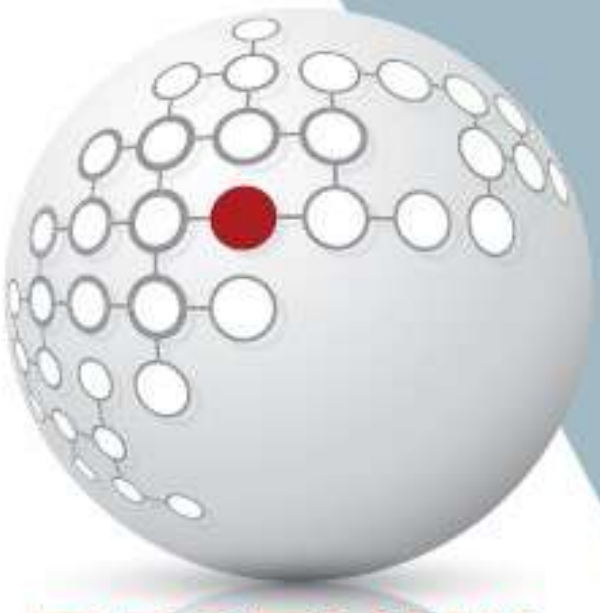
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ISSN 1829-0280

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2022 [6]
YEREVAN

NATURAL RESOURCE
ECONOMICS AND THE ENVIRONMENT

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ISSUES OF GREEN PROCUREMENT IN THE REPUBLIC OF ARMENIA (BY THE EXAMPLE OF THE CITY OF YEREVAN)

Green procurement as a green financing tool is an important prerequisite for building the green economy. By implementing green procurement, it is possible to ensure a green transformation, while ensuring sustainable development sa well. Ensuring the use of green procurement in the process of green transformation of Yerevan, the capital of the Republic of Armenia, is also a vital necessity. In this case, the study of the existing situation, the raising of issues and the presentation of the proposal for the use of the appropriate tool set are derived from the imperative of the green transformation of the capital city of Yerevan. Regarding public procurement in the Republic of Armenia there is no specific system for the implementation of green procurement, and the organization of these processes is based only on voluntariness. In this case, with the analysis carried out

in the given paper, an attempt was made to evaluate the situation, and also the concept of the implementation of the green procurement system was presented.

Keywords. *green procurement, green financing, green economy, territorial development, sustainable development*
JEL: Q01, Q56
DOI: 10.52174/1829-0280_2022.6-112

Introduction. Ensuring sustainable development has become a necessity in the modern world. It is with sustainable development that in the modern world it will be possible to ensure maximum satisfaction of human needs without harming the ability of future generations to meet their own needs. Sustainable development can be ensured by green transformation, one of the most important components of which is green financing, because it is the latter that provides sufficient funds to transform the environment and the economy. An important component of green financing is green procurement. It is green procurement that makes it possible to promote the green production and the green economy. Therefore, the study of green procurement and green financing in that context is relevant, and the analysis of their application in the process of green transformation of Yerevan, the capital of the Republic of Armenia, is simply a necessity.

Literature review. The transition to the green economy is not possible without appropriate investments and financing. It is with green financing that it is possible to create a green city and ensure a green transformation in the urban environment. In the process of forming the green economy, it is essential to transform the entire value-added chain, the path of which is green financing. In this process, the physical transformation of the economy also gains special importance, the objectification of which are:[1]

1. environmentally friendly energy saving,
2. increasing energy efficiency,
3. ensuring sustainable mobility,
4. increasing the efficiency of the use of material resources,
5. the formation of a processing economy,
6. the formation of a sustainable management system of water resources,
7. the formation of ecologically sustainable agriculture, etc.

These changes require significant investment and therefore funding. Green financing aims to increase financial flows from the public and private sectors to sustainable development priorities. The key focus of the latter is the more effective management of environmental and social risks, and the use of opportunities that bring both appropriate returns and environmental benefits.[2] Green financing is highly dependent on current and capital investments, costs

[1] Ecologic Institute, Green Finance – Strategies and Instruments for the Financing of Ecological Modernization, https://www.ecologic.eu/13817, visited on 07.11.22 2:58 PM

[2] The EU4Environment, Resource Efficient Cleaner Production project in Armenia, Green Financing, https://recp.am/en/news/green-financing, visited on 07.11.22 3:14 PM

and expenditures in both the public and private sectors. Green financing implies the implementation of such costs and expenses that include:[3]

1. production, sale and acquisition of goods and services of environmental significance,
2. funding for water resources management, biodiversity and landscape protection, as well as funding for the prevention, mitigation or compensation of environmental and climate damage,
3. funding for public policies promoting projects and initiatives of environmental significance or aimed at reducing and adapting to the damage to the nature and the environment,
4. implementation of green investments by certain sectors of the financial system, etc.

