

WOMEN AND MEN IN BUSINESS IN GEORGIA

FACTSHEET

- **CLIMATE CHANGE THREATENS LIVES AND BUSINESSES**
- **GREEN TECHNOLOGIES AND HOW THEY ARE COPING WITH CLIMATE CHANGE**
- **GENDER INEQUALITIES IN GEORGIA UNDERMINE WOMEN'S ACCESS TO GREEN TECHNOLOGIES AND FINANCE**
- **CHALLENGES AND OPPORTUNITIES FOR GREEN FINANCE IN GEORGIA**



Supported by:



CHAPTER 1: CLIMATE CHANGE THREATENS LIVES AND BUSINESSES

Global climate change already has an observable effect on the environment: glaciers are shrinking in size, sea levels are rising and the heatwaves are becoming more intense. As human economic activities continue producing more greenhouse gasses, increasing the Earth's temperature, so will the effects keep occurring, possibly at a faster pace.

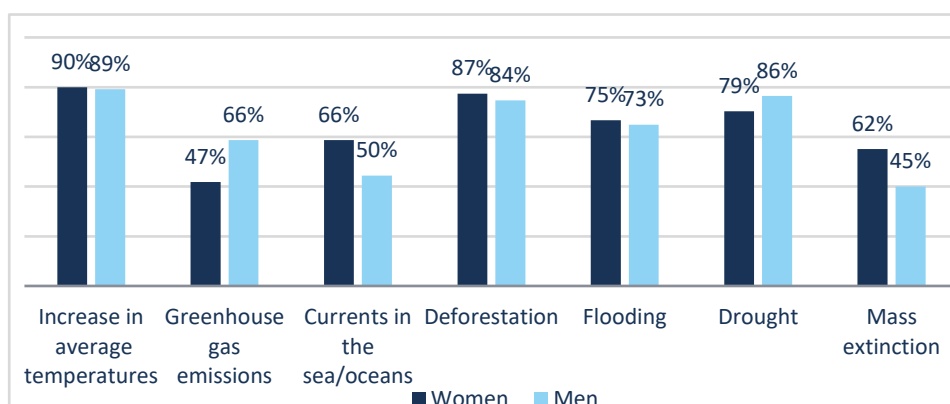
Despite Georgia not being a major contributor to global greenhouse gas (GHGs) emissions (Georgia's per capita emissions only amount to about a third of the OECD average¹), it will still be affected by the effects of climate change, as much as the rest of the world:

- Average annual temperatures are expected to increase by 0.8-1.5°C by 2050 and 2.2-3.8 °C towards 2100.
- Increased risks of flash floods, mudflows, and landslides due to a rise in the amounts and intensity of precipitations.
- Surge in the number of hot days, mainly in summer and autumn.
- Projected loss of all 637 of Georgia's glaciers by 2160 due to high temperatures.

Taking these projections into account, the impact of climate change leads to potentially difficult conditions for the development of Georgia's key economic sectors, such as agriculture, tourism and the energy sector. Increases in temperature, change in precipitation patterns and other extreme weather events, such as hailstorms and strong winds could lead to decreases in productivity and crop yields, not to mention the damage caused to infrastructure. Agricultural regions such as Kakheti are already witnessing a reduction in yields due to soil degradation and erosion.

In regions mostly known for their touristic potential, floods, landslides, and mudslides could pose risks to energy and water availability, thus reducing tourism sector revenue.

The energy sector is also vulnerable to the risks posed by increased temperatures, extreme weather events, and natural disasters: they could potentially disrupt the supply of energy to the population, rendering businesses and individuals unable to carry out their daily operations. It is evident that climate change poses a serious threat to economic development, human societies, and natural ecosystems. However, public awareness varies greatly. According to the survey on gender, climate change and green finance conducted between September and October 2020 in Georgia by the gender team of the EBRD's Green Economy Financing Facility (GEFF), awareness on climate change is low and at times superficial. Moreover, awareness tends to depend on two factors: personal orientation to care or not, and the exposure to risks and awareness, depending on the type of business activities that people are involved in. Overall, both women and men attested to broadly know about the different aspects of climate change. As shown in the table below, both know largely about increases in average temperatures and deforestation. However women are less aware of greenhouse gas emissions and men are less concerned with sea currents and mass extinction.



Meanwhile, both have reported income losses due to climate related events. It is widely known that, despite affecting all sectors, agriculture is most vulnerable to the threats caused by climate change. In the East of Georgia, where the landscape is mostly deserted, agricul-

¹ OECD 2019, Sustainable Infrastructure for Low-Carbon Development in Central Asia, and the Caucasus: Hotspot Analysis and Needs Assessment

ture suffers from the lack of water resources, whilst in the West, where climate is mostly humid, there are increased risks of floods and avalanches.

