







**GEORGIA** 



# Climate policy development and advancing cooperation with the EU in Georgia



The Ministry of Environmental Protection and Agriculture of

Georgia is responsible for the development and implementa-

tion of national climate change policy, as well as the co-ordi-

nation of international climate change negotiations. The EU

and Georgia's close relationship is based on the EU - Georgia

Association Agreement (AA) including a Deep and Compre-

hensive Free Trade Area (DCFTA), which entered into force in

July 2016 and strives for political association and economic

integration. Georgia is progressing in the legal approximation

process for the environment and climate action under the AA.

 $\rangle$  With a population of around 3.73 million (2018) , Georgia contributes 0.03% to the total global greenhouse gas (GHG) emissions and has a per capita footprint of 2.37t CO<sub>2</sub>e.

Georgia's GHG emissions decreased by 72% (nearly 13 Mio t CO<sub>2</sub>eq) between 1990 and 1995. The lowest value has been reported for 2001 with 9,6 Mio t CO<sub>2</sub>eq, since then emissions have increased to 17,8 Mio t CO<sub>2</sub>eq in 2017. This is also caused by a strong increase in GDP (+56% between 2010 and 2017), dominated by the service sector.

The increased economic activity in connection to a decrease in population by 16%, the GDP per capita shows a remarkable increase of 86%, while GHG per GDP dropped by 39%.

The energy sector has the highest emissions (excluding LULUCF) followed by agriculture, production and industry, and waste<sup>1</sup>:







agriculture 18.5%



production & industry 11.2%



waste **8.8%** 

> In 2020, Georgia updated its National Determined Contribution (NDC) with an increased ambition compared to the INDC 2015. According to the updated NDC, Georgia unconditionally commits to reduce its GHG emissions by 35% below the reference year of 1990. Furthermore, subject to international support and international effort on a 2 or 1.5-degree pathway, Georgia conditionally commits to reduce its GHG emissions by 50-57% below the reference year of 1990.

The NC4 reports an increase in the mean annual ground air temperature in 1986-2015, compared to 1956-1985, — in the range of 0.25-0.58°C. The average increase in the territory of Georgia is 0.47°C. During the same period, the annual precipitation in western Georgia has mainly increased, while it decreased in some eastern regions. Average temperatures in Georgia have increased steadily since the 1960s and are projected to rise by more than the global average by the end of the 21st century. By the 2090s, the average temperature in Georgia is projected to increase between 1.4°C to 4.9°C above the 1986-2005 baseline, depending on the emission pathways from low to high concentrations. The frequency of heat waves is projected to increase significantly by the 2090s under higher emissions pathways, representing major risks to human health, livelihoods, and biodiversity.

Georgia is considered highly vulnerable to the effects of climate change, facing threats that include increased frequency and severity of **droughts** (1), **flooding** (2), **landslides** (3).



These are expected to have serious implications for agriculture in particular, which is central to the Georgian economy.



A changing climate will also significantly impact the coastal zone. The most vulnerable sectors are agriculture, forestry, tourism, health and cultural heritage.



In addition to an updated NDC, Georgia has developed a 2030 Climate Change Strategy and 2021-2023 Action Plan (CSAP). CSAP serves as an underlying strategy and short-term action plan for implementing the updated NDC. In addition, Georgia is finalizing its Long-term Low Emission Development Strategy, currently undergoing consultations within the Government of Georgia. In 2021 Georgia developed documents on climate mainstreaming in the energy, agriculture and health cortors.



