

Greening Economies in the EU Eastern Neighbourhood

From Commitment to Results

December 2017

EaPGREEN
Partnership for Environment and Growth



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Foreword

A green economy results in improved human well-being and social equity, with reduced environmental risks and ecological scarcities. A green economy aims to be resilient and provide a better quality of life for all within the ecological limits of the planet.

Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova (Moldova) and Ukraine - the six European Union's Eastern Partnership (EaP) countries, committed to transition towards a green economy in the 2011 and 2013 Declarations of the "Eastern Partnership" Summits and on other international fora. Translating these commitments into actions requires continued mobilisation across the government, with joint action from the Ministries of Economy and Environment, across the economy and by different stakeholders.

Since its launch in 2013, the "Greening Economies in the Eastern Neighbourhood" (EaP GREEN) project, has been a means to support the EaP countries to progress faster towards a green economy through better management of natural capital in a context of higher economic productivity and competitiveness. Its outcomes show significant progress made in each of the six EaP countries as well as at the regional level.

The EaP GREEN project is funded by the European Union and supported by several EU and OECD countries. It is jointly implemented by four international organisations: the Organisation for Economic Co-operation and Development (OECD), the United Nations Economic Commission for Europe (UNECE), the United Nations Environment Programme (UN Environment), and the United Nations Industrial Development Organization (UNIDO).

This brochure highlights the key results and outputs of the EaP GREEN Project at the regional and national level for the period of 2013-17 as well as the ways forward.



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Abbreviations

EaP	EU Eastern Partnership
EaP GREEN	Greening Economies in the EU Eastern Neighbourhood
EHS	Environmentally harmful subsidies
EIA	Environmental Impact Assessment
EU	European Union
GDP	Gross Domestic Product
IFI	International Financial Institution
OECD	Organisation for Economic Co-operation and Development
RECP	Resource Efficient and Cleaner Production
SCP	Sustainable consumption and production
SEA	Strategic Environmental Assessment
SMEs	Small- and Medium-sized Enterprises
SPP	Sustainable (green) public procurement
TPES	Total Primary Energy Supply
UNECE	United Nations Economic Commission of Europe
UN Environment	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
USD	United States Dollars

The contents of this brochure are the sole responsibility of the authors and can in no way be taken to reflect the official views of the European Union or any of the implementing organisations.

Sources for all charts featured herein were obtained from OECD (2017), "Green growth indicators", *OECD Environment Statistics* (database). DOI: <http://dx.doi.org/10.1787/data-00665-en> (Accessed on 31 January 2017).



EaP Countries





EaP Countries in Transition

Since the turn of the century, GDP has increased in all six EaP countries, though to a varying degree (Figure 1). All countries were badly hit by the economic crisis of 2008-09 but most of them recovered since then, have become more integrated into the global economy and have developed strong trade relations with the European Union. The growth of the services sector has helped reducing the overall intensity of environmental pressures. Although the share of agriculture in the economy declined, it still remains important in some countries in terms of GDP and employment, and exerts pressure on land and water resources. Remittances from nationals working abroad are an important source of income, especially in Armenia and Moldova.

However, the transition to market-based, democratic societies has been uneven and suffered reversals. The situation has been particularly difficult in Ukraine since 2014. Other countries also experienced political instabilities which impacted the economy and the operations of public administration. Moderate economic growth after the global economic crisis

generated some revenues that helped to reduce poverty, re-establish health and social services, and support public investment programmes. However, the collapse of commodity prices in recent years and the weak economic growth in Western Europe and Russia have reversed some of these achievements. The short-term economic outlook for many EaP countries remains challenging as they continue to be affected by slow structural and market reforms, weak public finance and increasing geopolitical risk-aversion affecting existing and potential investors.

The greater exposure to market forces and opening for international trade have led to important improvements in the level of energy used and emissions generated for each unit of GDP produced (Figure 2). From a green growth perspective, the main challenge for the region is to transform natural wealth into other forms of capital and, to boost the productivity and competitiveness of economies, and to invest in education and infrastructure without compromising environmental objectives.

Figure 1. Real GDP change
Percentage change compared to year 2000

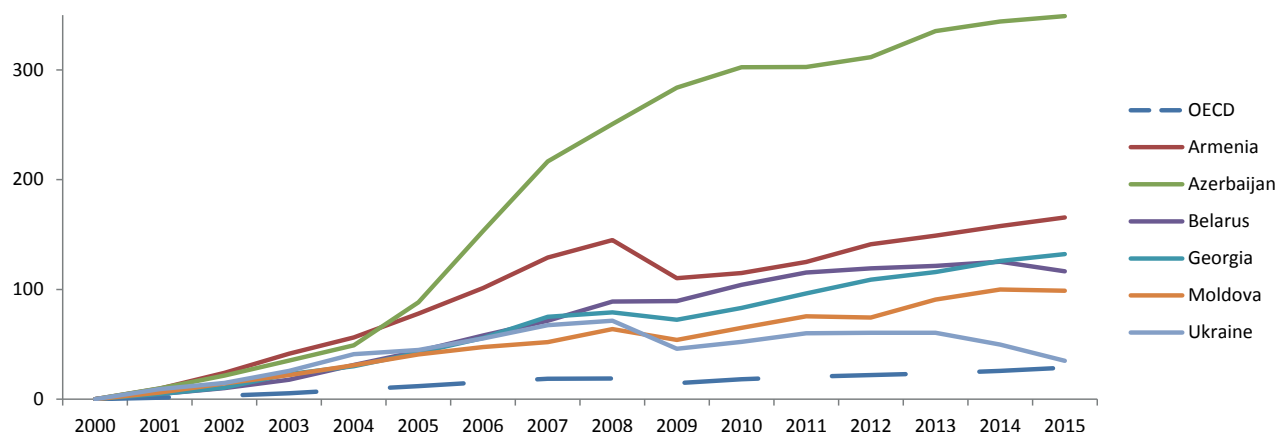
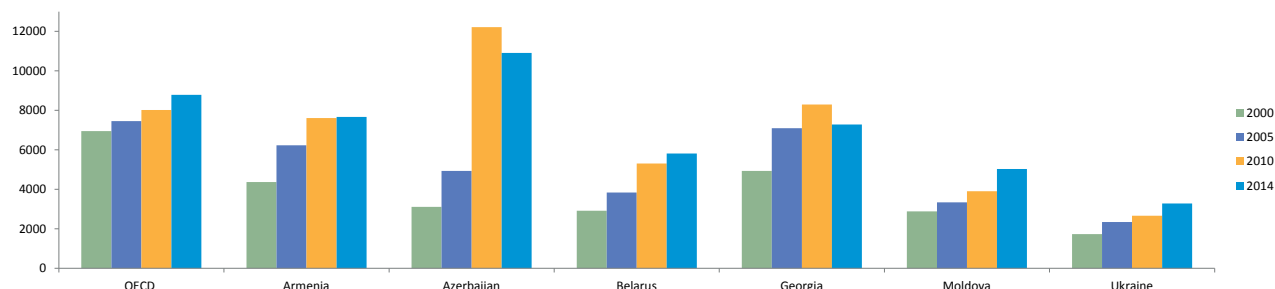


Figure 2. Energy productivity in EaP countries
GDP per unit of TPES, USD 2010





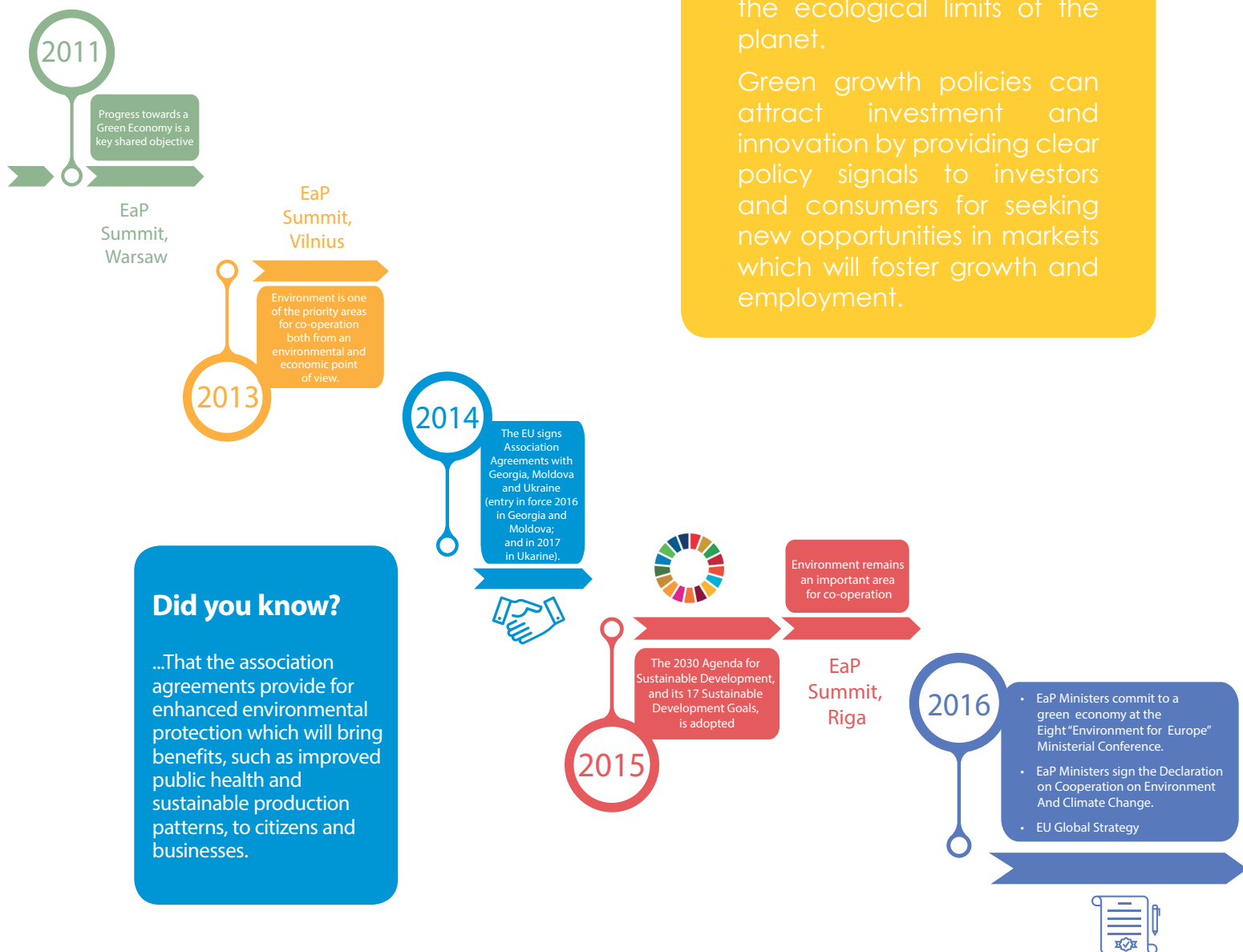
Greening Economies in the EU Eastern Neighbourhood

