



ANNEX I

of the Commission Implementing Decision on the Annual Action Programme 2020 in favour of Georgia

Action Document for EU4 Better Environment and Health

ANNUAL

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation and action programme/measure in the sense of Articles 2 and 3 of Regulation N° 236/2014.

1. Title/basic act/ CRIS number	EU4 Better Environment and Health CRIS number: <number> financed under the European Neighbourhood Instrument	
2. Zone benefiting from the action/location	Georgia. The action shall be carried out at the following location: countrywide, including Georgia's breakaway regions of Abkhazia and Tskhinvali region/South Ossetia	
3. Programming document	Single Support Framework for EU support to Georgia (2017-2020)	
4. Sustainable Development Goals (SDGs)	Main SDGs: - SDG 3 Good health and well-being - SDG 6 Clean water and sanitation - SDG 13 Climate action Other significant SDGs: - SDG 11 Sustainable cities and communities - SDG 12 Responsible consumption and production - SDG 15 Life on land	
5. Sector of intervention/ thematic area	Connectivity, energy efficiency, environment and climate change	DEV. Assistance: YES
6. Amounts	Total estimated cost: EUR 22 700 000	

concerned	Total amount of European Union (EU) contribution EUR 16 000 000			
7. Aid modality(ies) and implementation modality(ies)	Project Modality Direct management through: - Service contracts - Twinnings - Grants Indirect management with International Organisation or EU Donor Agency			
8 a) DAC code(s)	12261 – Health Education (20%) 41010 – Environmental policy and administrative management (40%) 41020 – Biosphere protection (40%)			
b) Main Delivery Channel				
9. Markers (from CRIS DAC form)¹	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	X	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	X
	Gender equality and Women's and Girl's Empowerment ²	X	<input type="checkbox"/>	<input type="checkbox"/>
	Trade Development	X	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input type="checkbox"/>	X	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input type="checkbox"/>	X	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input type="checkbox"/>	X
	Climate change adaptation	<input type="checkbox"/>	X	<input type="checkbox"/>
10. Global Public Goods and Challenges (GPGC) thematic flagships	Environment and climate change			

SUMMARY

¹ When a marker is flagged as significant/principal objective, the action description should reflect an explicit intent to address the particular theme in the definition of objectives, results, activities and/or indicators (or of the performance / disbursement criteria, in the case of budget support).

² Please check the Minimum Recommended Criteria for the Gender Marker and the Handbook on the OECD-DAC Gender Equality Policy Marker. If gender equality is not targeted, please provide explanation in section 4.5.Mainstreaming.

In the early stages of political and economic transition in Georgia, high growth rates were achieved and urban expansion often took place at the expense of the environment. Today, deteriorating environmental conditions and pollution are having a direct negative impact on the health of Georgian citizens. Environmental protection and its impact on health have become an increasing priority for the Georgian population and the Government, a second National Environment and Health Action Plan was approved in 2018. Georgia is also contributing to the global fight against Climate change, the Paris Agreement on climate change entered into force for Georgia in 2017.

This action aims to improve environmental conditions with a view to better protect natural resources and limit the negative impacts on health, while at the same time contributing to the global fight against climate change. The components envisaged for this action are:

1. Improving Air Quality and Water quality with a view to improve health of the population and better manage natural resources
2. Greening the economy and further developing circular economy
3. Supporting implementation of the Climate Action Plan and of the Nationally Determined Contributions (NDCs)
4. Implementing environmental provisions of the EU-Georgia Association Agreement and communicating to the public on ongoing environmental reforms, the challenges of climate change, and the impacts on health

1 CONTEXT ANALYSIS

1.1 Context Description

Georgia is an upper-middle income country with a population of 3.7 million, 57% live in urban areas, 13% are national minorities. The country has a gross national income per capita of EUR 3498 (2015) and ranks 70 out of 194 countries/territories in the UN Human Development Index, categorising it as highly developed.

In the early stages of political and economic transition, high growth rates were achieved and urban expansion often took place at the expense of the environment. This is all the more unfortunate that Georgia benefits from strong natural assets which are contributing to the success of tourism as a key driver of Georgian economy, and that these assets are being negatively impacted by the relatively poor environmental management and the global phenomenon of climate change.

Pollution is having a direct negative impact on the health of Georgian citizens with a high rate of cancers and other diseases known to be correlated among others to the high level of air pollution in some areas and the poor quality of some of the water available to citizens. These recent years, environmental protection and its impact on health have become an increasing priority for the Georgian population and the Government and a second National Environment and Health Action Plan was approved in 2018.

With the adoption of the EU-GE Association Agreement which entered into force in 2016, Georgia undertook numerous commitments in the sector of Environment which constitutes a very large chapter of the EU-GE Association Agreement.

Georgia is playing its role within the global fight against Climate change. In 2015, the country submitted its Intended Nationally Determined Contribution (INDC) to the UNFCCC while the Paris Agreement on climate change entered into force for Georgia in 2017.

1.2 Policy Framework (Global, EU)

According to the World Health Organisation (WHO), environmental factors such as air and water pollution, noise, and chemicals trigger one-quarter of chronic and non-communicable diseases. On the contrary, the positive health impact of a well-managed natural environment has been proven. These recent years, to tackle this issue, the EU has modernised chemicals legislation and put in place a broad range of environmental legislation, which has resulted in overall reduced air, water and soil pollution.

The EU is a global leader in the fields of environmental protection and fight against climate change. The EU helped build a broad coalition of countries in favour of high ambition that shaped the successful outcome of the Paris conference in 2015. The Paris Agreement on Climate Change is the first ever universal, legally binding climate deal that set out a plan to put the world on track to avoid dangerous climate change by limiting global warming.

