Sub-Topic of the Green Deal</b>	<b>Zero Pollution</b>
<b>60</b>	 <b>Indicator</b>	SDG 11.6.1 Proportion of urban solid waste regularly collected in cities.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	SDG-11.6.1 Proportion of urban solid waste regularly collected and with adequate final discharge out of total urban solid waste generated, by cities. Target: 100% by 2030.	SDG - 11.6.1: 84 % (2015)  This is an approximate figure: Since only the municipal solid waste is computed, an approximate calculation was made (by the German methodology) of what possible municipal solid waste would be produced in the country according to which the ratio was obtained.
	<b>Sub-Topic of the Green Deal</b>	<b>Make Soils Healthy</b>
<b>61</b>	 <b>Indicator</b>	SDG-15.3.1 Land Degradation

<sup>146</sup> [Sustainable Development Goals and Georgia \(wordpress.com\)](https://sustainabledevelopmentgoals.wordpress.com/)

	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	SDG-15.3.1 Proportion of land that is degraded over total land area.	SDG 15.3.1: in 2019: 6,1 %, area – 4,071 square km. (reporting on this indicator will be conducted once every four years).
	<b>Sub-Topic of the Green Deal</b>	<b>Make Soils Healthy</b>
<b>62</b>	 <b>Indicator</b>	Areas of irrigated lands.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Areas of irrigated lands (ha).	By now: 127,000 ha <sup>147</sup> – the data accessible at LEPL საქართველოს მელორაცია at the MEPA.
	<b>Sub-Topic of the Green Deal</b>	<b>Make Soils Healthy</b>
<b>63</b>	 <b>Indicator</b>	The overall use of chemical pesticides.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Annual use of chemical pesticides and the reduction of the use of chemical pesticides to the base year.	EU: by at least 50%. No data for Georgia.
	<b>Sub-Topic of the Green Deal</b>	<b>Make Soils Healthy</b>
<b>64</b>	 <b>Indicator</b>	The use of more hazardous pesticides.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Annual use of more hazardous pesticides and reduction of used more hazardous pesticides (tons).	EU: reduce by at least 50%, No data for Georgia.  The Georgian Law on Pesticides and Agrochemicals <sup>148</sup> provides the legal grounds for the efficient use of pesticides and agrochemicals and for their application in such a manner which is safe both for humans and the environment. The Ministry of Agriculture of Georgia (the Registration Authority) is responsible for the state registration of pesticides and agrochemicals.

<sup>147</sup> [Mission | Georgian Amelioration \(ag.ge\)](#)

<sup>148</sup> [On Pesticides and Agrochemicals | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](#)



## SUSTAINABLE FOOD SYSTEMS AND RURAL AREAS

Sub-Topic of the Green Deal		Sustainable Agriculture
65	Indicator	GHG emissions from the agricultural sector.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Amount of GHG emissions in Gg CO <sub>2</sub> eq. from the agricultural sector annually.	In 2017 GHG emissions <sup>149</sup> – 3,488 Gg CO <sub>2</sub> eq.
Sub-Topic of the Green Deal		Sustainable Agriculture
66	Indicator	Amounts (tons) of bio-fertilizers, protein feed, bioenergy(biogas) and bio-chemicals produced from agriculture (separate indicators).
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Expressed in tons – agricultural products, residues and manure processed in refineries to get fertilizers, natural protein feeds, bioenergy (biogas) and bio-chemicals.	No quantified values for the EU or Georgia. There is a certified entity, Bioagro, <sup>150</sup> producing biological pesticides and fertilizers and providing them to some farms/farmers.
Sub-Topic of the Green Deal		Sustainable Agriculture
67	Indicator	Share of organic food in the total agricultural food products.
	<b>Description of the Indicator</b>	<b>Result of the Indicator</b>
	Amount (tons) of organic/eco food/and share of organic food in the total agricultural food products.	No quantified values for the EU or Georgia.
Sub-Topic of the Green Deal		Sustainable Agriculture
68	Indicator	Area of organic farming.

<sup>149</sup> [National Inventory Report \(NIR\) to NC4 Georgia. | UNFCCC](#)

<sup>150</sup> [Bioagro \(bioagro.ge\)](http://bioagro.ge)

Description of the Indicator		Result of the Indicator
Area of organic farming annually and its share in total arable land area.		<p>No quantified values for the EU or Georgia.</p> <p>The area (ha) of organic farming (annual data) can be obtained from the specialized entity, Caucascert,<sup>151</sup> (or Green Caucasus), giving out certificates to farmers producing organic products.</p>
<b>Sub-Topic of the Green Deal</b>		<b>Sustainable Agriculture</b>
<b>69</b>	 <b>Indicator</b>	Amount of food waste (tons).
Description of the Indicator		Result of the Indicator
Aims to avoid food loss.		<p>No quantified values for Georgia. This practice is already taking place in Georgia (at initial stage).</p> <p>EU data are accessible at: <a href="#">Statistics   Eurostat (europa.eu)</a></p>

<sup>151</sup> [About us – Caucascert](#)



## Gaps in Georgia's Policy Framework for Alignment with the EU Green Deal and Relevant Recommendations

Georgia is in the process of approving new energy legislation to align its regulations with the EU energy acquis (including the Third Energy Package) under the terms of the Energy Community Treaty and the Association Agreement with the EU. The Association Agreement and Energy Community membership establish the main setting for the alignment of Georgian policy and the legislative framework with the European Green Deal.

Georgia does not have a National Development Strategy (the document has been drafted but is not yet published) which would combine the main goals and the targets from sectoral strategies and the SDG action plan and show the long-term vision and the objectives for state development. For this reason, gaps can be analyzed at a sectoral level.

Georgia does not have a climate law which sets a legally binding target for reducing net greenhouse gas emissions. Meeting emissions reduction targets as defined by the updated NDC of Georgia, as well as by the National Climate Change Strategy 2030 and its Action Plan 2021-2023, is not legally-binding. Existing climate-related laws only partially address the priorities identified in Georgia's international commitments. Georgia joined the Global Methane Pledge, launched at the COP26 in November 2021, to catalyze action to reduce methane emissions. The MEPA plans to develop the Methane Strategy for Georgia in the near future. Georgia does not have an MRV system for GHG emissions, climate change mitigation and adaptation.

In 2020, Georgia established the Climate Change Council (CCC); however, a working group under the council has not been established. Climate change-related stakeholder platforms are mainly created on project bases and cease functioning after the project ends. Industrial alliances and other business-related initiatives are rare. Educational programs in schools or universities are not well integrated and very few universities offer courses on climate change policy. There are no action plans against disinformation and while several donors funded projects are aimed at awareness raising and information dissemination, a systemic approach is lacking in this direction.

There is a further lack of secondary regulations and incentives for buildings renovation. The Law on Energy Efficiency of Buildings (came into force on May 29, 2020), developed according to the Energy Performance in Buildings Directive 2010/31/EU and adjusted to the Energy Community Contracting Parties circumstances, includes specific relevant provisions requiring private buildings sold or rented and all public buildings with more than 500 m<sup>2</sup> (lowered to 250 m<sup>2</sup> on June 30, 2023) and often visited by the public to have energy performance certificates. The law

sets minimum energy performance standards for primary energy consumption for new buildings or buildings which are undergoing major renovations to a cost-effective level. According to the law, all new buildings must satisfy the requirements of Nearly Zero Energy Buildings unless it is not cost-effective to do so. To fully approximate to the Directive, Georgia plans to develop various secondary legal acts in the coming period, including: the development of a national calculation methodology for the energy performance of buildings with national annexes (default input values) – setting a national standard and providing technical assistance in laying down the methodology for the calculation of the energy performance of buildings in line with the requirements of Directive 2010/31/EU and the new European standards. So far, two regulations were adopted by the GoG in 2021 and the remainder are expected to be adopted in 2022. The policy based loan between the KfW, the AFD (and involving the EU) with the GoG is directed at supporting the achievement of the adoption of key regulations with certain timelines.

Georgia does not have a strategy for the energy retrofitting of buildings targeted at energy poor households. The issue of energy poverty has been recognized by the Georgian authorities and some initiatives are already in place to provide suggestions on addressing energy poverty. Georgia has also put several measures in place in order to aid vulnerable consumers, all of which are short-term measures intended to reduce the energy burden. However, the major cause of energy poverty is the low energy efficiency of buildings resulting in the inability to heat the entire living surface or heat it to the required temperature. The main approach in mitigating energy poverty in Georgia should aim at improving the energy efficiency of dwellings belonging to vulnerable and energy-poor households as well as facilitating fuel switching and improvements to heating systems, primarily for those households relying on unsustainable fuelwood.

-  There is a lack of vision and a strategy/action plan for the development and the use of batteries in energy generation and the transport sector.
-  The absence of a vision and plan for the development of offshore renewable energy in Georgia is also problematic.
-  The lack of systematic “whole system” energy plan to support the transition towards a more integrated energy system is another challenge. The efforts directed towards “whole system” energy planning are not systematic and are often linked to specific donor projects. There is no strong analytical base to support the transition towards a more integrated energy system which would support a climate neutral economy at the least cost across sectors.
-  A clear vision of the potential for green hydrogen development in Georgia is not envisaged in any strategic documents nor is there an official development strategy. Additionally, there is no comprehensive study on the potential for hydrogen development in Georgia or its technical and economic feasibility.
-  Georgia does not yet have a forest cadaster. There is a low pace of the forest inventory process and information on deforestation and land use change at the national level is still absent.

Georgia plans to develop a circular economy development strategy and action plan. The MEPA is currently developing target indicators. Blue economy principles are not integrated in relevant strategic documents. The National Biodiversity Strategy and Action Plan of Georgia 2014-2020 needs to be updated.

There is a lack of proper functioning/operationalization of the legislation on the sanitary norms for water, wastewater and soil. There is a need to study the level of operationalization of the Extended Producer Responsibility (EPR) principle of the National Waste Management Code.

Georgia does not have a chemical strategy for sustainability which results in a lack of rules to prevent and reduce industrial emissions. There is a need to transpose Directive (EU) 2016/2284 on the reduction of the national emissions of certain atmospheric pollutants into national legislation.

Precision agriculture, organic farming, agro-ecology, agro-forestry, low-intensive permanent grassland and stricter animal welfare standards under the Farm to Fork Strategy and the new Common Agricultural Policy (CAP) are fragmentarily reflected in Georgia's agriculture development strategies. There is a lack of strategic vision for the development of aquaculture as a sector that supplies nutritious and healthy food with a low environmental and climate footprint, creating economic opportunities and jobs in Georgia.

The table below summarizes the main gaps between the EGD and the Georgian legislative and policy framework and provides recommendations to overcome them. The recommendations are based on priority ranking.