#### 2014

- Association Agreement with the EU
- Socio-economic Development Strategy of Georgia



#### 2015

- INDC 2016-2030
- COP21 Paris Agreement
- Pledge to Sustainable Developent Agenda 2030
- Third National Communication to UNFCCC



#### 2016

- First Voluntary National Review
- Annual Governmental Work Plan (AGWP)
- EU-Georgia AA entered into force
- Biennial Update Report 1 (BUR)



#### 2017

- Ratification of Paris Agreement
- Full membership of the European Energy Community



#### 2018

Georgia Climate Change Conference



#### 2019

- EU4Climate launched
- BUR2
- National Renewable Energy Action Plan (NREAP) (2018-2030)
- National Energy Efficiency Action Plan (NEEAP) (2018-2030)



#### 2020

- National Energy and Climate Plan initiated (2021-2030)
- Long Term Low Emission Strategy of Georgia (LT-LEDS) - initiated



#### 202

- Climate Change Strategy (2030) and Action Plan (2021-2023)
- Updated NDC (2021-2030)



#### 2022

- National Energy and Climate Plan (2021-2030) – under development
- Long Term Low Emission Strategy of Georgia (LT-LEDS) – under development



#### 2023

 Local NDC/Lt LEDs implementation plan is prepared

# **EU4Climate key policy interventions** and expected impact

# **EU4Climate Georgia:** key results achieved in 2022





Georgia has already committed to low-emission development and one of the main objectives of the government is to improve the country's preparedness and adaptive capacity by developing climate-resilient practices that reduce the vulnerability of highly exposed communities. The government regularly highlights this as a main priority.

Georgia, as a developing country with limited capacity, needs additional support to its national efforts through international financial, technological, and capacity building support.

On 23 June 2022, the European Council adopted conclusions on the membership applications from Ukraine, the Republic of Moldova and Georgia and has decided to grant the status of candidate country to Ukraine and to the Republic of Moldova, also recognizing the European perspective of Georgia.

### **EU4Climate**

EaP

### Georgia

The EU4Climate Programme, funded by the European Union, aims to support the development and implementation of climate-related policies by the Eastern Partnership countries. The EU4Climate initiative supports Georgia in elaborating its long-term low emission development strategy and mainstreaming climate in the sectoral strategies. A robust domestic emissions monitoring, reporting and verification system will be established, to inform the government and the international community on the progress of its NDC implementation. Throughout the programme, the best international and EU practices will be applied.

### Result areas and timeframe in Georgia

RESULT AREAS	2019	2020	2021	2022	2023
	Q3 Q4	Q1 Q2 Q3 Q4			
NDC					
Long-term LEDS					
MRV System					
EU Climate Acquis					
Climate Mainstreaming					
Climate Investments					
Adaptation Planning					







Mainstreaming climate in economic sectors

Enhancement of capacities to manage and leverage climate investments

Adaptation planning

Development of LT-LEDS of Georgia was finalized
and TIMES Energy Modeling Tool was procured and transferred to national ministries.

Cooperation and partnerships were established with
the EU institutions and programmes in support of the robust national MRV system (Environment Agency Austria). MRV for LULUCF sector was prepared.

 EU Climate Acquis Strategic Roadmap was prepared
with technical support from ECS and the sublegal act on F-gases was drafted.

Development of the NDC Financing Strategy and
Investment Plan & Climate Budget Tagging was finalized. Three workshops were conducted on the mainstreaming of climate change in energy, agriculture and health sectors.

Two regional workshops increased the capacity of sixty
practitioners Climate Mainstreaming in energy, agriculture and health Sectors was launched.

A regional workshop enhanced capacities for nation al planning.



### **Future Activities**

- LT-LEDS of Georgia approved by the government February 2023
- Local NDC/LEDS implementation plan prepared June 2023
- > Finalising the NECP March 2023



The implementation of EU4Climate activities started in Georgia in the second half of 2019 and laid the footing for systematic implementation of the requirements of the Paris Agreement and the commitments of Georgia under it.



# NDC Financing Strategy and Investment Plan of Georgia



As part of the international obligations for climate action, Georgia updated its Nationally Determined Contributions (NDC) in 2021 committing to reduce the country's GHG emissions by 35% unconditionally, using Georgia's internal resources. A conditional target is 50-57% by 2030, requiring additional finance from external sources. The NDC Finance strategy developed by the EU4Climate will help Georgia to reach NDC targets – by both understanding the costs needed and sources of funding to achieve these emissions reductions.