The Sustainable Development Goals (SDGs) were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. Several of these SDGs are directly connected to the sectors of environmental protection and fight against climate change.

The EU has established environmental protection and fight against climate change as key elements of its relation with partner countries. The EU-Georgia Association Agreement (AA), including the Deep and Comprehensive Free Trade Area (DCFTA)³, which was signed in June 2014 and entered into force on 1 July 2016 contains very wide Environmental and Climate chapters. The agreement states that EU-GE cooperation in the Environment sector shall aim at *“preserving, protecting, improving and rehabilitating the quality of the environment, protecting human health, sustainable utilisation of natural resources and promoting measures at international level to deal with regional or global environmental problems”* as well that, with regard to Climate Action, EU-GE states cooperation *shall aim at: “mitigating and adapting to climate change, as well as promoting measures at international level including in the areas of mitigation of climate change; adaptation to climate change; mainstreaming of climate considerations into sector policies...”* Within the AA, the parties also agreed to develop their cooperation in the field of public health, with a view to raising the level of public health as an essential area for promotion of sustainable development and economic growth.

The Single Support Framework (SSF) for EU support to Georgia 2017-2020 sets Sustainable management of natural resources (sustainable production and consumption, environmental protection and resilience, energy and resource efficiency) and circular economy (along with green economy), as well as implementation of the commitments stemming from the Association Agreement and the Paris Agreement on Climate Change within its 3rd priority sector *Connectivity, energy efficiency, environment and climate change*

³ Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, OJEU, L261, 30.8 2014

Today, the European Commission is working on the preparation of a European Green Deal which will aim to make Europe the first climate-neutral continent.

1.3 Public Policy Analysis of the partner country/region

The EU-Georgia AA contains very wide Environmental and Climate chapters. The AA covers almost all environmental directions such as implementation of Multilateral Environmental Agreements (MEAs), environmental governance, air quality protection, water quality and water resources management, waste management, nature protection, industrial pollution and industrial hazards, chemicals management, climate action and forestry.

The third National Environmental Action Programme 2017-2021 (NEAP-3)⁴ which was approved by the Government of Georgia in 2018 is highly influenced by the commitments included within the EU-GE Association Agreement but also by the UN SDGs and the obligations stemming from the international treaties Georgia is a party to. The NEAP-3, which was developed with the financial support of the EU, identifies the environmental priorities of Georgia and establishes the strategic long-term goals, targets and activities required to improve the environment over the next five years. The ultimate objective of the environmental policy is to promote a sustainable and balanced development where the quality of the environment is considered equally along with all the socio-economic challenges. The overall strategic objectives of the NEAP-3 are as follows:

- Improving the status of the environment and ensuring the protection/sustainable use of natural resources and preventing/minimizing risks that threaten human health and the welfare of the population.
- Increasing compliance with the obligations under regional and global environment agreements to which Georgia is a party and the further approximation with the EU's overall environmental policies, framework legislation and directive-specific requirements.
- Increasing the capacities of administrative structures required to ensure efficient environmental management and the enforcement of environmental legislation.
- Promoting sustainable development through the integration of environmental aspects into social and economic sector policies.

The “National Environment and Health Action Plan for 2018-2022 (NEHAP-2)”⁵ was approved by the Decree N680 of the Government on December 29th 2018. The main principle of NEHAP is to realize the fundamental right of people to live in a safe environment. Among the strategic objectives of the Action plan are:

- Improvement of access to safe water and sanitation, including for each child.
- Improvement of access to healthy and safe environment for Children and Youth to ensure their increased physical activity
- Assessment of the impact of ambient and indoor air pollution on human health and implementation of measures to reduce the harmful effects
- Prevention of morbidity caused by exposure to chemical substances.
- Integration of health issues in climate change adaptation and mitigation policy.

⁴ <https://mepa.gov.ge/En/PublicInformation/66>

⁵ <https://matsne.gov.ge/ka/document/view/4441562?publication=0>

International treaties, to which Georgia is a party, play a significant role in the national policy on environment. Georgia is a party to global and regional Multilateral Environmental Agreements (MEAs), including 18 conventions, a number of their protocols, amendments and agreements. One of the treaties influencing overall environmental governance at the national level and guiding Georgia towards better environmental democracy is the Convention on Access to Information and the Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention). Safeguarding the environmental rights of the population, the Aarhus Convention provides a strong basis for further improvements in the field of environmental governance.

Apart from national policy documents specifically focused on environment, climate and health, other key national strategic documents constitute part of the overall policy framework for environment and health protection. The Socio-economic Development Strategy of Georgia “Georgia 2020” has set among its three principles to ensure environmental safety and sustainability through the prevention of natural disasters and the rational use of natural resources. The Strategy for Agricultural Development in Georgia 2015-2020 approved by the Georgian Government (Decree N167, 11/11/2015) has also identified environmental protection and the sustainable management of natural resources as one of its priority areas. The Rural Development Strategy for 2017-2020 has environmental protection and sustainable use of natural resource as one of its three priority directions. The strategy specifically includes the following targets: 1. Water, forest and other resources/ the improvement of water, forest and other resources in targeted rural areas; 2. Waste Management/ the promotion of sustainable systems of waste management in rural areas; 3. Climate change/ activities used to mitigate the negative impact of climate change. Finally, The Georgian Cultural Strategy “Culture 2025” also covers issues related to environmental education.