In the context of green financing, the coordination of the procurement process implies the implementation of green procurement. Green procurement prioritizes the acquisition of products, services and works that have the least impact on the environment throughout their life cycles. It also includes procedures where supplier selection is based on environmental criteria as opposed to other conditions such as price or delivery times. Procurement can be considered green according to two main indicators, namely, how environmentally friendly the product or service being purchased is, and what environmental problem will be solved by using the product or service being purchased. In any case, whether procurement is considered green or not is subject to legal regulation.[4] The basic concept of implementing green procurement is based on clear, verifiable and justified environmental standards for products and services.[5] And finally, it is through the implementation of green procurement that it is possible to simultaneously ensure both the green transformation and sustainable development.[6]

Speaking about green financing and green procurement, it is necessary to introduce a number of concepts related to the topic (Table 1):

Table 1

Basic concepts and their essence

The concept	*The essence*
Green financing	Financial investments flowing into sustainable development projects and initiatives, environmental products, and policies that encourage the development of a more sustainable economy.[7]
Green procurement	the purchasing of products that provide environmental and related socioeconomic benefits.[8]

[3] The EU4Environment, Resource Efficient Cleaner Production project in Armenia, Green Financing, https://recp.am/hy/news/16, visited on 07.11.22 3:33 PM

[4] TenderAlpha, https://tenderalpha.com/data-feeds/green-procurement-contracts/, visited on 09.11.2022 7:34 PM

[5] European Commission, https://ec.europa.eu/environment/gpp/gpp_criteria_en.htm, visited on 09.11.2022 7:40 PM

[6] Babson college, https://www.babson.edu/business-and-financial-services/procurement/policies-and-procedures/green-purchasing-policy/, visited on 10.11.2022 10:29 AM

[7] GEF, Intoduction to Green Finance, https://www.thegef.org/sites/default/files/events/Intro%20to%20Green%20Finance.pdf, visited on 24.12.2022 3:24 PM

Green city	A city that: • Preserves or improves the quality of its environmental assets (air, water, land, soil and biodiversity) and uses these resources sustainably • Mitigates and adapts to the risks of climate change • Ensures that environmental policies contribute to the social and economic wellbeing of residents.[9]
Green economy	It results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcity.[10]
Green transformation	Green transformation is the process of structural change which brings the economy within the planetary boundaries.[11]
Sustainable development	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.[12]

It is necessary to record that there are many studies on green financing and green procurement in the international economic literature. They not only refer to the study of the experience of individual countries, but they are also a methodological guide for the active use of these tools in other countries (a number of provisions reflected in them are summarized in the above-mentioned observations): However, the situation is different in the case of the Armenian economic literature. Studies related to the formation and development of green economy are numerous, but studies dedicated to green financing and especially green procurement are almost non-existent. The importance of green economy formation and green transformation was addressed by Eba Babayan, in her research on the topic of "On Economoecological Issues of Exploitation of Nature And Nature Protection", defining the green economy as a tool for the effective solution of socio-economic and environmental problems.[13] In the research on the topic of "Transition to a Green Economy as a Premise For Sustainable Development", Lusine Harutyunyan defined the green transformation as a guarantee of sustainable development.[14] However, references to green financing and green procuremenet can only be found in certain publications of a non-scientific nature, in this regard, naturally, there is a gap, which the article is aimed at filling in.

Research methodology. Within the framework of the research, it was aimed to study the features of green financing and green procurement, so an attempt was made to assess green financing and green procurement in the RA and, in

[8] African Development Bank, African Development Fund, SUSTAINABLE / GREEN PUBLIC PROCUREMENT, March 2014, p. 5.
[9] EBRD, Green Cities: Green City Action Plan methodology, 2016, p. 4.
[10] Partnership for action on green economy, Advancing an Inclusive Green Economy: Rationale and Context, Definitions for Green Economy, Learning unit 3.
[11] Ian Scoones, Melissa Leach, Peter Newell, The Politics of Green Transformations, 2015, Chapter 1
[12] Brundtland Commission (1987): Our Common Future, Chapter 1, point 49.
[13] Eba Babayan, On Economoecological Issues Of Exploitation Of Nature And Nature Protection, Proceedings of the 24th ASTU conference, 2015.
[14] Harutyunyan Lusine, Transition to A Green Economy as A Premise for Sustainable Development, YEREVAN STATE UNIVERSITY, CURRENT ECONOMIC PROBLEMS, 4TH INTERNATIONAL CONFERENCE, Proceedings.

