

## **LEARNING FROM LATVIA'S EXPERIENCE OF IMPLEMENTING THE EUROPEAN GREEN DEAL IN THE POST-WAR RECOVERY OF UKRAINE**

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One of the most promising and attractive sectors for investment in Ukraine's post-war recovery is the agri-food sector, in particular, agro-processing. The components of the Ukrainian agricultural sector's potential include: certification when entering new markets; transition from raw material exports to value-added products; competitive, highly profitable niches, including fresh and organic products; and growing consumer loyalty through increased Ukrainian brand awareness. The latter is to be achieved by the creation of a new economic platform, "Made in Ukraine", which will become a platform for ongoing dialogue between the state and entrepreneurs. As per the findings of experts, there are already prospective investment opportunities amounting to UAH 34 billion in over 300 projects within the agricultural sector.

In light of the above, the "green" economic recovery, which serves as the foundation for Ukraine's prospective "green" post-war recovery strategy, must be aligned with the comprehensive development and integration into the European Community in accordance with the principles of sustainable development. This approach should also take into account the European Green Deal, which serves as a guarantee for attaining the Copenhagen criteria for EU accession. It is therefore important to study Latvia's experience in strengthening the strategic framework for sustainable development and identifying ways to implement a 'green' course for Ukraine's post-war recovery.

The Latvian business ecosystem is well-adapted to facilitate highly efficient investment and innovation in green technologies. The expansion of this sector is contingent upon the fulfilment of several prerequisites. These include the availability of raw materials, facilitated by the favourable geographical location; the presence of a developed logistics infrastructure; the capacity to compete in the production of high-value added products; and the transition to more high-tech production.

The environmental goods and services (EGS) sector in Latvia is

experiencing a moderate growth trajectory, yet it remains less developed than in the majority of EU countries. Currently, approximately 20% of the country's enterprises offer environmentally friendly products and services, which is below the EU average of 24%. The principal factors contributing to this indicator are low demand for these goods and services, which can be attributed to lower incomes and a lack of awareness regarding sustainable consumption and production. This requires that businesses develop a set of measures to stimulate demand for more expensive environmental products and services. This may be achieved through green public procurement, environmental labelling, market incentives, awareness raising, and better enforcement.

Based on the results of the study of Latvia's 'green' experience, it can be concluded that the main principle of Ukraine's 'green' post-war recovery is the introduction of European environmental planning instruments, namely:

- Conducting a detailed analysis of the country's socio-economic situation, the readiness of society and the economy for further decarbonisation, and the need for financial support for greening processes;

- Adoption by the government of a package of sectoral laws in the field of waste management, as well as the creation of the relevant infrastructure of waste management facilities. This will allow the provisions of the Waste Management Law to be enforced and will contribute to the development of a circular economy;

- Adopt the necessary regulations on the obligations of companies to comply with environmental standards in their business activities. Introduce mandatory reporting by companies on ESG factors (environment, social responsibility and good governance) in line with EU standards. Initiate the resumption of environmental monitoring in cooperation with the EU, with clear and understandable criteria for calculating environmental damage caused by Russian aggression;

- Extend the practice of incentives (targeted financial assistance, EU grants) for domestic companies whose activities under martial law are focused on improving the environmental friendliness of their products;

- Strengthen EU-Ukraine cooperation in the field of research and development and exchange of information on environmentally friendly technologies and innovations. Develop partnerships between EU and Ukrainian communities, businesses, government and scientific institutions, educational establishments, etc. to promote sustainable changes in the field of ecology and environmental protection.