 <b>CROSCUTTING ISSUES</b>			
N	Topic	Communication from the Commission - The European Green Deal <sup>152</sup> and the Roadmap	
1	Gaps	Priority	 High
Lack of an overall national development strategy.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
Georgia does not have a National Development Strategy which would align with sectoral strategies and SDG action plan and show a long-term vision and objectives for state development.		 The GoG should adopt the National Development Strategy which will be aligned with sectoral strategies and SDG indicators and its action plan and shows a long-term vision and objectives for state development.	

<sup>152</sup> [EUR-Lex - 52019DC0640 - EN - EUR-Lex \(europa.eu\)](#)

Administration of the Government of Georgia has drafted a National Development Strategy which is not yet publicly available.

👉 The goals, objectives and indicators of the Strategy should be integrated into the Basic Data and Direction (BDD) and other strategic documents.

👉 The GoG should develop an effective monitoring and evaluation system for the Strategy and the SDG.<sup>153</sup>

<b>N</b>	<b>Topic</b>	<b>European Green Deal Investment Plan<sup>154</sup></b>	
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<b>2</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
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Lack of National Investment Plan and local financial resources.

<b>Description/Justification (with sources)</b>	<b>Recommendations</b>
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Georgia does not have a National Investment Plan to mobilize funding and create an enabling framework to facilitate and stimulate the public and private investments needed for the transition to a low-emission, green, competitive and inclusive economy.

Georgia lacks the mechanism (like a Just Transition Mechanism) which would create the necessary investment to help workers and communities which rely on the fossil fuel value chain.

👉 The National Development Strategy should have a robust investment plan reflecting local financial resources and bilateral and multilateral donor support.

👉 Developing a national budget labeling system (climate related, mitigation, adaptation, etc.) will facilitate the identification of allocated finances for climate related actions.

<b>N</b>	<b>Topic</b>	<b>European Green Deal</b>	
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<b>3</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
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Lack of human resources and analytical capacity.

<b>Description/Justification (with sources)</b>	<b>Recommendations</b>
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Development of bylaws and the implementation of institutional reforms are challenging due to the lack of human resources and analytical capacity in various sectors of Georgia. The European Green Deal is a complex strategy that requires cross sector cooperation and coordinated planning at national and local levels.

👉 Strengthening the analytical capacity and increasing the number of qualified staff in the key institutions (MoESD, MEPA).

👉 Support is needed to assist in the implementation of the laws as well as in transposing and implementing EGD related laws and laws not yet in the Energy Community Acquis.

<sup>153</sup> Sustainable Development Goals. Efficiency Audit Report. State Audit Service, 2019

<sup>154</sup> [Financing the green transition \(europa.eu\)](https://europa.eu)

N	Topic	Fit for 55 Package <sup>155</sup>	
4	Gaps	Priority	 Medium
Absence of an Emission Trading System and Carbon Border Adjustment Mechanism.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
Although transposition of legislation of the Fit for 55 Package into national legislation is not yet mandatory for Georgia, part of them will soon become critical factors in trading goods with EU countries.		 The MEPA should develop an Emission Trading System and Carbon Border Adjustment Mechanism to facilitate trade relations with EU countries.	

N	Topic	New EU Strategy on Adaptation to Climate Change <sup>156</sup>	
5	Gaps	Priority	 High
Lack of National Adaptation Strategy/Plan.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>Adaptation to climate change is one of the priorities of the climate policy of Georgia (NDC);<sup>157</sup> however, the country does not yet have the National Adaptation Plan.</p> <p>The MEPA plans to develop the National Adaptation Plan for Georgia.</p> <p>This will improve knowledge and data, support to policy development and climate risk management at all levels and accelerate adaptation action across different sectors.</p> <p>Georgian legislation does not fully regulate climate change adaptation (tangential approach) and disaster-risk management.<sup>158</sup></p>		 The MEPA should assess the vulnerability of different sectors to climate change and develop a relevant adaptation strategy/plan.	

<sup>155</sup> [EUR-Lex - 52021DC0550 - EN - EUR-Lex \(europa.eu\)](#)

<sup>156</sup> [A new EU Strategy on Adaptation to Climate Change \(europa.eu\)](#) / [EUR-Lex - 52021DC0082 - EN - EUR-Lex \(europa.eu\)](#)

<sup>157</sup> [NDC Georgia\\_ENG WEB-approved.pdf \(unfccc.int\)](#)

<sup>158</sup> GIZ Study on Climate Law, 2022

N	Topic	EU Gender Equality Strategy 2020-2025 <sup>159</sup>	
6	Gaps	Priority	 Medium
Gaps in gender equality affecting energy transition – gaps in legislative framework and gender mainstreaming. <sup>160</sup>			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>Inequalities can persist in green energy systems as energy interventions do not automatically tackle the structural dynamics embedded within socio-cultural and socio-economic contexts. Also, in general the proportion of women engaged in energy transition is still low. Several laws dealing with gender equality have been adopted in Georgia, including:</p> <ul style="list-style-type: none"> <li>👉 Law of Georgia on Combating Trafficking</li> <li>👉 Law of Georgia on the Elimination of Domestic Violence, Protection and Assistance to the Victims of Domestic Violence</li> <li>👉 Law of Georgia on Gender Equality</li> </ul> <p>Several institutional mechanisms were established for the achievement of gender equality and they include:</p> <ul style="list-style-type: none"> <li>👉 The Gender Equality Advisory Council in the Parliament with the mandate to develop and monitor an action plan for ensuring gender equality.</li> <li>👉 The Gender Equality Department as a standing unit in the structure of the Public Defender's Office.</li> <li>👉 The Inter-Agency Commission on Gender Equality, Violence Against Women and Domestic Violence Issues.</li> </ul> <p>Georgia's updated NDC intends to collect, manage, report and archive information on gender-disaggregated relevant data in its national reports related to greenhouse gas mitigation and climate change adaptation.</p>		<ul style="list-style-type: none"> <li>👉 It is recommended for the GoG to integrate the gender perspective in energy and climate policies.</li> <li>👉 It is recommended that the MoESD and the GEOSTAT begin monitoring gender inequalities in the energy sector at the national level using relevant indicators used by Eurostat (LFS and LFSE), the EC's Directorate General for Energy and the EC's Asset Study.<sup>162</sup></li> <li>👉 Questionnaires can be developed for energy ministries, regulators, TSOs and companies that provide insights into the current situation of gender inequality as well as valuable information on the barriers to women's entry, retention and advancement in the energy labor market.<sup>163</sup></li> <li>👉 It is recommended to take efforts that the delegates participating in UNFCCC decision taking processes (such as COP meetings) are attended by 50% women. Also, efforts should be made that women are equally represented in the National Climate Change Council.</li> </ul>	

<sup>159</sup> [https://ec.europa.eu/info/policies/justice-and-fundamental-rights/gender-equality/gender-equality-strategy\\_en](https://ec.europa.eu/info/policies/justice-and-fundamental-rights/gender-equality/gender-equality-strategy_en)

<sup>160</sup> <https://www.energy-community.org/regionalinitiatives/Transition.html>

<sup>162</sup> POLICY PAPER by the Energy Community Secretariat on Collecting Gender-Disaggregated Data in the Energy Sector, April 25, 2022

<sup>163</sup> POLICY PAPER by the Energy Community Secretariat on Collecting Gender-Disaggregated Data in the Energy Sector, April 25, 2022

In addition, Georgia intends to carry out gender analysis, capacity building and knowledge sharing within climate-related projects.

The Law on Gender Equality, despite some positive changes, remains an ineffective mechanism in Georgia. To this date, the law does not include comprehensive obligations for the appropriate agencies with respect to relevant areas. The law still does not emphasize the importance of gender mainstreaming nor does it impose an obligation to put its instruments, including Gender Impact Assessment, Gender Budgeting, Gender Audit, Gender Segregated Data Collection and Gender Training, into practice to ensure their effective implementation.<sup>161</sup>

<b>N</b>	<b>Topic</b>	The <b>Digital Europe Program</b> <sup>164</sup> is a new EU funding program focused on bringing digital technology to businesses, citizens and public administrations. The Digital Europe Program will provide strategic funding supporting projects in five key capacity areas: supercomputing, artificial intelligence, cybersecurity, advanced digital skills and ensuring a wide use of digital technologies across the economy and society, including through Digital Innovation Hubs.
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<b>7</b>	<b>Gaps</b>	<b>Priority</b>	 High
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Absence of a digital strategy and own financial resources and technical capacity to achieve the digitalization goals.

Description/Justification (with sources)	Recommendations
<p>Georgia plans to develop a long-term national strategy for the development of the digital economy and information society and the plan for its implementation<sup>165</sup> which will define the future directions of a digital economy and promote the development of electronic services in the public and the private sectors, increase digital literacy and enhance Georgia's competitiveness in the global digital economy.</p> <p>Georgia has the developed National Broadband Network Development Strategy 2020 - 2025 and Action Plan, aiming to give the population access to high-speed internet and gradually create an environment</p>	<ul style="list-style-type: none"> <li> The MoESD should develop a long-term national strategy for the development of the digital economy and information society, considering the objectives of the Digital Europe Program.</li> <li> In line with the development of the strategy, Georgia should prepare a relevant action plan with relevant financial resources.</li> <li> Parallel with the digitalization process, the GoG should strengthen cybersecurity measures.</li> </ul>

<sup>161</sup> [https://www.ge.undp.org/content/georgia/ka/home/library/democratic\\_governance/gender-equality-research.html](https://www.ge.undp.org/content/georgia/ka/home/library/democratic_governance/gender-equality-research.html)

<sup>164</sup> [Digital Programme | Shaping Europe's digital future \(europa.eu\)](#)

<sup>165</sup> Government Program 2021 – 2024 For the Construction of a European state, page 32.

for digital services across the country. According to the plan, households will have access to 100 mb/s while the quality will be 1 Gb/s for the public sector.<sup>166</sup>

However, Georgia does not have its own sufficient financial resources and technical capacity to achieve the set goals.

<b>N</b>	<b>Topic</b>	<b>Data and Statistics</b>	
<b>8</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
Lack of data and information to estimate various indicators relevant to the European Green Deal and SDGs.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
Due to the lack of financial resources and technical capacity, Georgia does not have sufficient data to estimate various indicators relevant to the European Green Deal and SDGs.		The GoG should strengthen the technical capacity and provide sufficient funding for GEOSTAT and other relevant institutions to produce relevant data for estimating indicators relevant to the European Green Deal and SDGs. An action plan, including a timeframe to address these data gaps, should be elaborated.	

## **DECARBONIZATION<sup>167</sup>**

<b>N</b>	<b>Topic</b>	<b>European Climate Law<sup>168</sup></b>	
The Law sets a legally binding target of net zero greenhouse gas emissions by 2050. The law also puts the intermediate target of reducing net greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels. It sets a high standard for public involvement (the principle of equitable energy regulation).			
<b>9</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
Absence of a unified climate law.			

