



გარემოს დაცვისა და სოფლის
მეურნეობის სამინისტრო



GOVERNANCE REFORM FUND (GRF) PROJECT

SUPPORTING THE GOVERNMENT OF GEORGIA IN ENHANCING GOVERNANCE & POLICIES FOR A TRANSITION TO A CIRCULAR ECONOMY

Thematic Seminar on Environmental, Social and Governance Requirements

In the field of environment and climate action, the key priority of the EU-Georgia Association Agenda 2021-2027 is “promoting a modern, resource-efficient, clean and circular economy leading to the greening of the economy and a more sustainable use of natural resources in line with the European Green Deal”. Sustainability is more than good intentions. It's about creating a tangible, practical plan that achieves real results. Success is not about climate change, diversity and disclosures alone. It's about embedding these principles across business activities from investment to sustainable innovation. Environmental, Social, and Governance (ESG) is a set of aspects considered when investing in companies, that recommends taking environmental, social and corporate governance issues into account. A new business environment needs new thinking. One that infuses ESG metrics right through all areas of economic activities and creates maximum transparency. More and more investors are incorporating ESG elements into their investment decision making process, making ESG increasingly important from the perspective of securing capital, both debt and equity.

The UNDP's Governance Reform Fund (GRF) funded by the Government of Sweden supports the Government of Georgia (GoG) in the development of a National Roadmap to a Circular Economy under the framework of the “Supporting the Government of Georgia in Enhancing Governance and Policies for a Transition to a Circular Economy”. The Project is being implemented by GSNE “Orchis” under the leadership of the Deputy Minister of Environmental Protection and Agriculture of Georgia, Chairperson of the Inter-Ministerial Coordination Board of the GoG Acad. Solomon Pavliashvili and International Expert in the Circular Economy, Team Leader of GSNE “Orchis” Dr. Dariusz Prasek, who are supported by the team of local experts having sound knowledge of the Georgian economy, sustainable development and environmental, social and governance issues.

The Circularity Roadmap development and implementation is a collaborative process which requires engagement and input from many stakeholders, especially key governmental agencies, among them the Ministry of Environmental Protection and Agriculture, the Ministry of Economy and Sustainable Development, Ministry of Regional Development and Infrastructure and Ministry of Finance to appropriately define a vision, goals and tangible actions for the transition to circularity in Georgia. To ensure creation of shared mindset among key stakeholders as well as to strengthen them and enable their informed and meaningful engagement in the Roadmap development and implementation, the Sub-Project envisages building up their capacity in the areas of circular economy, environmental, social and governance (ESG), and green public procurement (GPP). Specifically, five thematic seminars are planned to transfer basic knowledge in the target areas, which will cover the following topics:

- Circular Economy: (i) the transition to the Circular Economy; (ii) the legacy of the industrial era; (iii) current trends – problems vs opportunities; (iv) EU Action Plans; (v) Circular Economy business models; (vi) Key stakeholders in promoting the Circular Economy; (vii) Business and policymakers role in Circular Economy; (viii) Key recommendations for business leaders and project promoters; (ix) Examples of successful solutions based on circulatory practices.
- ESG: (i) the history of ESG and basic principles; (ii) the ESG in the investment process; (iii) the role of the board and ESG; (iv) ESG and business strategy; (v) ESG and risk; (vi) corporate governance and ESG; (vii) ESG reporting; (viii) leading a sustainable transformation; (ix) ESG supporting the circular economy.

- Green Public Procurement: (i) Green Public Procurement legal and policy framework; (ii) Understanding market capacity and assessing costs and benefits; (iii) Introducing environmental standards in procurement; (iv) monitoring Green Public Procurement; (v) Role of Green Public Procurement in promoting the circular economy.

The second thematic seminar is dedicated to the environmental, social and governance requirements in the investment process. It will focus on identifying relevant ESG risks, supporting ESG performance through management systems, and facilitating financing through consistent and reliable ESG reporting.