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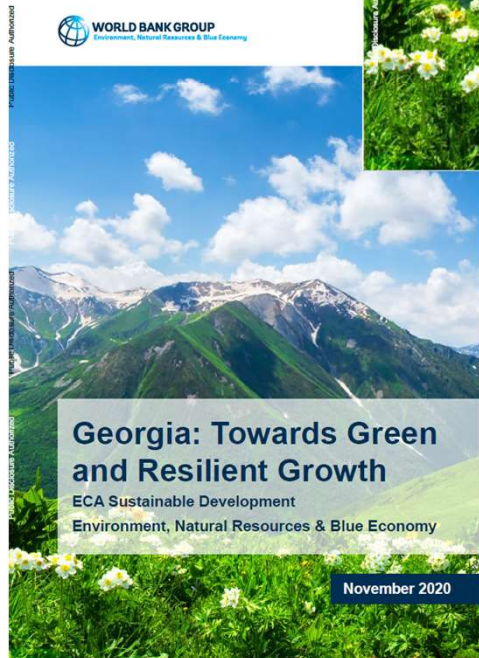
Europe & Central Asia

# Georgia: Towards Green and Resilient Growth

ECA Sustainable Development  
Environment, Natural Resources & Blue Economy

May 17, 2021





## Cost of Inaction: Economic Underpinning of Green Growth

- Deep Dive: Enhancing natural capital and private sector participation in forestry
- Green Transition: Government priorities and resource allocation

# Georgia's Path to the EU

The EU growth strategy:  
**EGD - making Europe  
climate neutral in 2050**

The EGD as the Covid-19  
**recovery strategy**

Georgia's regional  
integration under the  
**EU-Georgia Association  
Agreement**



# Green Growth Platform

Long-term climate goals:  
implementation of the  
NDC update

National priorities:  
health of  
population/nature and  
climate change resilience



ქართვლო: გზა მწვანე და  
ქედგი განვითარებისკენ

ეროპისა და ცენტრალური აზიის რეგიონი,  
დგრადი განვითარება  
გარემოს დაცვა, ზუნებრივი რესურსები და ლურჯი ეკონომიკა

2020 წლის ნოემბერი

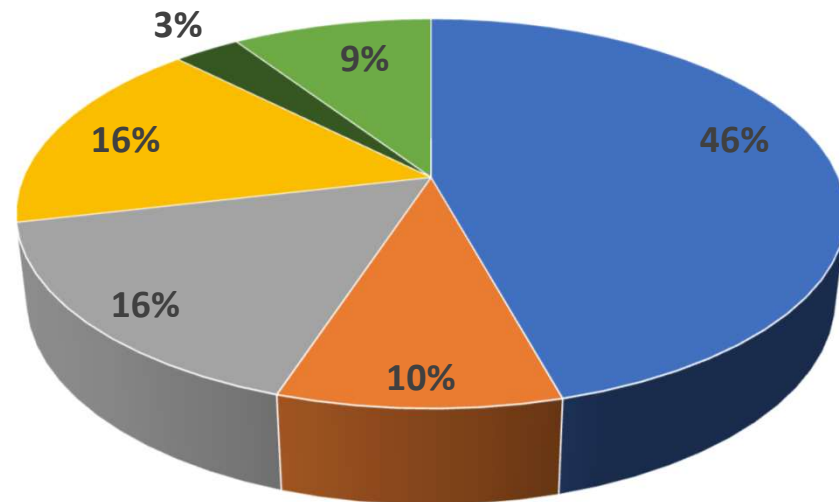




# Land Degradation

# Land Degradation

0.7% of GDP in 2018



- Pasture productivity
- Sedimentation
- Tree cover loss

- Agricultural productivity on-site
- Irrigation loss off-site
- Forest degradation



