ECONOMIC COMMISSION FOR EUROPE

EXECUTIVE COMMITTEE 120th meeting Geneva, 26 January 2022 Item 7

Informal Document 2022/4

Status report: Implementation of decisions taken by the 69th session of the Economic Commission for Europe related to the cross-cutting theme of the high-level segment

(as of 31 December 2021)



Note by the secretariat

Background

The high-level segment of the sixty-ninth session of the Economic Commission was held under the cross-cutting theme "Promoting circular economy and the sustainable use of natural resources" in April 2021. A number of decisions were taken to further strengthen UNECE's work on this issue (E/ECE/1500 and E/ECE/1500/Add.1).

This note provides a first status update on the implementation of these decisions by different subprogrammes, relevant subsidiary bodies, and the secretariat of UNECE, as of 31 December 2021. Given the wealth of related activities, this document only contains highlights of the action taken thus far. For further details, please consult the reports of the respective subsidiary bodies/project documents.

In the lead up to the next Commission session, the secretariat will issue further periodic updates to the Executive Committee that will also inform the preparation of a progress report on the work of the Commission on the promotion of a circular economy and the sustainable use of natural resources for consideration at its seventieth session as mandated by member States (see E/ECE/1500, section I, para 18).

Next steps:

Member States may wish to consider the following decision related to this item:

The Executive Committee

- welcomes the information provided by the secretariat on the status of implementation of the decisions taken by the sixty-ninth Commission sessions related to the cross-cutting theme "Promoting circular economy and the sustainable use of natural resources, as contained in informal document 2022/4;
- commends the subsidiary architecture of UNECE and the secretariat for the action taken thus far;
- notes with appreciation that the designation of the high-level theme has contributed to building momentum and has already started to further strengthen the Commission's work in this field within its existing mandate as appropriate and subject to available resources;
- encourages the secretariat to actively pursue communication and outreach work on related activities; and
- looks forward to receiving further periodic updates on the issue.

Other issues calling for decision by the Commission (E/ECE/1500)

1. Circular economy and the sustainable use of natural resources

The Economic Commission for Europe,

- 9. Emphasizes the need to further strengthen its work in this field within its existing mandate as appropriate and subject to available resources;
- 10. Requests the relevant Sectoral Committees and bodies reporting directly to the Executive Committee, and their subsidiaries, to consider how to **enhance the impact of relevant existing ECE instruments,** in order to foster circular and more resource efficient approaches, including by proposing ways to identify, assess and fill gaps in governance and good practices;

Subprogramme 1:

In November 2021, the Committee for Environmental Policy took note of the outcomes of the 69th session of the Commission and decided to include a standing agenda item on the follow up to the sessions of the Commission in the Committee's future agenda. Meetings of the Parties of relevant Multilateral Environmental Agreements considered ways to follow up on the theme, as appropriate.

- Greening the economy in the pan-European region: working towards sustainable infrastructure and applying principles of circular economy to sustainable tourism are the two themes of the Ninth Environment for Europe Ministerial Conference (Nicosia, 5-7 October 2022). The two background documents are being prepared. The first drafts were considered by the ECE Committee on Environmental Policy at its twenty-seventh session (November 2021).
- A pan-European environmental assessment is being drafted as input to the Ninth Environment for Europe Ministerial Conference (Nicosia, 5–7 October 2022). Besides traditional environmental topics, the assessment addresses the Conference themes including on applying principles of circular economy to sustainable tourism.
- Within the framework of **SPECA Economic Forum**, countries of the sub-region were briefed on the **key principles of circular economy and the benefits it can bring to achieving sustainable development.** A presentation by the outgoing Vice-Chair of the Transport, Health and Environment Pan-European Programme highlighted the perspective of circular economy in sustainable and healthy mobility.
- Through the Geneva Declaration (Geneva, October 2021), Meetings of the Parties to the Aarhus Convention and to the Protocol to PRTRs: (a) committed to promote inclusive and effective access to information and public participation as to further sustainable infrastructure for achieving e.g. green and circular economy; and (b) recognized that the treaties' implementation underpin the European Union Green Deal and other similar initiatives.

