



გარემოს დაცვისა და სოფლის
მეურნეობის სამინისტრო



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

Thematic Seminar on Sustainable Finance

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”. More and more investors are incorporating the principles of Sustainable Finance into their investment decisions, making it increasingly important from the perspective of securing capital, both debt and equity.

Sustainable Finance refers to the process of taking environmental, social and governance (ESG) considerations into account when making investment decisions in the financial sector, leading to more long-term investments in sustainable economic activities and projects. Environmental considerations might include climate change mitigation and adaptation, as well as the environment more broadly, for instance the preservation of biodiversity, pollution prevention and the circular economy. Social considerations could refer to issues of inequality, inclusiveness, labour relations, investment in people and their skills and communities, as well as human rights issues. The governance of public and private institutions – including management structures, employee relations and executive remuneration – plays a fundamental role in ensuring the inclusion of social and environmental considerations in the decision-making process.

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.

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.
- Sustainable Finance: (i) An overview of Sustainable Finance Principles; (ii) Commonly recognized ESG Investment Strategies, Mix of Strategies, ESG Filters; (iii) An Overview of the EU Sustainable Finance Framework; and (iv) Typical requirements of Financial Institutions.

The fifth thematic seminar is dedicated to the practical aspects of Sustainable Finance.