

**Report of the regional preparatory meeting for the Western European and other  
States Group for the UNIDO global consultations on circular economy**  
**18 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 Consultations<sup>1</sup> 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?

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<sup>1</sup>[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 Western European and other States Group was held virtually on 18 November 2020. The meeting was conducted in English.

### **Participation**

9. The following seven Member States of UNIDO participated in the meeting: Austria, Cyprus, Finland, Germany, Israel, Japan, and Turkey.

10. The European Commission was also represented.

11. 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 United Nations Environment Programme (UNEP), the United Nations System Staff College (UNSSC), the United Nations University (UNU), the United Nations World Tourism Organization (UNWTO), and the World Meteorological Organization (WMO).

12. The following international organizations were represented: the Green Growth Knowledge Platform (GGKP), and Sustainable Energy for All (SEforALL).

13. The following non-governmental organizations were represented: the Circular Economy IL, Sitra, the Japan Clean Ocean Material Alliance (CLOMA), the Yunus Environment Hub, and the Wuppertal Institute for Climate, Environment and Energy.

14. The following private sector representative participated: Accenture Strategy.

15. The following observer organization participated: Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ).

### **Opening of the session**

16. The meeting was declared open by Mr. Stephan Sicars, Managing Director, Directorate of Environment and Energy, UNIDO, at 09:00 (CET) on 18 November 2020.

## **Facilitator**

17. The meeting was facilitated by Mr. Ilan Fluss, Deputy Head, Economic Division, Ministry of Foreign Affairs, Israel, and Mr. Arik Ryvkin, Director of FoodTech and Circular Economy, Ministry of Economy and Industry, Israel.

## **Agenda of the meeting**

18. 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**

### **Introductory presentation by the secretariat**

19. 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.

20. 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**

21. Israel seeks to promote the transition to a circular economy. The benefits of circular economy include a growing gross domestic product and a drop in waste production. The Israeli administration intends to introduce circular economy by developing new regulations and a

policy framework in collaboration with international organizations. Examples of ongoing efforts include the SwitchMed project implemented in collaboration with UNIDO, which aims at improve resource efficiency in seven industrial facilities; the mapping of the public recycling value chain; and the industrial symbiosis project. Results of these activities are already visible, including a significant reduction in tons of waste in landfills and economic savings. A knowledge centre on circular economy, inspired by the Ellen McArthur Foundation, is being adapted to the Israeli context.

22. Austria declared that circular economy is the right way to shape sustainability. The national endeavours are framed by the policies of the European Union, in particular by the European Union Green Deal. Furthermore, Austria is developing a national strategy on circular economy. The country is currently working on a set of surveys to map national circumstances, while the first version of the strategy was planned for the end of 2020.

23. Germany stated that the concept of circular economy has been established in the country since 1991, with the first circular economy law registered in 1996. Since then, waste reduction and resource efficiency policies have been established. The total amount of waste was said to be high as well as recycling rates. The burning or presence of biodegradable waste in German landfills have become nonexistent. Germany supports other countries in enhancing waste management practices, using its own experiences. Financing is a key issue and should involve the polluter pays principle.

24. The European Commission cited the European Union Green Deal as an instrument to boost competitiveness and resource efficiency, while responding to the climate crisis. The European Commission promotes circular economy in several aspects: sustainable cities, private sector development, flagship initiatives, SwitchMed programmes, policy development and circular economy missions, among others. The Global Circular Economy Action Plan was highlighted as a means to achieve sustainable products, empower consumers and support strategic sectors. In addition to the Action Plan, the European Commission envisions an agenda for 2024, a global agreement on plastics management, and a Global Alliance on Circular Economy and Resource Efficiency. In terms of challenges, financing, capacity-building as well as policy framework development were mentioned.

25. Germany has been pursuing a circular economy action programme since 2018, with five key areas: healthy environment for people, safe employment and working conditions, sustainable waste management, climate protection and marine conservation. The inclusion of circular economy in sectoral methodologies as well as sufficient coordination to manage emerging networks were identified as challenges. Successful collaboration with UNIDO was highlighted as an example of how collaboration can be achieved, particularly in the midst of the COVID-19 pandemic. Germany noted that, despite documented consequences associated with the use of plastics, a number of companies insist to continue using them. Intensive awareness-raising efforts should be pursued to combat such unsustainable practices.

26. Japan informed that the country is working on a circular economy vision, which aims to adapt circularity measures to different regions, geographies and available infrastructure. In addition, a circular economy investment guide is expected to be published in 2021, campaigns promoting the smart use of plastics are in progress, as are regional meetings in Asia and the

Pacific for knowledge exchange. The perceived lack of economic benefits following the implementation of some circular economy practices was identified as a barrier.