particular, in Yerevan, the capital of the RA. In the study, first of all, the activity of green financing in the RA was studied, with particular emphasis on the instruments offered in the banking system of the RA, then a transition was made to the study of the current situation of the implementation of green procurement in the RA, emphasizing the current situation in Yerevan. The study concluded with a proposal for guidance on the development and implementation of a green procurement system, the full, partial or modified implementation of which will create an opportunity to implement a green procurement implementation system, and the latter will contribute to increasing the efficiency of the green transformation processes.

The credit offers presented by the banks operating in the RA, the publications posted on the official website of the Yerevan Municipality, the information included in the websites of the state administration bodies of the RA, a number of legal regulations operating in the RA, as well as a number of informational and regulatory materials published by international organizations are the information source for the study.

During the study of the products offered by the banking system within the framework of the research, the comparison method was used, through which the offered products were compared, and conclusions were made. A tabular observation was performed to present the results.

For the study of the procurement process organized by the Yerevan Municipality, an expert assesment was carried out, within the framework of which the announcements posted by the Yerevan Municipality were studied. Purchase announcements were considered green or non-green by the expert assessment based on the criteria presented in the literature review section. Naturally, such an assessment may contain elements of subjectivity, but since there are no green procurement standards set in the RA, and the procurement processes are not organized in accordance with them, the only possible way to consider procurement green or not green is expert assessment. The results are summarized in the study through graphical observation.

The methods of induction and deduction were used to reflect the current situation of the state level on the example of Yerevan, as well as to reflect the characteristics identified in the example of Yerevan on the state level. Analysis and synthesis methods were used to provide depth and systematicity of the analysis.

In order to apply the results of international legal regulations and methodological guidelines, the green procurement system implementation guide was developed using the analogy method.

As a result, methods and tools such as induction, deduction, analogy, synthesis, analysis, graphical observation, tabular observation, etc. were used during the research.

Findings, analyses. The counterparts of green financing are international organizations, representatives of the financial system, private organizations, as well as state and local self-government bodies.

Green financing by international organizations is very often carried out in an mediated way, when these organizations together with state and local self-government bodies or organizations of the financial system implement this or that project within the territory of a country. Such financing is very often carried out through credit instruments, which, in addition to the principle of repayment, are also characterized by a low level of payment, which makes it possible to provide high profitability and additional added value in case of targeted use of funds, in addition to green transformation. International organizations and associations such as the European Bank for Reconstruction and Development, the United Nations, the European Union, the Green Climate Fund, the Global Ecological Fund, etc. stand out for their green financing and progressive support of the process in the RA. Green financing from international sources, however, is mediated. The reaction of the banking system to the use of this tool is quite active, and the banks operating in the RA cooperate quite effectively with these organizations, but this activity is not as high on the state and especially local self-government levels. However, it should be noted that the scope of cooperation in the case of the city of Yerevan is much larger. Now a number of projects are being implemented in Yerevan, in where the local self-government bodies cooperate with international organizations. (The action plan for sustainable energy development of Yerevan is implemented jointly with the Global Ecological Fund, the United Nations[15] and the EU. The Solar Community program is implemented jointly with the European Union[16].). To state that cooperation is active is not very credible, but the fact that there are already foundations for cooperation is quite a positive phenomenon. The lack of cooperation is not caused by the fact that these organizations are not willing to cooperate, but by the fact that the local self-government bodies do not act with an effective and acceptable initiative, because the flexible tools and programs provided by these organizations, through which it will be possible to implement green financing, are sufficiently numerous and diverse. In this case, only the effective proposal, initiative and consistency, with which the representatives of the financial system stand out, become an issue to be considered.

As of November 1, 2022, 14 of the 17 banks operating in the RA have proposals attributable to green financing.[17] These proposals are the result of cooperation with international organizations. Table 2 presents the proposals presented by the banks as a green financing tool.