The EaP countries committed themselves to the goal of a transition towards green economy. At the national level green economy and sustainable development have been recognised as “guiding principles” in several national development strategies.

The commitment to greening the economy was also an important part of the international co-operation.

A green economy results in improved human well-being and social equity, with reduced environmental risks and ecological scarcities. A green economy aims to be resilient and provide a better quality of life for all within the ecological limits of the planet.

Green growth policies can attract investment and innovation by providing clear policy signals to investors and consumers for seeking new opportunities in markets which will foster growth and employment.





Objectives

The EaP GREEN project's overall goal is that EaP countries move towards a green economy with a decoupling economic growth from environmental degradation and resource depletion, without undermining social equity. Pursuing green growth aims to result in an economy which is low-carbon, resource efficient, resilient, follows sustainable production and consumption concepts and is socially inclusive. Following the pathway towards a green economy will need investments to limit pollution, increase energy and resource efficiency, better use natural assets, both in their production of goods and ecological services, for economic development, well-being and inclusiveness.

The project contributes to building-up capacity for supporting the transition towards a green economy in the six EaP countries.

The government authorities, especially the ministries responsible for environmental protection and economy but also the expert community, the private sector and civil society organisations working on green growth issues and, ultimately, all EaP countries' citizens are the main beneficiaries of the EaP GREEN project. Other countries could also learn from the EaP GREEN project.

Main objectives:

- mainstreaming **sustainable consumption and production** (SCP) and green economy principles in national development plans, sectoral legislation and regulatory framework.
- promoting the use of **strategic environmental assessment** (SEA) and **environmental impact assessment** (EIA) at the strategic and project levels.
- facilitate the **greening of selected economic sectors**, with a special focus on small and medium sized enterprises (SMEs).
- mobilising national and international financing and make returns on **environmental investments** attractive to the private sector.



Activities

The EaP GREEN project provides independent, objective and evidence-based analyses based on sound and robust economic and financial principles. It also develops methodological, legal, and conceptual material based on international good practice adapted

to the country conditions and needs. In-country pilot projects are also implemented to demonstrate how policies and tools can be applied in practice.

Main activities:

- Facilitates inter-ministerial and cross sectoral **policy debates and reforms underpinned by economic analysis** for making a stronger case for greening the economy.
- Helps governments devising their **overall strategy, national planning** and public expenditure to speed-up the green transformation and identifying risks at the environment and economy nexus.
- Facilitates access to **finance** and enhances **trade** opportunities for sustainable (organic) product groups with international markets.
- Supports governments in aligning their legislation to the international **legal framework**.
- Introduces **policy tools** (SEA and EIA) to mainstream green economic issues and other environmental and health aspects in strategic documents and specific projects and to support countries in attaining the Sustainable Development Goals.
- **Assesses policy reforms** to reduce the impact of environmentally harmful products and subsidies and, simultaneously, raise revenues.
- **Provides direct support** to enterprises for improving resource efficiency and cleaner production.
- Assists with the SME sector development.
- Helps **raising awareness** of the opportunities for a green economy transition with policy makers, academia, businesses, the media and the public.

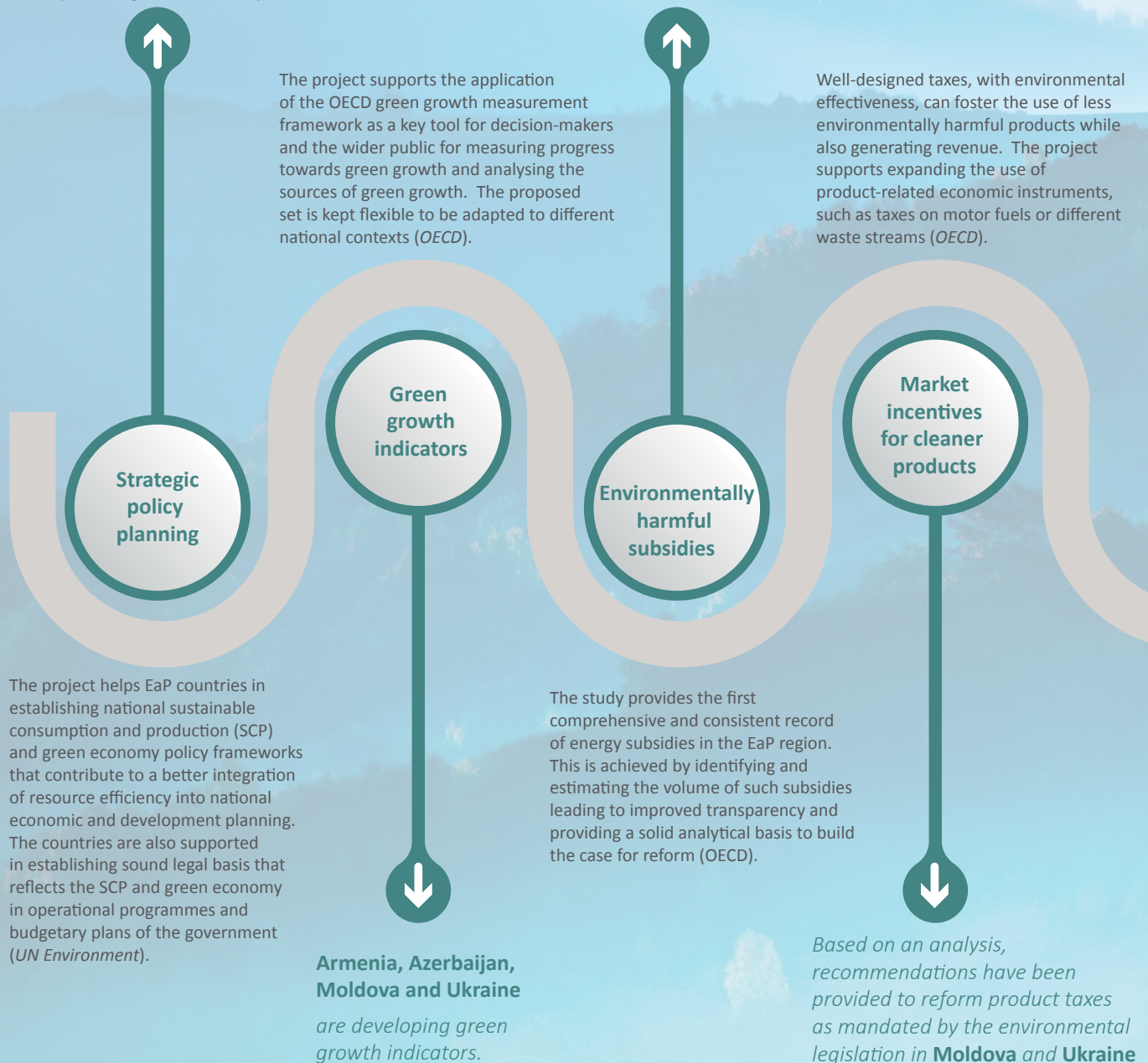
Structure and Results

Governance and Financial Tools

Belarus, Moldova, Ukraine and Georgia developed quantitative sectoral analyses that demonstrate environmental, economic and social benefits of a transition to a green economy.

Belarus, Moldova and Georgia launched the development of national green economy strategies or action plans.

In-depth analysis was prepared to identify and estimate government support that goes to producers and consumers of oil and petroleum fuels (particularly in the transport sector), natural gas, coal and electricity and heat generated on the basis of these fuels in **all six EaP countries**. The study also analyses government support to investments in energy efficiency and renewable energy sources.





Ukraine

conducted an analysis of selected credit lines, managed by the Export-Import Bank of Ukraine, extended to energy efficiency investments in the corporate sector. A similar analysis is being prepared for Georgia with a focus on financing green lending to SMEs

Since governments are important consumers - their expenditure accounts for about 20% of the EaP countries' GDP - the project supports design of Sustainable Public Procurement Policies (SPP) and Action Plans which can pave the way to market transformation. SPP relies on clear, justifiable, verifiable and ambitious environmental criteria for products and services in order to promote the production and purchase of more sustainable products and services (*UN Environment*).