The NDC Finance strategy of Georgia aims at identifying and resolving gaps and barriers hindering effective climate financing. NDC Financing Strategy and Investment Plan provides the climate finance framework, identifies the barriers currently hampering climate financing, and presents guidelines for resource mobilization.



The Strategy also illustrates approaches on how to prioritize and mainstream climate change-relevant financing during the budget formulation, identify costs for mitigation and adaptation actions of Georgia's updated NDC with a roadmap for the sustainable implementation of the NDC climate finance strategy.



The NDC finance plan includes assessments and calculations according to which a need for over 208 million GEL (around 75 million Euro) is identified, predominantly for the energy sector for funding unconditional mitigation actions in Georgia; with the additional investment needed in the transport, buildings, agriculture, and waste management sectors.



The proposed actions in the energy sector include developing renewable energy sources (wind, solar, geothermal), as well as electricity network development until 2030. Mitigation actions in non-energy sectors include large-scale energy efficiency in industry, introducing energy-efficient lighting in public institutions, introducing climate-smart agriculture, GHG capture from waste, and many others.



Budget allocation estimations are based on a combination of state expenditures in the energy, waste and forestry sectors, while private investment is seen as the main source in the energy and industry sectors. International loans and grants for reaching unconditional targets of Georgia's NDC are needed financial sources across all sectors but mainly for energy, transport, waste and forestry. Agriculture is assessed to be the main sector with the deficit.



Climate finance mapping with its recommendations will assist policymakers in using targeted approaches in the delivery of finance towards enhanced action aimed at mitigation and adaptation to climate change. NDC implementation and financiale plan is a major policy tool helping Georgia to reach the NDC targets.













## **EU4Climate**



The **EU4Climate Programme** helps governments in the six EU Eastern Partner countries to take action against climate change. It supports countries in implementing the Paris Agreement and improving climate policies and legislation.

EU4Climate assists the EaP countries to integrate the low-emissions and climate resilience objectives into development policies and plans, to improve and consolidate climate policies and legislative alignment. Its ambition is to limit climate change impact on citizens' lives and make them more resilient to it.

The Programme builds on important achievements of past cooperation programmes, such as the EU's ClimaEast Programme, which supported Climate Change Mitigation and Adaptation in Neighbourhood East and was completed in 2017. EU4Climate directly contributes to the targets of the Joint Staff Working Document "Recovery, resilience and reform: post 2020 Eastern Partnership priorities", adopted in July 2021. The scope of the Programme was defined in cooperation with all

The scope of the Programme was defined in cooperation with all partner countries. The Initiative is implemented by the United Nations Development Programme. The European Commission provides the overall policy direction.







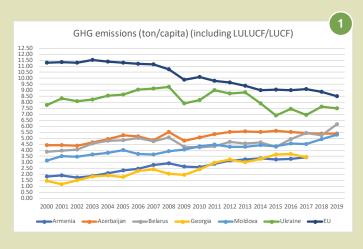


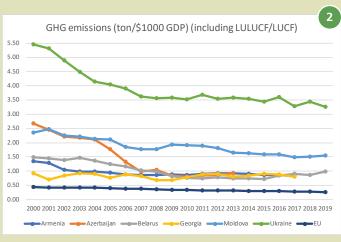


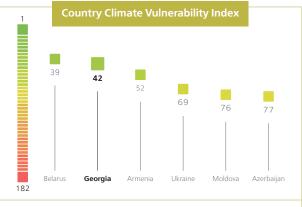












ND-GAIN Country Index, composed of vulnerability and readiness score, ranks the vulnerability of countries to the impacts of climate change; a higher number means a higher vulnerability. (As developed by the University of Notre Dame<sup>2</sup>).



<sup>&</sup>lt;sup>3</sup> Participation of Belarus in the EU4Climate was suspended as of 24.02.2022 until further notice



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<sup>&</sup>lt;sup>2</sup> https://gain.nd.edu/our-work/country-index/rankings/