1.4 Stakeholder analysis

The **Ministry of Environmental Protection and Agriculture of Georgia (MEPA)** is the Ministry in charge of development of environmental policy and legislation in the country. The Ministry also plays a major role in environmental administration, issuing and enforcement of the permits, implementations of state control, data analysis and management in the field of environmental protection and use of natural resources (except for minerals, oil and gas) through its subordinated structural units as well as state subordinated entity and the Legal Entities of Public Law. The MEPA also coordinates the cooperation within the framework of regional and international Multilateral Environmental Agreements. The following institutions are operating within the scope of the Ministry:

- Legal Entity of Public Law (LEPL) National Food Agency;
- LEPL Scientific-Research Centre of Agriculture;
- LEPL National Wine Agency
- LEPL Laboratory of the Ministry of Agriculture
- Agricultural Cooperatives Development Agency
- Georgian Amelioration Ltd
- NNLE Agricultural Projects Management Agency
- LEPL National Forest Agency
- LEPL Agency of Protected Areas
- LEPL National Nursery

- LEPL Agency of Nuclear and Radiation Safety
- LEPL Environmental Information and Education Centre
- State Subordinated Agency - Department of Environmental Supervision

The **National Environmental Agency (NEA)** is a Legal Entity of Public Law under the MEPA. The NEA is mandated to monitor ongoing hydrological, meteorological and geological events; provide short and medium-range forecasts for potential extreme weather conditions; evaluate risks of natural and anthropogenic hazards and planning and implementation of measures for reducing these hazards; develop early warning systems; prepare state geological maps; elaborate and publish annual information bulletins on relevant issues. The NEA is responsible for the creation and operation of monitoring systems for measuring qualitative state of environment including ambient air, surface and groundwater, sea, soil on the territory of Georgia. Hydro-meteorological Department, Department of Geology, Department of Environmental Pollution Monitoring and Legal Department are the key structural units existing under the NEA dealing with the above mentioned competencies.

The **Division of Environmental Protection and Natural Resources of the Adjara Autonomous Republic (A/R)** manages forests on the territory of the Adjara A/R (150, 117 ha) through its Forestry Agency except for those having the status of protected areas. In addition, the division participates in all relevant actions aimed at protecting the environment and human health.

Local self-governments are responsible for the management of natural resources of local importance, including water and forest resources and land owned by the respective municipality. Municipal waste collection, street cleaning, parks and other public spaces on the territory of a municipality and greening activities are also the functions of municipalities. Local self-governments issue construction permits for activities of certain categories, part of which could be the conclusion of ecological expertise.

The **Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia (MoIDPOTLHSA)** is responsible among others for Health policy. The **National Center for Disease Control and Public Health (NCDC&PH)** under this Ministry is a central agency for public health. The mission of the agency is to protection and improvement of the health of Georgian population through scientific evidence based prevention, preparedness and timely response to the public health threats. The key goals of the agency are the following:

- To produce reliable information through monitoring, assessment and analysis of the population's health status and environmental factors
- To strengthen disease and public health risks prevention, surveillance, preparedness and response system
- Health promotion of the population
- To advance public health and bio-medicine science for evidence based public health policy
- To development and Maintenance of Institutional Capacity

The **office of the Public Defender (Ombudsman) of Georgia** oversees the observance of human rights and freedoms in Georgia which can include right to healthy and safe environment. It advises the government on human rights issues. It also analyses the state's

laws, policies and practices, in compliance with the international standards, and provides relevant recommendations.

The integration of environmental issues into sectoral policies and actions demands commitment and the contribution of resources from other ministries and the government as a whole. Most crucial in this respect are the ministries that are either primarily involved in planning the development of the socio-economic sectors that cause major pressure to the environment or play a significant role in preventing/responding to environmental challenges. **The Ministry of Economy and Sustainable Development, the Ministry of Regional Development and Infrastructure, the Ministry of Finance with its Customs Department, the Ministry of Internal Affairs, the Ministry of Labour and the National Statistics Office** are key state institutions in this respect. In order to address complex environmental issues such as the organization of waste management, reducing air pollution in larger settlements and industrial areas, solving water quality and quantity issues, protecting forest resources and biodiversity and managing coastal zones and the Black Sea, close cooperation among the ministries and integration of environmental aspects into other planning documents is needed.

1.5 Problem analysis/priority areas for support

Air Quality improvement

Ambient air pollution is one of Georgia's most acute environmental challenges, one with a significant impact on human health. Currently, the concentration of major air pollutants - particulate matter (PM_{2.5} and PM₁₀) – would be more than double the recommended average annual concentration in Georgian urban and rural areas, according to the World Health Organization (WHO). The 2017 WHO report “Monitoring Health for the Sustainable Development goals” underlines that Georgia is in third place in Europe in terms of the mortality rate attributed to indoor and outdoor air pollution (per 100 000 people).

Several alarming studies also highlight air pollution's impact on the Georgian economy. The 2018 Georgian State Audit report found that 120 million GEL were spent from the state budget in 2016 for the treatment of diseases related to air pollution.

According to the National Report on the State of the Environment of Georgia, at least 75% of air pollution (NO_x, sulfur oxides, O₃) would come from the transport sector. The increased emissions from the transportation sector, namely from vehicles, caused by the age of vehicles (91% of cars are above 10 years old and only 3% below 6 years), the lack of public transport and problems with fuel quality. Although new technical safety regulation requires that all vehicles pass safety testing by January 1, 2020, this will not totally solve the situation. Fuel quality remains another issue of concern despite fuel standards having been increased these recent years. Industrial sector is a second key area of air pollution origin. Indicative monitoring carried out by the National Environmental Agency showed that Rustavi, Kaspi, Zestaphoni, Chiatura and Tkibuli are exposed to heavy air pollution from the industrial sector. A law on control of industrial emission transposing the relevant EU directive was prepared with the support of EU twinning during the period 2018-2019 and is currently in the process of adoption.