[15] Yerevan Municipality, https://www.yerevan.am/uploads/media/default/0001/53/11149bdd343f63db7a3060c3fbf6a5067a675a52.pdf, visited on 07.11.22 05:28 PM

[16] Yerevan Municipality, https://www.yerevan.am/am/eu-for-yerevan-solar-community/, visited on 07.11.22 05:33 PM

[17] CB of Armenia, https://www.cba.am/am/SitePages/fscfobanks.aspx, visited on 07.11.22 06:01 PM

Table 2

Green financing instruments offered by the banks in the RA

	The bank	*The suggested tools*
acba	**"ACBA BANK" OJSC**	*Green loans for energy efficient investments and renewable energy investments*[18]
AMERIABANK	**"Ameriabank" CJSC**	*Loans for the renewable energy sector*[19]
IDBank	**"ID Bank" CJSC**	*Energy credit for installation of energy efficient systems*[20]
AraratBank	**"ARARATBANK" OJSC**	*Energy efficiency credit*[21]
Ardshinbank	**"Ardshinbank" CJSC**	***There is no direct green lending offer available***
ARMSWISSBANK	**"ArmSwissBank" CJSC**	*Project financing to encourage investment in energy efficiency and renewable energy*[22]
ԱՐՑԱԽԲԱՆԿ ARTSAKHBANK	**"Artsakhbank" CJSC**	*Energy efficient renovation loan*[23]
BYBLOS BANK ARMENIA	**"Byblos Bank Armenia" CJSC**	*Green financing for energy-efficient solutions*[24]
HSBC	**"HSBC Bank Armenia" CJSC**	*Green lending with funding from the European Bank for Reconstruction and Development and the Green Climate Fund*[25]
ԻՆԵԿՈԲԱՆԿ	**"InecoBank" CJSC**	*Green financing for energy efficiency or renewable energy*[26]

[18] ACBA BANK OJSC, https://www.acba.am/hy/business/get-a-loan/1584513227, visited on 07.11.22 06:38 PM

[19] Ameriabank CJSC, https://ameriabank.am/business/sme/financing/renewable-energy, visited on 07.11.22 06:45 PM

[20] ID Bank CJSC, https://idbank.am/business/credits/kredity-biznes-klientam/energy-loan/#order_form_33, visited on 07.11.22 06:48 PM

[21] ARARATBANK OJSC, https://www.araratbank.am/hy/mikro-poqr-biznes/69/, visited on 07.11.22 06:50 PM

[22] ArmSwissBank CJSC, https://www.armswissbank.am/upload/project_financing_loans.pdf, visited on 07.11.22 06:55 PM

[23] Artsakhbank CJSC, https://www.artsakhbank.am/loans/mortgage-loans/energy-saving-loan-state-support-programme, visited on 07.11.22 06:57 PM

[24] Byblos Bank Armenia CJSC, https://www.byblosbankarmenia.am/hy/loan/housing-loan/hl-energy-efficient-renovation, visited on 07.11.22 07:07 PM

[25] HSBC Bank Armenia CJSC, https://www.business.hsbc.am/hy-am/products-and-solutions/credit-and-lending, EBRD, https://www.ebrd.com/sites/Satellite?c=Content&cid=1395308925784&pagename=EBRD%2FContent%2FContentLayout&rendermode=preview%3FfilterCountry%3DAlbania%3FfilterCountry%3DKosovo%3FfilterCountry%3DRomania%3FfilterCountry%3DRomania%3FfilterSector%3DAgribusiness, visited on 08.11.22 09:02 AM

[26] InecoBank CJSC, https://www.inecobank.am/hy/Business/lendings/green-financing, visited on 08.11.22 09:12 AM

	"EVOCABANK" CJSC	*A green loan promoting energy efficiency, loans provided within the framework of the renewable energy and energy saving program*[27]
	"Converse Bank" CJSC	*Financing the purchase of energy-saving lighting systems and accessories*[28]
	"ARMBUSINESSBANK" CJSC	*Energy-green lending*[29]
	"ARMECONOMBANK" OJSC	*Eco-friendly loan for replenishment of an energy-efficient fixed asset*[30]
	"Mellat Bank" CJSC	***There is no direct green lending offer available***
	"UniBank" OJSC	*Green Revolving Credit Line*[31]
	"VTB Bank Armenia" CJSC	***There is no direct green lending offer available***

From the presented table, it becomes obvious that the use of green financing tools by the financial system is quite active in the RA, and it is mainly aimed at energy efficiency and energy saving. The use of this toolkit is quite active in Yerevan as well.

However, it is obvious that only the willingness of international organizations and the existence of programs, as well as active green financing by the banking system, are not enough in the process of green transformation of Yerevan. Naturally, local and self-governing bodies play a key role in that process, and by organizing the green procurement process in the context of green financing, they can promote both the formation of the green economy and the green transformation of the capital.