Most agricultural and processing activities are conducted in Georgia without regards for their impact on the environment, despite acknowledging that climate change is:

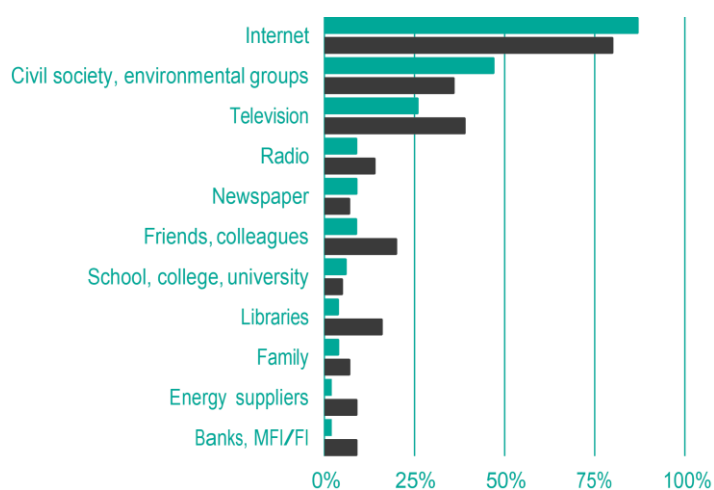
- A threat to people’s physical security (91% women, 89% men),
- A threat to livelihoods and businesses (94% women, 91% men),
- Caused by human activity (89% women, 91% men).

Lower productivity caused by land degradation is observed, but not linked to climate change. As gathered by our qualitative research, whilst the younger generation is more knowledgeable on climate change issues, both female and male farmers of older generations have a limited understanding of climate change and its causes. Moreover, the few technologies used by farmers and business leaders are rather for economic advantages and not out of environmental consciousness.

Touristic projects in the regions (West, along the coastline, and East mountainous/wine region) exhibit similar behavioural patterns of disregard for the consequences of nature depletion. *“My family has owned this strawberry farm for three generations now. My grandparents and parents have given me so much knowledge about working with soil and optimal ways of planting, irrigation, harvesting. But there were never properly educated on it. Times were different then. But today, I feel I can do so much more to strengthen this legacy and keep this business in family for more generations to come”*, says Lia, a farm owner from East Georgia that recently attended a GEF online training course on climate adaptation measure in agriculture. She is exploring ways to modernise her business in a sustainable way. But people like Lia are few and far between.

The lack of knowledge, however, is understandable. As the survey showed, the information on climate change throughout the country is insufficient. Awareness campaigns around the subject tend to be scattered, not structured under one overarching umbrella, and mostly responding to different donors’ initiatives.

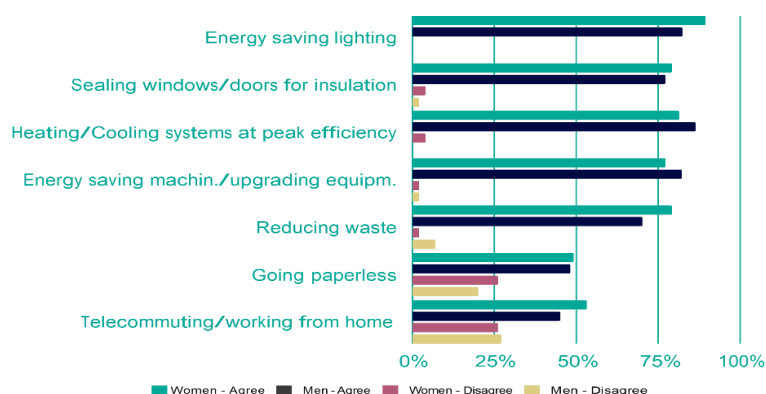
In the age of information and communication, and in the absence of national information campaigns, MSMEs’ leaders in various sectors use a variety of channels to access information about green technologies, suppliers, and green finance. Whilst both women and men rely heavily on the internet, women are more embedded with civil society or environmental groups and men rely more on television programmes. This is consistent with women’s traditional stronger involvement with community-based organisations and communal work.



Being informed means being prepared. Despite not having all the necessary knowledge on climate change and ways to mitigate or adapt to its risks, women and men in business expressed their readiness to adopt green practices to reduce CO2 emissions in their home and in their business operations. Furthermore, both would strongly recommend others to promote practices that help reduce global warming. The most popular green measures amongst respondents relate to energy-efficiency, as can be seen in the Figure.

Nonetheless, limited understanding of climate risks leads to insufficient knowledge about the ways to overcome these risks. Even if the Ministry of Environmental Protection and Agriculture of Georgia (MEPA) has an education centre that provides information and knowledge around green topics to farmers, technicians and the general public, it still does not specifically reach out to MSMEs.