The EU-Georgia AA is a major tool for improving air quality and decreasing the risks of air-borne diseases, as it requires Georgia to approximate legislation with six major EU directives on air pollution by the end of 2023. Currently, Georgia's existing air quality management system does not comply yet with EC directives 2008/50 and 2004/107 in terms of management, limit values, network design and operations standards, sampling, analysis and reporting requirements. Despite the number of newly-installed automatic stations all over the country, there is still room for improvement for the National Environmental Agency, the body responsible for monitoring, to provide a full-scale and easily-understandable picture of air pollution in Georgia.

Improvement of water quality and increased protection of natural resources

Georgia is one of the richest countries in Europe in both surface and groundwater resources. In Georgia, fresh surface water resources per capita is 14, 000 m³, while the same average figure in Europe is 9, 300 m³. Georgia's surface water resources are comprised of more than 26, 000 rivers, 850 lakes, 43 reservoirs, 734 glaciers and wetlands with a total area of 627 km². As for groundwater, the estimated amount of only fresh groundwater resources is 18 billion m³ per year, while consumption rate, for example, in 2015 was only 1,077 M m³. In addition, Georgia is rich in mineral and thermal groundwater. The role of the Black Sea, with its 320 km coastline in Georgia, is significant for the country in terms of economic development, including the tourism industry. All rivers in Georgia belong to either the Black Sea or the Caspian Sea basins. 99.5% of rivers or streams are less than 25 km in length.

The overall quality of surface water in Georgia would be satisfactory. The main pressures placed on surface water resources come from the household sector due to the discharge of untreated urban wastewater into the surface water bodies. Only around 50% of the population is supplied with wastewater collection service and the number of wastewater treatment plants (WWTP) remains very limited despite ongoing investments by the EU and IFIs.

The agriculture and industry sectors also pose challenges to Georgia's water resources. The main problems related to agriculture are linked to the unsustainable use of water for irrigation, with losses exceeding 50 percent, and diffuse pollution caused by runoffs from the land (nitrates, phosphates and pesticides). Although, there would not be contamination problems with phosphates observed, nitrogen compound levels (especially ammonium) are above the set limits as mentioned above.

As for industries, only some newer industries have WWTP, whereas the rest work without any treatment or pre-treatment system. Thus, untreated industrial water discharge causes additional burden to surface waters. The energy sector is another important field affecting water bodies. In the energy sector, the non-consumptive use of water amounted to 23.5 billion m³ in 2016 and further expansion of hydropower generation is expected. The majority of HPPs have an impact on river flow, as they typically divert and/or impound water and consequently can affect rivers negatively if adequate dynamic environmental flow is not maintained. No systematic hydrogeological monitoring has been undertaken in Georgia since the 1990s. Therefore, existing information on the qualitative and quantitative status of groundwater come mainly from that period of time.

Georgia is among the countries, which have fresh groundwater distinguished for significant resources and naturally high drinking quality. This was proved by years of hydrogeological

exploration works and monitoring research conducted in the country until 1992. After a long break, Georgia has been taking significant efforts since 2013 to restore the state network for fresh groundwater monitoring. Currently, 56 water points (mainly wells) are being monitored. The database on quantitative and qualitative characteristics of fresh groundwater is being expanded based on the information received online from water points, fieldwork results, and laboratory analyzes (chemical and bacteriological), and through the processing, analyzing and generalizing of the collected actual materials. It is crucial to further expand the monitoring network on fresh groundwater, as this water is used by at least 90% of the country's population.

The Black Sea is geographically very isolated from the oceans and about one-third of continental Europe belongs to its catchment area. Therefore, pollution of coastal waters and the quality and quantity of drained rivers are the main factors determining its overall environmental status. Black Sea pollution and overusing of its resources during the last 50 years has resulted in the drastic deterioration of the water quality and ecosystem. The discharge of untreated urban wastewater and marine littering by municipal waste are the main challenges to coastal waters of the Black Sea in Georgia and urban pollution has been intensifying with the increase of tourism activity in this region. Another risk to the Black Sea is its pollution with oil and oil products in the ports of Georgia. An especially high level of pollution is observed along the shipping routes (about 0.3 mg/l) and most likely this is a result of the release of ballast waters from ships.

In line with the requirements of EU Marine Strategy Framework Directive (MSFD), a Marine Environment strategy is being developed in 2019-2020 with the support of an EU-funded project. Legal basis will have to be prepared as well. The Government of Georgia shall approve the strategic documents no later than September 1, 2022. The Marine Strategy together with the Action Programme will be a key policy framework combining national efforts for the improvement of environment of the Black Sea.

Public Health

Since the second half of the 1990s, life expectancy at birth has significantly improved and reached 72.7 years in 2016. There is significant progress in terms of reducing maternal and child mortality: the mortality rate of children under the age of five was 24.9 per one thousand live births in 2000 and 10.7 in 2016 while the maternal mortality rate was 49.2 per one thousand live births in 2000 and 17.8 in 2016.

Non-communicable diseases are leading among mortality factors: in 2016, 35% of deaths were caused by cardiovascular system diseases and 13% by cancers. Additionally, respiratory system diseases have a significant share in the total number of incidents of diseases in the country: 38%-40% of all of the incidents.