## Social Impact of Land Degradation

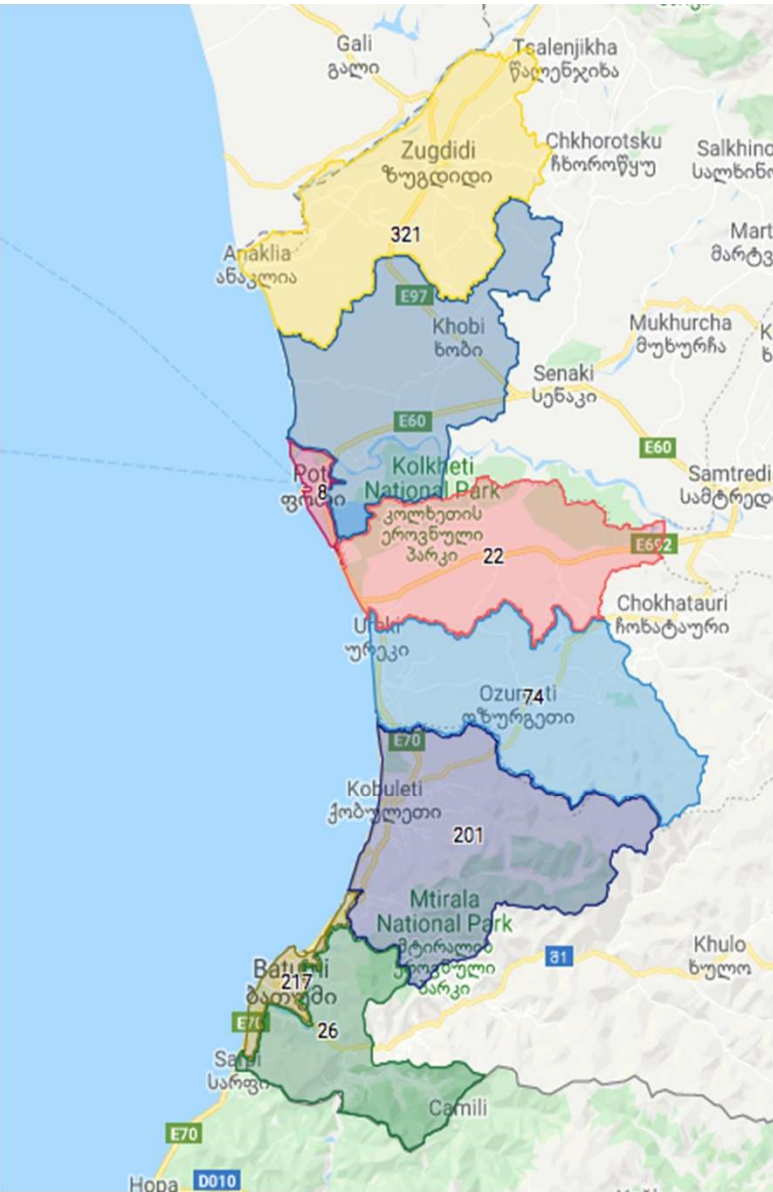
Restored landscapes  
would **reduce poverty  
gap by 6% for the  
poorest 20%**



An aerial photograph of a coastal area showing signs of degradation. The ocean is on the left, with waves crashing against a rocky shore. A road and a railway line run parallel to the coast. The land is covered with dense vegetation, including trees and shrubs. In the distance, a town or city is visible on a hillside. The sky is overcast with grey clouds. A large, semi-transparent white box with rounded corners is overlaid on the left side of the image, containing the text "Costal Zone Degradation" in a bold, dark blue font.