It is interesting that with the implementation of green procurement, not only environmental problems are solved, through it an opportunity is created to ensure a complete green transformation. Green procurement has environmental, socio-health, economic and political impacts. Therefore, green transformation without green procurement is an unacceptable reality. The system of positive results from green procurement is presented in table 3.

[27] EVOCABANK CJSC, https://www.evoca.am/hy/business-loans/, visited on 08.11.22 09:05 AM
[28] Converse Bank CJSC, https://conversebank.am/u_files/file/Ampopagrer%202022/%D5%8E%D5%A1%D6%80%D5%AF%D5%A5%D6%80/19_10/Converse%20Green%20Oct%202022.pdf, visited on 08.11.22 09:14 AM
[29] ARMBUSINESSBANK CJSC, https://www.armbusinessbank.am/am/lending, visited on 08.11.22 09:17 AM
[30] ARMECONOMBANK OJSC, https://www.aeb.am/hy/business_eco_easy/, visited on 08.11.22 09:19 AM
[31] UniBank OJSC, https://www.unibank.am/hy/service/business/export/, visited on 08.11.22 09:21 AM

Table 3

The impact of green procurement in the green transformation process[32]

Environmental impact	*Socio-health impact*	*Economic impact*	*Political impact*
Green procurement provides an opportunity to address environmental issues such as deforestation, greenhouse gas emissions, inefficient water use, lack of energy efficiency, air, water and soil pollution, waste management, and more. It raises awareness of environmental issues.	*Green procurement can improve the quality of services provided to the public and thus improve the quality of life. Green public transport, for example, improves air quality, which in turn solves health problems, or reduced use of toxic chemicals in cleaning products ensures better public health.*	*Green procurement offers the opportunity to save money and resources when the product's lifecycle becomes a matter of consideration. Green procurement also underpins industrial innovation, another driver of economic development. And finally, green procurement lowers the prices of environmental technologies.*	*Green procurement is an effective way to demonstrate the public sector's commitment and interest in environmental protection and sustainable consumption and production, thus creating opportunities to secure a political leverage. Political forces should be interested in promoting the implementation of green procurement.*

By implementing green procurement, states in the modern world are trying to ensure a green transformation, also fulfilling their obligations established by international agreements. The RA, being a member of a number of international agreements, also has an obligation to ensure sustainable development and green transformation in a number of directions. As mentioned, sustainable development implies meeting the needs of the present in a way that does not lead to a decline in the ability to meet the needs of future generations. In the context of sustainable development, the United Nations has set 17 goals aimed at eradicating poverty, protecting the environment and climate, as well as providing the world's population with a peaceful and prosperous life. Out of these 17 goals, the 12nd aim is responsible for consumption and production. "Promote public procurement practices that are sustainable, in accordance with national policies and priorities" is defined as a sub-goal of that goal.[33] Despite the fact that the RA has adopted the 17 sustainable development goals, information on the degree of realization of the sustainable procurement sub-goal is missing, as evidenced by the non-availability of that information in the publications of the Statistical Committee of the RA.[34]

A sustainable procurement system implies such procurement procedures that will lead to the realization of the overall goals of sustainable development, which can only be achieved through the use of a green procurement system. In that process, the implementation of green procurement is simply a necessity, and the question arises: is there a green procurement system in the RA, and

[32] European Commission, https://ec.europa.eu/environment/gpp/benefits_en.htm, visited on 09.11.2022 7:48 PM

[33] UNDP, https://www.undp.org/sustainable-development-goals, visited on 26.12.2022 5:33 PM

[34] Statistical Committee of the Republic of Armenia, https://armstat.am/en/?nid=699&ind_id=12.7.1, visited on 26.12.2022 5:45 PM

