

Sustainability and circularity taking center stage in UNECE's trade and economic cooperation work

Over the past century, our world has registered remarkable growth which raised global standards of living and lifted millions out of poverty. Unfortunately, with such economic prosperity come concerns about environmental sustainability.

In 2016, the World Bank¹ estimated that by 2050, the world would have to tackle serious challenges ranging from feeding 9 billion people, to providing access to affordable energy, while managing global greenhouse gas (GHG) emissions. The adoption of the United Nations 17 Sustainable Development Goals (SDGs) – by all United Nations Member States in 2015 – serves as a universal call to action to end poverty by 2030, while at the same time, protecting the planet.

This year however, COVID-19 exposed the flaws in our current economic model. The pandemic revealed the need for building back better by ensuring resilience to exogenous shocks, inclusivity and most importantly sustainability. There is an urgent need to find effective ways to meet current needs without compromising the ability of future generations to meet their own. As the world is reflecting on avenues to recover from the devastating impacts of the pandemic, issues related to sustainability should be at the core of the debate.

Recognizing the role of circularity in accelerating the achievement of the Sustainable Development Goals, the Sixty-Ninth Commission Session of UNECE Members States in April 2021 will be held under the theme: **“Promoting circular economy and sustainable use of natural resources in the UNECE region”**. At the UNECE Secretariat, this theme is embedded in all work streams - including trade and economic cooperation.

The [Trade and Environment Week](#) organized by the World Trade Organization (WTO) from 16 to 20 November 2020, provided a unique platform to present the role of UNECE normative instruments in advancing circularity.

UNECE's Economic Cooperation and Trade Division (ECTD) participated in three main events, including two sessions on 18 November: [“The global plastic action partnership – lessons learned”](#), organized by the United Kingdom in collaboration with the Global Plastic Action Partnership and a roundtable on [“Stakeholder Priorities for a Forward-looking WTO Agenda on Environmental Sustainability and Trade”](#), organized by the Geneva Trade Platform, UNEP Environment and Trade Hub, and the Graduate Institute's Global Governance Center. This was followed by a briefing to the regular meeting of the WTO Committee on Trade and Environment (CTE) on 20 November.

During these three events a number of UNECE's trade-related normative instruments and tools that aim at advancing circularity in the UNECE region were brought forward and discussed, sparking interest and follow-up by numerous stakeholders, governmental and others. Concrete sustainability objectives pursued by the UNECE tools discussed include: improving the transparency and traceability of value chains, facilitating sustainable procurement, and fostering sustainable waste management across a range of areas from plastic to food-waste.

- **Improving the traceability of supply chains:** UNECE hosts a UN/CEFACT project on [traceability of supply chains in the garment and footwear sectors](#). This project aims to improve transparency & traceability of value chains, to transform sectors that are particularly resource

¹ World Bank Group Climate Change Action Plan 2016-2020: <https://openknowledge.worldbank.org/handle/10986/24451>

intensive. This, in turn can enable responsible consumers choice, and indirectly, more sustainable production processes. Supply chain traceability is key for eco-design, planning and managing reuse and recycling processes, and effective and efficient waste prevention and management. [With improved tracking, tracing and labelling the garment sector has an opportunity to build back more sustainably](#). Most recently a [Call to Action](#) has been added for approval at the next UN/CEFACT plenary, one of UNECE's key intergovernmental bodies. This is a significant step forward as it invites all actors in this industry to take action for traceability and transparency using an agreed set of measures, proposed by UNECE and aligned with international commitments towards the 2030 Development Agenda.