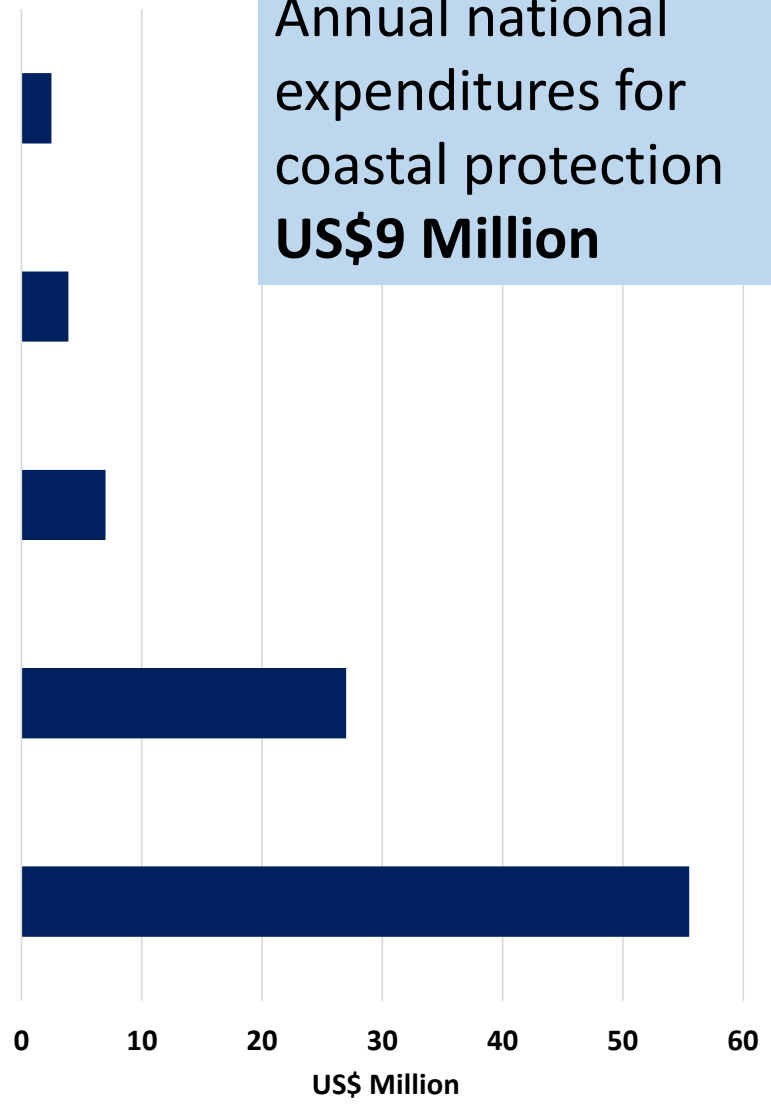
# Costal Zone Degradation





Annual national expenditures for coastal protection **US\$9 Million**

- Waste Management**
- Soil Degradation (Agricultural and Forest)**
- Coastal Erosion**
- Floods Coastal**
- Floods inland (Pluvial, Fluvial)**



A photograph of a cityscape under a hazy, overcast sky. In the foreground, several multi-story apartment buildings are visible. In the background, a hill rises with a tall antenna tower and a Ferris wheel on its crest. The overall atmosphere is one of air pollution or smog.

# Pollution

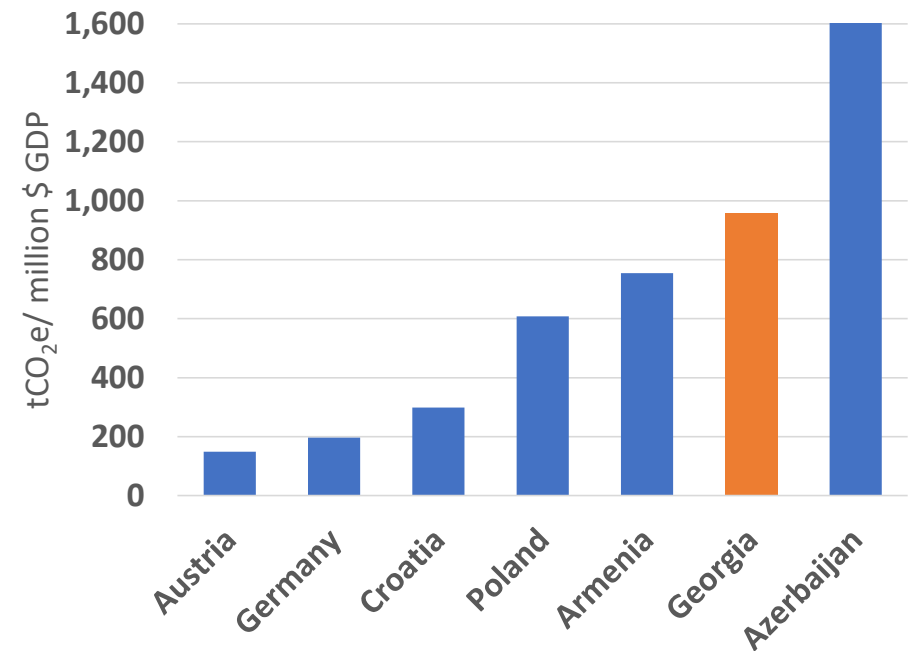


# Air Pollution and Lead

Health cost of exposure to air pollution (indoor and outdoor) and lead exposure is at **6% of GDP**