In addition, MSMEs' leaders do not get information regarding new technologies, unless they proactively look for it. But those who do, include care for the environment in their businesses and some even make it priority.



“The future of fashion is eco-friendly” says Nino an owner of a fashion production facility, explaining that major brands are already exploring ways to reduce their waste. In her efforts to reduce the negative impact of the industry, she has set up a dyeing house in Georgia that uses natural plants and minerals to dye the fabrics. *“I want to show the world that one can be fashionable and still care about the environment!”*.

Changing climate conditions, will not be stopped overnight. However, the pace can certainly be controlled through changes in our lifestyles and economic activities. As evident from the survey, climate change is already on Georgians' minds and the consumer is ready to adopt green practices. However, for the change to occur, key political, financial, and environmental institutions need to create a framework for change.

Public-private collaborative efforts to raise awareness on climate change, paired with meaningful campaigns on green technologies and practices will encourage businesses to address climate change impacts.

Encouragingly, an institutional awakening to the climate change agenda is happening in Georgia. The Ministry of Economy and Sustainable Development is planning to draft a national green growth strategy purposely focused on specific sectors that are vulnerable to climate change.

Considering the advances under way, entrepreneurs shall be able to make an impact in more favourable ecosystem conditions. Gano, an interviewed entrepreneur is the first woman in Georgia to offer therapeutic colour clothing, clothing for pregnant women and interactive clothing for children that teaches them math. Her enterprise produces toys and accessories from the waste of its own production. Also, most staff working at her factory are internally displaced persons. *“I want the company to be a powerful message carrier, taking great responsibility and changing things for the better - people’s lives, mood and health”*.

CHAPTER 2: GREEN TECHNOLOGIES AND HOW THEY ARE COPING WITH CLIMATE CHANGE

“If I could contribute by not damaging the environment, I would absolutely do so. The question for me is how!”
Marina, Kvareli, Georgia

More than 85% off all registered and active firms in Georgia are classified as small, with another 9% as medium sized, making SMEs a crucial part of Georgia’s economy. GeoStat² estimates that:

- SMEs account for 42.9% of total turnover,
- SMEs account for 59.7% of total production value in the country.

In line with that, the government is actively facilitating growth opportunities for SMEs, whilst also advancing towards green goals.

In general, environmental concerns have been a part of the government agenda for about 20-25 years:

- In 2016, the Ministry of Economy and Social Development (MoESD) joined the OECD's Green Growth Declaration aimed at the implementation of energy efficiency and resource efficiency activity,
- The SME Development Strategy and Action Plan of Georgia have supported the development of a training manual for resource efficiency and clean production (RECP).

² National Statistics Office of Georgia: *National quarterly bulletin 2020.IV: Turnover by enterprise size and National quarterly bulletin 2020.IV: Production value by enterprise size

During the research conducted for this study, the MoESD also declared to be working on a Green Economy Growth Strategy that shall include the energy, agriculture, and tourism sectors as main targets. However, despite the progress on devising regulatory and policy framework, there is a tangible gap in the implementation and enforcement of these measures.

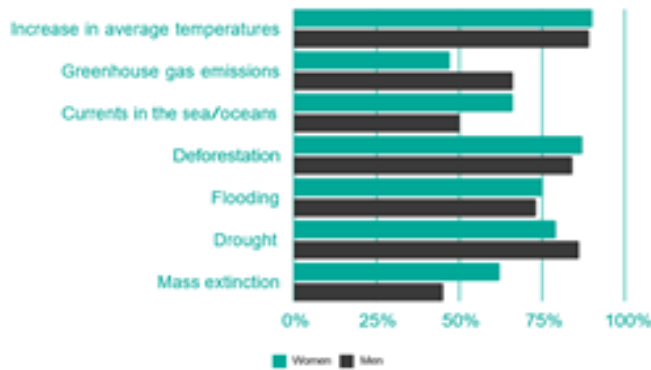


FIGURE 1. Awareness on climate change phenomena, by gender (%)

According to our baseline assessment in Georgia in 2020:

- 54.9% of surveyed women and 45.1% of men business leaders are aware of climate change.
- Most of them know about increases in average temperatures, droughts, and deforestation.
- Both women and men agree that climate change threatens livelihoods and businesses' stability.

Nonetheless, even though female and male business leaders seem to have connected the dots, these aspects are not acknowledged as part of their realities. For instance, in rural areas, as pointed by the Fund of Women Entrepreneurs representative in an interview held with the GEF gender team, female and male farmers observe a decrease in productivity due to land degradation but remain scantily aware that it is happening due to climate change. This missing link between cause and effect could respond to a yet lack of exposure to relevant information. It could also mean that climate change is not perceived as already happening.

As a result, agricultural, food processing, or touristic projects in the whole of Georgia continue to operate without regard for their impacts on the environment. Sadly, these sectors are seen as the most vulnerable to the effects of climate change.