Small and medium enterprises (SMEs) represent a growing majority of all businesses, and although the environmental footprint of these may be low, their aggregate impact is considerable. The project helps to strengthen the legal, policy and institutional frameworks to improve the environmental performance of SMEs (*OECD*).

Sustainable public procurement

Access to finance for green investments

Greening SMEs

Belarus, Moldova and Ukraine

reviewed national legislation, carried out market assessments, while Moldova and Ukraine adopted National SPP Policy and Action Plans.

The project aims to identify what governments in the EaP region could do better to increase demand for environmentally-related lending. This is achieved by reviewing and studying the experience of selected commercial banks in the region with the design and implementation of environmental credit lines supported by IFIs and disbursed to end borrowers in these countries (*OECD*).

Armenia, Georgia, Moldova and Ukraine

launched a policy and regulatory reform to green SMEs and incorporated the results of the SME greening analysis into SME Development Strategies.

Strategic Environmental Assessments (SEA) and Environmental Impact Assessments (EIA)

SEAs and EIAs are procedural tools to integrate green economy targets and other sustainability issues into strategic and project-related decision-making to ensure that environmental and health implications of decisions are taken into account before they are made. Efficient implementation of SEA and EIA shall help to attain the Sustainable Development Goals. A SEA is applied to governmental plans, programmes, or policy documents in accordance with requirements

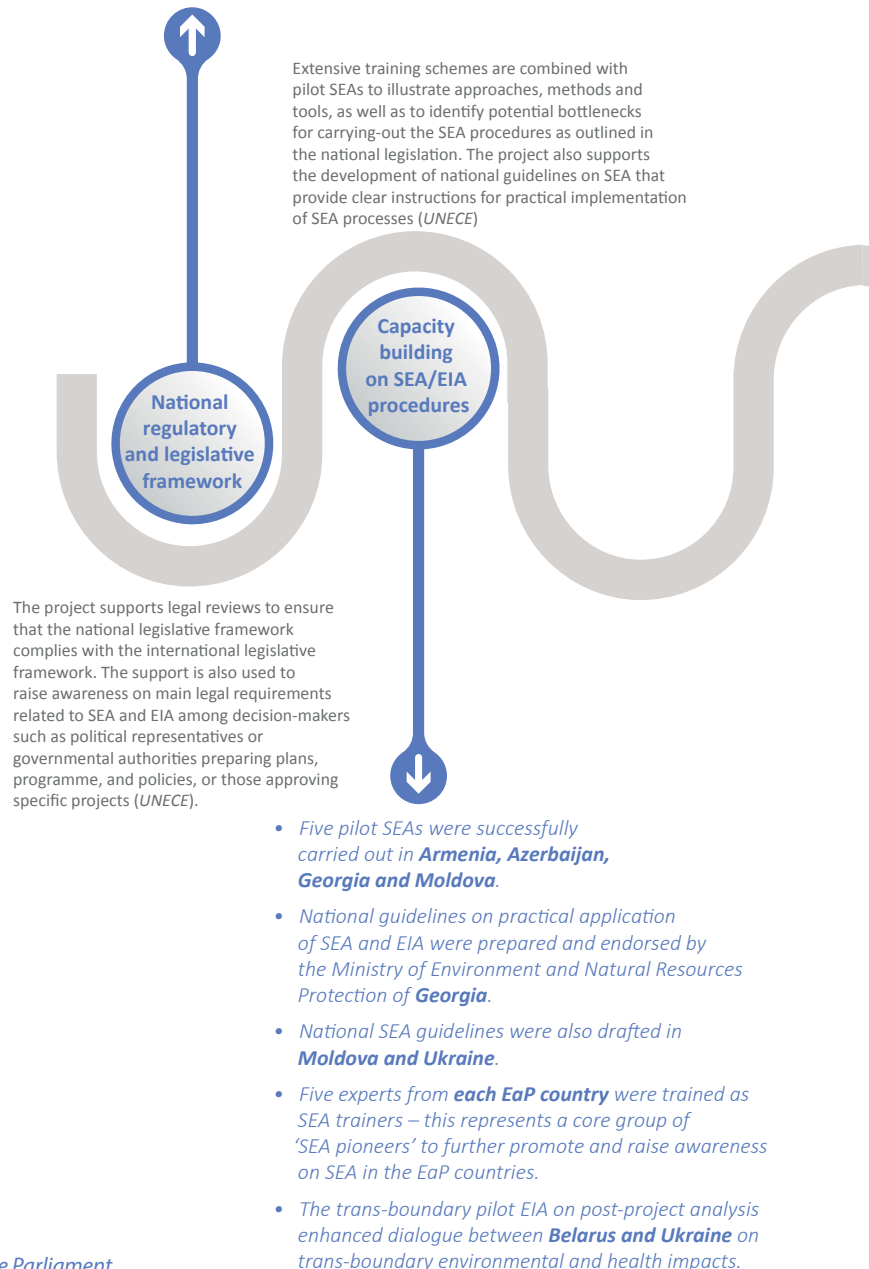
of the UNECE Protocol on Strategic Environmental Assessment to the Espoo Convention (Protocol on SEA) and the EU SEA Directive.

The project supports EaP countries in developing and implementing SEA legislation as well as assists countries in improving the current practices and legal and institutional frameworks on EIA, (in particular in the transboundary context).

Did you know?

- Georgia adopted a new Environmental Assessment Code in June 2017.
- The Parliament of Ukraine adopted the Law and EIA¹.
- Belarus adopted the new law on environmental expertise, SEA and EIA, as well as secondary legislation on SEA and EIA.
- Moldova adopted the first and second amendments of the Espoo Convention as well as the law on SEA.
- Azerbaijan is developing draft legislations on SEA and EIA for submission to the Parliament.

All six EaP countries launched comprehensive legislative and institutional reforms of SEA and EIA.



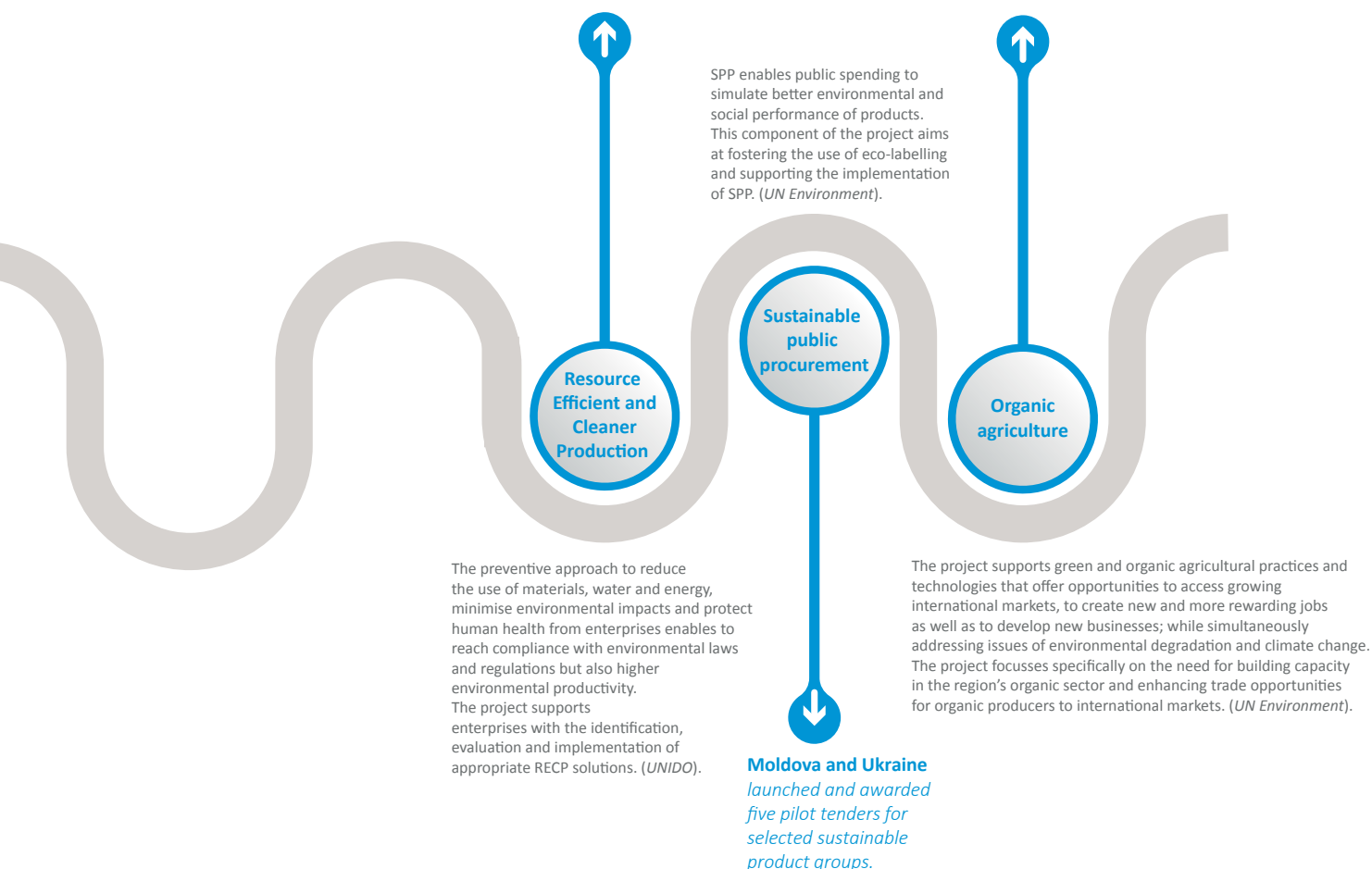
¹ Following a presidential veto the Law on SEA was re-submitted to the Parliament.



