

## **CIRCULAR ECONOMY PROGRAMME IN GEORGIA**

### **ACCELERATING THE TRANSITION TO THE CIRCULAR ECONOMY – THE ROLE OF POLICY MAKERS**

The transition to a circular economy requires a radical change in the way we produce and consume. Products are designed for durability, upgradeability, reparability and reusability. Companies develop new business models generating revenue streams from services rather than products, while making more efficient use of resources and materials, and consumers use products efficiently and discard them in such a way that they can be turned into secondary materials that can enter a new production-consumption cycle. The circular economy concept is gaining attention in light of increasing consumption and resource use by a fast-growing population with rising standards of living. This is a new economic model that represents sustainable progress towards efficient green growth. Due to its expected environmental, climate, social and economic benefits, the circular economy is not only being strongly promoted by the EU institutions, as well as a growing number of national and local governments but it is also attracting increasing attention from the business community and from public and private financiers.

Like with any systemic change, the transition to the circular economy requires several elements of the system to change simultaneously. Concerted actions by a host of stakeholders are needed. Governments at all levels, businesses, innovators, academia, investors and consumers all have to play their distinct roles and contribute to the process. Such a change should be supported by a well-functioning, non-distortive policy and regulatory framework, which ensures a level playing field for circular economy business models by eliminating legacy subsidies that reward linear behaviours and by fully pricing in risks and externalities associated with the linear production and use of materials. The existing policy frameworks and skills of the policy makers are insufficient to achieve a meaningful acceleration for the transition to the circular economy. Various expert groups have identified several key recommendations for financial and non-financial policy makers, project promoters and public authorities to achieve concerted actions in the acceleration of the circularity measures.

One of the common themes in these recommendations is the role of public authorities and the need to increase their capacities. Public authorities, on all levels, can provide incentives to promote circular economy models via, for example, public procurement, subsidies, taxation and funding. They have the legitimacy and means to reward positive externalities.

The ongoing programme being implemented by CSO Georgian Society of Nature Explorers “Orchis” and supported by the Government of Sweden has been designed to raise awareness about circular economy and provide recommendations to various groups of stakeholders. The 5<sup>th</sup> Conference under the programme has been designed to provide recommendations to the policy makers and provide information and raise awareness about circular economy in the Parliament of Georgia.