The good news is that some businesses (11% of men and 2% of women business leaders) have already adopted green measures and technologies in their businesses over the last three years.

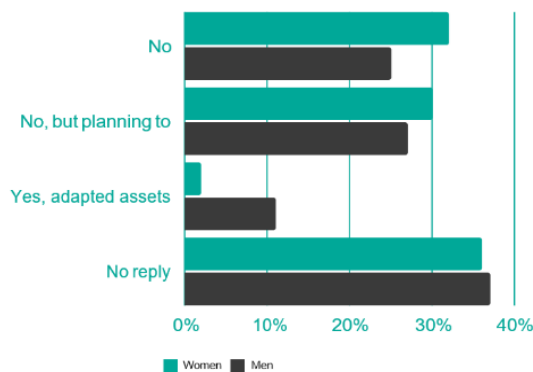


FIGURE 2. Adoption of technologies/assets during the last 3 years to mitigate climate change risks, by gender (%)

Those that did adopt these technologies were lucky to be able to afford financing or have their own capital for it, as these are the two main barriers, followed by lack of knowledge, which hold MSMEs back from seeking greener alternatives in their households and businesses.

However, most investments in green technologies or measures are made by businesses due to their cost benefits, rather than out of environmental concern.

“With the money that the solar PV saves my business, I can add salaries to my employees. Of course, I have to invest a certain amount now, but

what is important for me is that in the long run, my business will provide better services”. Tornike, Racha region, Georgia.

In terms of technologies already adopted, women report to have adopted better insulation systems, boiler and heating systems, solar PV power generators, energy saving lighting and smart greenhouse systems for their households and drip irrigation systems, solar water heaters, and energy saving lighting in businesses.

As for men in their households, they have installed better insulation, solar PV power generators, solar thermal/water heating installations, biogas power systems, and drip irrigation. In businesses, men have adopted boiler heating systems, air cooling, followed by energy saving lighting and air conditioning, green vehicles, energy saving production/processing equipment, greenhouse technologies, and hydropower.

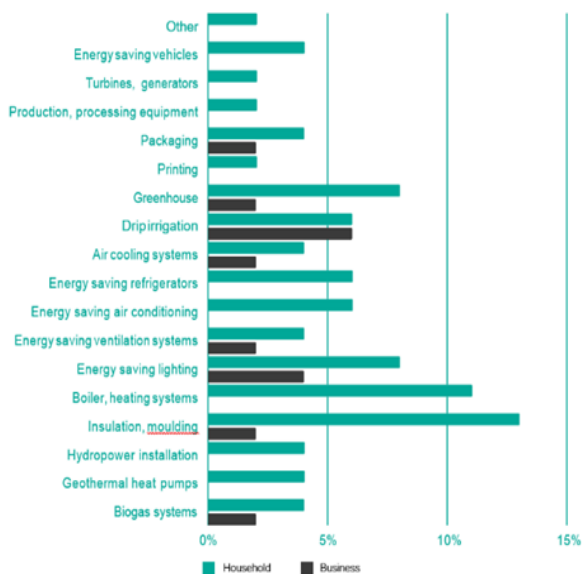


FIGURE 3. Adapted elements to mitigate damages/losses suffered due to CC, by gender, women (%)

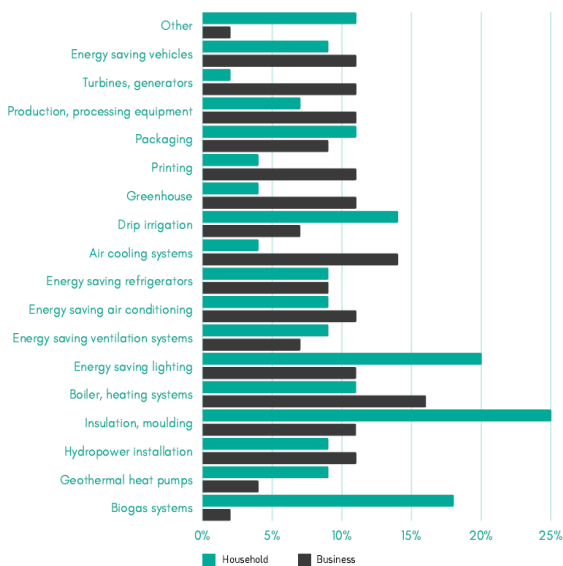


FIGURE 3. Adapted elements to mitigate damages/losses suffered due to CC, by gender, men (%)

Going further and by analysing technologies and measures, those women and men business leaders would be interested of adopting, we obtain the following picture:

The evidence shows that women are less bold than men when it comes to business investments. It might be because:

- Most businesses owned by women are concentrated in socially-sensitive sectors.
- Men are more present in broadly “environmentally sensitive” sectors, such as larger scale agriculture, construction and buildings, and large hospitality projects.
- Men’s boldness might also be attributed to the fact that they have reported higher incidences of income losses than women due to extreme weather events or any other climate related changes in the last three years. And this could be true, due to their chiefly managerial roles in businesses – as opposed to women’s larger engagement in operations, production and support systems.