<sup>166</sup> <https://tinyurl.com/yudxfa78>

<sup>167</sup> The five pillars of the Green Agenda: (1) **climate action/decarbonisation**, including climate, energy and mobility; (2) the **circular economy**, addressing, in particular, waste, recycling, sustainable production and the efficient use of resources; (3) **biodiversity**, aiming to protect and restore the natural wealth of the region, (4) **fighting the pollution** of air, water and soil and (5) **sustainable food systems and rural areas**.

<sup>168</sup> [European Climate Law \(europa.eu\) / EUR-Lex - 32021R1119 - EN - EUR-Lex \(europa.eu\)](https://eur-lex.europa.eu/eur-lex.do?uri=CELEX:32021R1119:EN:EUR-Lex)

Description/Justification (with sources)	Recommendations
<p>Georgia does not have a climate law which sets a legally binding target of reducing net greenhouse gas emissions by at least 35% by 2030 and 50-57% by 2050 compared to 1990 levels, including the MRV system and measures to keep track of progress and adjust actions accordingly.</p> <p>Climate-related issues are legally tackled in a scattered and fragmented fashion through sectoral laws and bylaws.</p> <p>Meeting emissions reduction targets defined by the updated NDC of Georgia, as well as by National Climate Change Strategy 2030 and its Action Plan 2021-2023, is not legally-binding.</p> <p>Existing climate-related laws only partially address the priorities identified in Georgia's international commitments.</p> <p>The role of institutional and non-institutional actors is not fully defined.<sup>169</sup></p> <p>Mandatory commitments and obligations from private entities are missing.</p> <p>The MEPA has started developing the concept for the Climate Change Law.</p>	<p>👉 The MEPA should develop climate law which sets a legally binding target of reducing net greenhouse gas emissions according to the updated NDC (by at least 35% by 2030 and 50-57% by 2050 compared to 1990 levels), including the legal framework for the MRV system. This includes the definition of the roles and the responsibilities of different governmental bodies.</p>

<b>N</b>	<b>Topic</b>	<b>Methane Strategy (EU strategy to reduce methane emissions)<sup>170</sup></b>
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<b>10</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
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Lack of an MRV system for methane emissions in Georgia.

Description/Justification (with sources)	Recommendations
<p>Georgia joined the Global Methane Pledge, which was launched at the COP26 in November 2021, to catalyze action to reduce methane emissions. The MEPA plans to develop the Methane Strategy for Georgia in the near future.</p> <p>Georgia does not have an MRV system for GHG emissions, including methane.</p>	<p>👉 The MEPA should develop a sustainable MRV system for GHG emissions, including methane.</p>

<sup>169</sup> GIZ Study on Climate Law, 2022

<sup>170</sup> [TA MEF \(europa.eu\)](https://ec.europa.eu/transport/mef/ta_mef_en)

N	Topic	European Climate Pact <sup>171</sup>	
11	Gaps	Priority	 High
Lack of permanent stakeholder platforms, coordinated action against climate denial and misinformation or educational programs integrating climate science and solutions.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>In 2020, Georgia established the Climate Change Council (CCC) with the resolution of the GoG;<sup>172</sup> however, a working group under the council has not yet been established. Climate change-related stakeholder platforms are mainly created on project bases and stop functioning after a project ends. Industrial alliances and other business-related initiatives are rare.</p> <p>Educational programs in schools or universities are not well integrated and very few universities offer courses on climate change policy.</p> <p>There are no action plans against disinformation, several donor funded projects are aimed at awareness raising and information dissemination but a systemic approach is lacking in this direction.</p>		<ul style="list-style-type: none"> <li> The GoG should ensure the effective functioning of the Climate Change Council.</li> <li> The CCC should establish a permanent working group which will be an advisory body to the Council for addressing specific issues of climate change policy in the economic and social fields and consisting of public officials, experts and representatives of the scientific community.</li> </ul>	

N	Topic	European Climate Pact <sup>173</sup>	
12	Gaps	Priority	 Medium
Lack of local incentives and involvement of local municipalities in climate action.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>Out of 69 municipalities on the territory of Georgia, including five self-governing cities and 64 self-governing communities, 24 municipalities are signatories of the Covenant of Mayors which commits them to the development of municipal action plans for sustainable energy development and climate change impact mitigation; however, the involvement of local governments in particular actions in this direction are very limited. Local government capacity engaging citizens is limited as well.</p>		<ul style="list-style-type: none"> <li> The MEPA, the MOESD and the MRDI should work together to support municipalities, engage them in climate action and strengthen their capacity to develop, implement and monitor of progress of the Sustainable Energy and Climate Action Plans (SECAPs).</li> </ul>	

<sup>171</sup> <https://europa.eu/climate-pact/system/files/2020-12/20201209%20European%20Climate%20Pact%20Communication.pdf>

<sup>172</sup> [On Establishment of the Climate Change Council \(matsne.gov.ge\)](https://matsne.gov.ge/en/press-releases/2020-12-01)

<sup>173</sup> <https://europa.eu/climate-pact/system/files/2020-12/20201209%20European%20Climate%20Pact%20Communication.pdf>

<b>N</b>	<b>Topic</b>	<b>New European Bauhaus<sup>174</sup></b>	
<b>13</b>	<b>Gaps</b>	<b>Priority</b>	 Low
Lack of platforms and initiative groups relevant to the European Bauhaus in Georgia.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>The New European Bauhaus is a creative initiative, breaking down boundaries between science and technology, art, culture and social inclusion, to find solutions for everyday problems. The New European Bauhaus is an environmental, economic and cultural project aiming to combine design, sustainability, accessibility, affordability and investment in order to help deliver the European Green Deal. The core values of the New European Bauhaus are sustainability, aesthetics and inclusiveness. The goal of the design phase is to use a co-creation process to shape the concept by exploring ideas, identifying the most urgent needs and challenges and connect interested parties.</p>		<p> It is recommended for donors to support Georgia in developing initiatives relevant to the European Bauhaus, establishing an advisory board of external experts, including scientists, architects, designers, artists, planners and civil society that create experimental spaces where art, culture, science and technology can imagine, test and demonstrate new solutions.</p>	

<b>N</b>	<b>Topic</b>	<b>Just Transition</b>	
<b>14</b>	<b>Gaps</b>	<b>Priority</b>	 High
Georgia does not have a Territorial Just Transition plan or a Just Transition mechanism.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>The main aim of a territorial Just Transition plan is to identify the most impacted territories that should get support. Plans set out ways to best address social, economic and environmental challenges. The Just Transition mechanism envisages facilitating employment opportunities in new sectors and those in transition, offering re-skilling opportunities, improving energy-efficient housing, investing in the fight against energy poverty and facilitating access to clean, affordable and secure energy.<sup>175</sup></p>		<p> The GoG should identify the most impacted territories/areas that should get support (e.g., coal regions).</p> <p> The GoG should explore opportunities for involving Georgia in the Energy Community Just Transition Initiative - Coal Regions in Transition and the Clean Air Regions Initiative (CARI).<sup>176</sup></p>	

<sup>174</sup> [New European Bauhaus: Commission Launches Design Phase \(europa.eu\) / Call for Partners \(europa.eu\)](#)

<sup>175</sup> [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism_en)

<sup>176</sup> <https://www.energy-community.org/regionalinitiatives/Transition.html>

N	Topic	Just Transition and Renovation Wave. Energy Poverty	
15	Gaps	Priority	 High
There is no systematic approach to addressing the issue of energy poverty in Georgia.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>The issue of energy affordability and energy poverty have been recognized by the Georgian authorities and some initiatives are already in place to provide suggestions on addressing energy poverty. Georgia has put several measures in place in order to aid vulnerable consumers, all of which are short-term measures intended to reduce the energy burden. However, the major cause of energy poverty is the low energy efficiency of homes resulting in the inability to heat the entire living surface or heat it to the required temperature.</p> <p>The main approach in mitigating energy poverty in Georgia should aim at improving the energy efficiency of dwellings belonging to vulnerable and energy-poor households as well as facilitating fuel switching and improvements to heating systems, primarily for those households relying on unsustainable fuelwood. The primary measures should have a long-term effect to facilitate eliminating the root causes of energy poverty.</p>		<ul style="list-style-type: none"> <li> The GoG should develop a Program for Mitigating Energy Poverty which will define the measures aimed at mitigating energy poverty, the timeframe and the implementation plan. The program should also define the steps for setting up a monitoring and reporting system for energy poverty.</li> </ul>	

N	Topic	Just Transition and Renovation Wave. Energy Poverty	
16	Gaps	Priority	 High
Georgia does not have a strategy for energy retrofitting of buildings targeted at energy poor households.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>Overall energy retrofits of buildings, which includes installing thermal insulation on the entire building envelope as well as the replacement of windows and doors, result in significant energy savings and improvements to people's quality of life.</p> <p>The most important effect of this measure is to alleviate energy poverty by eliminating its main causes. This is done by reducing energy costs through upgrading efficiency of the dwelling while also removing adverse health effects typically caused by low energy efficiency (due to cold, dampness, mold, and draft). This improves the overall quality of life.</p>		<ul style="list-style-type: none"> <li> The MOESD and the MRDI should develop eligibility criteria for identifying energy poor households where people live in buildings requiring energy retrofitting.</li> <li> A strategy for energy retrofitting of buildings should be developed with a primary focus on energy poor households. Investment and funding schemes for retrofitting the buildings countrywide should be developed.</li> </ul>	

The inability to keep a house adequately warm is a key challenge for those living in energy poverty. Heating system improvements (HIS) for the energy-poor consist of three main variations which can be implemented as a single measure or combined:

- 👉 Improving the energy efficiency of the system - Replacing existing systems with the same but higher efficiency systems; i.e., replacing traditional fuelwood stoves with more efficient furnaces (applicable in rural areas where there is a high prevalence of using biomass).
- 👉 Modernization and expansion of the heating system - This involves replacing entire heating systems with more adequate heating systems
- 👉 Fuel switching - Switching fuel from a fossil to a renewable source.

<b>N</b>	<b>Topic</b>	<b>Renovation Wave Strategy<sup>177</sup> - A Renovation Wave for Europe – Greening Our Buildings, Creating Jobs, Improving Lives</b>
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<b>17</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
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Lack of secondary regulations and incentives for private building renovation.

**Description/Justification (with sources)**

A renovation wave strategy includes mandatory minimum energy performance standards and targets for the existing stock of buildings and new buildings. It also includes energy audits and Energy Performance Certificates, etc.<sup>178</sup>

The Law on Energy Efficiency of Buildings (came into force on May 29, 2020), developed according to the Energy Performance in Buildings Directive 2010/31/EU and adjusted to Energy Community Contracting Parties circumstances, includes specific relevant provisions to:

- 👉 Require private buildings sold or rented and all public buildings with more than 500 m<sup>2</sup> (lowered to 250 m<sup>2</sup> on June 30, 2023) and visited often by the public to have energy performance certificates.