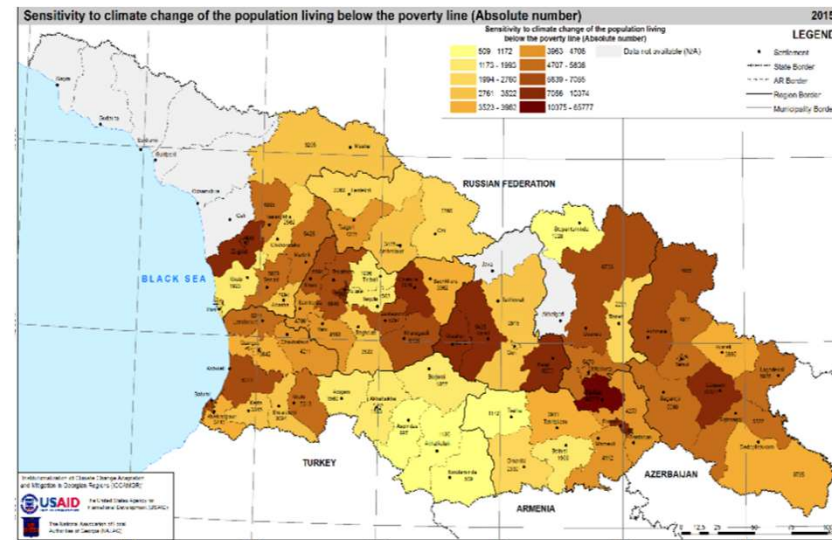
**Decarbonization strategies** need to be aligned with air pollution reduction

Emission intensity of Georgia compared to other countries



# Impact of Climate Change

- Climate Risk to well-being of population **1.5-6.6% of GDP**
- Poor population is most at risk







# Government Response and Financing



# Legislation and Institutions

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Significant progress in updating its environmental legislation

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Gaps between the national legislation and good international practice

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Adoption of several draft laws would strengthen the national regulatory system

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A new biodiversity law will have a clear framework for the Emerald Network sites management

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**The effective enforcement of environmental laws requires supporting regulations and norms, enhanced implementation capacity and clear institutional mandates**

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Source: World Bank. 2020. Analysis of Gaps between National Legislation of Georgia and World Bank Environmental and Social Framework.

