



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



## Report of the regional preparatory meeting for the Asian and the Pacific Group for the UNIDO global consultations on circular economy

13 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 Asian and the Pacific Group was held virtually on 13 November 2020. The meeting was conducted in English.

### **Participation**

9. The following 14 Member States of UNIDO participated in the meeting: Afghanistan, Bangladesh, Cambodia, Indonesia, Jordan, Lebanon, Malaysia, Philippines, Republic of Korea, Saudi Arabia, Sri Lanka, State of Palestine, Thailand, and Viet Nam.

10. The following United Nations entities were represented: the International Atomic Energy Agency (IAEA), the International Maritime Organization (IMO), the United Nations Environment Programme (UNEP), and the United Nations World Tourism Organization (UNWTO).

11. The following international organization was represented: Sustainable Energy for All (SEforALL).

12. The following non-governmental organizations were represented: the Circular Economy Club of Malaysia, the Chulalongkorn University, the Economic Research Center of the Indonesian Institute of Sciences, the Federation of Malaysian Manufacturers, and UN-Global Compact Malaysia.

13. The following private sector representatives participated: Vietnam Colour Trading and Impact Revolution Enterprise.

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

### **Opening of the session**

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

## **Facilitator**

16. The meeting was facilitated by Mr. Layhy Chhea, Director of Small and Medium Enterprises Department, Ministry of Industry, Science, Technology and Innovation, Cambodia.

## **Agenda of the meeting**

17. 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**

18. 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.

19. 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**

20. Indonesia stressed that circular economy is one of the key tools for green industrial development. A circular economy concept has been incorporated into the Vision Indonesia 2045, the Indonesia's Mid Term Development Plan and the Low Carbon Development Strategy, with the objective to achieve a reduction in greenhouse gas emissions of about 20 per cent and a reduction in waste generation of about 50 per cent by 2050. Circular economy practices have been implemented by many stakeholders in Indonesia for economic purposes. Some practices include alternative fuel production from biomass and waste, a marine litter

solution project and the introduction of alternative materials in the construction industry. Capacity-building, best practices and a multi-stakeholder partnership are urgently needed to achieve the SDGs. UNIDO could assist by clarifying concepts, assessing current challenges and supporting policy development.

21. Lebanon stated that the transition to a circular economy in the midst of the COVID-19 pandemic is not an option. The lack of resources and essential products as well as high import costs to which the market is exposed were noted as national barriers towards this transition. Lebanon highlighted the SwitchMed project funded by the European Union and the master plan for industrial zones carried out in collaboration with UNIDO as actions aimed at improving environmental performance of industry through the implementation of indicators and standards. It was remarked that circular economy could alleviate the problems of the Lebanese economy, specifically by creating new jobs.

22. Cambodia referred to the regeneration of the environment as a direct consequence of the shift to a circular economy. The inadequate financial management and regulations along with the limited access to resources, technology and incentives were acknowledged as national barriers to the shift. A national development plan is in a process of formulation.

23. Jordan emphasized that circular economy is a tool to reduce the environmental impact and combat climate change. The national green action plan covers six sectors: water, energy, waste, agriculture, tourism and transport. These sectors are aligned with the SDGs, specifically SDG 9 “Industry, innovation and infrastructure”, SDG 12 “Responsible consumption and production”, SDG 14 “Life below water” and SDG 15 “Live on land”. Low investment in innovation and the lack of information were cited as national challenges. Jordan also highlighted a project on the reduction of water and energy use in the beverage sector implemented in collaboration with UNEP and UNIDO.

24. State of Palestine suggested that developing countries be supported in formulating development plans for the adaptation of circular economy practices. The national development plan of the State of Palestine is being prepared, but its successful implementation relies on international cooperation. The restricted access to natural resources and financing were cited as barriers to adopting a circular economy, while the Ecotec recycling plant for electronic waste was mentioned as a successful example.

25. Thailand noted potential benefits of implementing circular economy practices, such as 30 per cent of total waste recycling. Thailand also stated that the lack of cooperation and policy integration within government agencies is a barrier to the transition to a circular economy. The recycling technology centre established in collaboration with UNIDO was mentioned as a remarkable example, as it currently facilitates the development of 60 technologies and the provision of training courses.

26. Afghanistan stated that to so far the country does not follow a development plan aiming at achieving the principles of a circular economy, neither does its national policy fully integrate the SDGs. Support was requested from all involved stakeholders to initiate capacity-building and inter-sectoral coordination processes.

27. Viet Nam informed that the country is currently implementing a national action plan on consumption, which includes some aspects related to circular economy. Nevertheless, the government recognized that the concept of a circular economy had not been fully introduced due to the lack of information. Viet Nam referred to UNIDO's webpage as a reference source of information on circular economy.

28. Sri Lanka acknowledged the relevance of circular economy for biodiversity conservation and stated that the country is facing waste management issues. The lack of necessary infrastructure, technology and policy implementation are barriers hindering the transition to a circular economy and there is a need to formulate a master development plan to achieve this transition. Currently, the country pursues a sustainable consumption and production policy, which includes principles of circular economy in sectorial plans. The policy supports industries to minimize pollution, promote clean technologies and introduce life cycle assessments in their operation processes. Sri Lanka requested support from UNIDO on capacity-building and policy implementation.

29. Cambodia exposed the main barriers for the transition to a circular economy, including resource scarcity, a limited number of incentives and funding sources available for small and medium enterprises, absence of regulations and technical standards as well as the lack of information and knowledge. In addition, Cambodia referred to the ongoing national efforts to formulate a circular economy development plan as well as the cooperation with UNEP to undertake waste management projects, including those relating to plastics.

#### **Interventions by observer organizations**

30. 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.

31. 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.

32. The Indonesian Chamber of Commerce and Industry noted that inadequate regulations, finance, capacity-building and technology transfer are barriers to the transition to a circular economy. The food waste management was said to be a sector that requires special attention to achieve SDGs.

33. The Circular Economy Club of Malaysia stated that food waste accounts for 40 or 50 per cent of total waste. Food waste also implies waste of energy, money, fertilizers, and other resources. The donation of food was mentioned as a possible solution to reduce food waste, with government support as a determining factor to promote such an initiative.

34. The Indonesian Institute of Sciences stated that circular economy is linked to numerous benefits, however the application of circular practices first requires extensive research. Collaboration between the government and academia is a first step in implementing circularity.

### **Conclusions and adjournment**

35. Mr. Chhea highlighted the importance of accelerating the adoption of circular economy principles, policies and practices as means to support the achievement of the Sustainable Development Goals and fully implement the Paris Agreement. He thanked the participants for their engaging interventions and sharing of inspiring experiences, emphasizing that all inputs from the speakers and the participants in the meeting are a critical base to develop a circular economy ecosystem for all. Mr. Chhea encouraged the participants to learn from successful examples of circular economy initiatives, take them on board and replicate in their respective countries as appropriate.

36. Mr. Chhea closed the meeting at 11:04 (CET) on 13 November 2020.

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