Despite the incorporation of adaptation measures, there still remains a large portion of MSMEs that do not have the capacity to do so. Wider access to affordable credit would enable them to invest in green projects they would want to implement in their homes and businesses. There are, to date, no incentives or preferential benefits for businesses using green technologies and no motivation to pull them towards these practices.

As the interviewed financial institutions shared, due to the absence of favourable credit conditions, cash backs, or collateral requirements, “it does not make economic sense to invest in green finance right now”. Nonetheless, energy efficient investments, such as upgrading production machinery or renewable energy investments, such as solar PV stations seem to have a lot of potential (might be due to a significant increase in commercial rates for electricity).

Household, women	Household, men
Solar PV stations	Solar water heaters
Solar water heaters	Boiler and heating systems
Drip irrigation systems	Solar PV stations
Insulation systems	Insulations systems
Energy saving lighting	Energy saving refrigerating systems
Business, women	Business, men
Energy saving lighting	Solar PV stations
Solar PV stations	Turbines and generators
Energy saving air conditioning	Production and processing equipment
Energy saving ventilation systems	Drip irrigation systems
	Energy saving air conditioning
	Packaging and printing equipment
	Air cooling systems
	Energy saving ventilation systems

“A lot of businesses now have machinery from the Soviet era. Some of them are so old that they cost more money to maintain. Investing in new energy efficient machinery that might double production or cut costs makes sense for a lot of businesses”.

All in all, 28% of surveyed women and 39% of men agree that they are ready to take measures to reduce CO2 emissions at home or in their business. They can be motivated by being provided with affordable financing schemes and financial incentives, as seeing the benefits of using green technologies in the long run.

Besides the financial aspects tied to the expansion of the green economy, there remains a gap in knowledge about the climate change, and green technologies. A unified approach in providing relevant information on both fronts would help women and men business owners to internalise the threats that climate change poses to their livelihoods and sources of income and motivate them to seek ways to mitigate or adapt to them.

CHAPTER 3: GENDER INEQUALITIES IN GEORGIA UNDERMINE WOMEN’S ACCESS TO GREEN TECHNOLOGIES AND GREEN FINANCE

“The spare time I get during the day is the time use for my project. I recycle old clothes and give them second life in the form of handbags. Luckily, there are individuals who are interested in these sorts of things. But, of course, my craft is far away from being my primary source of income. Hopefully, someday it can be.”
Nino, Samtredia, Georgia

Pervasive disparities cut across all labour market facets in Georgia and contribute to women's lower economic agency. According to a UN Women study of 2018³, unpaid work keeps women busy almost three times more than men.

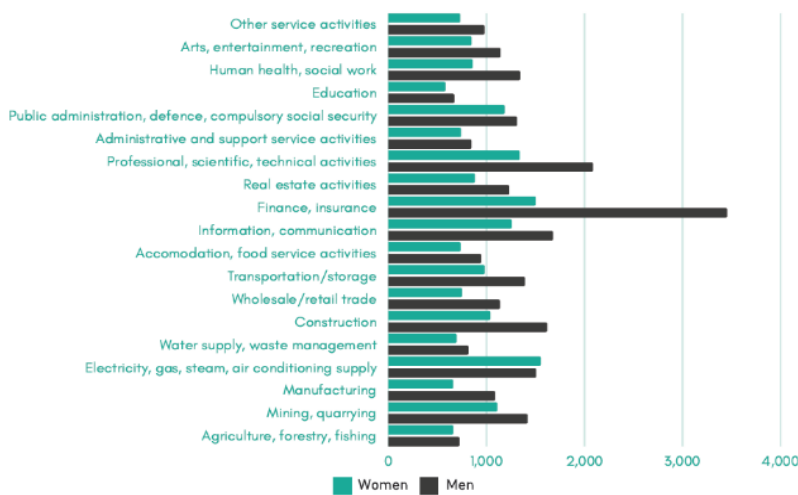


FIGURE 1. Average Monthly Wages in Georgia by Economic Sector and Gender, GEL, 2018

In Georgia's still very much occupationally segregated labour market, there are fewer career opportunities for women, and even in those professions where women outnumber men, their compensation is lower than that of men. A gender pay gap that remains at close to 36% undoubtedly acts as a financial disincentive and it is no wonder that a large number of women continue to stay economically inactive. Moreover, the vertical segregation of the workplace, whereby women rarely occupy managerial positions, means that they have less opportunities for

³ UN Women, 2018. “Women's Economic Inactivity and Engagement in the Informal Sector in Georgia, Georgia.”

career advancement and tend to occupy lower-paying positions.