Demonstration projects

- **All countries** initiated policy dialogues adapting *Resource Efficient and Cleaner Production (RECP)* to national conditions.
- More than 100 SMEs from food, chemicals and construction materials sectors were assessed using UNIDO-UNEP RECP methodology and started implementing identified RECP solutions.
- In collaboration with 20 municipalities of the EaP region **20 RECP clubs** with more than 250 member SMEs were established to scale-up RECP application and stimulate peer coaching supported by RECP resource package in 6 national languages.
- RECP activities were included into National Action Plan of **Belarus** on Green Economy till 2020, including RECP center, RECP clubs and educational programmes.

Producers from **Armenia, Moldova and Ukraine** whose participation in international trade fairs in 2015 and 2016 was supported by the project, made over 1 000 new business contacts and concluded new export contracts worth more than USD 16 million.



Armenia...

Develops national Green Growth Indicators



National workshop, jointly organised by the OSCE and the OECD ([May 2016](#)).



Green Growth Indicators for Armenia: Overview of Methodology and Data Sources (**2017**).

Improves transparency of energy subsidies in the context of energy sector reforms



National workshop on energy subsidies in Armenia (**April 2016**).



Survey of energy subsidies in Armenia (**Armenian**).

Launched a policy and regulatory reform to green SMEs



Pilot project on SME greening in Armenia.
Series of stakeholder workshops on promoting better environmental performance of SMEs (**2014-2015**).



Promoting better environmental performance of SMEs in Armenia ([English](#) and [Russian](#)).

Launched legislative and institutional reforms of SEA and EIA



National roundtable on implementation of the Protocol on SEA ([September 2014](#)).
Roundtable on the integration of the SEA procedure into the national legal framework ([March 2016](#)).
The second legal roundtable on developing the national legal framework on SEA ([February 2017](#)).



Draft amended Law on EIA and Ecological Expertise and draft Governmental Decision on SEA (**June 2017**).
Assessment of the draft Law of the Republic of Armenia “On the environmental impact assessment and expertise” ([English](#), **July 2014**).
Review of Armenian national legislative and institutional frameworks of SEA ([in Russian](#) and [in Armenian](#), **October 2014**).

Applies SEA for the National Strategic Development Plan, Road Map and Long-Term Investment Plan for the Solid Waste Management Sector



Training workshops on practical application of SEA with scoping consultation meeting ([March 2016](#)) and training workshop on impact assessment and mitigation measures ([June 2016](#)).
Public consultations on the SEA scoping report (**October 2016**); Final consultation workshop (**March 2017**).



SEA scoping report ([in English](#) and [Armenian](#)).
Report on scoping public consultations ([a brief summary](#) and [full report](#)).
Success stories for organic exporters completed.

Enhances trade opportunities with international markets for organic agriculture products



Three national capacity building workshops preparing participants for international trade fairs and on export opportunities for organic produce (**2014 and 2017**); reaching 60 organic producers, small scale farmers, associations, NGOs and government officials.
Participation of Armenian producers at the Biofach trade fair (**2015**) and at the Natural and Organic

Products trade show (London, **2016**).
On average, each exhibitor had 15-20 business contacts with potential buyers.



A market assessment report identifying the EU market potential for Armenian organic products (full report and [fact sheet](#)).



Carries out capacity building for national experts on RECP and establishes a network of Green club SMEs in the cities of Vanadzor and Hrazdan



Regional awareness raising events on RECP application with over 100 participants (2014) and training of 24 national experts (2014 and 2015).

Twenty Armenian enterprises shared experience at national conferences with 70 participants including high level officials and representatives of international organizations (April 2015, May 2017).

6 RECP forums ([English](#) and [Armenian](#)) attracted more than 150 participants to discuss RECP methodology and to develop a national RECP Primer (2015-2016).

20 experts trained on a set of monitoring equipment for improving RECP assessment (2017).

[Second round of RECP Green Club modules.](#)



31 SMEs received individual audit packages and recommendations 24 National experts trained on RECP methodology. Ten Armenian enterprises shared experience in applying RECP principles at the national conference (April 2015).

30 enterprises from food, chemicals and construction materials sectors participated in the RECP demonstration component.

Four municipalities (Ararat, Dilijan, Hrazdan and Vanadzor) supported the creation of RECP clubs attracting more than 30 enterprises.

[RECP Institutional Setup in Armenia:](#)

Concept of possible RECP mechanisms in Armenia, Service unit establishment to maintain sustainability of the Project; Government commitment to establish Green Economy Center in Armenia reflected in the Government programme of Armenia.



Case study booklets available at the RECP national websites: www.recip.am

RECP Clubs resource package: RECP Clubs Facilitator Manual and RECP Club Workbook ([Relevant materials](#)).

Regional Technology [Pocket guides](#)

RECP [Premier](#), [Business cases](#) and 10 analytical articles.

Following a dramatic drop in Armenia's GDP in early 1990, hyperinflation and important outward migration, Armenia launched important structural and institutional reforms which enabled the economy to recover. Armenia's GDP growth averaged to 11% between 2000 and 2008. Agriculture, services, jewellery production and other market-oriented manufacturing have replaced the heavy industry that was inherited from the Soviet times (Figure 3). The country's economy recovered after the 2008-09 crisis but GDP growth has been slowing down with the economic downturn in Russia, combined with falling global prices for mining and metals products, which negatively affect Armenian exports.

Historical weaknesses of environmental management have weighted heavily on the economy. For example, the Lake Sevan, the biggest alpine lake in Caucasus which occupies one sixth of the country's territory and holds the country's most important water supplies, is heavily contaminated by persistent organic pollutants. The rate of deforestation has risen in recent years reaching 1.4% per year. Illegal logging often results in the loss of high-value species and soil erosion.

To address these challenges Armenia developed a range of environmental policies and laws and incorporated sustainable development dimension in its Strategic Development Programme of the Republic of Armenia for 2014-25. Green growth challenges are also identified in key sectoral policies, for instance in the National Water Programme or the Strategy for the Development of the Energy Sector which aims to diversify energy resources and promote energy efficiency and renewable energy.

Figure 3. Armenia's GDP by economic sector (2015)



Azerbaijan...

Develops national Green Growth Indicators



National workshop on green growth indicators and a series of meetings of the working group on measuring green growth ([May and December 2016](#) and [April 2017](#)).



Established an Inter-Ministerial Working Group on Green Growth Indicators.



Batumi Initiative on Green Economy (BIG-E): Actions by Azerbaijan (**Forthcoming, 2017**).

Improves transparency of energy subsidies in the context of energy sector reforms



Consultations with national stakeholders on energy subsidies in Azerbaijan (**October 2016**).



Survey of energy subsidies in Azerbaijan (**Azeri**).

Reinforces efforts for greening Small and Medium-sized Enterprises and improves market incentives for greener products



National stakeholder consultations on greening SMEs and national stakeholder dialogue workshop on economic instruments for managing environmentally harmful products in Azerbaijan (**May 2015**).

Reforms the legislative and institutional frameworks of SEA and EIA



National roundtable on implementation of the Protocol on SEA (**August 2014**).



Preparation of the draft Law on Environmental Impact Assessment.



Review of legislative and institutional frameworks for the application of SEA ([English](#), 2014)

Applies SEA for the National Strategy of Azerbaijan on the Use of Alternative and Renewable Energy Sources 2015-2020



Two training workshops on practical application of the SEA ([March](#) and [May 2015](#)) and scoping consultations ([May 2015](#)).

Public consultation workshop ([December 2015](#)).

Results presented during the 7th International Forum on Energy for Sustainable Development in Baku ([October 2016](#)).



SEA report (in [Azerbaijani](#)).

Short summary of SEA pilot (in [English](#) and [Russian](#)).

An initial concept of the national SEA guidelines developed. ([video](#)).

Promotes better use of resources and energy by applying Resource Efficient and Cleaner Production (RECP) methodology



Regional awareness raising events on RECP application brought together more than 100 participants (**2014 – 2015**).

Eight companies shared their experiences in applying RECP methods at the national RECP conference (**April 2015**).

6 RECP forums attracted more than 200 participants to discuss RECP methodology and to develop a RECP Primer for Azerbaijan (**2016**).



RECP clubs support package and RECP Primer and business cases (in **Azerbaijani**).



15 enterprises from food, chemicals and construction materials sectors participated in the RECP Demonstration component.

15 experts were trained on RECP methodology and reported on RECP application at demonstration SMEs.

Four municipalities (Gyandja, Khachmaz, Sumgayit, Yevlakh) supported the creation of RECP clubs attracting more than 30 enterprises.



Azerbaijan's oil and gas sector accounts for about one third of the country's GDP and nearly all of the exports. Oil production accelerated after the independence from the Soviet Union: in 2014, Azerbaijan was the 21st producer of oil in the world and the 32nd producer of indigenous gas. Azerbaijan became a strategic transit corridor since new production capacities and pipelines were put into operation in early 2000s. The country is also rich in mineral resources such as aluminium, copper, iron ore, lead and limestone.

The economic boom resulting from these exploitations, which translated into an average 15% annual growth rate (real GDP) between 2000 and 2010, enabled Azerbaijan to access upper middle-income economy status. However, a shift towards a more diversified structure of the economy remains a major challenge (Figure 4). Agriculture is another important sector which accounts for only 7% of GDP but employs 37 % of the workforce.