- **Facilitating sustainable and innovation-enhancing procurement:** In addition to the [UN/CEFACT Recommendation on Sustainable Procurement \(2019\)](#), which helps governments and companies to embrace more responsible business practices while avoiding additional administrative burdens for cross-border trade, UNECE Team of [Specialists on Innovation and Competitiveness Policies](#) (ToS ICP) has discussed and explored best practices and policy recommendations on Innovation-enhancing procurement for sustainable development, at its informal consultations on 23 October 2020.²
- **Facilitating waste management & reduction:** UNECE empowers governments to foster the reduction and reuse of waste through various tools. The [UNCFACT standard for the transboundary movement of waste](#) allows the tracking and tracing of transboundary movements of waste and their disposal/exchange in compliance with the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal. With the Basel Convention Plastic Waste Amendments becoming effective January 2021, these work streams will gain increasing relevance for global efforts to combat plastic pollution. Other UNECE tools such as the [Code of Good Practice for Food Loss and Waste Prevention](#) (2019), [Methodology for Food Loss and Waste Measuring](#) (2019), [FeedUP@UN](#) (2020), can help address food waste challenges. And finally, the [Guidelines on Promoting People-first Public-Private Partnerships Waste-to-Energy Projects for the Circular Economy](#) explore how the Waste-to-Energy (WtE) industry can contribute to a transition towards a circular economy through the use of People-first and SDG-compliant Public-Private Partnerships (PPPs). This Guidelines provide governments and all stakeholders seven best practice options to make Waste-to-Energy projects compatible with the People-first approach to PPPs and become part of the solution by adopting circular economy processes, contributing to the recycling of some materials and to the sustainable production of energy by capturing greenhouse gases and removing harmful materials from waste.

A key principle that should guide sustainability is inclusiveness. To enable a smooth transition to a more circular economy, no one should be left behind in the discussions. UNECE caters to the needs of its 17 programme countries with economies in transition. Traditionally, these countries have not been at the forefront of discussions related to sustainable trade and circular economy.

However, this is changing and UNECE's Economic Cooperation and Trade Division is giving increasing attention to analytical and other work aimed at bringing forward the voices of transition economies on issues related to circularity and sustainability.

Building on UNECE's convening power for the region, a recent event on 8 December 2020 was organized in partnership with the [Geneva Trade Platform](#) and as part of the [World Circular Economy Forum](#), hosted in 2020 by Finland and the Finnish Innovation Fund Sitra. Under the theme:

² <http://www.unece.org/cicppp/cecimeetings/icp/events/2020/informal-consultations-of-the-team-of-specialists-on-innovation-and-competitiveness-policies/doc.html>

[“Promoting Circularity in Transition Economies: The Role of Trade and Economic Cooperation”](#), the online session with English-Russian translation, provided a platform for representatives from four of UNECE’s 17 programme countries to share and exchange success stories, perspectives and lessons learned on circularity.

A ministerial-level opening, benefitting from interventions by Ms. Olga Algayerova Executive Secretary of the UNECE, H.E. Mr. Kreshnik Bekteshi, Minister of Economy of North Macedonia and H.E. Ms. Nino Tandilashvili, Deputy Minister of Environment Protection and Agriculture of Georgia, showcased the relevance and importance transition economies attribute to the circular economy. The opening documented the importance of covering both, the economic and environmental dimensions of circularity and set the scene for a rich sharing of experiences and best practices.

Panelists from Kazakhstan and Serbia brought the private and public sector perspectives to the debate: Mr. Olzhas Sartayev, CEO of the "Park of Innovative Technologies" Special Economic Zone; from Serbia, Ms. Aleksandra Vucinic, Head of Group for Circular and Green Economy from the Ministry of Environmental Protection.

Discussions revealed that the circularity concept was gaining prominence in transition economies across various sectors, including waste management, agriculture, construction, transport, energy, agri-food and services: while management and reduction of waste was an obvious entry point, circularity is increasingly seen as cutting across many other sectors of economic activities. Similarly, the discussion highlighted the importance of covering both, local/city-level and national perspectives. Sound policy making, including fact-based gap analyses, inclusive development of strategies, and meticulous adoption of implementing legislation was also considered to be crucial. Equally important is managing the interaction between economic and environmental policies, be it through extended producer responsibilities (EPR), special economic zones, innovation or trade policies.

By recapping recent circular economy-related policy developments in the EU, Ms. Marianne Kettunen, Principal Policy Analyst and Head of Programme Global Challenges and SDGs, flagged the importance of cooperation across the UNECE region. If the circular economy transition is to move from the local and national levels to the regional and global ones, harnessing the benefits of trade and economic cooperation is essential. With its multitude of trade-related work streams, and a strong focus on sustainability and circularity, UNECE’s Economic Cooperation and Trade Division is well placed to support UNECE’s 17 beneficiary countries in these endeavors.

Recordings available:

- Russian: <https://www.youtube.com/watch?v=94efcTqoOoQ>
- English: <https://www.youtube.com/watch?v=magTmuFJ8VU>