especially in the capital, Yerevan? In the RA, discussions were recorded at different levels of the government, which were aimed at identifying issues aimed at the implementation of green procurement[35], however, in practice, there is no defined standard or tool in the field of public procurement that promotes the implementation of green procurement. The field of public procurement in the RA is regulated by the Law of the RA on Procurement, which does not even specify a single provision related to green procurement. [36] As a result, implementation of green procurement in the public sector in the RA is voluntary. However, we should also note that there are some positive developments from the point of view of legal regulation, in particular, such legal acts as the Energy Saving Action Plan of the RA approved by the RA Government,[37] the Sustainable Energy Development Action Plan approved by the Yerevan City Council, have been adopted.[38] However, none of the mentioned as well as studied legal acts directly regulate the implementation of green procurement, but they only define certain criteria that can be applied in the procurement process. As a result, public sector procurement in the RA is conducted only in accordance with the RA Law on Procurement, which does not regulate the green procurement process. In this case, it is important to discuss which part of public procurement made in the capital city of Yerevan can be considered green. As it has already been mentioned, in the RA there are no statistics on sustainable procurement and especially on green procurement, that is why an expert evaluation of procurement announcements was carried out in the article. For this purpose, a study of purchases announced by the Municipality of Yerevan was carried out. 280 invitations and announcements posted by the municipality between May and October 2022 (6 months in number) were studied (the sample includes all invitations and announcements posted during the specified period). Since there are no criteria for considering the purchasing process as green or non-green in the RA, during the study, their classification was made by expert assessment, taking into account the main criteria characterizing green purchases presented in the given paper. As a result, it was found that out of 280 invitations and announcements studied, only 16 could be attributed to green procurement to one degree or another, as the object of purchase was either environmentally preferable in itself or it could contribute to a green transformation. Naturally, the fact that only 5.7% of purchases contain elements of green procurement indicates that public procurement in the capital city of Yerevan cannot be considered green. From May to October 2022, the monthly structure of purchase invitations and announcements posted by the Yerevan Municipality from the point of view of green procurement is presented in figure 1.

[35] RA Ministry of Finance, https://minfin.am/hy/page/finansneri_nakhararutyunum_qnnarkvel_en_kanach_gnumneri_irakanacmann_ughghvats_harcer/#prettyPhoto, visited on 10.11.2022 11:05 AM

[36] RA Law on Procurement, adopted on 16.12.2016

[37] Extract from the protocol No. 4 of the meeting of the Government of the Republic of Armenia on February 2, 2017.

[38] Decision No. 558-N of the Council of Elders of Yerevan City dated June 24, 2016.

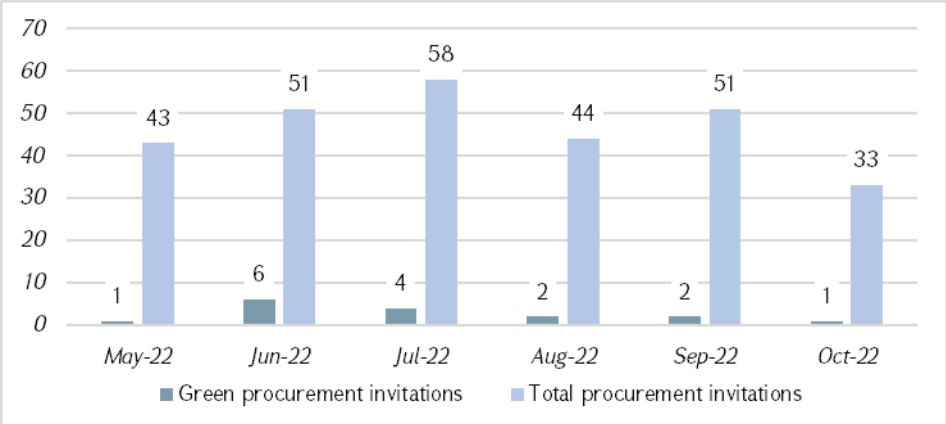


Figure 1. ***Classification of purchase invitations and announcements posted by the Yerevan Municipality*** [39]

The indicators presented in the chart prove that the situation is not better on a monthly basis, because in this case also green purchases occupy a minimum weight in total purchases. In other words, in Yerevan there is a situation where the city government has adopted a green city action plan, but the functions of the municipality are not implemented in the context of green procruement, the importance of which in the process of green transformation has already been presented. As a result, it becomes obvious that another important component of the green city strategy of Yerevan should be the introduction of a green procurement system, which is completely absent in the RA.

In the RA, including in Yerevan, the implementation of the green procurement system can be based on the following road map (Table 4).

Table 4

Green procurement system implementation guide[40]

STEP 1. Defining legal standards and policies for implementing green procurement
A key component of a green procurement policy is the identification of clear, understandable and acceptable definitions, objectives and priorities. With their presence, it is only possible to create conditions that can contribute to the green transformation policy implemented by state and local self-government bodies. A green procurement policy framework should be based on the definition of primary policy characteristics. First of all, it is necessary to ensure the presence of the following guiding characteristics: 1. A preamble that will define the need to implement green procurement, 2. A vision and priorities that will determine the desired future state and outcomes of system implementation, 3. A policy statement by which the relevant body will set out its willingness to implement a green procurement policy and key policy criteria,

[39] Yerevan Municipality, https://www.yerevan.am/hy/customs/, visited on 24.12.2022 05:35 PM

[40] The Table is compiled by the authors, sources:
UNITED NATIONS POPULATION FUND, Green Procurement Strategy, 2013,
UN environment programme, https://www.unep.org/regions/asia-and-pacific/regional-initiatives/supporting-resource-efficiency/green-financing, visited on 11.11.2022 7:54 PM,
Green Procurement Policy Template, Recycling council of Alberta, https://recycle.ab.ca/wp-content/uploads/2016/01/GreenProcurementTemplate.pdf, visited on 11.11.2022 7:54 PM,
European Commission, https://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm, visited on 11.11.2022 7:54 PM,
OECD, Going Green: Best Practices for Sustainable Procurement, 2015.