27. Cyprus shared that the country adopted a National Industrial Policy in 2018, which incorporates a pillar on circular economy. Furthermore, Cyprus is currently conducting an assessment to clarify the state of circularity in its national context with conclusions to be presented by the end of 2021. Challenges relating to the transition to a circular economy include the difficulty in convincing companies to integrate circular economy into their processes. Companies carrying out circular economy practices have no recognition in procurement procedures, thus failing to compete with companies applying linear models.

### **Interventions by observer organizations**

28. 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.

29. 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.

30. UNU stressed that there are more than one hundred definitions of circular economy, noting the lack of consensus. Although the promotion of the circular economy concept is crucial, current business models need to be considered, as they must be adapted holistically and not just in the area of waste management. Recognition of the improvements and important advances in the field of engineering and natural sciences were mentioned, while the social science aspect was found to be missing in the development of a circular economy. UNU is supporting the transition to a circular economy through the development of innovative business models and conducting training and research on behalf of the United Nations.

31. GGKP introduced the Integrated Greening Openings or I-GO pilot project, aiming to develop a database with information and guides on topics related to circular economy. This will assist small and medium sized enterprises in enhancing their understanding of potential benefits of green solutions and provide information required for implementing green initiatives. The importance of connecting stakeholders and sharing knowledge was emphasized.

32. Sitra informed about its support for the development of a roadmap on circular economy in Finland in 2019. The organization highlighted the important work done in education, including the preparation of a guide on national roadmaps development and the creation of guides on the implementation of eco-industrial parks carried out in collaboration with UNIDO. In addition to these tools, the organization is focusing on civil society by conducting individual carbon footprint testing to increase lifestyle awareness. Collaboration and partnership building were emphasized as essential elements for the transition to a circular economy.

33. CLOMA was introduced as a promising network of more than 450 companies engaged in the promotion and implementation of recycling and efficient resource management practices. The goal of the Alliance is to work towards plastics-free oceans by supporting innovative social systems and creating spaces for partnership among stakeholders.

34. The Wuppertal Institute for Climate, Environment and Energy stated that a circular economy is not a goal in itself, but a means to achieve specific objectives such as efficient resource management. The Wuppertal Institute stressed that the implementation of a circular economy could also lead to the loss of jobs and the inequitable distribution of benefits among regions. An in-depth reflection on what the transition represents was recommended. Germany, despite having recycling rates above 50 per cent, only saves about 20 per cent of its resource consumption, which shows that the progress towards a successful model is slow. Metropolitan regions could serve as a laboratory for learning more about the economy. The experience in cities such as Munich and Berlin resulted in important and useful lessons learned. UNIDO could establish industrial circular economy programmes for metropolitan environments.

35. The Yunus Environment Hub informed about its support for small and medium sized enterprises that focus on solving social and environmental problems, while reinvesting their profits. This support comprises capacity-building and training to assist market access. The "Zero Waste Plastics" project in Asia and Africa, where social enterprises are being developed, was cited as an example of success. The Hub invited UNIDO and other international organizations to recognize the work of social enterprises by supporting them in accessing funds and engaging with the private sector.

36. GIZ highlighted that a circular economy is more than a waste management strategy. Recycling management should be integrated throughout the entire value chain as well as in production processes, particularly in strategic phases where investment is present. In parallel, hazardous materials should be avoided, legal standards and regulations should be followed and investment in circular economy should be planned to provide a safe environment. In the context of climate action, landfills must be eliminated.

37. Accenture Strategy stated that circularity is larger than a recycling activity. Stakeholders believe that once a waste management strategy is in place and some waste is recycled, then a circular economy is introduced. However, the transition appears to be more challenging. Accenture Strategy has been working with the automotive sector on creating a new taxonomy to define what a circular economy is and how it should be implemented. Five levels of development were defined, and a vision whereby cars and transportation, apart from not causing adverse impacts, actually represent a benefit to societies, appears to be the final objective. This vision is limited by normal market competition, where companies with linear models operate in their comfort zone.

38. The Circular Economy IL platform, located in Israel, noted that national stakeholders are fully aware of the upcoming changes regarding circular economy. Israel is conducting circular economy forums with leading companies and working on innovative solutions for the creation of new business models. Procurement policies need to be adjusted to encourage companies to include circular economy practices in their operations. In addition, waste classification continues to be a challenge.

### **Conclusions and adjournment**

39. Mr. Ryvkin 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. He thanked the participants for their engaging interventions and sharing of inspiring experiences. Mr. Ryvkin encouraged the participants to learn from successful examples of circular economy initiatives, take them on board and replicate in their respective countries as appropriate.

40. Mr. Ryvkin closed the meeting at 11:33 (CET) on 18 November 2020.

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