All these gaps are linked to prevalent gender restrictive norms and conservative sociocultural stereotypes, by which women are expected to be the primary caretakers and homemakers. Unfortunately, there is evidence that many women reinforce these gender norms with their behaviours and values. For instance, a Caucasus Barometer 2019 study indicates that 61% of female respondents still consider a man to be the main breadwinner in the family.

Advocating for gender equality is an issue of fairness, and economic progress. In a growth-oriented economy such as Georgia's, using women's productive potential could represent a huge boost to the overall development of the country. Despite recent efforts by the government to improve the legislative frameworks and develop policies on gender equality, there is still a lag in their enforcement and monitoring, which handicaps progress for women and for the national sustainable development strategy.

Sharpening the lens to the business level, the baseline survey shows that women's businesses are most visible in less-capital intensive and more labour intensive and socially sensitive sectors.

- Typically "female" sectors and activities are hospitality and gastronomy, agro-tourism, textile and apparel, food processing, trade, other services, health, and education,
- Men are mostly engaged in overall more environmentally sensitive sectors, such as large-scale agriculture, construction and buildings, and large hospitality projects, amongst others,
- In rural areas, even though women's entrepreneurship in agriculture (mostly as self-employment) represents almost twice as that of men, these activities are predominantly informal,
- Even though women work intensively in family farming and cattle breeding, they are not considered as farmers or workers, but rather as homemakers.

As summarily expressed by one of the GEF's financial partners' representatives: *"Women are not the decision-makers in most business. They are the staff in many companies, but they are not the business leaders. They are not involved enough to influence the opinions and needs.... women don't have the encouragement to be business leaders"*. This underpins the norms mentioned above.

Sadly, as the survey showed, women tend to rely much less than men on banks as a source of business financing. As a result, only 25% of women led SMEs receive loans from formal financial institutions, against 75% of men.

"The bank I have a loan in was not my first choice, but no other bank would give me a loan, so I did not really have much choice" says Maka discussing the process she went through while creating an IT educational center.

Both women and men stated that access to finance is the biggest business challenge, followed by access to markets, an inadequately prepared workforce, and access to technologies.

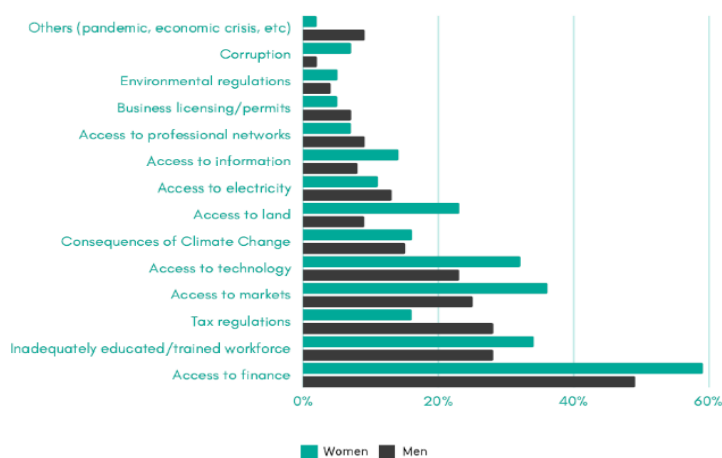


FIGURE 2.
Biggest challenges in business, by gender [%]

it comes to accessing finance, although women and men have equal inheritance and ownership rights in Georgia, customary practices strip women from these legal rights. Those disparities slow down female entrepreneurs' opportunities to access finance for business expansion through adoption of modern and/or green technologies.

Despite women's lower involvement in business operations overall and as decision makers in the businesses where they are active, the climate risks affect them as much as men. Both report losses of income or

damages to their property as a consequence of climate change related events. Whilst both express readiness to adopt necessary adaptive or mitigative measures against those changes, women might have a harder time actually materialising them, considering all the constraints mentioned above.

Women’s more limited business experience and decision-making acumen within business hierarchies also undermine sound governance and further perpetuate the absence of gender sensitive procedures, products and services. Having more women decision-makers means having a more balanced perspective when it comes to drafting regulations, policies, programmes, as well as financial products. Besides the emphasis on loan conditions, the survey shows that women care about seeing products designed specifically for them more than men do. As a matter of fact, 25% of businesswomen indicated the existence of a specific loan for them as one of the criteria for choosing a financial institution.