Despite a significant increase in health expenditures in recent years, existing data show that Georgia still holds one of the last places in terms of the share of state healthcare expenditure in total health care expenditures (36% in 2015) as well as in GDP (2.9% in 2015) and in the state budget (8.6% in 2015) among the countries of the wider European region.

Significant steps still have to be taken to increase the efficiency of the healthcare system as well as the accessibility of a full range of health services and improve the quality of medical services. Particular focus has to be put in the area of prevention which is weak today.

Development of Green economy and circular economy

Georgia is at the initial stage of its transition towards a green economy. It is recognised that the development of the green economy and green growth will result in higher productivity and thus competitiveness on global markets, enhanced environmental quality of life, more resilient ecosystems and economies and new business opportunities.

Modern economic models like the circular economy, individual business schemes like the environmental management system or ecosystem services are being promoted by the government. Certain potential lies in the development of the eco-labelling, which will assist producers to provide credibility to their products or services and provide objective information to the eco-conscious users.

Reuse and recycling of resources is one of the cornerstones of the circular economy. Moving away from waste dumping to recycling and reuse will reduce risks to the environment and human health. Prevention, substitution, recycling and reuse do create new jobs and business opportunities. Georgia has committed to the Green Economy and Actions supporting the UN SDGs and circular economy are addressed in the NEAP-3 and the MEPA is leading the process.

When it comes to waste management, approximately 900,000 tons of municipal waste is generated annually in Georgia. As for hazardous waste (HZW), information is limited just to some concrete waste streams such as obsolete pesticides accumulated from past activities (4,000t), polychlorinated biphenyl (PCB) (600t), waste containing arsenic substances (120,000t) and healthcare waste (1,500t annually).

Georgia has 60 registered (official) municipal waste landfills and uncontrolled dumpsites in or nearby almost all villages. None of the current landfills can be considered as EU standards' landfill. Currently, waste collection services are not yet offered in most rural areas and waste disposal and recycling systems are still limited in Georgia. Waste management today is not a self-sustained system and is subsidized by the state or local budget.

The lack of waste separation activities and the absence of incentives, limits the re-use, recycling and waste recovery opportunities in Georgia, which are among the main pillars in waste management. The absence of a tariff policy and effective cost recovery mechanism for received waste management services (for both citizens and companies), as well as low tariffs and insufficient fee collection, are another set of challenges. This results in the poor condition of the technical equipment and infrastructure, which are not in line with international standards. Special attention also has to be drawn to Hazardous Waste Management starting from prevention and on-site separation to its final safe handling (incineration or disposal).

Until 2014 there has been no coherent waste related legislation in place for Georgia. The signing of the AA speeded up the process of development of national waste policy and legislation. The Waste Management Code (WMC) is a framework law creating a general regulatory foundation for waste management at national level. The law covers all major waste streams and stipulates the establishment of more sustainable waste management practices in the country through general principles and requirements including the collection, transport,

recovery and disposal of waste, and promoting waste planning, prevention and reuse in line with main principles of EU legislation and practice.

The main national policy document, defining the vision and setting the 20-year objectives and targets in waste management, is the National Waste Management Strategy for 2016-2030, which was adopted by the government of Georgia in April of 2016.

A Strategy on Biodegradable Waste is to be developed by the end of 2019, whereas the requirements related to Extended Producer Responsibility (EPR) are gradually being introduced in Georgia stream by stream (batteries, packaging, electronic waste etc.).

Climate change

Due to its size and population, Georgia has a relatively low level of Greenhouse Gas Emissions compared to bigger, more populated countries around the world. Nevertheless, it is very clear that today's emissions are still very high compared to what they could be through better management of resources, and improvement of certain behaviours.

The global phenomenon of climate change is already having a strong impact on Georgia's environment. The negative consequences of climate change in Georgia include a rise in temperatures, changes in precipitation patterns, reduction in water availability, rise of the Black Sea Water level, an increase in the frequency and intensity of floods, flash floods, landslides and mudflows, the decrease of rainfall and the extension of evaporation, among others. Climate Change also affects various economic sectors, particularly the agricultural sector which plays a key role in the country's economy. Tourism is another dominant economic sector of Georgia suffering from climate change.

The Paris Agreement on climate change entered into force for Georgia in 2017. In 2015, prior to the adoption of the Paris Agreement, Georgia submitted its Intended Nationally Determined Contribution (INDC) to the UNFCCC. According to the INDC, Georgia plans to unconditionally reduce its GHG emissions by 15% below the Business as Usual (BAU) scenario by 2030. This number will mean a 34% reduction in emission intensity per unit of GDP from 2013 to 2030. In order to fulfil its obligations under the Paris Agreement, the MEPA is currently working on the development of a 'Climate Action Plan' (CAP) which should be ready by 2020 and which should be implemented in the following years. As one of the first steps, a revision of the Georgian INDC is planned to be conducted based on which, the new NDC will be developed and submitted to the UNFCCC secretariat by 2019.

The Agricultural Strategy for 2015-2020, among other activities, integrates climate change-related aspects and aims to introduce climate-smart agricultural practices in the country. The Environmental Assessment Code of Georgia was adopted in 2017 and is now entered into force. The code should facilitate the integration of climate change issues in sectoral policies.

Public awareness increase

If the level of environmental and climate consciousness is relatively low in Georgia compared to EU standards, it has been growing these last years. The population has become more and more sensitive about the directive negative impacts of pollution and bad environmental

conditions on the health. This issue has therefore become an increasing priority for the Government.