Azerbaijan's energy intensity is the lowest of EaP countries thanks to strong economic growth and relatively stable energy supply. The share of renewable energy in energy supply increased between 1990 and 2010, reaching its maximum level of 3.3% in 2010 but has declined since then. Although waste generated per capita has decreased in recent years, it remains a key environmental concern. Uneven distribution of water resources, salinity

of groundwater and surface water resources pollution due to the lack of wastewater treatment are major challenges. Efforts have nonetheless been made in reducing the pollution from the oil and gas industry.

Azerbaijan's overarching policy document, Azerbaijan 2020: Look to the Future, integrates environmental concerns. It is accompanied by the Action Plan on improvement of ecological situation and efficient use of natural resources for 2015-20. In 2016 the Ministry of Economy presented the details of the Strategic Roadmap which aims to diversify the economy through agriculture, SME and services, manufacturing, tourism, logistics and trade. Although the 2016 Strategic Roadmap still focuses on oil and gas sectors, the State Strategy on Use of Alternative and Renewable Energy Sources (2012-2020) has become an important document guiding the government decision-making in the area of energy.

Figure 4. Azerbaijan's GDP by economic sector (2015)





Belarus...

Develops sectoral analyses (energy) in support of a transition to a green economy



Training on green economy simulation modelling (**July 2014**), consultation meetings and presentation of results (**December 2014** and **April 2015**).

Adopted the National Green Economy Action Plan (2016-2020)



The development of the Plan was led by an inter-ministerial working group (**June and October 2016**), and adopted by the government in **December 2016**.



National Green Economy Action Plan (2016-2020) and National Green Economy Action Plan Belarus Governmental Decree;



Batumi Initiative on Green Economy (BIG-E): Actions by Belarus.

Strengthens government policies to promote greening SMEs



National stakeholder dialogue workshop on greening SMEs (**October 2015**).

Improves transparency of energy subsidies and considers possible reforms



National workshop on energy subsidies (**April 2016**).



Survey of energy subsidies in Belarus (**Russian**).

Reforms the legislative and institutional frameworks for the SEA and EIA



Round-table on the amendments to the law of the Republic of Belarus on Strategic Environmental Expertise (**April 2015**).



Review of national legislation on implementation of the Protocol on SEA to the Espoo Convention.

Training workshops and drafting sessions on developing legislative framework for EIA and SEA in line with the Espoo Convention and its Protocol on SEA (**September 2016**).



Law on environmental expertise, strategic environmental assessment (SEA) and environmental impact assessment (EIA) adopted in **July 2016**.

Findings and conclusions communicated to the Ministry of Natural Resources and Environmental Protection of Belarus, and to the Implementation Committee of the Espoo Convention (37th session, **December 2016**, Geneva)

Secondary legislation (adopted in **January 2017**).

Strengthens capacity of experts and officials on SEA and EIA and co-operation with the neighbouring countries



Training workshops on SEA in **Gomel**, **Brest**, and **Grodno** (**October 2013**) and training workshop in Minsk (**September 2016**).

Training workshops and drafting sessions on Developing legislative framework for the EIA and SEA in line with the Espoo Convention and its Protocol on SEA in Belarus (**September 2016**)

Consultations on the draft bilateral agreements between the Government of the Republic of Belarus and the Government of the Republic of Poland (**September 2016**), and the Government of the

Republic of Lithuania (**October 2016**).

Post-project **EIA analysis** - for Khotislavskoye quarry: Initial workshop (**April 2013**) and sub-regional conference for sharing results (**April 2014**).



Recommendations for carrying out post-project analysis within EIA procedure.

Assesses the national framework for the implementation of sustainable public procurement



Two workshops resulting in the adoption of the implementation plan of sustainable public procurement (**June 2015**) and the selection of sustainable product categories: boiler equipment on local fuels; personal computers; street lamps (**December 2015**).



Status Assessment of SPP in Belarus (**September 2014**).

Legal Review for the implementation of SPP (**May 2015**).

Market study for selected categories of products (**2016-2017**).



Promotes better use of resources and energy by applying Resource Efficient and Cleaner Production (RECP) methodology



6 RECP forums conducted in all 6 regions of the country attracted more than 200 participants to discuss RECP methodology and to develop a localised guide on RECP Primer for Belarus (2015-2016).

Regional information seminars (2014 and 2015) and national conferences on RECP results (2015 and 2017) attracted more than 250 participants.

Responsible Production seminar with a focus on chemicals management for SMEs attracted 67 participants (July 2016).

RECP National Conference (February 2017) Hands on trainings on RECP monitoring equipment (May 2016), in conjunction with trainings on Technology Pocket guides; UNIDO/UN Environment joint Safer Production Training and Eco-Innovation Workshop (July 2016).



RECP package, including 2 editions of RECP primer (in **Russian**), Booklet of business cases, RECP Club Facilitator manual (in **Russian**), RECP Club Workbook (in **Russian**), 3 technology Pocket Guides for dairy, construction and chemical production subsectors (in **Russian**), 2 versions of leaflets (RECP Club and RECP Programme) (in **Russian**), 4 training videos (in **Russian**), 3 webinar (Pocket Guides) videos (in **Russian** and **English**).

National RECP webpage: www.recp.by (**Russian** and **English**).



23 enterprises from food, chemicals and construction materials industries participated in the RECP Demonstration component, (24 for general RECP assessment, 6 for advanced RECP assessment, 5 for in-depth financial analysis of RECP project implementation).

37 experts conducted RECP assessments as part of training programmes (2014, 2015 and 2016).

Four cities (Minsk, Molodechno, Vilejka and Sluck) established RECP clubs, making more than 30 enterprises able to apply RECP methodology. In 2015-16, 2 RECP Sectoral Clubs (Road construction sector and Railway) were established in 2017.

RECP centre was established under the Institute of Business and Management of Technology of the Belarus State University (September 2016).

20 experts trained on a set of monitoring equipment for improving RECP assessment (2017).

After a decade of strong economic growth between the late 1990s and the late 2000s, the Belarussian economy faced repeated downturns. Despite a low growth in real GDP in recent years, the level of real GDP per capita still remains the highest in EaP countries. Central government planning characterises the economic system in which state-owned companies account for most of the GDP and employment.

Energy efficiency measures and reduction in the share of oil in energy has contributed to reducing the level of greenhouse gas emissions per unit of GDP. More efficient water use has resulted in lower level of use per capita and less waste water discharge.

The 2030 National Strategy for Sustainable Socio-economic Development sets out the objectives for sustainable development, provides for the introduction of a green economy, and promotion of sustainable consumption and production. The overarching environmental policy document is the Environmental Protection Strategy for Belarus for the period until 2025. The National Action Plan for Green Economy adopted in December 2016 aims to enhance the development of the organic agriculture sector; promote and regulate energy efficient construction and the development of renewable energy; “green” government expenditures by revising the public procurement law; stimulate eco tourism and promote public participation and education for sustainable development.

Figure 5. Belarus' GDP by economic sector (2015)



Did you know?

... that this action plan provides for the creation of a centre on RECP, as promoted by the RECP Demonstration component of EaP GREEN. The RECP national support unit will support the training of managers and experts on green economy.

Georgia...

Develops National Green Economy Strategy



Regional workshop on the introduction of the green economy and Sustainable Consumption and Production (SCP) framework (**May 2014**).

Inter-ministerial consultations on supporting the development of the Green Economy Strategy in Georgia (**April 2017**).

Green Economy Modeling Report under preparation in support of the Green Economy Strategy.

Improves transparency of energy subsidies



National workshop on energy subsidies in Georgia (**May 2016**).



Survey of energy subsidies in Georgia (**Georgian**).

Greens Small and Medium-sized Enterprises through the SME Development Strategy



Pilot project on SME greening in Georgia.

Series of stakeholder workshops on the promotion of better environmental performance of SMEs (**2014-2015**).



Launch of policy and regulatory reform to green SMEs.



Promoting better environmental performance of SMEs in Georgia (**English**).

Improves market incentives for greener products



National stakeholder dialogue workshop on economic instruments for managing environmentally harmful products in Georgia (**March 2015**).

Reforms the legislative and institutional frameworks for the SEA and EIA



National round-table on legal implementation of the Espoo Convention (**November 2013**).

Initial workshop (**August 2014**), public hearing on the draft law on EIA and SEA (**May 2015**) and final roundtable meeting (**September 2015**).



New Environmental Assessment Code adopted by the Government (**June 2017**).



Review of legislation on EIA of Georgia with regard to implementation of the Espoo Convention (**English**).

Analysis of existing elements and gaps in the national legislation of Georgia related to implementation of the Protocol on SEA to the Espoo Convention (**English**).

Strengthens capacity of experts and officials on SEA and EIA



High level meeting on developing SEA system (**December 2015**).

Training workshops for government representatives on SEA scoping (**April 2016**) and quality control in SEA (**November 2016**).

Awareness raising workshop on SEA for planning authorities and consultants (**November 2016**).



Five meetings of the working group on national guidelines on practical application of SEA and EIA.



National capacity building strategy on SEA and EIA.

Video and brochure on SEA facts and benefits prepared in **Georgian**.

Applies SEA for National Waste Management Strategy and Action Plan



Training workshop on practical application of SEA and **public scoping consultations** meeting (September 2015).

Public consultation workshop on SEA report and the draft Waste Management Strategy and Action Plan (**October 2015**).

Final national EaP GREEN event on SEA and EIA component (**April 2017**).



SEA scoping report (in **English**, and **Georgian**).

SEA report (**English**).



Two SEA and EIA trainings (**November 2016 and April 2017**).