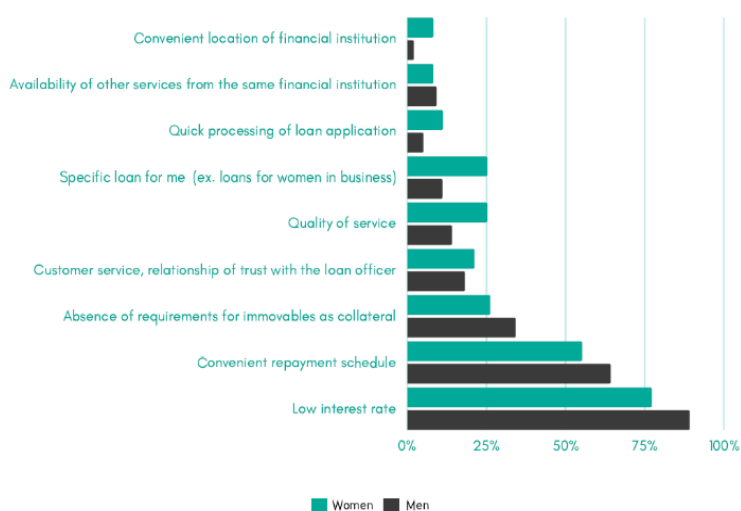


FIGURE 3.
Criteria for choosing a financial institution, by gender (%)

Education can be the first step in addressing equality gaps. Raising awareness of existing gender inequalities, particularly in household and family responsibilities’ distribution, labour force participation and women’s entrepreneurship, followed by literacy about the risks and impact of climate change and ways to adapt to them through green financing and technologies can be an important step in changing the social norms and stereotypes.

According to the survey, 91% of female business leaders and 92% of male assert having high interest in receiving more information about financial products. Furthermore, both show a clear preference

for banks as the preferred source of information, paving the way for GEFF’s partner financial institutions to target women led/owned businesses through green finance marketing and communication campaigns.

Awareness campaigns and various programmes can also explore the ideas of leading by example, showcasing interviews with female role models and the success they have achieved in their green oriented businesses in the different sectors where they are typically concentrated, as well as in non-typically female and male activities, in order to contest stereotypes. Knowing other women are experiencing the same challenges and seeing the ways they have overcome them can motivate female business leaders to do extraordinary things. “I have recently been featured in Elkana’s successful farmer stories. It might be a small achievement, but it is so gratifying to see your work being acknowledged. It is mainly me and my daughters, who help me out a lot. To think we only started growing greens at the end of 2020. It is unbelievable!”. Ekaterine is one of the women that had to explore other income possibilities due to the losses experienced as a corollary of the pandemic. Her desire for knowledge has led her to find out about the most demanded types of greens, which she eventually started growing. Her plans now include expanding the range of products, which she hopes, will translate to an expansion in scale of her business. Ekaterine is a conscious role model.

CHAPTER 4: CHALLENGES AND OPPORTUNITIES FOR GREEN FINANCE IN GEORGIA

"I am open to whatever makes life better and easier. I try to emulate this view in my business as well. I have a solar water heater installed in my home. My business requires a bit more investment, but I will get there, eventually"
Tamar, Tbilisi, Georgia.

Climate change poses a significant risk to the performance, competitiveness and sustainability of micro, small and medium-sized enterprises (MSMEs) globally, and Georgia is no exception. The shifts in climate outcomes are accelerating faster than expected and threaten their livelihoods and business operations, slowing down the development of businesses and the economy as a whole.

These threats are already a reality. According to the survey on gender, climate change and green finance conducted between September and October 2020 in Georgia by the gender team of the EBRD's Green Economy Financing Facility (GEFF), both women and men business-owners report high incidence of losses suffered by their businesses due to extreme weather events, changes in average temperatures, flooding, drought or any other climate related changes in the last three years.

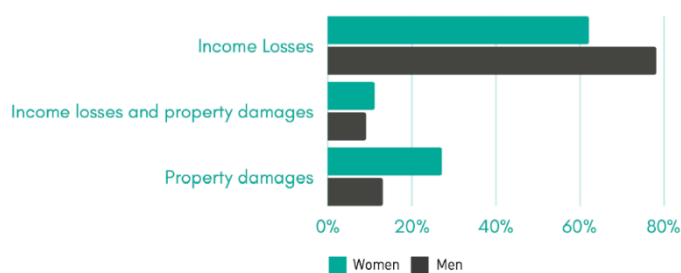


FIGURE 1.

Type of losses or damages suffered due to climate change, by gender (%)

It is no wonder that both women and men business-owners:

- Rank high the risks caused by climate change to livelihoods and businesses.
- 55% of women and 72% of men surveyed ascertained that they would consider adapting necessary measures in their businesses and households to help them in preventing such damages in the future.

As is the case for small businesses' overall access to finance, there is limited availability of low-cost, long-term capital in Georgia for resource-efficiency and cleaner production, especially for MSMEs. Recent research conducted by the OECD indicates that, to carry out green projects, MSMEs frequently need loan amounts that range from €7,000 to €30,000, which, often, don't meet the minimum loan criteria of GEL 100,000 (or its equivalent approximate €25,000) set by banks.