Change-behaviour within the population is actively needed to succeed in better protecting the environment and contributing to fighting climate change. For these reasons, facilitating environmental education, ensuring access to environmental information and public participation in environmental decision-making are among the priorities of the MEPA and its subsidiary institution the Environmental Information and Education Centre. The Centre is conducting trainings, courses and seminars for development of qualification under the competence of Ministry, implementing certification required by Georgian legislation. Also, the centre is preparing and conducting numerous informational campaigns and awareness raising activities.

To support raising the level of environmental literacy in the country, a national strategy "Education for Sustainable Development 2020-2024" is being developed which features large-scale and small-scale activities to be implemented by the Environmental Information and Education Centre in order to cover all levels of education and the wide range of community. The concept of Education for Sustainable Development implies empowering community and organisations to support sustainable development of the country through the quality education. The strategy on Education for Sustainable Development determines the vision of the Georgian government about education and public awareness policy to promote sustainable development and define the responsibility and participation of various institutions.

NGOs and Civil Society organisations are also playing a key role in the promotion of new behaviours aimed at better protecting the environment and contributing to the global fight against climate change.

Important support to both Public institutions and Civil society is still required in order to extend the coverage of current actions and initiatives and increase awareness of the public regarding environmental protection and its impact on health.

2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
Weakening of the Government's commitment to reforms related to EU-Georgia agreements	L	Continued political and policy dialogue with the authorities, at all levels. Support to the authorities on communication campaigns.
Weaknesses of the Government to impose more sensitive reforms and face lobbies	M	Continued political and policy dialog. Support to the authorities on communication campaigns. Close cooperation between donors and partners to maintain pressure on key reforms.
Conflicting priorities between Environmental, Health and Climate	M	Strong engagement of the different Ministries including MoESD in the

agenda and Economic development/growth agenda		action, focus on green economic development and strong communication on transversal benefits of the action.
Overlap of ongoing activities in the environmental sector and lack of coordination on the side of responsible State institutions	M	Flexible approach to implementation. Active parallel coordination of activities among donors and international partners.
High turnover of staff in public institutions and associated loss of institutional memory	M	Activities focusing on sustainable institution building. Stimulating activities for beneficiary staff.
Assumptions		
<p>The EU and the Government maintain their high level of cooperation and continue to communicate and coordinate reforms in the framework of the Association Agreement commitments.</p> <p>The beneficiary institutions are willing and able to implement and benefit from the proposed actions. The institutions' capacity in maintaining staff, planning and coordination is sufficient for a sustainable implementation of these actions.</p> <p>Partner organisations and Beneficiary institutions will have the necessary capacities and compliant procedures to procure the equipments foreseen in the action.</p>		

3 LESSONS LEARNT AND COMPLEMENTARITY

3.1 Lessons learnt

- The need for projects that produce tangible and sustainable results for citizens and provide adequate visibility for the EU, contributing to strategic communication on EU policies and support;
- The importance of a sustained policy dialogue accompanying assistance programmes to ensure actions match political priorities and obligations;
- The importance of Government capacity to coordinate external assistance, ensure coherence between the budgetary processes and policy agenda, and to monitor the implementation of the AA/DCFTA, also to avoid duplication and uncertainties of mandates of different organisations;
- The importance of mainstreaming cross-cutting issues, notably civil society engagement, youth, gender, a rights-based approach, social inclusion, environment and climate change, key principles of public administration including on inclusive and evidence-based policy and legislative development and of employing confidence building measures in potential and post-conflict situations, taking into account the condition of Internally Displaced People (IDPs) and other conflict affected persons;
- Given regional disparities in Georgia at all levels, in order to produce a sustainable change external support has to focus across the country in regions outside Tbilisi.

- The need to step up EU's policy of engagement and non-recognition towards the breakaway regions of Georgia and promote confidence and peace building measures, as well as to mainstream this engagement throughout the different programmes where relevant.

3.2 Complementarity, synergy and donor co-ordination

The programme will build up on the results and achievements of EU-funded and other donor-funded projects in the sector of environment and climate these last years in Georgia, more especially the following projects:

- Twinning Strengthening the administrative capacities of the Ministry of Environment and Natural Resources Protection of Georgia for approximation and implementation of the EU environmental 'acquis' in the fields of industrial pollution and industrial hazards (2018-2019)
- Twinning Strengthening Sustainable Management of Forests in Georgia (2017-2018)
- European Neighbourhood Programme for Agriculture and Rural Development in Georgia (ENPARD III & IV) and its activities supporting climate-change mitigation
- Twinning Institutional Strengthening of Environmental Health System of Georgia (2017-2019)
- Technical assistance Support to implementation of the Environmental provisions of the EU-Georgia Association Agreement (2019-2020)
- Support to reform in the Waste Management sector (2019-2020)
- EU Water Initiative Plus for the Eastern Partnership Countries (2016-2020)

Particular coordination will be promoted with ongoing EU regional actions in the Eastern Partnership such as EU4Environment and EU4Climate.

Particular coordination will be promoted with other donors' actions in the fields of Environment, Climate change, Health and smart Transport.

A thematic Group on Sustainable use of natural resources is effective in Georgia under the frameworks of the Joint Programming exercise and the overall cooperation between the EU Delegation and the EU Member States. A coordinating structure among donors of this sector also exists under the leadership of the MEPA. The projects planned within this action will be coordinated with other donors and beneficiaries within both these frameworks.

4 DESCRIPTION OF THE ACTION

4.1 Overall objective, specific objective(s), expected outputs and indicative activities

The overall objective of the proposed action is to improve environmental conditions with a view to better protect natural resources and limit the negative impacts on health, while at the same time contributing to the global fight against climate change.