Subprogramme 2: The decisions of the Commission were considered in relevant subsidiary bodies of the sustainable transport subprogramme.

- The aspect of "circularity" was introduced into the revised Terms of Reference of the **Working Party on Inland Water Transport** (SC.3), (ECE/TRANS/2022/6, annex III). The WP continued discussions, first initiated in 2020, on the circular economy principles relevant for inland water transport, including on the separate collection and management of waste generated on-board vessels (ECE/TRANS/SC.3/215, ECE/TRANS/SC.3/8).
- The Working Party on the Transport of Dangerous Goods (WP.15) that administers the Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) continued discussions on a range of issues with direct influence on product and containment designs, reuse and recycling of packaging, movement of waste classified as dangerous and waste collection programs. (ECE/Trans/WP.15/255, annex I)

Subprogramme 3:

The **Conference of European Statisticians** (CES) considered the Commission decisions at its plenary session in June 2021 (document ECE/CES/2021/1), under agenda item 8, 'Programme of work of the Statistics subprogramme of the United Nations Economic Commission for Europe'. The Conference took note of the decisions of the 69th session of the Economic Commission for Europe that have implications for its work, as presented in document ECE/CES/2021/1. The work on circular economy is included in the Programme of Work (ECE/CES/2021/15, para 61) that the Conference adopted.

Subprogramme 4:

Relevant subsidiary bodies of the economic cooperation and integration subprogramme took note of the Commission decisions and invited their Bureaux and the secretariat to continue to explore additional opportunities for collaboration with other ECE bodies and international organizations. The subprogramme strengthened work on how economic cooperation can help support member States on the path towards a circular economy through its normative and XB-funded technical assistance activities. It concentrated on specific circularity aspects, notably circular innovations (e.g. platform/sharing economy), innovation-enhancing procurement, and public-private partnerships (PPPs).

- Building on its prior work on circularity (e.g. policy paper ECE/CECI/2018/3), the ToS ICP in its 12th session continued its activities, including through two webinars that resulted in two policy papers on the identification of **good practices for the platform economy** (ECE/CECI/2021/4) and on **innovation-enhancing procurement for sustainable development** (ECE/CECI/2021/5), presented to the 2021 CICPPP. The ToS in its 13th session also held a policy seminar on "Leveraging innovation for the circular economy", and a summary policy documents, will be submitted for endorsement to the next session of the CICPPP in spring 2022.
- The Working Party on PPP, at its fifth session, continued work on **Waste-to-Energy Guidelines**. It also endorsed the People-first PPP Evaluation Methodology for the SDGs (ECE/CECI/WP/PPP/2021/3), which includes indicators on circular economy to evaluate the circularity of infrastructure projects and requested the secretariat to submit the Evaluation Methodology for approval to the CICPPP at its next session in spring 2022. Moreover, the Working Party initiated a discussion on **circular PPP/infrastructure**, including as part of two dedicated policy debates and requested the secretariat to further explore some of these discussions at the UNECE International PPP Forum in 2022 and to summarize in a guide how PPP projects could be better designed, developed and implemented in order to contribute to the circular economy agenda, for consideration at its next session and within existing extrabudgetary resources.
- Activities under the UN Development Assistance (UN DA)A project "Accelerating the transition towards a Circular Economy in the ECE region" included two regional policy dialogues: 1) Launch Event on "Harnessing Trade and Economic Cooperation in the Circularity Transition" (Oct 2021) and 2) Roundtable on "Fostering Circularity in Food Trade" (Nov 2021). see also entry under 11 below
- A new XB project "Reinforcing the innovation ecosystem in the UNECE region to promote innovation and digital technologies for sustainable development and for the circular economy transition" is under preparation.

