

**Report of the regional preparatory meeting for the Eastern European Group
for the UNIDO global consultations on circular economy
20 November 2020**

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I. Introduction

1. The General Conference, in its resolution GC.18/Res.7, requested the United Nations Industrial Development Organization (UNIDO) to organize consultations on circular economy for experts from Member States with a view to facilitate exchanges on best practices, emerging innovations and the promotion and adoption of circular economy principles and practices by industries of Member States.

2. The objective of the global consultations on circular economy is to consider ways and means to promote circular economy principles and practices, in particular in developing countries, identify barriers and devise action-oriented solutions.

3. The global consultations will be convened using the UNIDO System of Consultations¹ as a guiding framework, taking into account developments since its adoption, lessons learned, outcomes of the respective evaluations and restrictions imposed by the current COVID-19 pandemic.

4. A series of regional preparatory meetings was convened in November 2020 to allow Member State representatives and other stakeholders, in particular from developing countries, to present their initial views on the topic of circular economy and identify issues that will shape the debate at the global consultations.

5. Member States selected the following two discussion topics for the global consultations:

(a) Topic 1: Circular economy as a substantial contribution to addressing the climate crisis and advancing the achievement of the Sustainable Development Goals (SDG);

(b) Topic 2: Mobilizing finance, technology and capacity-building to promote circular economy principles and practices in developing countries.

6. Based on the above-mentioned topics, the deliberations at the regional preparatory meetings were guided by the following questions:

(a) What do you see as key benefits your country, company or organization can derive from adopting circular economy principles and practices in terms of achieving Sustainable Development Goals and meeting national climate change priorities?

(b) Are there successful examples of introducing circular economy principles and practices in your country, company or organization, including policy and regulatory frameworks as well as national, multilateral, bilateral and South-South cooperation initiatives and partnerships?

¹[https://open.unido.org/api/documents/4792485/download/THE%20SYSTEM%20OF%20CONSULTATIONS%20\(11648e.en\)](https://open.unido.org/api/documents/4792485/download/THE%20SYSTEM%20OF%20CONSULTATIONS%20(11648e.en)).

(c) What are the barriers impeding the adoption of circular economy principles and practices in your country, company or organization?

(d) What support, including arrangements for access to finance, technology transfer and capacity-building, would your country, company or organization require to enable the adoption of circular economy principles and practices?

7. The global consultations on circular economy are tentatively scheduled to take place in the first quarter of 2021.

II. Organizational and procedural matters

8. The regional preparatory meeting for the Eastern European Group on circular economy was virtually held on 20 November. The meeting was conducted in English.

Participation

9. The following 12 Member States of UNIDO participated in the meeting: Albania, Armenia, Belarus, Czechia, Georgia, Hungary, Montenegro, North Macedonia, Poland, Russian Federation, Slovenia and Ukraine.

10. The following United Nations entities were represented: the Food and Agriculture Organization of the United Nations (FAO), the International Atomic Energy Agency (IAEA), the International Maritime Organization (IMO), the International Organization for Migration (IOM), the International Telecommunication Union (ITU), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations World Tourism Organization (UNWTO), the World Bank Group (WB), and the World Meteorological Organization (WMO).

11. The following international organization was represented: the Green Growth Knowledge Platform (GGKP).

12. The following non-governmental organizations were represented: Industry4Ukraine, the Resource Efficient and Cleaner Production Centre (RECPC NGO), the School of Business of the Belarusian State University, the University of Science and Technology, the WCYCLE Institute, and Zero Waste Montenegro.

Opening of the session

13. The meeting was declared open by Mr. Stephan Sicars, Managing Director, Directorate of Environment and Energy, UNIDO, at 09:00 (CET) on 20 November 2020.

Facilitator

14. The meeting was facilitated by Dr. Florensa Haxhi, Director General for Development Programmes and Programme Manager for Regional Economic Area, Prime Minister's Office, Albania.

Agenda of the meeting

15. The meeting adopted the following agenda:
 1. Opening of the meeting and adoption of the agenda.
 2. Introductory presentation by the secretariat.
 3. Interventions:
 - (a) Interventions by Member States;
 - (b) Interventions by observer organizations.
 4. Moderated discussion.
 5. Conclusions and adjournment.
 6. Announcements by the secretariat.

III. Proceedings

Welcoming remarks

16. Ms. Çuçi, Deputy Minister of Tourism and Environment, Albania, welcomed the participants and emphasized the importance of promoting circular economy principles and practices to accelerate the progress on SDGs as well as fully implement the Paris Agreement and the emerging post-2020 Biodiversity Framework. Ms. Çuçi further advised that circular economy-based measures should be at the core of collective efforts of the global community to build back better and greener in the context of the COVID-19 pandemic.