**Recommendations**

- 👉 Georgia should ensure the timely implementation of the EE laws and planned activities according to the NECP – Energy Efficiency Chapter (also including setting mandatory minimum energy performance standards and targets for the existing stock of buildings and new buildings. This also includes energy audits and Energy Performance Certificates, adopting Eurocodes, etc.).
- 👉 Work on capacity building and strengthening cooperation among government bodies and other relevant stakeholders on developing EE measures in the building sector.
- 👉 Introduce energy certificates for buildings to evaluate energy performance and establish a support scheme for renovation.

<sup>177</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0662>

<sup>178</sup> Renovation Wave Strategy

☞ Set minimum energy performance standards for primary energy consumption for new buildings or buildings which are undergoing major renovations – to a cost-effective level.

☞ Require that all new buildings satisfy the requirements of Nearly Zero Energy Buildings unless it is not cost-effective to do so.

Require regular inspections of heating systems and air-conditioning systems.

Encourage public education on the topic of EE in buildings and review of financing measures to encourage EE.

Fully approximate the Directive which means that Georgia will develop various secondary legal acts in the coming period, including:

the development of a national calculation methodology for the energy performance of buildings with national annexes (default input values) – setting a national standard and providing technical assistance in laying down the methodology for the calculation of the energy performance of buildings in line with the requirements of Directive 2010/31/EU and the new European standards.

Provide support for the adoption of relevant supporting national standards which outline the methodologies for the calculation of the energy performance of buildings (within the national calculation methodology) compliant with the relevant European (CEN) standards in force and the provisions of Directive 2010/31/EU.

Hitherto, two regulations were adopted by the GoG in 2021 and the remainder are expected to be adopted in 2022. The policy based loan between the KfW, the AFD (and involving the EU) with the GoG is directed at supporting the achievement of the adoption of key regulations with certain timelines.

☞ Encourages public education on the topic of EE in buildings.

N	Topic	European Battery Alliance <sup>179</sup>	
18	Gaps	Priority	 Low
A lack of vision and strategy/action plan for the development and use of batteries in the energy generation and transport sectors.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>With massive migration from fossil fuels to clean tech, electricity is considered to be the cleanest energy carrier in the world. With more than 70% of renewable electricity, Georgia aims to continue a green path of electricity generation. To achieve its objectives, it is important to ensure the integration of variable renewable energy sources into the system (VRE) – primarily wind and solar power. Batteries can play a significant role for VRE integration in the system.</p>		<ul style="list-style-type: none"> <li>👉 The MoESD and the GSE should study options for the development of batteries in the power generation and transport sectors. Also, they should develop a relevant action plan for its development.</li> <li>👉 Support mechanisms should be developed for promoting small-scale storage facilities in remote/rural areas.</li> </ul>	
N	Topic	EU Strategy on Offshore Renewable Energy <sup>180</sup>	
19	Gaps	Priority	 Low
Absence of vision and a plan on the development of offshore renewable energy in Georgia.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>Development of domestic renewable energy sources is one of the priorities of the MoESD. However, the development of offshore renewables is not foreseen in any planned or drafted strategic documents, including, but not limited to the:</p> <ul style="list-style-type: none"> <li>👉 National Energy and Climate Plan (draft).</li> <li>👉 National Energy Policy (draft).</li> <li>👉 National Renewable Action Plan.<sup>181</sup></li> </ul>		<ul style="list-style-type: none"> <li>👉 With donor support, the MoESD should assess the potential development of offshore renewable energy in Georgia. Respective provisions can be included in energy sector development policy and strategies.</li> </ul>	
N	Topic	EU Strategy on Energy System Integration <sup>182</sup>	
20	Gaps	Priority	 High
Lack of a systematic “whole system” energy planning to support the transition towards a more integrated energy system.			

<sup>179</sup> <https://www.eba250.com>

<sup>180</sup> [https://energy.ec.europa.eu/topics/renewable-energy/eu-strategy-offshore-renewable-energy\\_en](https://energy.ec.europa.eu/topics/renewable-energy/eu-strategy-offshore-renewable-energy_en)

<sup>181</sup> [http://www.economy.ge/uploads/files/2017/energy/samoqmedo\\_gegma/nreap\\_v\\_3\\_eng\\_21022020.pdf](http://www.economy.ge/uploads/files/2017/energy/samoqmedo_gegma/nreap_v_3_eng_21022020.pdf)

<sup>182</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0299&from=EN>

Description/Justification (with sources)		Recommendations	
<p>In developing the National Energy and Climate Plan (NECP), the MoESD is using the TIMES energy system strategic planning tool that is designed to find the least cost energy mix to satisfy the demand through linear optimization. However, the efforts of the “whole system” energy planning are not systematic and are often linked to specific donor projects. There is no strong analytical base to support the transition towards a more integrated energy system which supports a climate neutral economy at the least cost across sectors.</p>		<p>👉 The MoESD should strengthen its analytical capacity by developing a systematic long-term energy planning practice using “whole system” energy planning tools/models to develop various scenarios with the least cost plans in order to deliver low-carbon, reliable and resource-efficient energy services.</p>	
<b>N</b>	<b>Topic</b>	<b>Hydrogen Strategy for a Climate-Neutral Europe<sup>183</sup></b>	
<b>21</b>	<b>Gaps</b>	<b>Priority</b>	🕒 Medium
Absence of vision and an official green hydrogen development strategy.			
Description/Justification (with sources)		Recommendations	
<p>A clear vision of the potential for green hydrogen development in Georgia is not envisaged in any strategic documents nor is there an official development strategy. Additionally, there is no comprehensive study on the potential for hydrogen development in Georgia or its technical and economic feasibility.</p>		<p>👉 The MoESD should study the potential development of green hydrogen in Georgia and adopt an officially relevant strategy. Proper stakeholder coordination and involvement in developing the strategy is crucial.</p>	
<b>N</b>	<b>Topic</b>	<b>Clean Energy for All Europeans Package<sup>184</sup></b>	
<b>22</b>	<b>Gaps</b>	<b>Priority</b>	🕒 High
Lag in developing secondary legislation in the field of energy efficiency, energy efficiency in buildings, renewable energy, electricity market design and others.			
Description/Justification (with sources)		Recommendations	
<p>As a member of the Energy Community, Georgia has already transposed part of the third energy package directives and regulations into national legislation. Some of the laws have already entered into the force; however, their full implementation is pending due to the absence of secondary legislation, a lack of incentives and the existence of inefficient energy subsidies.</p>		<p>👉 The timely development of secondary legislation to ensure the effective implementation of already adopted laws on EE and RES is recommended.</p> <p>👉 Effective interagency coordination and communication are needed to ensure the final buy-in and implementation of the clean energy package in the future.</p>	

<sup>183</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0301&from=EN>

<sup>184</sup> [https://energy.ec.europa.eu/topics/energy-strategy/clean-energy-all-europeans-package\\_en](https://energy.ec.europa.eu/topics/energy-strategy/clean-energy-all-europeans-package_en)

☞ Rationalize inefficient fossil fuel subsidies that encourage wasteful consumption by removing market distortions in accordance with national circumstances including by restructuring taxation and phasing out those harmful subsidies where they exist in order to reflect their environmental impacts, fully taking into account the specific needs and conditions of the country and minimizing possible adverse impacts on its development in a manner that protects the poor and affected communities.

<b>N</b>	<b>Topic</b>	<b>Sustainable and Smart Mobility Strategy– Putting European Transport on Track for the Future<sup>185</sup></b>
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<b>23</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
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Lack of a common sustainable and smart mobility strategy. Coherence is needed among existing initiatives and strategic documents, including urban mobility plans.

Description/Justification (with sources)	Recommendations
<p>Policy actions and objectives related to the transport sector to make it more sustainable and reduce GHG emissions are included in several cross-sectoral and sectoral strategic documents (CSAP, GCAPs, etc.). However, large urban areas are lacking a common approach to make transport more sustainable, increasing the penetration of zero-emission vehicles through various financial incentives and regulations, making sustainable alternative transport solutions available to the public, improving connectivity and access, increasing high speed rail transport and others.</p>	<ul style="list-style-type: none"> <li>☞ The MoESD should develop a long-term sustainable and smart national mobility/transport policy which will set the vision, the key principles and the incentives for its development. Municipal and city level mobility plans should be harmonized and consider the principles set out in the national transport policy.</li> <li>☞ Strong stakeholder coordination and involvement is needed in developing national and municipal mobility plans.</li> <li>☞ Assess the current modal split for freight and passenger transport and develop measures to reduce individual motorized traffic and increase public transport (train, bus, shared mobility concepts) and walking and cycling.</li> </ul>

<b>N</b>	<b>Topic</b>	<b>Sustainable and Smart Mobility Strategy – Putting European Transport on Track for the Future</b>
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<b>24</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
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Small share of low emissions vehicles and low modal share of sustainable alternative transport solutions (cycling, e-micro mobility, etc.).

<sup>185</sup> [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12438-Sustainable-and-Smart-Mobility-Strategy\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12438-Sustainable-and-Smart-Mobility-Strategy_en)

Description/Justification (with sources)	Recommendations
<p>In spite of a number of incentives to stimulate the penetration of electric vehicles, the share of such vehicles is still very low in Georgia. The reasons for this needs to be studied and the results integrated in respective policy measures.</p> <p>The modal share of sustainable transport solutions is low according to the available data for Batumi and Tbilisi.</p> <p>According to the available data for Batumi, the modal share of walking and cycling was 32% in 2016 where largest share was for walking. While having a flat terrain and bicycle lines, people in Batumi still often do not use bicycles as a transportation means. In Tbilisi, this share was even lower at 27%, and, again, the largest share was for walking.</p>	<ul style="list-style-type: none"> <li>It is recommended to analyze the effectiveness of the existing measures/incentives and regulations and identify key barriers hindering sustainable and smart mobility development in Georgia.</li> </ul>

<b>N</b>	<b>Topic</b>	<b>Stop Deforestation</b>
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<b>25</b>	<b>Gaps</b>	<b>Priority</b>	 High
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Lack of well-established forest information and monitoring system.