Subprogramme 5:

The Committee on Sustainable Energy and its subsidiary bodies are pursuing specific initiatives to enhance the impact of relevant existing ECE instruments:

- **High Performance Buildings Initiative**: active deployment (ECE/ENERGY/137, paras 32-34). Deployment of UNECE's Framework Guidelines for Energy Efficiency Standards in Buildings.
- **Methane Management** (ECE/ENERGY/137, paras 30-31): Development and Dissemination of Best Practice Guidelines and support for an International Decade on Methane Management.
- Sustainable Resource Management (ECE/ENERGY/137, paras 35-36): Development and Dissemination of UNFC and UNRMS; Support for a global framework for sustainable resource management
- Carbon Neutrality (ECE/ENERGY/GE.5/2021/2, paras 19, 20): Technology assessment and dialogue on effective options for countries to achieve carbon neutrality.
- **Hydrogen Ecosystem** (ECE/ENERGY/GE.5/2021/2, paras 14-18): Development of instruments to enable a future hydrogen ecosystem (electrons and molecules including mechanisms for tracking the carbon and resource implications).

In each case, if ECE can mobilise partners in a timely manner, measurable outcomes would be expected within 5 years.

Subprogramme 6:

Relevant subsidiary bodies of the trade subprogram took note of the Commission decisions. The programmes of work (PoW) for the Trade subprogramme (Steering Committee; WP.6; and WP.7) for 2022 (ECE/CTCS/2021/2) contain relevant circular economy approaches.

The PoW (ECE/TRADE/C/CEFACT/2021/17) of CEFACT, the United Nations Centre for Trade Facilitation and Electronic Business, sets out that the Centre will create and maintain a **Sustainable Development and Circular Economy Reference Data Model Support** and support sector specific implementations.

The relevant subsidiary bodies also invited their Bureaux and the secretariat to explore additional opportunities for collaboration with other ECE bodies and international organizations. Key circularity related outcomes of the subprogramme's normative meetings include:

- The 27th session of the UN/CEFACT Plenary (April 2021) adopted a far-reaching package of solutions in support of a circular economy (ECE/TRADE/C/CEFACT/2021/2). "The Sustainability Pledge" includes among others UNECE Recommendation 46 "Enhancing Traceability and Transparency of Sustainable and Circular Value Chains in the Garment and Footwear Sector" (ECE/TRADE/C/CEFACT/2021/10), and launches a Call to Action for Traceability, Transparency, Sustainability and Circularity of Value Chains in the Garment and Footwear Sector (ECE/TRADE/C/CEFACT/2020/6/Rev.1). It invites governments, garment and footwear manufacturers and industry stakeholders to apply the toolkit and gather the information necessary for improving sustainability in the sector and prioritizing circular economic approaches to production.
- The sixth session of the Steering Committee on Trade Capacity and Standards (June 2021) (ECE/CTCS/2021/2) noted the relevance of circularity, and the contribution of trade to a circular economy transition.

- The 76th session of WP.7 (November 2021) recalled that agricultural quality standards may be seen as a contribution to a more circular economy (ECE/CTCS/WP.7/2021/2). Noting that some issues related to circular economy are beyond the scope of the WP.7 mandate, the WP decided to expand its work only on **food loss and waste and sustainable consumption and production** and subject to availability of additional resources.
- The 31st session of WP.6 held a dedicated meeting on Circular Economy and Regulatory Cooperation and Standardization (ECE/CTCS/WP.6/2021/2) in November 2021. It requested the Bureau to explore the links between the circular economy and the WP's core activities and to propose options for supporting the transition to a circular economy and the sustainable use of natural resources.

Subprogramme 8:

The Committee on Urban Development, Housing and Land Management will enhance the impact to foster circularity in cities in its smart sustainable cities programme through **strengthening capacity building activities related to circularity**.