Additionally, high collateral and/or guarantee requirements from banks make the green loans unattainable. Our qualitative research also suggests that co-financing amounts often represent an unsurmountable obstacle for MSMEs to meaningfully invest in green assets.

Despite the above mentioned obstacles, there are several commercial banks that currently provide such financing to businesses. One of the key umbrella programmes under which this is being done is the Green Economy Financing Facility of the EBRD, which is precisely aimed at making finance accessible for green technologies and green projects. Whilst some banks have strategically concentrated their portfolios on green investments, some are still identifying the criteria for defining green investments and their roadmap in this business area is still pretty much open.

Within the green finance realm, most banks focus their efforts on energy-efficient investments, though admittedly, renewable energy- and resource-efficient technologies have the largest demand potential. On the market side, all these areas of focus are important for surveyed women and men business leaders. Even though the priorities varied by gender, both women and men expressed their interest in both renewable energy (solar PV stations, solar water heaters), energy- (insulation, turbines and generators, energy).

As identified by one of the banks, the biggest challenge in providing green financing is encouraging businesses to invest in initial expensive technologies when there is no strong incentive to do so. Similarly, interviewed governmental organisations view the lack of incentive as one of the reasons why MSMEs cannot afford to invest in such technologies.

Within the green finance realm, most banks focus their efforts on energy-efficient investments, though admittedly, renewable energy- and resource-efficient technologies have the largest demand potential. On the market side, all these areas of focus are important for surveyed women and men business leaders. Even though the priorities varied by gender, both women and men expressed their interest in both renewable energy (solar PV stations, solar water heaters), energy- (insulation, turbines and generators, energy saving air conditioning) and resource-efficient technologies (drip irrigation).

As stated above, MSMEs are more vulnerable than large companies to risks posed by changes in climate as they do not have the financial means to recover, adapt or mitigate against these shocks. This is especially true if they occur frequently. However, it must be acknowledged that MSMEs also contribute to the problem, as their aggregate environmental impact exceeds that of large businesses, particularly in sectors of food processing, minerals extraction, construction, and tourism.

Despite their willingness to take preventive measures, both businesswomen and businessmen reported that they have not made any investments in technologies or adapted assets to mitigate climate change over the last three years. The concurrent chief reasons reported by both for not doing so are the lack of affordable finance or own capital, followed by lack of knowledge. “In Georgia, if there is innovation, it has astronomic prices! I’d like to install solar panels on top of my building and insulate it better, but these are all so expensive!”, says Maka, who runs a medium-sized business focused on education. She continues: “Since I do not have my own capital to invest, my only other choice is the bank, but the terms there are far beyond what I can agree to”.

The issue of affordability of finance ranks also as the first amongst the top three business environment constraints for small business in the World Bank Enterprise Surveys Georgia 2019.

Top three business environment constraints by enterprise size

Constraints	Small (5-19 employees)	Middle (20-99 employees)
Access to finance	33%	17%
Political stability	28%	34%
Inadequately educated workforce	15%	14%

All surveyed banks see potential in offering green financing, especially due to an increased interest from clients in modernising their machinery, as well as recently increased prices on utilities, all which encourages business leaders to think of ways to make their businesses more efficient and less

costly. If paired with improved legislative and regulatory environment, special incentives for green financing, as well as more information about the long-term benefits of investing in green technologies and projects, all these conditions would help banks increase their confidence in green financing. This would, further contribute to accelerate their efforts, whether for increasing internal capacity for evaluating green investments or reviewing their lending strategy to include non-traditional eligibility criteria.

In terms of legislations and regulations, the environmental policy in Georgia envisages a wide range of measures for climate change adaptation and risk mitigation for both the residential and commercial sectors of the economy. Adaptation measures in key economic sectors are in line with the technologies and measures identified by the PFIs (having the largest potential demand and the primary areas of investing for both women and men business leaders).

As our extensive research reveals, governmental organisations, commercial banks and business leaders see the challenges and opportunities in developing a greener economy and green finance in Georgia. With this unified vision and more proactive efforts spearheaded by the government and international actors to catalyse green finance, a green economy in business is bound to become more the rule and less the exception.

“To protect our environment, that is our social responsibility”, says Lasha, the owner of a brewery and a restaurant in Batumi. “Our brewery is small, but the emissions it causes still have an impact on the environment me and my family live in. The [solar] technologies today, can allow us to reduce this impact, and add value to our production”. His wife and business co-owner, Mira, further asserts: “For me as a business owner, it has become ever more important to set a good example in how we do our business. Besides, we gain by making our products and services more efficient while also greener. We ALL win”.