The specific objectives are:

Component 1: Improving Air Quality and Water quality with a view to improve health of the population and better manage natural resources

Expected outputs:

1. Reinforced capacity to regulate, monitor and analyse air quality, water quality as well as water flows
2. Enhanced capacity to implement and enforce legislation in the fields of air quality and water
3. National Plan on Improvement of Ambient Air Quality Assessment System in Georgia implemented
4. Better management of water as a resource and of the corresponding infrastructure
5. Efficiency of Healthcare system reinforced in tackling environmental health issues

Indicative activities:

- Development of air quality plans for Tbilisi, Rustavi, Kutaisi and Batumi
- Installation of new background stations in Rustavi, Kutaisi, Batumi and potentially of air quality mobile stations
- Development of Air quality modelling systems for cities where such system is missing
- Installation of air quality monitoring automatic stations in cities with high industrial pollution (indicatively Rustavi, Zestaphoni and Chiatura)
- Support in establishment of the national air quality reference laboratory
- Further development of Air Quality portal and Air Quality application
- Legislative framework completed, implementation strategy and action plan developed for control of Volatile organic compounds (VOCs) which are among the main polluters of ambient air
- Development of ground water quality and quantity monitoring program (expansion of monitoring network through installation of relevant groundwater modelling software and installation of monitoring stations).
- Supply of laboratory equipment necessary for better analysis of water quality and relevant trainings provided.
- Development of Environmental Public Health tracking capacities which could include surveillance of lead poisoning/lead biomonitoring, waterborne diseases and WASH (water, sanitation and hygiene) in education facilities.
- Activities to strengthen the capacities for effective implementation of EU acquis in the field of bathing and drinking water
- Support to implementation of the Marine Environment strategy.

Component 2: Greening the economy and further developing circular economy

Expected outputs:

1. Municipal Waste management plans further prepared and implemented
2. Increased capacity of municipalities to collect, reuse and recycle waste (including bio-waste)
3. Increased eco-standards within local production and additional actions implemented in the field of green/eco-tourism

Indicative activities:

- Promotion of separated collection of waste

- Support to reuse and recycling of solid waste with a view also to reinforce local packaging production
- Initiative to encourage businesses to recycle leftover food products.
- Expansion of successful pilot actions existing in the field of green/eco-tourism
- Support to implementation of municipal waste management plans/strategies (Tbilisi, other cities...)
- Training of municipal inspectors to check non-use of plastic bags

Component 3: Supporting implementation of the Climate Action Plan and of the Nationally Determined Contributions (NDCs)

Expected outputs:

1. Enhanced capacity to implement the NDCs to reduce national emissions and adapt to the impact of climate change, in line with the commitments undertaken in the framework of the Paris Agreement
2. Implementation of Environmental friendly transport policy which contributes to improving air quality and reducing transport time
3. Reduction of Industrial emissions

Indicative activities:

- Support to implementation of Sustainable Urban Mobility Plan (SUMP) in Tbilisi
- Identification and support to implementation of some of the NDCs in the areas of Transport, Forestry, Waste and Wastewater, Industry...
- Support to implementation of the Industrial emission law : preparation of industrial law implementation plan, development of general binding requirements and set of rules of operation, norms and measures for activities subject to regulation; evaluation of the potential of Best Available Techniques (BAT) for at least two domains and develop the recommendations, Trainings on BAT for industry and stakeholders...

Component 4: Implementing environmental provisions of the EU-Georgia Association Agreement and communicating to the public on ongoing environmental reforms, the challenges of climate change, and the impacts on health

Expected outputs:

1. Environmental provisions of the EU-Georgia Association Agreement further transposed
2. Cross-cutting environmental issues such as permitting systems, environmental and social impact assessments, and strategic environmental assessment mainstreamed and implemented in practise
3. Population more aware of the necessity to protect the environment of Georgia and contribute to the global fight against climate change
4. Competences of State institutions as well as CSOs reinforced in their capacity to properly communicate on the fundamental correlated issues of Environment, Climate and Health.

Indicative activities:

- Support in legal drafting, monitoring and reporting
- Capacity-building supporting implementation of relevant EU acquis including at local level
- Development of national program for elimination of Asbestos-related disease

- Educational and other outreach actions on Environment and Climate, include actions with a focus on children and students
- Development of online reporting tools similar to the pilot air quality smartphone application.
- Competitions to encourage Eco Clubs in order to promote informal education, environmental awareness and education among students and youth
- Organisation of summer and winter schools for every age category, representatives of educational institutions, public servants, journalists and decision-makers.
- Development of online modules on sustainable development issues, including on environment and health topics
- Preparation of textbooks for different levels of education including kindergartens to raise environmental education and public awareness on the subjects of environment and health, as well as Climate change.
- Development of Kids Portal to promote environmental education for children. The systematic users of the website will be teachers of schools and kindergartens that will work on raising environmental awareness to their students.
- Development of a training module and course about Georgian Law on Industrial Emission and Law of Environmental Liability, which will support the establishment of the new system in the country and will contribute to the implementation of relevant EU directives

4.2 Intervention Logic

The action has been designed taking into consideration the problems currently faced by Georgia in the sector of environment and which have a direct negative impact on the health of the Georgian population.

The action will be implemented with a view to directly improve the health and quality of life of Georgian citizens while at the same time helping Georgia to protect its natural resources and contribute to the global fight against climate change.

The intervention will be comprehensive and combine advisory support focused on key sectoral provisions of the EU-GE Association Agreement and supply of the necessary complementary equipment and tools to make the reforms fully effective in practise on the population as well as on ecosystems. All the actions will be coupled with important communication and awareness efforts which will aim to explain the ongoing reform process, promote necessary change-behaviour, and contribute to reaching the objectives in the sectors of Environment, Health and Climate change.