Promotes better use of resources and energy by applying Resource Efficient and Cleaner Production (RECP) methodology



First Round of RECP coaching and training from **2014-2015** and Second round from **2015-2016**. First round of RECP clubs programme took place in **2015** and continued in **2016**.

Regional awareness raising events (**2014**) and National RECP conference (**March 2015**) gathered about 150 participants.

Training on RECP technologies and on leveraging financing for RECP projects (**March 2015**).

6 RECP forums were organized in **2015-2016** and attracted more than 200 participants to discuss RECP methodology and to develop a RECP Primer for Georgia. The second edition of the Primer was published in **2017**.

UN Environment training on Safer Production and Eco-innovation (**April 2017**).



18 experts trained in two rounds during 2014-2016 in RECP (**2014** and **2016**) and more than 20 companies started applying RECP solutions.

RECP clubs established in Rustavi and Kakheti were established in **2015**, Clubs in Kaspi and Kutaisi established in **2016**, enabling more than 30 enterprises to apply RECP methodology.

Became a member of the international network of RECP centers (RECPnet member since **2015**).

Monitoring equipment for improving RECP assessment purchased and an RECP service unit established in **October 2017**.

Training on Financial Analysis of Investment Project Scenarios with Application of COMFAR (Computer Model for Feasibility Analysis and Reporting) software (**October 2017**).



RECP assessments for 10 demonstration enterprises (**English** and **Georgian, 2014**).

RECP assessments for 8 new demonstration enterprises (**2015**).

Report on RECP options financing (**2016**).

RECP Primer 1st edition, **2015** (**Georgian, English**) and 2nd edition (**2017**) in **Georgian**.

RECP clubs resource package with RECP Clubs Facilitator Manual and RECP Club workbook (**Georgian**). Final versions with manual and workbook in Georgian prepared in **2017**.

RECP national webpage: www.recp.ge (**Georgian** and **English**) includes 3 articles in Georgian newspapers on RECP (**2016-2017**); RECP success stories **2015** and **2017**; RECP Clubs success stories (**2017**); and Video film on RECP in Georgia (**2017**).

Georgia's economy grew steadily in 2000s, due largely to structural and market reforms that improved business environment, strengthened public finance systems, upgraded infrastructure and liberalised trade. However, the growth slowed down after the economic crisis of 2008-09. The lower oil and commodity prices affected the level of remittances and capital inflows.

Georgia is situated at a strategically important crossroads of Western Asia and Eastern Europe which has enabled the country to become a logistics hub. Tourism is a growing sector. Georgia's key exports are mineral products, machinery and appliances, chemical products and transport equipment.

Figure 6. Georgia's GDP by economic sector (2015)



Georgia's energy intensity is the second lowest in EaP countries, after Azerbaijan. Georgia ranks the highest of EaP countries in terms of renewable energy due to the high share of hydropower. The government intends to pursue the development of hydropower and biofuels in energy.

The European Union and Georgia signed an Association Agreement in 2014 which came into force in 2016. It encompasses objectives related to sustainable development and environment; and introduces a preferential trade regime through the Deep and Comprehensive Free Trade Area which was signed by Georgia to achieve its gradual economic integration into the EU internal market.

The process of EU association helped clarifying environmental policy objectives in Georgia. Environmental policy has been driven by the National Environmental Action Plan for 2012-16. The Georgian government approved the development strategy "Georgia 2020" in 2014 which included promoting green growth as one of its key objectives and developed a Green Growth Policy Paper in 2016.

Republic of Moldova...

Develops strategic green economy policy planning



High-level Roundtable on “Green Economy. Made in Moldova” (**February 2016 and 2017**) raised awareness at high political level and both the private sector and civil society on their stake in the country’s GE transition.

National training workshops and consultation meetings on the economic simulation modeling tools and analysis (**June-November 2014**).

Launch of the ‘Green Economy Scoping Study of Moldova’ (**June 2015**).



Development of a draft Roadmap - National Program for the promotion of Green Economy in the Republic of Moldova, which identifies and defines green economy priority actions by the Government.



The ‘Green Economy Scoping Study or the Republic of Moldova’ ([English, 2015](#) and [Romanian](#)) presents policy considerations for shifting towards green policies in identified priority sectors (energy supply and demand and organic agriculture).



Establishment of an Inter-ministerial Working Group. Meetings for the Promotion of Sustainable Development and Green Economy. Series of meetings took place in **April, September, December 2015; March, April, July 2016; February, March and November 2017**.

Develops national Green Growth Indicators



Workshop on green growth measurement in Moldova (**November 2016**) and series of Working Group meetings on green economy (**2015-2017**).



Indicators-based report on Measuring the performance of green economic development in Moldova (**September 2017** in [English](#) and [Romanian](#)).

Improves transparency of energy subsidies and considers social consequences



Consultations with national stakeholders on energy subsidies in Moldova (**November 2016**).

Presentation of the draft results from the analysis on energy affordability from reforming major energy subsidy schemes to government officials in Chisinau, Moldova (**July 2017**).



Survey of energy subsidies in Moldova ([Romanian](#)).

Assessing energy affordability and environmental impacts of reforming major energy subsidy schemes in Moldova (**Forthcoming, 2018**)

Improves market incentives for greener products



Series of workshops on economic instruments for managing environmentally harmful products (**2014-2015**).



Economic instruments for managing environmentally harmful products ([English](#) and [Russian](#)).

Reinforces efforts for greening Small and Medium-sized Enterprises through the SME Development Strategy



Pilot project on SME greening in Moldova.
Series of workshops on promoting better environmental performance of SMEs (**2014-2015**).



Promoting better environmental performance of SMEs in Moldova ([English](#) and [Russian](#)).



Launch of policy and regulatory reform to green SMEs.



Reforms the legislative and institutional frameworks for the SEA and EIA



Roundtable on the legal implementation of the Protocol on SEA ([September 2013](#)) and on the draft Law on SEA ([July 2014](#)).

Public hearing on law on SEA and Final event on Pilot: Strategic Environmental Assessment for Master Plan of the city of Orhei, Chisinau, ([17 June 2015](#)).



Review of national legislation with regard to implementation of the UNECE Protocol on SEA (in [English](#), and in [Russian](#)).



Draft Law on SEA adopted by the Parliament on **2 March 2017**

Enhances capacity of experts and officials on SEA and EIA



SEA for the [Master Plan of Orhei Town](#):

- Training workshops on practical application of the draft Law on SEA to urban plans and programmes ([July 2014](#), [December 2014](#)).
- Public consultation meetings ([December 2014](#), [February 2015](#)) and final event ([June 2015](#)).

Initial expert meeting on developing national guidelines on practical application of SEA ([October 2016](#)).



SEA report of the Municipality of Orhei ([full report](#) and [summary report](#)).

Applies SEA for the

National Road Map for the Greening of the Economy of the Republic of Moldova



Training workshop and public scoping consultations ([April 2016](#)).

Working meeting on the SEA report, Consultations on Practical application of the Draft Law of the Republic of Moldova on Strategic Environmental Assessment and expert meeting on the SEA Guidelines ([October 2016](#)).

SEA report drafted in December 2016 to be finalized by the end of **2017**.

Adopts the National Policy and Action Plan for the implementation of sustainable public procurement



Three workshops on the implementation of sustainable public procurement (initial workshop, **May 2014**); selection of two product categories for sustainable pilot tenders (**October 2014**).

Training workshop for procurement practitioners and economic operators (**April 2017**).

Final SPP workshop for procurement practitioners and national stakeholders (**November 2017**).



Report on existing eco-labels for the two selected product categories (**November 2015**)

Development of sustainability criteria and procurement guidelines for the selected products (**December 2015**).

Specific tender documents (**December 2015**) developed to be used by procurement practitioners for the purchase of priority product groups.

Communication strategy (**August 2016**).

Three Roadmaps for pilot tenders resulted in the conduction of three pilot tenders for the purchase of organic vegetables in **July and September 2016**.

Revision of procurement guidelines following the completion of pilot tenders (**2016-2017**).



Status assessment of sustainable public procurement (**2014**).

Market study for selected categories of products (**2015**).

Legal Review for the implementation of SPP (**2016**).

National SPP Policy and Action Plan (**2016**).

SPP guidelines with lessons learned from pilot tenders (**2017**).

Communication Strategy (**2017**)



Establishment of a SPP Implementation unit and SPP Taskforce (**2015**).



Sustainable procurement training toolkit for procurement practitioners and suppliers/representatives of the private sector (**2016-2017**).

Enhances trade opportunities with international markets for organic agriculture products



Two capacity building workshops preparing producers for their participation in international trade fairs and on export opportunities and trade potential for their organic produce (**2014**).

Trainings for farmers on “Principles of and Conversion to Organic Agriculture” (**June and October 2015**). As a result 18 farmers initiated the conversion to organic agriculture.

Six Moldovan producers exhibited their products in the Biofach trade fair (**2015**), where they benefitted from targeted matchmaking with interested potential buyers.

Four Moldovan producers participated in the Natural and Organic Products Europe trade show (**London, 2016**). On average, Moldovan exhibitors had 15-20 business contacts with potential buyers, and concluded new contract volumes of up to 400 000 EUR.

A national communication campaign, including the launch of a [TV spot](#), raised awareness among a broad range of stakeholders and the public at large on sustainable / organic consumption.

A thematic week on sustainable consumption and production trained teachers from 20 schools and raised awareness of around 300 school kids to consume ecologically produced food.

Organic smallholder farmers attended local farmers markets and were assisted in the packaging and exhibition of their organic produces.



A market assessment report identifying the EU market potential for Moldovan organic products ([fact sheet](#)).