4. Definitions to explain the key concepts used and give them detailed and unambiguous interpretations and characterizations,
5. Ensuring the implementation of the policy, which will establish a systematic plan of action, according to which it will be possible to implement a green procurement system.

Due to the fact that the presented guide is a strategic management tool, it should be highly adaptable and should be revised under the influence of changes in the external and internal environment, which implies that each change should be recorded in accordance with the principles of project management.

On the basis of the mentioned guideline, it is necessary to initiate corresponding legislative changes too.

This process does not imply the implementation of additional costs of a significant nature, but is a policy development function defined by the statutes of the relevant governing bodies.

STEP 2. Green procurement capacity planning, including assessment of market capacity and available technical solutions, as well as deriving cost and performance indicators for green procurement

By implementing green procurement, demand for green goods and services is stimulated, leading to a market shift towards sustainability. However, the ability to support the long-term uptake of green solutions can be undermined by a number of factors. The study of these factors should imply the study of the positive and negative effects of green procurement on stakeholders directly or indirectly related to that product and/or procurement process in the case of applying green procurement in each product group.

That study should be carried out according to individual groups of stakeholders:

1. State and local self-government bodies,
2. International organizations,
3. Donors,
4. Manufacturers,
5. Suppliers,
6. Final consumers,
7. Wage workers.

Each group has its own range of interests, and it is on the basis of the inclusion, compatibility or contradictions of these range of interests, that the existing capacities are evaluated, and it is on the same basis that the specific types of products to be green purchased and the chronological series of the expansion of that list are defined. The results obtained and the costs incurred by all parties must be evaluated to understand the most effective ways.

It is at this stage that the range of products and services to which green procurement will be applied will be defined, it is necessary to expand this list according to the chronology and regularly include new types of products and services in the list.

This process can be carried out both with the means and efforts of state and local self-government bodies, and in cooperation with international organizations or local scientific research centers. The discussed scientific research process can also be carried out with the (co)financing of a number of international organizations.

STEP 3. Development and implementation of environmental criteria used in technical specifications

Defining criteria for classifying products and services into green or non-green groups is also an essential component of the scoping process. It is necessary to define criteria for each group of the product list: if they are met, it will be possible to consider the purchase as green. The definition of standards must have legal force.

The standards used in the European Union can be a guiding tool for standardization of the product list, which sufficiently present in detail the criteria for being considered green for each product group and product type. The establishment of green purchasing criteria in these directions will lead to the elimination of arbitrariness in these directions, which is present in the current legal regulation.

The process will not imply the implementation of additional significant costs, as it can be implemented by the standardization and metrology body of the RA Ministry of Economy.

STEP 4. Professionalizing the quality of the green procurement process, as well as increasing industry knowledge and skills

Experiences of a number of countries in the process of implementing the green procurement system prove that the effectiveness of green procurement depends significantly on professional knowledge and skilled professional teams. Therefore, it is necessary to implement tools for specialization such as manuals, training materials and guidelines, trainings, cooperation with educational institutions, etc. The latter provides an opportunity to develop the ability to use procurement strategically. Knowledge and skills development should be carried out for representatives of state and local governments directly participating in the process.

It is possible to cooperate with international organizations by receiving grant funds for the development of the professional capacities.

STEP 5. Raising awareness among buyers, business units and citizens of green procurement solutions and their benefits

A focused effort to convey the right messages to the triangle directly involved in the green procurement process (state and local governments, business units, and citizens) can have a significant impact on the success of the system's implementation. This process should include active implementation and promotion of awareness activities.

Raising awareness can be carried out in cooperation with international organizations by receiving grant funds.

STEP 6. Monitoring green procurement results and providing feedback on regulation

At each stage of the process, it is necessary to carry out monitoring and, based on the results obtained, to change the applied policy as necessary.

This process can be fully implemented through the relevant management bodies and their resources as monitoring of current programs.