Description/Justification (with sources)	Recommendations
<p>Georgia does not have a well-established forest information and monitoring system. However, forest boundaries are registered. There is a low pace for the forest inventory process and information on deforestation, land degradation and land use change at the national level remains absent.</p>	<ul style="list-style-type: none"> <li>It is recommended to strengthen the capacity and qualifications of foresters and collect and systematize data on land degradation, deforestation and land use change in Georgia.</li> <li>The forests should be managed by their functional designation which are grouped into four categories of forests according to the Forest Code – protective, protected, tourist-recreational and agricultural forests.</li> <li>The sustainable use of forest resources should be supported and promoted by all relevant institutions at the national and regional levels with measures set out to prevent forest fires.</li> </ul>

## CIRCULAR ECONOMY

N	Topic	Circular Economy Action Plan <sup>186</sup> - aims at accelerating the transformational change required by the European Green Deal.		
26	Gaps	Priority	 High	Absence of a Circular Economy Strategy.
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>		
<p>Georgia plans to develop a circular economy development strategy and action plan. The MEPA is currently developing target indicators.</p> <p>In a more circular economy, the value of products, materials and resources is maintained in the economy for as long as possible and the generation of material waste is reduced quantitatively and improved qualitatively. Waste prevention is closely linked with improving manufacturing methods and influencing consumers to demand greener products and less packaging. Reducing the amount of waste generated is stated as the highest priority under the Waste Hierarchy established in the Waste Framework Directive (Article 4) which establishes a priority order from prevention, preparation for reuse, recycling and energy recovery through to environmentally safe disposal, such as landfilling.</p>		<ul style="list-style-type: none"> <li> Georgia should develop a circular economy strategy and action plan to reduce pressure on natural resources, thus contributing to climate targets and halting biodiversity loss.</li> <li> Georgia should establish a robust and accurate data collection system for waste management (type and amount of different waste types and treatment paths) to identify measures and track progress.</li> </ul>		
N	Topic	Sustainable Blue Economy <sup>187</sup> - A New Approach for a Sustainable Blue Economy in the EU - Transforming the EU's Blue Economy for a Sustainable Future		
27	Gaps	Priority	 Medium	Blue economy principles are not integrated in relevant strategic documents.

<sup>186</sup> [New Circular Economy Action Plan \(europa.eu\) / new\\_circular\\_economy\\_action\\_plan.pdf \(europa.eu\) / Circular economy action plan \(europa.eu\)](https://european-council.europa.eu/media/e3000420/1/162222main_en.pdf)

<sup>187</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021DC0240&from=EN>

Description/Justification (with sources)	Recommendations
<p>The World Bank supports Georgia's transition to a more sustainable blue economy. The recommendations provided by the World Bank seek to raise the level of urgency needed to reduce the impact of climate change on the coastal zone, address the escalating cost of inaction and focus on the blue economy as a vehicle to accelerate climate change adaptation and mitigation measures and contribute to the socio-economic development, tourism and environmental conservation of Georgia and the region.</p>	<ul style="list-style-type: none"> <li>👉 The GoG should consider the recommendations of the World Bank studies to set Black Sea coastal zone related targets and include them in the NDC. This will raise the ambition of Georgia's NDC and help define climate adaptation targets for Georgia's Black Sea coast.</li> <li>👉 The GoG should support the implementation of the Common Maritime Agenda for the Black Sea (CMA)<sup>188</sup> aiming at strengthening regional cooperation for a more sustainable blue economy in the Black Sea.</li> </ul>

<b>N</b>	<b>Topic</b>	<b>Framework for Maritime Spatial Planning<sup>189</sup> (EU Directive)</b>
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<b>28</b>	<b>Gaps</b>	<b>Priority</b>	 <b>Medium</b>
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Lack of a maritime spatial plan and its principles in the country's policy in relation to the maritime sector.

Description/Justification (with sources)	Recommendations
<p>Georgia has a Law on Maritime Space<sup>190</sup> but it does not have a maritime spatial plan. Although the law was amended in accordance with requirements of the Association Agreement to protect the coastal zone from pollution and ensure its monitoring, there is no common strategy to consider relevant European Green Deal principles such as the sustainable development of maritime transport, sustainable maritime tourism, improving resilience to climate change impacts, etc. Some of these provisions are mentioned in Adjara's Climate Change Strategy;<sup>191</sup> however, the document is already outdated.</p> <p>The EU cooperates with the Intergovernmental Oceanographic Commission of UNESCO to accelerate MSP processes worldwide through the MSPGlobal project.<sup>192</sup></p>	<ul style="list-style-type: none"> <li>👉 It is recommended that the GoG to develop a maritime spatial plan considering sustainable maritime development of the energy sectors at sea, maritime transport and fisheries and aquaculture as well as the preservation, protection and improvement of the environment, including resilience to climate change impacts. It may pursue other objectives such as the promotion of sustainable tourism and the sustainable extraction of raw materials.</li> <li>👉 Georgia can also benefit from cooperation with the MSPGlobal project and use international guidelines to develop the MSP.</li> </ul>

<sup>188</sup> <http://www.bsec-bsvkc.org/UploadedDocuments/Annex%201%20-%20Common%20Maritime%20Agenda%20for%20the%20Black%20Sea.pdf>

<sup>189</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0089&from=EN>

<sup>190</sup> <https://matsne.gov.ge/ka/document/view/18244?publication=24>

<sup>191</sup> [https://www.undp.org/sites/g/files/zskgke326/files/migration/ge/UNDP\\_GE\\_EE\\_Ajara\\_CC\\_2013\\_eng.pdf](https://www.undp.org/sites/g/files/zskgke326/files/migration/ge/UNDP_GE_EE_Ajara_CC_2013_eng.pdf)

<sup>192</sup> <https://www.mspglobal2030.org/>

Maritime spatial planning (MSP) is the tool to manage the use of seas and oceans coherently and ensure that human activities take place in an efficient, safe and sustainable way.

<b>N</b>	<b>Topic</b>	<b>A New Industrial Strategy for Europe<sup>193</sup></b>	
<b>29</b>	<b>Gaps</b>	<b>Priority</b>	 Medium
Georgia does not have a policy or a vision for the development of the industry sector.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>Georgia has great opportunities to develop its industrial sector with its strategic location and having signed the AA/DCFTA with the EU. However, there is no official strategy with a state level vision vis-à-vis industrial development.</p> <p>Also, the ongoing sanctions on Russia create additional prospects for Georgia to develop a modern industry which has a high value added, a competitive advantage and diversified export markets.</p>		<p> It is recommended for Georgia to develop an industrial strategy which will set the vision, the objectives and the specific measures to develop the country's production capacity and increase international competitiveness.</p>	

## BIODIVERSITY

<b>N</b>	<b>Topic</b>	<b>EU Biodiversity Strategy For 2030<sup>194</sup></b> - aims to set Europe's biodiversity on the path to recovery by 2030 and ensure that all of the world's ecosystems are restored, resilient and adequately protected by 2050.	
<b>30</b>	<b>Gaps</b>	<b>Priority</b>	 Medium
Need to update Georgia's NBSAP.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>The <b>National Biodiversity Strategy and Action Plan of Georgia 2014-2020</b> (latest)<sup>195</sup> covers the biodiversity of the following areas: species and habitats, protected areas, forest ecosystems, agricultural biodiversity and natural grasslands, inland water ecosystems and the Black Sea and sets the strategic goals, the national targets, the objectives and the actions for each area.</p>		<p> Georgia needs to update the National Biodiversity Strategy and Action Plan.</p> <p> It is necessary to improve the capacity of human and technical resources in the field of biosafety (training of staff in controlling agencies, elaboration and adoption of relevant guidelines and instructions).<sup>196</sup></p>	

<sup>193</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0102>

<sup>194</sup> [EUR-Lex - 52020DC0380 - EN - EUR-Lex \(europa.eu\)](#)

<sup>195</sup> [CBD Strategy and Action Plan - Georgia \(English version\)](#)

<sup>196</sup> Georgia, Sixth National Report to the Convention on Biological Diversity 2014-2018

👉 There is a need for human and technical capacity building for the research, protection, promotion and revitalization of the traditional knowledge on biodiversity conservation and use.<sup>197</sup>

N	Topic	Protection of Species and Habitats	
31	Gaps	Priority	 Medium
Databases, identification, classification, accounting (census), monitoring, conservation of endangered species and habitats need to be strengthened.			
Description/Justification (with sources)		Recommendations	
<p>The EU has to have (by 2020) a Guidance on the selection of species and habitats to ensure that at least 30% of the protected species and habitats not currently in a favorable status are in that category by 2030 or show a strong positive trend.<sup>198</sup></p> <p>Georgia's biodiversity Strategy<sup>199</sup> considers and reflects problems facing certain species, their checklist, their recovery and reintroduction, species-specific conservation activities (for some species), the National Red List and the classification of habitats and their prioritization. However, all of these areas and the data need enhancement and update.</p> <p>Assessment of the conservation status of the species listed in the Red List has not been undertaken since 2006. The conservation status of economically valuable species has not been assessed, something which would ensure the sustainable use of these species.<sup>200</sup></p>		<ul style="list-style-type: none"> <li>👉 The Georgian Red List is to be updated.</li> <li>👉 An electronic database of plant and animal species found in Georgia should be created and periodically updated.</li> <li>👉 National legislation based on EU directives on birds (2009/147/EC) and habitats (92/43/EC) should be transposed into national legislation.</li> <li>👉 Georgian habitats need to be classified according to the internationally recognized classification systems.</li> <li>👉 A biodiversity monitoring system is to be developed (elaboration began in 2007 but still needs completion).</li> <li>👉 A strategy for invasive alien species is to be developed to prevent their invasion and spread.</li> <li>👉 Species recovery and reintroduction activities, ongoing in the country for some species, need better research and planning and should be scaled up.</li> </ul>	

<sup>197</sup> Georgia, Sixth National Report to the Convention on Biological Diversity 2014-2018

<sup>198</sup> [communication-annex-eu-biodiversity-strategy-2030\\_en.pdf \(europa.eu\)](https://ec.europa.eu/eip/biodiversity/communication-annex-eu-biodiversity-strategy-2030_en.pdf)

<sup>199</sup> [Georgia's Biodiversity Strategy and Action Plan 2014-2020](#)

<sup>200</sup> [Sixth National Report to the Convention on Biological Diversity, 2014-2018, Georgia](#)

## DEPOLLUTION

N	Topic	Zero Pollution Action Plan (EU Action Plan: Towards Zero Pollution for Air, Water and Soil) <sup>201</sup>	
32	Gaps	Priority	 Medium
Lack of proper functioning/operationalization of the legislation on sanitary norms for water, wastewater and soil, aimed at their protection from pollution.			
Description/Justification (with sources)		Recommendations	
Georgia's legislation regarding ambient air <sup>202,203,204,205</sup> as well as water-, waste- and wastewater-related legislation, including technical and sanitary norms, <sup>206,207,208</sup> seems to ensure meeting the targets; however, there is no full evidence that they work/function properly, especially the Extended Producer Responsibility (EPR) <sup>209</sup> as a part of the National Waste Management Code. <sup>210</sup>		 There is a need to study the level of operationalization of the Extended Producer Responsibility (EPR) principle of the National Waste Management Code.	

N	Topic	Zero Pollution Action Plan (EU Action Plan: Towards Zero Pollution for Air, Water and Soil) <sup>211</sup>	
33	Gaps	Priority	 High
Absence of normative limits for chemical pesticides used in agricultural soils in Georgia.			