4.3 Mainstreaming

All activities will be designed, implemented and monitored in line with principles of good governance, human rights and gender equality.

Good governance will be mainstreamed in the future Programme interventions through processes promoting transparency of planning and consultation process, result-based monitoring and increased participation of local residents in the implementation of the Action.

Jobs and poverty reduction will be targeted by the programme. The improvement of the environmental conditions of the country and the decrease of pollution will directly contribute

to making Georgia a more attractive location for tourism as well as contribute to making Georgian products safer and more attractive for the EU markets (DCFTA potential).

Improvement of environmental and health conditions will directly contribute to improving the human rights of the population including of those most in need.

Gender equality in Georgia is embedded in the national policies and international commitments to which the country had subscribed to. Gender balance will be secured in the design of the operations and during the implementation stage in order to ensure that services are provided on a rights-based approach.

Particular efforts will be put in order to promote actions in the regions of Georgia, including in the EU focal regions. The action will contribute to regional development through improvement of environmental conditions and therefore of economic opportunities and quality of life at the regional level.

The programme could contribute to confidence-building with breakaway regions of Abkhazia and Tskhinvali region/South Ossetia. Particular efforts will be made to try to implement some of the activities in these regions.

4.4 Contribution to SDGs

This intervention is relevant for the 2030 Agenda. It contributes primarily to the progressive achievement of SDG 3 Good health and well-being, SDG 6 Clean water and sanitation and SDG 13 Climate action while also contributing to SDG 11 Sustainable cities and communities, SDG 12 Responsible consumption and production and SDG 15 Life on land.

5 IMPLEMENTATION (*FORMULATION STAGE*)

The Delegation considers indirect management with the IO(s) and EU Member Donor Agencies, Technical Assistance, Twinings and possible grants to CSOs and Municipalities as implementation modalities. Framework contracts are foreseen for evaluation of the programme.

5.1 Indicative budget

	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
1) Air and Water Quality		
2) Green Economy and Circular Economy		
3) Climate Action Plan and NDCs		
4) Implementation Environmental provisions and communication to the public		.

Evaluation (cf. section 5.9)		N.A.
Communication and visibility (cf. section 5.11)	0	N.A.
Total		

[APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY) ⁶]

	Results chain: Main expected results (maximum 10)	Indicators (at least one indicator per expected result)	Baselines (incl. reference year)	Targets (incl. reference year)	Sources of data	Assumptions
Impact (Overall Objective)	Improve environmental conditions with a view to better protect natural resources and limit the negative impacts on health, while at the same time contributing to the global fight against climate change.	<ul style="list-style-type: none"> - State of fulfilment of relevant national environmental action programme (NEAP) - Number of diseases linked to air, water, and pollution. 			<ul style="list-style-type: none"> - Reporting NEAP - Health Statistics from WHO 	<i>Not applicable</i>
Outcome(s) (Specific Objective(s))	<p>1) Improved Air Quality and Water quality contributing to improving health of the population and management of natural resources.</p> <p>2) Economy greened and circular economy further developed.</p> <p>3) Implementation of the Climate Action Plan and of the Nationally Determined Contributions (NDCs).</p> <p>4) Environmental provisions of the EU-Georgia Association Agreement further implemented and public informed</p>	<ul style="list-style-type: none"> - Rating of air quality and water quality - % of population having access to proper air and water quality - Amount and % of waste treated in line with European standards - Level of NDC's achievement - Number of laws and regulatory acts adopted stemming from environment and climate chapters of the EU-GE Association 			<p>European Air Quality index + GE Air Portal + laboratory National Environmental Agency</p> <p>- GEOSTAT</p> <p>- Reporting to the UNFCC</p> <p>- Monitoring table by MEPA</p>	

⁶ Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

	about ongoing environmental reforms, the challenges of climate change, and the impacts on health	Agreement - % of population aware and understanding ongoing reforms in the field of environment			- Surveys	
Outputs	<u>Under SO1):</u> <ul style="list-style-type: none"> • Reinforced capacity to regulate, monitor and analyse air quality, water quality as well as water flows • Enhanced capacity to implement and enforce legislation in the fields of air quality and water • National Plan on Improvement of Ambient Air Quality Assessment System in Georgia implemented • Better management of water as a resource and of the corresponding infrastructure • Efficiency of Healthcare system reinforced in tackling environmental health issues <u>Under SO2):</u> <ul style="list-style-type: none"> • Municipal Waste management plans further prepared and implemented • Increased capacity of municipalities to collect, reuse and recycle waste (including bio-waste) • Increased eco-standards within local production and additional actions implemented in the field of green/eco-tourism 					

	<p><u>Under SO3):</u></p> <ul style="list-style-type: none"> • Enhanced capacity to implement the NDCs to reduce national emissions and adapt to the impact of climate change, in line with the commitments undertaken in the framework of the Paris Agreement • Implementation of Environmental friendly transport policy which contributes to improving air quality and reducing transport time • Reduction of Industrial emissions <p><u>Under SO4):</u></p> <ul style="list-style-type: none"> • Environmental provisions of the EU-Georgia Association Agreement further transposed • Cross-cutting environmental issues such as permitting systems, environmental and social impact assessments, and strategic environmental assessment mainstreamed and implemented in practise • Population more aware of the necessity to protect the environment of Georgia and contribute to the global fight against climate change • Competences of State institutions as well as CSOs reinforced in their capacity to properly communicate on the fundamental correlated issues of Environment, Climate and Health. 					
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