Conclusions. Summarizing the analysis of the current situation of green financing in the Republic of Armenia, the legal regulations for the implementation of green procurement and the implementation of green procurement by the local self-government bodies of Yerevan, the capital of the Republic of Armenia, we can conclude that:

1. There is no legal regulation of green procurement in the Republic of Armenia,
2. There are no green procurement standards in the Republic of Armenia,
3. Implementation of green procurement in Armenia is based on volunteerism,
4. In the studied example, green procurement is not organized in practice,
5. In the absence of green procurement, green financing by the banking system alone is not sufficient for green transformation.

As a result, summarizing the research, we consider it necessary to record that the implementation of green procurement in the process of green transformation is an objective necessity. In this case, there is a need to design, implement and monitor such a system that will enable both to promote and to force procurement to be organized in accordance with the concept of green procurement. Therefore, the full, partial or modified application of the above guide can contribute to the effective implementation of the green transformation process.

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ՀԱՄԱԶԱՍՊ ԳԱԼՍՏՅԱՆ
Հայաստանի պետական տնտեսագիտական համալսարանի «Ամբերդ» հետազոտական կենտրոնի հետազոտող, տնտեսագիտության թեկնածու

ԳԱԳԻԿ ԲԱԴԱԴՅԱՆ
Հայաստանի պետական տնտեսագիտական համալսարանի կառավարման ամբիոնի ասպիրանտ

ՔՐԻՍՏԻՆԵ ԹԱԹՈՍՅԱՆ
Հայաստանի պետական տնտեսագիտական համալսարանի կառավարման ամբիոնի ասպիրանտ

ՄՀԵՐ ՇԱՀԻՆՅԱՆ
Հայաստանի պետական տնտեսագիտական համալսարանի բիզնեսի վարչարարության ամբիոնի ասպիրանտ

Կանաչ գնումների հիմնախնդիրները Հայաստանի Հանրապետությունում (Երևան քաղաքի օրինակով).– Կանաչ գնումները՝ որպես կանաչ ֆինանսավորման գործիք, կանաչ տնտեսության ձևավորման կարևորագույն նախապայման են: Կանաչ գնումների իրականացմամբ հնարավորություն է ստեղծվում ապահովելու կանաչ վերափոխում՝ ապահովելով նաև կայուն զարգացում: Հայաստանի Հանրապետության մայրաքաղաք Երևանի կանաչ վերափոխման գործընթացում կանաչ գնումների կիրառման ապահովումը նույնպես անհրաժեշտություն է: Այս պարագայում առկա իրավիճակի ուսումնասիրությունը, խնդիրների վերհանումը և համապատասխան գործիքակազմի կիրառման առաջարկի ներկայացումը բխում են Երևանի կանաչ վերափոխման հրամայականից: Հայաստանի Հանրապետությունում հանրային գնումների առումով գոյություն չունի կանաչ գնումների իրականացման որոշակի համակարգ, և այդ գործընթացների կազմակերպումը հիմնված է միայն կամավորության սկզբունքի վրա: Այս պարագայում հոդվածում կատարված վերլուծությամբ փորձ է արվել գնահատելու առկա իրավիճակը, ներ-

կայացվել է նաև կանաչ գնումների համակարգի ներդրման հայեցակարգ:

Հիմնաբառեր. *կանաչ գնումներ, կանաչ ֆինանսավորում, կանաչ տնտեսություն, տարածքային զարգացում, կայուն զարգացում*
JEL: Q01, Q56
DOI: 10.52174/1829-0280_2022.6-112

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Проблемы зеленых закупок в Республике Армения (на примере города Еревана).– Зеленые закупки как инструмент зеленого финансирования являются важной предпосылкой для становления зеленой экономики. Осуществляя зеленые закупки, можно обеспечить зеленую трансформацию, а также обеспечить устойчивое развитие. Обеспечение использования зеленых закупок в процессе зеленого преобразования Еревана, столицы Республики Армения, также является необходимостью. В данном случае изучение существующей ситуации, постановка проблем и представление предложения по использованию соответствующего инструментария вытекают из необходимости зеленой трансформации столицы Армении. В области государственных закупок Республики Армения отсутствует конкретная система осуществления зеленых закупок, и организация этих процессов осуществляется на добровольной основе. С помощью проведенного анализа, представленного в данной статье, была предпринята попытка оценить ситуацию и разработать концепцию внедрения системы зеленых закупок.

Ключевые слова: *зеленые закупки, зеленое финансирование, зеленая экономика, территориальное развитие, устойчивое развитие*
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