<sup>201</sup> [Commission aims for zero pollution in air, water and soil \(europa.eu\)](https://european-council.europa.eu/media/en/press-communications/infographic/infographic-zero-pollution-action-plan.pdf) / [www.eubusiness.com/topics/environment/zero-pollution-action-plan](https://www.eubusiness.com/topics/environment/zero-pollution-action-plan)

<sup>202</sup> [277 \(eiec.gov.ge\)](https://www.eiec.gov.ge/)

<sup>203</sup> [Ministry of Foreign Affairs of Georgia - National Action Plans for the implementation of the Association Agreement and Association Agenda \(mfa.gov.ge\)](https://mfa.gov.ge/)

<sup>204</sup> [2021-2023 EU-Georgia work plan for the implementation of the Trade and sustainable development chapter \(europa.eu\)](https://european-council.europa.eu/media/en/press-communications/infographic/infographic-zero-pollution-action-plan.pdf)

<sup>205</sup> [EU-Georgia Association Agreement and Agenda, old.civil.ge/files/files/annex\\_ii\\_-\\_eu-georgia\\_association\\_agenda\\_text.pdf](https://www.civil.ge/files/files/annex_ii_-_eu-georgia_association_agenda_text.pdf)

<sup>206</sup> [Order No 297/N of 2001 of Minister of Labor, Health and Social Affairs of Georgia on Environmental Quality Requirements | InforMEA](https://www.informea.gov.ge/)

<sup>207</sup> [On Water | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](https://www.matsne.gov.ge/)

<sup>208</sup> On the approval of the technical regulation on the conditions of discharge and reception of water in the sewage system and the maximum allowable norms of polluting substances | LEPL "Legislative Herald of Georgia" (matsne.gov.ge)

<sup>209</sup> [Strategic Documents | Ministry of Environmental Protection and Agriculture of Georgia \(mepa.gov.ge\)](https://mepa.gov.ge/)

<sup>210</sup> Waste Management Code | LEPL "Legislative Herald of Georgia" (matsne.gov.ge)

<sup>211</sup> [Commission aims for zero pollution in air, water and soil \(europa.eu\)](https://european-council.europa.eu/media/en/press-communications/infographic/infographic-zero-pollution-action-plan.pdf) / [www.eubusiness.com/topics/environment/zero-pollution-action-plan](https://www.eubusiness.com/topics/environment/zero-pollution-action-plan)

Description/Justification (with sources)	Recommendations
<p>The zero pollution policy with respect to soils implies the improvement of soil quality by reducing nutrient losses and chemical pesticide use by 50%. Georgia's Law on Soil Protection<sup>212</sup> is dealing with soil pollution with radionuclides, toxic, hazardous and non-hazardous waste, chemical pesticides and nutrient loss but does not identify the norms for chemical pesticides used in agricultural soils.</p>	<ul style="list-style-type: none"> <li>👉 It is recommended for the MEPA to identify types and normative limits for chemical pesticides used for agricultural soils.</li> <li>👉 A system of accounting chemical pesticides used in agricultural soils should be created and a database for monitoring purposes vis-à-vis these pesticides should be developed.</li> <li>👉 Improve the Law on Soil Protection, adding a regulation on prohibiting the burning of agricultural residues in the fields.</li> </ul>

N	Topic	Chemicals Strategy for Sustainability (Annexed with Action Plan for 2021-2024) <sup>213</sup>
34	Gaps	Priority  High

Need to ensure consistency with EU principles and objectives in the use of chemicals. Georgia does not have a chemical strategy for sustainability yet.

Description/Justification (with sources)	Recommendations
<p>Georgia does not yet have a chemical strategy for sustainability. However, it has adopted the Law on Environmental Protection<sup>214</sup> and a resolution on the procedure for the export-import of certain hazardous chemicals and pesticides and the procedure of prior informed consent<sup>215</sup> with annexes – A list of chemicals and pesticides under ban or strict restriction for export and import (Annex I) and a list of hazardous chemicals and pesticides prohibited for production, export and import under the Stockholm Convention.</p> <p>In 2014, Georgia took an obligation under the EU-Georgia AA about chemicals management, embracing the elaboration of corresponding legislation and its harmonization with the EU's legislation, accounting and reporting of chemicals and dangerous/hazardous waste and the creation of a register of chemicals.</p>	<p>It is recommended to assess the consistency of Georgian legislation with the EU directives and regulations in the use of chemicals to ensure:</p> <ul style="list-style-type: none"> <li>👉 Phasing out the most harmful substances from consumer products such as toys, childcare articles, cosmetics, detergents, food contact materials and textiles which include endocrine disruptors, chemicals that affect the immune and respiratory systems and persistent substances such as per- and polyfluoroalkyl substances (PFAS), among others, unless their use is proven essential for society.</li> <li>👉 Minimizing and substituting as far possible the presence of substances of concern in all products. Priority will be given to those product categories that affect vulnerable populations and those with the highest potential for a circular economy.</li> </ul>

<sup>212</sup> [On Soil Protection | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](https://matsne.gov.ge)

<sup>213</sup> [Commission adopts new Chemicals Strategy \(europa.eu\)](https://europa.eu) / [Chemicals strategy \(europa.eu\)](https://europa.eu) / [resource.html \(europa.eu\)](https://europa.eu) / [resource.html \(europa.eu\)](https://europa.eu) / [chemicals-strategy-factsheet.pdf \(europa.eu\)](https://europa.eu)

<sup>214</sup> [On Environmental Protection | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](https://matsne.gov.ge)

<sup>215</sup> [On the procedure for export-import of certain hazardous chemical substances and pesticides and the procedure for prior informed consent | LEPL "Legislative Herald of Georgia" \(matsne.gov.ge\)](https://matsne.gov.ge)

☞ Addressing the combination effect of chemicals (cocktail effect) by taking better account of the risk that is posed to human health and the environment by daily exposure to a wide mix of chemicals from different sources.

Ensuring that producers and consumers have access to information on chemical content and safe use by introducing information requirements in the context of the Sustainable Product Policy Initiative.

<b>N</b>	<b>Topic</b>	<b>Industrial Emissions Directive (IED)<sup>216</sup></b>
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<b>35</b>	<b>Gaps</b>	<b>Priority</b>	 <b>High</b>
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Lack of rules to prevent and to reduce industrial emissions.

**Description/Justification (with sources)**

Industrial production processes account for a considerable share of the overall pollution in Europe due to their emissions of air pollutants, discharges of wastewater and the generation of waste.

Directive 2010/75/EU of the European Parliament and the Council on industrial emissions (the Industrial Emissions Directive or IED) is the main EU instrument regulating pollutant emissions from industrial installations.

On April 5, 2022, the European Commission adopted proposals for revised EU measures to address pollution from large industrial installations. These proposals concern the revision of the IED. In line with the European Green Deal, the overall aim of the proposal is to progress towards the EU's zero pollution ambition for a toxic-free environment and support climate, energy and circular economy policies.

According to the EU-Georgia Association Agreement,<sup>217</sup> Directive 2010/75/EU shall be implemented within four years of the entry into force of this Agreement.

**Recommendations**

☞ The MEPA should develop rules to prevent or, where that is not practicable, reduce industrial emissions into the air, water and land and prevent the generation of waste in order to achieve a high level of environmental protection.

☞ The MEPA should accelerate the finalization and the adoption (as expected, by the end of the 2022) of a corresponding legislation about industrial emissions that is under development and ensure its timely implementation.

<sup>216</sup> [The Industrial Emissions Directive - Environment - European Commission \(europa.eu\) / EUR-Lex - 32010L0075 - EN - EUR-Lex \(europa.eu\)](#)

<sup>217</sup> [association\\_agreement.pdf \(europa.eu\)](#)

N	Topic	EU Rules on National Emissions of Certain Atmospheric Pollutants	
36	Gaps	Priority	 High
Need to transpose Directive (EU) 2016/2284 on the reduction of national emissions of certain atmospheric pollutants into national legislation.			
<b>Description/Justification (with sources)</b>		<b>Recommendations</b>	
<p>Directive (EU) 2016/2284 aims to reduce the health risks and environmental impact of air pollution by establishing national emission reduction commitments. The legislation was proposed as part of the EU's 2013 Clean Air Policy Package which included a Clean Air Program for Europe.</p> <p>The Directive covers five air pollutants:</p> <ul style="list-style-type: none"> <li> Sulphur dioxide</li> <li> Nitrogen oxides</li> <li> Non-methane volatile organic compounds</li> <li> Ammonia</li> <li> Fine particulate matter</li> </ul> <p>The Directive sets emission reduction commitments per pollutant by 2030.</p> <p>Although Georgia is a signatory of the Convention on Long-Range Transboundary Air Pollution (CLRTAP), its commitments do not cover the regulation/prohibition/limitation of the emissions of the listed substances.</p>		<ul style="list-style-type: none"> <li> Promote the elaboration and the adoption of corresponding legislation regarding the pollutants covered by EU Directive 2016/2284 in order to have it in place well before 2030.</li> </ul>	



## SUSTAINABLE FOOD SYSTEMS AND RURAL AREAS

N	Topic	From Farm To Fork (Farm To Fork for a Fair, Healthy and Environmentally Friendly Food System) <sup>218</sup> Organic Action Plan <sup>219</sup> - A sustainable food system is at the heart of the European Green Deal.	
37	Gaps	Priority	 Medium
Precision agriculture, organic farming, agro-ecology, agro-forestry, low-intensive permanent grassland and stricter animal welfare standards under the <b>Farm to Fork Strategy</b> and the new <b>Common Agricultural Policy (CAP)</b> <sup>1</sup> are fragmented in Georgia's agriculture development strategies. <sup>220</sup>			

<sup>218</sup> [f2f\\_action-plan\\_2020\\_strategy-info\\_en.pdf \(europa.eu\)](https://european-council.europa.eu/media/e30004/1/6/1/f2f_action-plan_2020_strategy-info_en.pdf)

<sup>219</sup> [Organic action plan | European Commission \(europa.eu\)](https://ec.europa.eu/organic/action-plan/) / [resource.html \(europa.eu\)](https://ec.europa.eu/organic/resource.html) / [resource.html \(europa.eu\)](https://ec.europa.eu/organic/resource.html)

<sup>220</sup> [Agriculture Development Strategy of Georgia / Agriculture and Rural Development Strategy of Georgia 2021-2027](#)

Description/Justification (with sources)	Recommendations
<p>Under the Green Deal's Farm to Fork strategy, the European Commission has set a target of at least 25% of the EU's agricultural land under organic farming and a significant increase in organic aquaculture by 2030.</p> <p>To achieve this target and to help the organics sector reach its full potential, the European Commission developed an action plan for organic production in the EU.</p> <p>Georgian strategies (last two: 2015-2020 and 2021-2027) for agriculture and the corresponding APs consider modern methods and practices under the climate-smart agriculture (CSA) approach; however, modern agricultural practices, such as precision agriculture, organic farming, agro-ecology, agro-forestry, low-intensive permanent grassland and stricter animal welfare standards mentioned in the EU Biodiversity Strategy and the AP, are not explicitly considered (included) in relevant sectoral strategies of Georgia.</p>	<ul style="list-style-type: none"> <li>It is recommended that the MEPA consider modern agricultural practices, implied in the EU's Farm to Fork Strategy and the Common Agricultural Policy (CAP), in updating the Agriculture Development Strategy and its action plan.</li> <li>A data collection system should be established to monitor agricultural practices which could be also used as a basis for financial support schemes</li> </ul>

<b>N</b>	<b>Topic</b>	<b>Strategic Guidelines for Sustainable and Competitive EU Aquaculture<sup>221</sup></b>
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<b>38</b>	<b>Gaps</b>	<b>Priority</b>	 Medium
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There is a lack of a strategic vision for the development of aquaculture as a sector that supplies nutritious and healthy food with a low environmental and climate footprint, creating economic opportunities and jobs in Georgia.