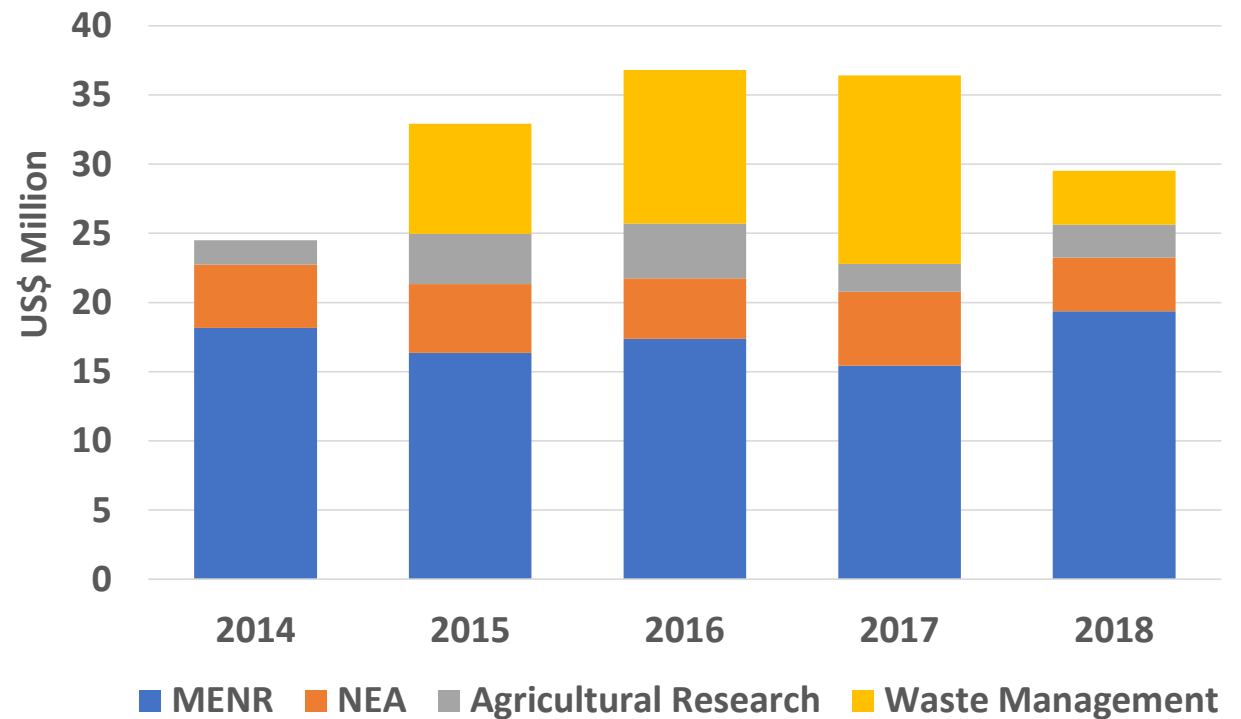


# Environmental Financing

Environmental expenditures in Georgia – **0.2% of GDP**

The EU28 average - **2.2% of GDP**

## National Environmental Expenditures





# The Way Forward



# The EGD Approach – An Opportunity for Georgia

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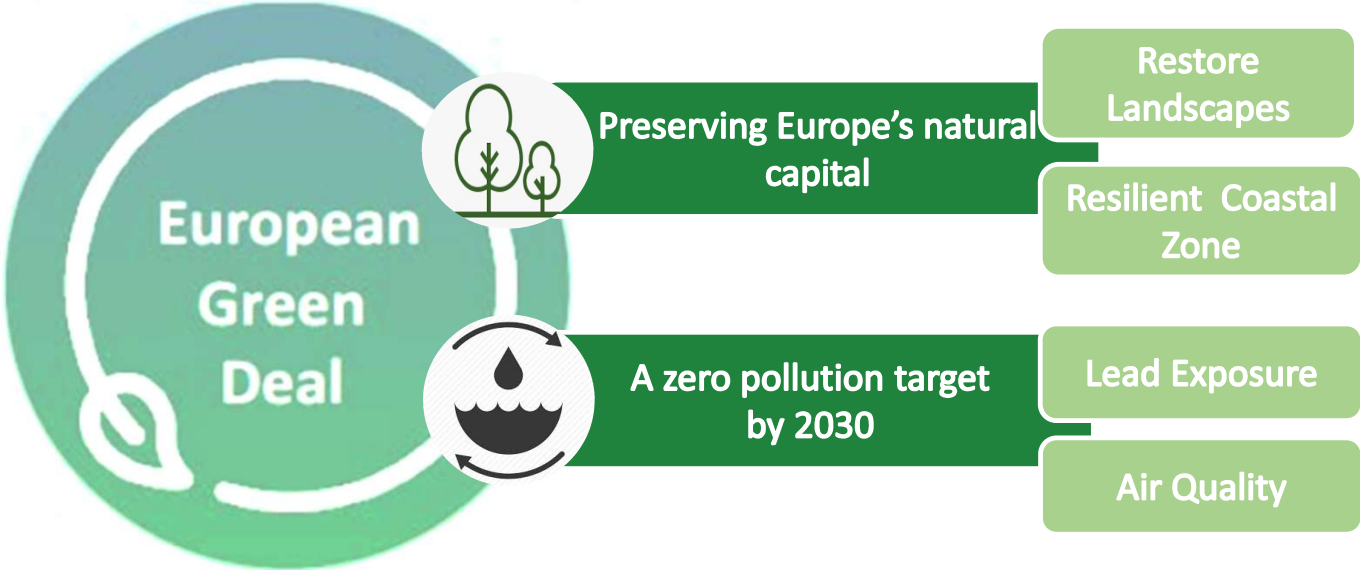
## Twin benefits:

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Stimulate economy & create jobs

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Accelerate green transition



# Georgia on the path of sustainable and greener development – to increase resilience and decarbonize



1. Resilience building and enhancing natural capital
  - Strengthening landscape management
  - Sustainable development of the coasts
2. Pollution management integrated with decarbonization
3. Building a **green transition platform**, multisectoral approach engaging the private sector starting from green recovery