Promotes better use of resources and energy by applying Resource Efficient and Cleaner Production (RECP) methodology



Six RECP forums attracted more than 200 participants to develop a RECP Primer for Moldova (in **Romanian**).

Final RECP conference attracted about 100 participants (**February 2017**).



RECP Primer for Moldova: 1st edition (2015) and 2nd edition (2016)

RECP clubs brochure and resource package (Facilitators' Manual and Workbook) and video (Romanian)

RECP national webpage: www.ncpp.md



20 national experts trained on RECP implementation (**2015 and 2016**).

20 enterprises conducted RECP assessments (in **English and Romanian**).

RECP clubs active in Balti and Orhei supporting 64 enterprises in RECP application.

Did you know?

...That applying the RECP approach has enabled 84 enterprises in Moldova to save 1.45 million EUR per year but also to save 1 million m³ of water and avoid 9 000 tonnes of greenhouse gas emissions and 7000 tonnes of solid waste.

After the breakup from the Soviet Union in 1991, energy shortages, political uncertainty and trade obstacles challenged the Republic of Moldova's economy. As part of an ambitious economic liberalisation effort in 1990s and early 2000, Moldova liberalised prices, stopped issuing preferential credits to state enterprises, backed land privatisation, removed export controls, and liberalised interest rates.

Despite strong growth in GDP per capita (+26% between 2005 and 2011) and some progress in reducing poverty, Moldova remains the poorest country in Europe. The share of value added in services sector has been increasing over the years, but agriculture accounts still for 1/3 of employment and 14% of Moldova's GDP compared to a 1.7% in the OECD countries (Figure 7).

Figure 7. **Moldova's GDP by economic sector (2015)**



From 2000 to 2013, domestic electricity consumption increased by 21% and heat consumption increased by 10% whilst greenhouse gas intensity decreased during the same period. This shows signs of decoupling of economic growth from the growth in greenhouse gas emissions. Despite recent improvement Moldova continue to suffer from significant environmental degradation due to excessive use of pesticides, industrial pollution and inadequate of environmental infrastructure.

Moldova and the EU signed an Association Agreement and a Deep and Comprehensive Free Trade Agreement (DCFTA) in 2014. Under the Association Agreement, which entered in force in July 2016, Moldova committed to activate structural reforms and to harmonise its legislation with the EU *acquis communautaire*.

The 2020 National Development Strategy of Moldova and other strategic documents, such as the Environmental Strategy of Moldova for years 2013–23, the National Strategy for Sustainable Development of Agriculture in 2008–15 integrate green economy objectives. In 2015 the development of a Roadmap - *National Program for the promotion of Green Economy*, was launched to guide the government efforts to green the economic development.

Ukraine...

Develops sectoral analyses in support of a transition to a green economy



Training on methodologies and tools for green economy assessments (**April 2014**).

Inter-ministerial consultation meetings and validation of results of the green economy policy analysis with simulation modeling (**December 2014 - December 2016**).



Recommendation for the establishment of an inter-ministerial working group on green economy (**2014**).



Batumi Initiative on Green Economy (BIG-E): Actions by Ukraine (**2017**).



Ukrainian journalists learnt about the theoretical basis to a Green Economy in a national media workshop and had a hands-on opportunity to meet pioneers leading the transition from Ukraine and question high-level decision-makers. (**November 2017**)

Develops national Green Growth Indicators



Series of workshops on developing green growth indicators in Ukraine (**June 2014, September and December 2015**).



An indicators-based report on Green Transformation in Ukraine ([English](#) and [Russian](#)).

Strengthens access to finance for green growth investments



Review of selected environmental credit lines managed by Ukreximbank (**Forthcoming 2017**).

Improves transparency and reforms for energy subsidies



National workshop on energy subsidies in Ukraine (**April 2016**).



Survey of energy subsidies in Ukraine (**Ukrainian**).

Improves market incentives for greener products



Series of workshops on economic instruments for managing environmentally harmful products (**2014 - 2015**).



Economic instruments for managing environmentally harmful products in Ukraine ([English](#)).

Reinforces efforts for greening Small and Medium-sized Enterprises



Series of workshops on promoting better environmental performance of SMEs (**2014-2015**).



Promoting better environmental performance of SMEs in Ukraine ([English](#)).



Launch of policy and regulatory reform to green SMEs.



Pilot project on SME greening in Ukraine.

Reforms the legislative and institutional frameworks for the SEA and EIA



Law on Strategic Environment Assessment prepared.

Law on EIA adopted.

Law on SEA re-submitted (after Presidential veto) to the Parliament.



Strengthens capacity-building for experts and officials on SEA and EIA and co-operation with the neighbouring countries



Workshop (**October 2013**) and high-level roundtable on SEA (**June 2015**).

Training workshop on practical application of SEA for representatives of executive authorities and local self-government authorities (**October 2016**).

Post-project [EIA analysis](#) - for Khotislavskoye quarry: Initial workshop (**April 2013**) and sub-regional conference for sharing results (**April 2014**).

High level roundtable on benefits of introducing modern SEA system in Ukraine (**February 2017**).

Benefits of introducing modern Strategic Environmental Assessment System in Ukraine, Kyiv, (**28 February 2017**).

Training workshop on practical application of strategic environmental assessment (SEA) for representatives of central and regional executive authorities in Ukraine, Kyiv, (**15-16 March 2017**).



[Recommendations](#) for carrying out post-project analysis within EIA procedure.

Ukrainian version of the brochure on SEA facts and benefits prepared.

Draft national guidelines on SEA prepared.

Adopts the National Policy and Action Plan for the implementation of sustainable public procurement



Three workshops to discuss the implementation of sustainable public procurement in Ukraine (initial workshop, **April 2014**); selection of product categories for sustainable pilot tenders: heat insulation materials, paintwork materials, washing and cleaning products (prioritisation workshop, **October 2014**), final SPP workshop **November 2017**.

Training for procurement practitioners and economic operators (**April 2017**).



Report on existing eco-labels for the selected product categories (**December 2015**).

Communication strategy (**June 2016**).

SPP communication strategy **2016-2019**.

Sustainable Procurement guidelines (**Handbook, 2017**).

Tender documents for the purchase of selected products (**2017**).



Status Assessment of sustainable public procurement (**July 2014**).

Legal Review for the implementation of SPP (**October 2015**).

Market study (for selected categories of products) (**October 2015**).



Establishment of an SPP Implementation unit and SPP Taskforce (**December 2015**).

Development of sustainability criteria (**August 2016**) for selected product categories to update procurement guideline.



Sustainable procurement training toolkit (**2017**): comprising of the updated procurement guidelines, tender documents, and presentations on the use of eco-labelling, newly-defined criteria for the selected products and tender documents.

Enhances trade opportunities with international markets for organic agriculture products



Two workshops trained around 60 organic producers on their participation in international trade fairs and on export opportunities and trade potential of their organic produce (**2014**).

11 Ukrainian organic producers were supported in exhibiting their products in the Biofach trade fair (**2015 and 2016**), where they benefited from targeted matchmaking with interested potential buyers. Ukrainian exhibitors had over 900 new business contacts, and concluded new contracts of a total volume of over 16 million USD.



Regional market assessment study on EU market potential for Ukrainian organic products. (**December 2014**, [fact sheet](#)).

Did you know?

...That EaP GREEN supported the the participation of organic producers in the international organic trade fair Biofach, (2015 and 2016) allowed for over 900 business meetings with interested buyers, and led to new export contracts with a total value of more than USD 16 million.

Promotes better use of resources and energy by applying Resource Efficient and Cleaner Production (RECP) methodology



1026 participants in 27 awareness raising events.

National consultative dialogue on RECP (**May 2015**) and subsequent 6 RECP forums contributed to a RECP Primer for Ukraine (**2015-2016**).

Additional to RECP Clubs, events to discuss financing issues were conducted in two regions in the **fall of 2016**.

Final National RECP Conference, **December 14, 2016**.



RECP clubs established in Kharkiv and Chernihiv involving 35 companies.

18 experts trained in RECP methods and application (**2014 - 2016**).

Assessment of 10 enterprises in construction materials production sector reported application of RECP solutions, and 13 demonstration companies from the construction materials sector were assessed.



2 editions of RECP primer (**Ukrainian and English, 2015 and 2016**), 2 booklets of business cases, RECP Club facilitator manual, RECP Club workbook, RECP Pocket Guides on technologies in construction materials production sector, dairy, chemicals treatment and concrete sectors, 2 versions of leaflet about the RECP Demonstration, an RECP Study Book and publications on options implemented as well as a publication on eco-innovations. In total, there were **16 publications, 12 articles and 12 videos**.

RECP Centre websites :

www.recp.org (**English and Ukrainian**), including articles and videos.

RECP Clubs



3 trainings for RECP Clubs Facilitators in **May-June 2017**.

Round table on RECP Study Course (**May 18, 2017**). One university implemented RECP course as a part of study programme.

Round table on moving towards circular economy (**June 22, 2017**).

Ukraine is the most populated country in the region (45.4 million, 2014) with well-developed industrial basis and rich natural resources. The global financial crisis in the late 2008 severely hit the economy of the country. The subsequent slow-down in the global economy, dramatic political changes and the subsequent conflicts in the eastern regions of Ukraine have all led to serious deterioration of the country's economy in 2015-16.