Description/Justification (with sources)	Recommendations
<p>Georgia has adopted the Law on Aquaculture<sup>222</sup> and with the support of the EU and the FAO and it is developing the National Aquaculture Development Strategy. However, the country lacks a strategic vision for the development of aquaculture.</p>	<ul style="list-style-type: none"> <li>It is recommended that the principles of the strategic guidelines for sustainable and competitive aquaculture be considered in the National Aquaculture Development Strategy of Georgia.</li> </ul>

<sup>221</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2021:236:FIN>

<sup>222</sup> <https://matsne.gov.ge/en/document/view/4901055?publication=0>

## Best Practice Examples of Georgia



This section provides best practice examples of Georgia, showing the strengths of the national/ regional or local ambitions in becoming a more resilient, low carbon and viable economy. These are (community projects, technological innovations, smart mobility concepts, awareness raising initiatives, financing concepts) projects, policies or initiatives which are effective and reproducible in contributing to less GHG emissions and a healthier environment. Each example is described in detail, including information on the type of implementation instrument, the status of implementation, impact, co-benefits, financing and the implementing body, etc.

<b>Name of the project/policy/initiative</b>	 <b>NET-METERING, REGULATORY MECHANISMS OF MICRO-GENERATORS<sup>223</sup></b>
<b>Status of implementation</b> (implemented, ongoing, planned)	 Ongoing
<b>Implementing body and level of implementation</b> (national, regional, municipal)	Georgian National Energy and Water Supply Regulatory Commission (GNERC), national level  The articles related to the micro-generator in the GNERC Resolution on Approving Network Rules
<b>Type of implementation instrument</b> (community project, technological innovation, smart mobility concept, awareness raising initiative, financing concept)	Regulatory mechanism, financing concept

### Objective of the Project

An owner of solar, wind, hydro and/or other renewable energy, the micro-generator with a capacity below 500 kW, can apply for connection to the electricity distribution network and provide excess electricity to a distribution company. This will allow the owners to satisfy their own

<sup>223</sup> [GNERC - Net Metering](#)

consumption needs, save on their utility bills and even get a reimbursement from the distribution company. Moreover, they will generate clean energy without an adverse environmental impact.

Net metering is a process of the reverse metering of the outflows of excess electricity generated by micro-generator and the electricity received from the network, whereby the generated and consumed electricity offset each other.

Any natural person, house-owner partnership, urban or rural resident can use the net metering mechanism. It is not an entrepreneurial activity. The micro-generating power plant may not be the property of this consumer(s), although it can be under his (their) temporary ownership in the form of a lease, rent or other type of agreement.



Electricity generation by the micro-generator and the consumption of the generated electricity can take place in different locations where it and its customer/group of customers are connected to the same distribution company. If the generation and consumption points are different from each other, both reverse meters and smart meters can be installed for each customer.

The applicant seeking connection of the micro-generating power plant to the electricity network can apply to the distribution license holder. Connection of the micro power plant to the network is provided by a simple procedure – a one-stop shop principle. After receiving the customer’s application, the company is obliged to install a reverse meter or a smart meter for the customer or for each customer in the case of a group of customers using a micro-generator. The distribution license holder can receive the electricity generated by the micro power plant and bill the customer on the balance remaining after offsetting the received and consumed electricity.

The issues related to renewable energy and energy efficiency are regulated by the Georgian Law on Energy and Water Supply and the regulation adopted by the Parliament of Georgia on the Main Directions of State Policy in the Energy Sector of Georgia. In 2016, an amendment was made to the Law in order to promote renewable energy use by which the status of the micro-generating power plant (a renewable energy source owned by retail customer) and its maximum capacity were defined. The law also determined the principles for the supply of electricity generated by micro power plants to the distribution network.

On the basis of these changes, the Commission in its Rules for Electricity (Capacity) Supply and Consumption defined the status of the micro generating power plant, the terms for connecting it to the distribution network, fees (including VAT) and the billing/net metering rules for retail customers of the micro generating power plants.

### Results/co-benefits

The policy has the following co-benefits:

- B The policy has stimulated the renewable energy technology business and its development in Georgia. As of April 2022, 397 micro generating power plants with 20.4 MW of installed capacity are in operation.<sup>224</sup>
- B The policy has increased the employment of electricians and engineers in the sector.
- B It has significant benefit for the commercial sector in terms of electricity cost saving.
- B The policy has stimulated the local production of raw materials (cables, structural materials, etc.).

### Financing scheme

The electricity supplied by the owner of the micro generating power plant to the electricity network and the electricity received from the distribution network are metered separately by a reverse meter.

- ↔ If the micro generating power plant generates excess energy and the amount of electricity supplied to the network exceeds the amount of energy received from the network, the difference; that is, the excess energy, will be deemed as the energy supplied by the consumer to the network and will be credited to the next month's bill.
- ↔ If the total amount of electricity generated by the micro generating power plant and billed to the customer (supplied to the network) as a credit is lower than the amount of electricity received from the distribution network, the difference will be deemed as electricity purchased from the network and will be billed by the consumer tariff of the relevant voltage/level.

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<sup>224</sup> GNERC, 13 April 2022 FB post

- ↔ The electricity reflected as a credit in the bill of the final month at the end of the reporting year (from May to May) will be deemed as electricity purchased by the distribution network. Respectively, the company will make the final billing in accordance with the electricity purchase tariff set by the Commission for the distribution license holder.
- ↔ After the end of the calendar year, the amount credited to the bill for the electricity supplied to the network may be reflected on the Subscriber's Card and used for the next bill or upon request. The company may also transfer this amount to a bank account specified by the customer within three workdays.
- ↔ In the case of a group of customers, the distribution license holder will bill each member of the group individually. Electricity generated by the micro generating power plant will be distributed equally to the group members unless otherwise agreed among the group members.

<b>Name of the project/policy/initiative</b>	 <b>NIKO KETSKHOVELI PRIZE<sup>225</sup></b> A school competition raising young people's awareness on forest ecosystems and spurring environmental activism.
<b>Status of implementation</b> (implemented, ongoing, planned)	 Ongoing
<b>Implementing body and level of implementation</b> (national, regional, municipal)	Caucasus Environmental NGO Network (CENN), Georgia  Other Involved stakeholders: Ministry of Environmental Protection and Agriculture, Ministry of Education and Science, Environmental Committee of the Georgian Parliament  The project is implemented at the national level.
<b>Type of implementation instrument</b> (community project, technological innovation, smart mobility concept, awareness raising initiative, financing concept)	Education and capacity building and awareness raising initiative

### Objective of the Project

In 2016, the Niko Ketskhoveli Prize was established as an environmental youth award in the scope of the project Promoting Sustainable Forest Governance in Georgia with financial assistance from the Austrian Development Cooperation. The annual national school competition aims to

<sup>225</sup> <https://www.climateactionstories.com/education-capacity-building/niko-ketskhoveli-prize>

foster environmental education with a special emphasis on forest-related issues and engaging youth in civil life. Registered youth groups can collect points for organizing activities, events or small-scale research projects according to the challenges and tasks provided on forestry.ge. At the end of each competition year, an expert jury selects three out of several hundred participating “eco clubs” to receive the Niko Ketskhoveli Prize named after a famous Georgian biologist, scientist and writer.

The project raises schoolchildren’s awareness on the importance of the forest ecosystem and cross-cutting issues, thereby contributing to a positive and responsible attitude towards forests and nature in general. Moreover, it spurs concrete environmental activism such as the adoption and care of recreational forest sites, the organization of hundreds of clean-up actions and tree planting activities in cooperation with the National Forestry Agency, bans on single-use plastic at schools, etc.



### Results/co-benefits

The activism coming from the schoolchildren even initiated the Krtsanisi Forest Park development program, resulting in the conservation of 210 hectares of urban forests near Tbilisi.

To top it off, the program is supported by extra-curricular Green Camps for active eco clubs, special summer trainings for schoolteachers and printed and digital knowledge materials which are distributed for free to rural communities, rural women’s clubs, universities, etc.

More than 4,000 people have directly benefitted from this initiative since 2016.

### Financing scheme

Applied financing solutions - grants.

Project Volume: 10,000-100,000 EUR

<b>Name of the project/policy/initiative</b>	 <b>BIODIESEL GEORGIA</b>
<b>Status of implementation</b> (implemented, ongoing, planned)	 Ongoing
<b>Implementing body and level of implementation</b> (national, regional, municipal)	Private company
<b>Type of implementation instrument</b> (community project, technological innovation, smart mobility concept, awareness raising initiative, financing concept)	Technological innovation, example of a circular economy

 **Objective of the Project**

In 2018, Biodiesel Georgia LLC launched a biodiesel plant for the first time in Georgia and the South Caucasus region based on innovative technology and started the production of clean, renewable, environmentally friendly fuel – biodiesel ([www.biodiesel.ge](http://www.biodiesel.ge)). Since then, the plant has been operating successfully, constantly increasing production.



The plant uses both new and secondary (used) cooking oil as raw materials for biodiesel production. The plant has already collected and processed almost 465 thousand liters of used cooking oil and produced more than 345 tons of clean, eco-friendly fuel – biodiesel, and consequently saved more than 950 tons of CO2 from being released into the atmosphere. The company’s biodiesel has already gained loyal customers in Georgia and more and more clients are choosing biodiesel as environmentally friendly and high-quality fuel.

## Results/co-benefits

The amount of used cooking oil (UCO) may not seem significant at first glance, but with the proper management and organization, more than 100 tons of UCO can be collected in Georgia and turned into biodiesel every month. Production of biodiesel from recycled oil will bring double environmental benefit: used cooking oil, which is a liquid waste, will no longer be disposed in waste landfill sites, thereby polluting the environment. Further, the used oil is removed from the food chain again and turned into the most environmentally friendly fuel - biodiesel.

When Biodiesel Georgia LLC began the regular production of biodiesel in 2018, it had just 25 UCO supplier companies and the total production of biodiesel was just 10-12 tons per month. Today, the company has 355 UCO suppliers in Tbilisi (the capital of Georgia) alone and 507 suppliers countrywide. As a result, monthly production has increased and reached 55 tons per month. Suppliers are all major brands working in the food industry – KFC, McDonalds, Burger King, many hotels, fast food restaurants, other restaurants and they willingly cooperate and supply UCO to Biodiesel Georgia LLC.