Introductory presentation by the secretariat

17. Mr. Stephan Sicars, Managing Director, Directorate of Environment and Energy, UNIDO, presented the mandate, objectives and expected outcomes of the global consultations on circular economy as well as the guiding questions for the regional preparatory meetings.

18. Ms. Nilgün Tas, Chief, Industrial Resource Efficiency Division, and Deputy Director, Department of Environment, UNIDO, delivered an introductory presentation to set up the scene for discussions by introducing the principles and practices of circular economy.

Interventions by Member States

19. Hungary expressed support for circular economy and the European Union's Circular Economy Action Plan, while stressing the importance of aligning regulatory frameworks with

the SDGs. The promotion and distribution of circular and climate-neutral products could support a shift of consumer habits towards responsible consumption. Waste management was highlighted as a priority area, recalling potential benefits of a proper management, one that needs to be developed through the strong engagement with relevant stakeholders. Hungary adopted a target for the reduction of biodegradable content in landfills to minimize pollution. Hungary emphasized that small and medium-sized enterprises are very influential, particularly in the field of eco-innovation.

20. North Macedonia announced its first national steps towards a circular economy in the waste sector and the harmonization of national regulations with legislation of the European Union. The country's waste management legislation is in its final stages of formulation and expected to be adopted shortly. In collaboration with UNEP, North Macedonia is preparing a report to review suitable policies and assess potential benefits of implementing circular economy practices. The estimates indicated up to 72 per cent reductions in greenhouse gas emissions, 44 per cent of economic benefits and 20 per cent of new employment opportunities.

21. Georgia informed about the adoption of a new national legislation on waste management. Projects incorporating circular economy practices are ongoing in the country, namely in the packaging sector. Waste management, specifically large amounts of biological waste in landfills, was cited as one of the main issues that requires adequate infrastructure and technology. Georgia remarked that the full understanding of circular economy still needs to be acquired to start its implementation. Georgia mentioned that the partnership with UNIDO and other international organizations is vital, along with the participation of all relevant national stakeholders.

22. Slovenia recognized the European Union's strategy as the national strategy for achieving the transition to a circular economy. The Smart specialization, an innovation policy concept, was adopted under three pillars - digital, circular and industry 4.0 - based on a quadruple helix model: private companies, research institutions, non-governmental organizations and facilitators, in collaboration with the State. In addition, six value chains were established: sustainable energy, biomass and alternative raw materials, secondary raw materials, functional materials, processes and technologies as well as circular business models. Activities related to the value chains are ongoing in the areas of biomass, water management, waste recovery and functional materials. Slovenia concluded by raising the importance of preserving good working conditions for employees as well as promoting suitable eco-design that should be included in all processes.

23. Albania highlighted that nature is its greatest asset and stated that its national development focuses on the adequate use of natural resources towards building a sustainable economy. The challenges encountered in doing so include waste collection, with the biggest gap found in hazardous and industrial waste management. Albania aims to achieve a nationwide waste collection system by 2022. Albania informed about its waste management law that was formulated through its waste management strategy and in line with the European Union framework. The country is currently working to build capacity and expertise needed to fully implement its 2020 legislation as well as its urban waste master plan. Albania also informed about the ongoing efforts to formulate legislation on circular economy. The Western Balkans Agenda, where circular economy is one of the topics, was also highlighted.

24. Armenia informed about its intention to establish an integrated policy framework for the transition to a circular economy by reforming regulatory frameworks, creating new policy instruments, providing access to environmental finance, supporting capacity-building and implementing pilot projects in the public and private sectors. Efforts are also made to develop reliable indicators, promote small and medium-sized enterprises and organic agriculture, and make better use of assessment tools. UNEP is assisting the country with the implementation of training courses in circular economy and the development of effective policies. Armenia expressed appreciation of the European Union for supporting successful projects undertaken in collaboration with UNIDO.

25. Ukraine stated that carbon neutrality and resource efficiency were among the priorities guiding the development of a draft strategy for its industrial complex in “Ukraine 2030: The Doctrine for Sustainable Development”. In collaboration with UNIDO, the country is working on the implementation of resource-efficient practices in industrial enterprises and eco-industrial parks. It also collaborates with the European Union on projects to safeguard the environment, specifically through the promotion of circular economy. Ukraine stressed the need for UNIDO to support and showcase examples on how to encourage the efficient use of resources, the development of related value chains and the formulation of regulatory standards for industrial waste management.

26. Czechia underlined that circular economy is both a great opportunity and an industrial challenge. In the area of policies and regulations, the country introduced circular economy principles under the framework of its sustainable development strategy, waste management plan and legislation on circular economy, in accordance with the 2018 European Union package. Limited infrastructure, insufficient secondary raw materials and limitations regarding the standardization of recycling materials were presented as the main barriers to the transition to a circular economy. Czechia concluded with a call for support and collaboration in innovative technologies, eco-design and cross-sectoral cooperation.

