2021 SPECA Economic Forum
Sustainable Trade and Circular Economy in the SPECA region: the Opportunities Ahead

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SPECA Principles of Sustainable Trade: Overview

• Were adopted on 19 November 2019 at the 14th session of the SPECA Governing Council in Ashgabat, Turkmenistan

• Comprise 20 principles at the nexus of sustainable development and trade

• Aim at supporting the achievement of the UN SDGs driving a transition to an inclusive, green and circular economy that benefits from and enhances trade opportunities

Policy tools include:
- Expanding national sustainability standards
- Encouraging investment and financing
- Facilitating e-commerce
- Eliminating distorting subsidies
- Promoting international and regional trade frameworks and the multilateral trading system.

Policy areas include:
- Promoting export diversification and value addition
- Increasing resource and energy efficiency
- Enhancing food security
- Improving waste management
- Supporting SMEs, including women-owned businesses
- Cultivating new ethics.

Three objectives are:
- Green: support for a green economy
- Social: fostering employment and decent work
- Economic: promoting overall efficiency, export diversification, value addition.
<table>
<thead>
<tr>
<th>Area</th>
<th>SPECA Principles</th>
<th>SDGs</th>
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<tbody>
<tr>
<td>Increasing resource and energy efficiency</td>
<td>1, 3</td>
<td></td>
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<tr>
<td>Promotion of export diversification and value addition</td>
<td>1, 2, 3, 5, 8</td>
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<tr>
<td>Investing in food security, encouraging waste management (including food waste)</td>
<td>10</td>
<td>2, 3, 5, 8, 12</td>
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<td>National sustainability standards</td>
<td>4, 13, 14</td>
<td>1, 11, 13, 14</td>
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<td>Encouragement of investment, including through PPPs and other financial instruments to support innovative production and sustainability</td>
<td>2, 7, 15, 17</td>
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<td>Supporting employment, SMEs and women-owned businesses</td>
<td>6, 16, 20</td>
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<td>Facilitating e-commerce for inclusion</td>
<td>13, 19</td>
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<tr>
<td>Promoting international &amp; regional trade frameworks</td>
<td>4, 7, 11, 12</td>
<td>10, 11, 17, 12</td>
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<td>Cultivating new ethics</td>
<td>18</td>
<td>17</td>
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<tr>
<td>Eliminating distorting subsidies</td>
<td>9</td>
<td>9</td>
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UNECE Project: Timeline and Main Steps

1. Concept Developed
   - October 2020

2. National Studies and Surveys
   - October 2020 – February 2021

3. Summary Report
   - Ongoing

Possible next steps could include:
- National & regional consultations
- Identification (filling) of biggest research gaps
- Revision of summary report
- Identification of priority sectors for action
- Development of action plan/roadmap (including for sharing of experiences and building of capacity)
- Mobilization of donor support...

6 SPECA countries
6 national consultants
Dozens of laws and policies reviewed
Dozens of national, sectoral & company examples
75 respondents interviewed

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Draft UNECE Report: Outline

- **SPECA Principles**
  - SPECA Principles and UN SDGs
  - Countries’ Performance
  - Awareness

- **Economic Outlook**
  - Main Economic Indicators
  - Trade Patterns in the Sub-region

- **Legal Framework**
  - Comparative Perspective
  - Breakdown of Principles by Issues, Sectors, Policy Areas and Tools

- **The Way Forward**
  - Five Sectors as Entry Points for Discussion
  - Conclusions and Recommendations
Overall Takeaways:
• Tremendous potential to harness the power of trade for a transition to more sustainable and circular economies
• However: Important to ensure that sustainability does not turn into barriers to trade

Draft UNECE Report: Initial Findings

Strategies and Policies
• Adopted in some SPECA countries, but their implementation is mostly at early state & needs support through tools & instruments

Awareness and Ethics
• Importance of raising awareness across the entire range of stakeholders
• Promotion of environmentally-oriented values & culture

Capacity-building and Data
• Better data required for informed decision making
• Capacity building & information sharing needed

International and Regional Cooperation
• UN, inc. RECs (ESCAP and ECE), OECD, WTO (Trade and Environmental Sustainability Structured Discussions (TESSD))
• The SPECA process, incl. WGs on Trade, on Innovation & Technology for Sustainable Development
Tools in the Spotlight: Examples

UNECE Toolkit for Transparency & Traceability of Supply Chains
• To assert & verify claims about sustainable production in garment & footwear sectors
• Policy recommendations, implementation guidelines & info exchange standard
• Adopted at UN/CEFACT (April 2021)

UNECE Agricultural Quality Standards (incl. for Dry and Dried Produce)
• To facilitate export of agricultural produce
• Over 100 commercial quality standards used by: public and private sector (inc. electronic certificates, e.g. UNCTAD ASYCUDA)
• First int. stand. f. dried melons (2019), developed w. Central Asian Working Group

UNECE Tools for People First PPPs for the SDGs
• To help close the financing gap for sustainable trade & circular economy
• Evaluation Methodology to score infrastructure projects (PPP) & assess compliance w SDGs
• Guiding Principles (adopted), Evaluation Methodology to be adopted end Nov 2021
• Also to be presented in SPECA Economic Forum

UNECE UNDA Project to Accelerate the Transition towards Circularity in the UNECE Region
• Multi-agency 4-year project funded by UN DA
• Capacity-building project to support UNECE member States in the circular economy transition
• Activities include creation of stakeholder network, knowledge sharing, gap analysis

Over a dozen of tools mostly by UNECE, but also by UNCTAD and other UN agencies and organizations can offer concrete support for countries and economic actors to implement the SPECA Principles of Sustainable Trade.
Way Forward: 5 Entry Points & Possible Next Steps to Facilitate Discussion on Scaling up Sustainable Trade in the SPECA Sub-region

Possible next steps could include:

• National & regional consultations
• Revision of summary report (for 2022 SPECA meetings)
• Identification (filling) of biggest research gaps
• Identification of priority sectors for action
• Development of action plan/roadmap, including for sharing of experiences and building of capacity
• Mobilization of donor support...
SPECA Principles of Sustainable Trade: The Bigger Context

Implementation of SPECA Principles of Sustainable Trade
THANK YOU!