Biodiesel Georgia has successfully reached an agreement with newly opened Iveria Oil International plant which was established in Batumi. The plant processes sunflowers and produces cooking oil. During the working process, the plant collects a certain amount of oil which cannot be used in the food industry but which is a perfect raw material for biodiesel production. This supplier provides 6.5-7 tons of oil every month.

The potential for UCO collection in Georgia according to the company's research totals 120-130 tons per month. In addition, the company carries out negotiations with several large UCO suppliers in neighboring countries which has the potential to increase UCO collection up to 220-240 tons per month.

Even though more than one-third of fertile land in Georgia is not cultivated, the company decided to collaborate with farmers to grow rapeseed as a crop rotation culture in Georgia. As a trial project, Biodiesel Georgia cultivated 65 hectares of rapeseed in Eastern Georgia (Latin: Brassica napus) whose oil is an excellent feedstock for biodiesel production with the oil cake by-product used for livestock. The company has given a new impulse to agribusiness development in Georgia and has supported the further development and diversification of agribusiness in the country.

Based on consultations with agricultural specialists, farmers and the Farmers' Association, Biodiesel Georgia decided to use only rapeseed as a crop rotation culture. This means that farmers who grow wheat and corn can fallow their land with rapeseed for two years which will also maintain the chemical composition and fertility of their fields.

Rapeseed is an excellent crop rotation culture. Rapeseed plants have special bacteria on their roots which absorb nitrogen from the atmosphere and enrich the soil with nitrate, actually acting as a bio-fertilizer. This brings a very positive effect – the land is fallowed from wheat and corn and planted with rapeseed which will bring a better harvest when the main crops are planted again , by as much as 10-12% more owing to the newly fertilized land.



This approach will bring benefits to both parties: the farmers will increase their productivity and the volume of the harvest of their main crops while also having the opportunity to grow a new crop purchased in full for biodiesel production. At the same time, Biodiesel Georgia LLC will receive more raw materials and more feedstock to develop further biodiesel production in Georgia.

#### Financing scheme

Private financing

<b>Name of the project/policy/initiative</b>	 <b>REDUCING THE RISK OF CLIMATE-DRIVEN DISASTERS IN GEORGIA</b>
<b>Status of implementation</b> (implemented, ongoing, planned)	 Ongoing
<b>Implementing body and level of implementation</b> (national, regional, municipal)	UNDP and the Government of Georgia (national and community level)
<b>Type of implementation instrument</b> (community project, technological innovation, smart mobility concept, awareness raising initiative, financing concept)	Technological innovation, awareness raising, community project

 **Objective of the Project**

To reduce the exposure of Georgia’s communities, livelihoods and infrastructure to climate-induced natural hazards through a well-functioning nation-wide multi-hazard early warning system and risk-informed local action.



## Results/co-benefits

Expected results:

- ↔ Multi-hazard and risk maps for 11 river basins in Georgia.
- ↔ Extended Hydromet observation network including up to 140 monitoring equipment, upgraded ICT system, HPC.
- ↔ Multi-Hazard Disaster Risk Information System (MHDRIS).
- ↔ Multi-Hazard Early Warning Systems established with appropriate coordination mechanisms and supporting enhanced legal framework in place.
- ↔ MH Risk Management Planning at basin and municipal levels.
- ↔ Enhanced climate information services and products.
- ↔ Community-based disaster risk management activities and community-based early warning systems to be implemented in 100 of the most vulnerable communities.
- ↔ Awareness raising and education at national and community levels.
- ↔ Implementation of flood protection measures at 15 sites.

## Financing scheme

Donor funding from GCF, SDC and SIDA and GOG contribution, overall, 74 mln. USD

<b>Name of the project/policy/initiative</b>	 <b>WASTE MANAGEMENT TECHNOLOGIES IN THE REGIONS (WMTR-II)</b>
<b>Status of implementation</b> (implemented, ongoing, planned)	 Implemented Duration: 16/3/17 - 15/3/20
<b>Implementing body and level of implementation</b> (national, regional, municipal)	Caucasus Environmental NGO Network (CENN), Georgia The project is implemented at the national level.
<b>Type of implementation instrument</b> (community project, technological innovation, smart mobility concept, awareness raising initiative, financing concept)	Community project, awareness raising initiative.

## Objective of the Project

WMTR assisted the Government of Georgia to improve the waste management system in the country and make it comply with international standards. The support included the development of a legislative framework via participatory and inclusive approaches to policymaking as well as assistance in implementing the requirements of the legislation to establish modern waste management practices, improve natural resource management of biologically significant areas and build the capacity of various stakeholders.

 WMTR had four overarching objectives:

- ① Implement an Integrated Waste Management System (Tbilisi City, Adjara AR, Shida Kartli and Kakheti regions),
- ② Build the capacity of the recycling sector,
- ③ Implement a cost recovery tariff methodology and
- ④ Build the capacity and increasing the awareness of the general public and other stakeholders about modern waste management practices.

## Results/co-benefits

### **Circular economy and resource efficiency**

With the program's support, 19 waste management plans for municipalities and three waste management plans for protected areas have been developed and adopted by the Government of Georgia. The program helped to develop three regulations on Extended Producers Responsibility (EPR) and addressed the challenges posed to biodiversity by rampant littering and groundwater pollution by closing ten illegal dumpsites in the project's target regions. WMTR II also launched a nationwide campaign, Keep Georgia Beautiful, to preserve Georgia's biodiversity and maintain a clean environment through long-term partnerships with the public and private sectors.

The WMTR II program forged a new Public-Private Partnership (PPP) in waste separation and recycling which introduced the country's first public waste separation schemes. As of 2020 with the program's support, Georgia had 47 waste separation corners located in public places where citizens can deposit their separated waste - paper, plastic bottles, glass and aluminum - to be recycled. Private companies collect the separated waste and provide it to recycling companies. In addition, 28 schools in the regions of Georgia started paper waste separation and various institutions started waste separation on their premises.

The program focused on making the waste management sector self-reliant via establishing a proper tariff and cost-recovery system and establishing an effective fines system in case of illegal dumping.



### Enabling business environment for an inclusive economy

The program helped Georgia strengthen emerging recycling businesses to improve their business operations and increase sales through technical support and sub-grants. As a result, 15 waste aggregating and recycling companies improved their supply chains and accessed raw materials more easily by establishing strong business connections with large waste generators, optimizing recyclable waste collection schemes and being involved in public waste recycling systems established by the program. WMTR II also supported companies in improving management practices and business performance by helping them comply with legislative requirements, improving financial systems and marketing processes as well as introducing product quality standards. Moreover, the sub-grants disbursed to five recycling companies enabled them to upgrade equipment, increase their production capacity and significantly improve the quality of recycled products.

The program established and strengthened the Georgian Waste Management Association (GWMA) through institutional capacity building, facilitating their communication and cooperation with various stakeholders as well as helping them to lobby legislative changes at the governmental level.

### Strengthening of education systems

The program succeeded in incorporating a modern course about the circular economy in the curriculum of one of the most prestigious universities in Georgia, ISET, as well as built the capacity, educated and raised awareness of different stakeholders to ensure that they are aware of and able to apply proper waste management practices.

#### Financing scheme

USAID grant.

<b>Name of the project/policy/initiative</b>	 <b>UDABNO LLC<sup>226</sup></b>
<b>Status of implementation</b> (implemented, ongoing, planned)	 Ongoing
<b>Implementing body and level of implementation</b> (national, regional, municipal)	Regional - Sagarejo Municipality
<b>Type of implementation instrument</b> (community project, technological innovation, smart mobility concept, awareness raising initiative, financing concept)	Community project

 **Objective of the Project**

Several years ago, Udabno LLC owners decided to transform a literally semi-desert area into a place which would be a pioneer of organic production and eco-innovations in the region. Udabno LLC manages one of the biggest agricultural developments in Georgia’s eastern region of Kakheti. The almond orchard (2,000 ha), berry farms (2,020 ha) and vineyard with endemic grape varieties (8 ha) as well as a dairy farm (buffalos, goats, chicken), all of which are part of the agricultural direction of the holding, are setting new standards in the industry. Further, the company plans to develop a hotel and a restaurant in the remote area and offer farm-to-fork service to the customers.



<sup>226</sup> [Agriculture | Adjara Group](#)

The 2,000-hectare almond orchard is managed using technologies of the highest quality and serves as a platform of knowledge exchange between Georgian professionals in the field and international experts. The orchard is expanding every year and by developing an almond nursery, the company plans to fully cultivate the plants in-house.

### Results/co-benefits

By developing up to 8,000 hectares of land in Kakheti, Udabno is playing a pivotal role in fighting desertification while bringing biodiversity to the region. Importantly, with more than 25 kilometers of water pipes already in place as well as efficient and automated irrigation systems, Udabno has been establishing modern, efficient and sustainable agricultural practices in Georgia.

Employing local populations and creating a gender-balanced work environment is highly prioritized in the company's agricultural work. Considering that some portion of the region's inhabitants are ethnic and religious minorities, the Udabno team makes sure that work opportunities are created for people of diverse backgrounds.

Currently, the following Spanish and Italian almond varieties are grown; Supernova, Genco, Guara, Soleta and Lauranne. By the year 2021-2022, the harvest from the orchard will be exported and also sold on the Georgian market, thereby making Udabno one of the biggest almond producers in the South Caucasus region.

The Udabno livestock and poultry farms include 60 Mediterranean buffalos, 50 alpine goats and 120 chickens with the numbers set to increase each year. The animals, all of which are only used for obtaining milk and eggs, are being cared for by the team. Moreover, the company plans to construct a milk processing plant for producing cheese, almond milk and further utilizing the farm's dairy products.

Udabno provides fresh produce for the Adjara Group Holding's restaurants straight from Kakheti. Moreover, cheese and matsoni produced by the holding's restaurants use goat and buffalo milk from the company's dairy and poultry farm.

Local populations play an integral role in ensuring that the value chain created within the holding system is consistent and fresh products of the highest quality are provided for Adjara Group Holding's establishments.

The company plans to build a 15-km-long irrigation canal to supply water to the farm. The canal will also be available for the local farmers. To process harvested almonds and other products, there are plans to build a factory which will also offer service to local farmers. The company aims to create a waste-free production line and use accumulated waste from the farm and almond gardens to produce biodiesel, fertilizers, mulch and briquettes. Organic fuel will be used in the greenhouses.

## Financing scheme

Since the major share of the project is almond gardens and it takes up to four to five years until harvest, the project has no cash inflows during this period. The project finance comes from both the equity contributions of the founder and debt. The company has an approved credit line from local banks and finances various capital and operational expenses.<sup>227,228</sup>

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<sup>227</sup> Management report. Available at <https://reportal.ge/ka/Reports/GetFile/8366>

<sup>228</sup> <https://bit.ly/3shXs4v>