Interventions by observer organizations

27. UNEP stated that global efforts are focused on four main areas: strategy formulation and advocacy to promote and develop circularity; knowledge and development; sector programmes; and networking. Related activities include the publication of guidelines, promotion of innovative solutions, guidance on the use of indicators and measurement tools; and support to relevant sectors such as plastics, textile, electronics and mining, among others. At the regional level in Central and Eastern Europe, the organization focuses on environmental projects to preserve the natural capital and increase human well-being. UNEP remarked that waste management is an area requiring urgent intervention, to be addressed through a comprehensive waste management policy and the promotion of producer responsibility. The gaps were said to be the lack of harmonization of the concept of circular economy and the lack of knowledge on how to implement circular economy practices, not only in the field of recycling but rather as a combination of new business models.

28. IAEA underlined its role in nuclear waste management and highlighted the opportunities available for applying principles of circular economy in the management of plastics. Radiation technology complements conventional plastic recycling and offers a unique and innovative means to recycle and modify plastic waste to extend the life cycle of plastics

and create new tertiary plastic products. IAEA pledged further support to Member States through its mandate of scientific and technology information transfer, by developing reference publications and e-learning materials, providing capacity-building and promoting a network of professionals. IAEA emphasized the need to develop frameworks and regulations, which take the specific nature of circular economy into account, and acknowledged a need to do more on scaling up and technology transfer as well as building strong cooperation, particularly with UNIDO.

29. UNWTO declared its full commitment to supporting Member States in their transition to a circular economy. Taking action in this time of crisis is necessary to decrease adverse financial impact of the COVID-19 pandemic on the tourism sector. The management of solid waste, specifically food and plastic waste, was highlighted as fundamental, and so are inter-sectoral and participatory dialogues. Inadequate national tourism policies along with the lack of a concerted action to integrate circularity in the private sector were identified as barriers to the transition to a circular economy. UNWTO noted that it is leading the Global Tourism Plastics Initiative, which is a catalyst of circularity in tourism, together with UNEP and in collaboration with the Ellen MacArthur Foundation.

30. The University of Science and Technology of Poland provided an overview of the country's perception of circular economy. It was stated that circular economy was conceptualized as a resource management policy, excluding the idea of waste management as the main objective of circularity. Industrial symbiosis was also said to be constantly promoted. The University mentioned that indicators are important to promote the application of circular economy practices, mainly green technologies and packaging. The concept of circularity as a contribution to climate action is recognized, thus the pollution in cities is also part of the overall scheme. The University highlighted the idea of considering both a top-down and a bottom-up approaches, in which academia must be present, to promote circularity.

31. The WCYCLE Institute, financed by public companies and owned by a municipality, informed that its role is to implement solutions developed by citizens. The Institute mentioned its involvement in the partnership with the European Union's programme on circular economy and therefore in the development of a national action plan consisting of three areas: better knowledge, better legislation and better financing. The WCYCLE Institute stated that the COVID-19 crisis proved that a city has sufficient distribution of local materials and recalled how important local goals are to achieve regional objectives. The transition to a circular economy depends on raising awareness of the general public. Barriers to this transition mainly relate to policies and legislation. Policy tools should be tested at the local levels to challenge circular economy strategies.

32. The RECPC NGO in Ukraine listed the following barriers to the transition to a circular economy: the lack of communication among stakeholders, limited knowledge and general awareness of circular economy, misinterpretation of the concept, lack of funding and insufficient support for innovation. UNIDO's role in raising awareness on how to access adequate and reliable funding was emphasized.

33. The School of Business of the Belarusian State University noted that circular economy is closely related to the achievement of the SDGs. This is demonstrated by the Belarus 2035 national sustainable development strategy, in which the country incorporated circular economy. Waste management plans were mentioned as a barrier, noting that the challenge is to enhance the expertise of professionals to conceive waste management as a part of an integrated strategy.

It was remarked that it is fundamental to develop new technologies and secure investments, especially for areas with scarce natural resources.

Conclusions and adjournment

34. Dr. Haxhi highlighted the importance of accelerating the adoption of circular economy principles, policies and practices as means to support the achievement of the SDGs and fully implement the Paris Agreement. She thanked the participants for their engaging interventions and sharing of inspiring experiences. Dr. Haxhi encouraged the participants to learn from successful examples of circular economy initiatives, take them on board and replicate in their respective countries as appropriate.

35. Dr. Haxhi closed the meeting at 12:00 (CET) on 20 November 2020.