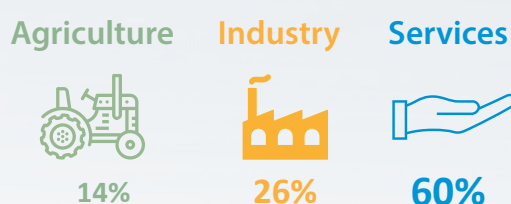
External political and economic factors are seriously challenging Ukraine's economic growth and calling for a transformation of Ukraine's economic development model in which outdated technologies, especially in the mining and metallurgical sector, have resulted in excess consumption of primary resources, materials and energy. The agriculture sector contributes 14% to the total GDP,

31.5% to the total export, and also plays an important role in ensuring food security (Figure 8).

Despite recent improvements, the energy intensity of Ukraine's economy is three times higher than that of the EU, which makes the country one of the 10 most energy-intensive economies in the world. Challenges faced by the energy sector are diverse, including maintaining the security, and improving the reliability and quality of supply.

The principles of sustainable development and green economy are reflected in the 2014-2017 Action Plan for the implementation of the Ukraine-EU Association Agreement and the Ukraine 2020 Sustainable Development Strategy. The action plan of the Cabinet of Ministers for 2016, which aims at supporting both strategic documents, contains a comprehensive package of tasks geared towards the green transformation of Ukraine's economy.

Figure 8. **Ukraine's GDP by economic sector (2015)**





Regional Activities



Key Publications

Strategic Policy Planning	<ul style="list-style-type: none"> • UNEP (2015), <i>Sustainable Consumption and Production Policies and Initiatives in Eastern Europe and the Caucasus: Review of Progress and Way Forward</i>, Geneva (English and Russian).
Green Growth Indicators	<ul style="list-style-type: none"> • EaP GREEN (2016), <i>Measuring the Green Transformation of the Economy: A Guide for EU Eastern Partnership Countries</i>. Paris (English and Russian) • Policy Highlights (English and Russian).
Access to finance for green investment	<ul style="list-style-type: none"> • OECD (2016), <i>Environmental Lending in EU Eastern Partnership Countries</i>, OECD Publishing, Paris. (English) • Discussion paper on Unlocking private finance for energy efficiency, and greener, low-carbon growth in EaP countries and Central Asia, 2017 (English and Russian).
Reform of environmentally harmful subsidies	<ul style="list-style-type: none"> • OECD (2017 forthcoming), <i>Energy Subsidies in EU Eastern Partnership Countries</i>, Paris
Creating market incentives for greener products	<ul style="list-style-type: none"> • OECD (2015), <i>Creating Incentives for Greener Products: A Policy Manual for Eastern Partnership Countries</i>, OECD Publishing, Paris (English) • Roadmap for Policy Action (English and Russian)
Greening SMEs	<ul style="list-style-type: none"> • EaP GREEN (2015), <i>Environmental Policy Toolkit on Greening SMEs in EU Eastern Partnership Countries</i> (English and Russian). • Policy Highlights (English and Russian)
SEA and EIA	<ul style="list-style-type: none"> • UNECE (2015), <i>Practical Guidance on reforming legal and institutional structures with regard to the application of SEA procedure in accordance with the UNECE Protocol on SEA</i>. • UNECE (2015), <i>Overview of legislative and administrative reforms for implementing strategic environmental assessment in Eastern Europe and the Caucasus</i> (English and Russian). • UNECE (2016), <i>Protocol on Strategic Environmental Assessment, Facts and Benefits</i>, Geneva. (English and Russian). • UNECE (May 2017), <i>Manual on Strategic Environmental Assessment for Trainers</i>. (Draft version in English and Russian). • Video on benefits of SEA and the Protocol on SEA (English, Russian, Georgian, Azerbaijani and Ukrainian).
Sustainable Public Procurement	<ul style="list-style-type: none"> • UNEP (2012) <i>Sustainable Public Procurement Implementation Guidelines Introducing UNEP's Approach</i>. (English).
Organic Agriculture	<ul style="list-style-type: none"> • An exporter toolkit on accessing the EU market and on marketing, packaging and branding of organic products (English). • Success stories of organic producers of the EaP region entering the EU market with their organic produce.
RECP	<ul style="list-style-type: none"> • Regional RECP technology pocket guides for SMEs in selected production sectors: dairy production; construction materials and chemicals prototyped (English, Russian and national languages). RECP Clubs Facilitator Manuals and RECP Clubs Workbooks.



Events

- Regional workshop on the Green Economy and Sustainable Consumption and Production Framework (Tbilisi, **May 2014**).
 - Regional Journalist Training on green economy and environmental story telling (Batumi, **June 2016**).
 - Batumi Initiative on Green Economy (BIG-E) at the 8th Environment for Europe Conference: commitments for green economy actions by **Belarus, Georgia and Moldova** (Batumi, [June 2016](#))
 - CEP-22 side event on Green Economy by UNECE/UN Environment/GGKP (**January 2017**)
-
- Regional workshop on “Shared environmental information system and green growth” (Paris, [March 2015](#))
-
- Regional workshop on “Access to private finance for green investments in EU Eastern Partnership countries” (Paris, [June 2014](#))
 - International Conference on Unlocking Private Finance for Energy Efficiency and Greener, Low-Carbon Growth in the Eastern Partnership and Central Asia Countries (Brussels, Belgium [29 - 30 June, 2017](#)).
-
- Side event on energy subsidies in the EU's Eastern Partnership Countries at the UNFCCC COP21. (Paris, [December 2015](#)).
-
- Regional expert meeting on Economic instruments for greener products in Eastern Partnership countries (Paris, [March 2014](#)).
-
- Two regional conferences on greening SMEs (**February 2015**, Kyiv and [March 2016](#), Chisinau).
-
- Study tour to the Czech Republic ‘Application of SEA at the national level in the field of urban planning, waste management, agriculture and energy sector’ ([December 2014](#)).
 - Sub-regional conference on ‘Developing legislative framework for the strategic environmental assessment in line with the Protocol on SEA’ (November 2015).
 - Training of Trainers Workshop on ‘Design and delivery of training events on Strategic Environmental Assessment’ ([November 2015](#)).
 - Second sub-regional workshop: Sharing experience with introducing SEA and EIA in selected countries of Eastern Europe and the Caucasus (**31 October - 2 November 2017**), Ukraine
-
- Regional awareness raising workshop (May 2014).
-
- EaP GREEN was one of the main sponsors of the 5th International Conference on Organic Sector Development in Central/Eastern European and Central Asian countries (**April 2015**) attracting over 200 participants from 35 countries and emerging as one of the largest regional knowledge exchange platforms on this topic.
-
- Initial event on RECP technologies, Georgia (**March, 2015**) back to back with seminar on financing options for RECP. Documented techno-economic evaluation and project planning for advanced technology and investment options in all 6 countries finalized in advanced assessment reports
 - Participation of key country experts at RECPnet annual meetings in Slovenia (**2014**); Switzerland (**2015**), Georgia (**2016**) and Finland (**2017**).



Remaining challenges

Despite progress in establishing the institutional basis for integrating economic and environmental objectives, the strategies and policies specifically targeting Sustainable Consumption and Production remain under-developed in the six EaP countries. In order to **level-up the priority given to the green economy** transition on the national political agenda, it is necessary to **continue enhancing transparency** of information as well as strengthening inter-sectoral and inter-ministerial co-ordination and accelerating private sector **green investments**. It is also important to keep informing and educating the public at large to enhance and **improve public participation** in planning and decision-making.

The EaP GREEN project strives to **support governmental actions** towards greening public policies and to **reinforce management approaches** applied by private sector actors. This will help countries to progress towards achieving the Sustainable Development Goals.

In addition to **political and economic challenges** that the countries in the region are currently facing, other obstacles are hampering the path towards a green economy:

- **lack of overarching and targeted policies** fostering the green economy transition,
- **limited awareness** of the benefits of greening economic development and costs of inaction,
- **gaps and contradictions in the legislative frameworks** as well as challenging law enforcement,
- **limited application of SEA** as a tool for greening plans, programmes, or policies,
- **inefficient application of the project-level environmental assessment (EIA)** resulting in unsustainable investments,
- distortions from **harmful subsidies**,
- **limited access to green finance**, in particular for SMEs,
- **lack of best practices** and reference to green technologies applicable in national conditions,
- limited support and **engagement of the public** at large, and
- limited **institutional and human capacities** at all administrative levels and sectors to implement green economy initiatives.



and ways forward

The EaP GREEN has provided support to **address several of the issues** mentioned above, **accumulated experience** and national coordination capacities, including networks and instruments. They provide a strong basis for using more advanced approaches to bring the green economy transition to a new level.

The EaP GREEN project partners will continue to support these actions until the end of 2017, and possibly beyond, based on **solid operational experience**, continuity and **well-established relations** with key national partners in the ministries, the research community, non-governmental sector, civil society and businesses in the EaP countries and with the international development partners and finance institutions.





About EaP GREEN

The EaP project targets the government authorities of the six Eastern Partnership countries: Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova, and Ukraine. It brings together the Ministries of Environment and Economy as well as the ministries in charge of finance, industry, agriculture and statistics.

The private sector, the International Financial Institutions (IFIs) and the domestic banking sector representatives are also important partners of the project. The activities are implemented in close consultation with the NGO community and coordinated with other relevant projects funded by the EU and other donors in the region.

The National Focal Points (appointed by the Ministries of Environment and Economy of each country), the European Commission and the implementing partners have met annually as part of a Steering Committee to oversee the implementation of the EaP GREEN project.

The project is funded by the European Union and jointly implemented by four international organisations – OECD, UNECE, UN Environment and UNIDO. Additional financing is provided by other countries, including Austria, Norway, Slovenia, Switzerland, and the Netherlands.

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