11. Invites these subsidiary bodies to replicate and scale up existing approaches that facilitate broad and effective use of the appropriate instruments, including through capacity-building and knowledge-sharing activities;

Subprogramme 1:

- The SPECA Working Group on Water, Energy and Environment considered the study on "Applying Principles of Circular Economy to Sustainable Tourism in SPECA countries". The Working Group requested the United Nations secretariat to support the SPECA participating countries to i) develop guidelines on the application of circular economy principles to sustainable tourism and other sectors in SPECA countries; and ii) replicate and scale up existing approaches to build capacity and raise awareness of the benefits of circular economy through training workshops organized in cooperation with key stakeholders for government officials and tourism businesses.
- The **Meeting of the Parties to the Aarhus Convention** (October 2021) adopted <u>Recommendations</u> aimed at promoting effective online public access to information on various subjects relevant for circular economy, such as: environmental management, sustainable consumption and production, best available techniques, green procurement, product-specific data, environmental impact assessments, licensing and permitting processes.
- The Task Force on Water-Food-Energy-Ecosystems Nexus under the Water Convention brings together the concerned sectors representing the Parties and non-Parties to guide and oversee the activities implemented under the Convention in the nexus area. One output of a recent transboundary dialogue on the nexus in the North West Saharan Aquifer System, the riparian countries defined a "package" of nexus solutions to achieve cross-sectoral goals, including the circular economy. Similar work will be carried out in the next PoW, with "operationalization" of nexus solutions and investments in specific basins. The Task Force serves as a venue for the exchange of experience in water-food-energy-ecosystems nexus between basins and countries across the world. It is a place for sharing knowledge on pathways to, and impact of, the circular economy in transboundary basins.
- The Executive Body to the UNECE Convention on Long-range Transboundary Air Pollution, at its forty-first session (December 2021), adopted a guidance document on reduction of emissions from agricultural residue burning. The document aims to support Parties in reducing emissions of air pollutants, including those that are also short-lived climate pollutants, from agricultural residue burning, thus reducing their negative effects on human health, environment and economy.

Subprogramm 2: The Working Party on Intermodal Transport and Logistics (WP.24) promotes the UNECE Handbook for national master plans for freight transport and logistics, published in May 2021. The Handbook showcases ways to develop freight transport and logistics, among others through increasing efficiencies in the sector by optimizing infrastructure and operation as an alternative to capacity growth through unlimited expansion of infrastructure of fleets. Thus, WP.24 promotes more efficient use of resources while ensuring the necessary capacity in delivering freight to its users. Workshops were held in 2021 to promote update/sector development in interested UNECE countries.

In November 2021, WP.15 adopted a **revised version of the Road Map for Accession to ADR and its Implementation**, recognizing the usefulness of the Road Map as a tool form promoting ADR and the work of the WP, both in countries that are not contracting parties and in the national administrations of countries that are already parties.

Further, a collaboration with EU-funded **extrabudgetary project SolutionsPlus** is being contemplated to deliver on combined reports on resource efficiency and circular economy considerations in electric vehicle development in Ecuador, Uruguay, Nepal, the Philippines, Spain, Germany, Rwanda, Tanzania, where SolutionsPlus is already engaged. It brings together highly committed cities, industry, research, implementing organizations and finance partners and establishes a global platfor for shared, public and commercial e-mobility solutions to kickstart the transition toward low carbon urban mobility.

Subprogramme 4/6:

The UN DA project on Accelerating the transition towards a more circular economy in the ECE region will address challenges and harness opportunities in key target areas, where UNECE has existing (or close to final) tools to offer. These include:

- Traceability of products along international value chains (Sustainability Pledge and UN/CEFACT toolkit)
- Innovation-enhancing public procurement (policy paper)
- Management of waste, including food loss and infrastructure (in connection to Waste-to-Energy PPP Guidelines; FeedUP@UN, Code of Good Practice for reducing food loss and waste in fresh fruit and vegetable supply chains)

One of main action points for the UN DA project is to disseminate evidence-based good policy practices. This project is cross cutting and involve other subprogrammes such as SP 6 (Trade).

<u>Subprogramme 5:</u> The work of the sustainable energy subprogramme is focused on circular economy and sustainable use of natural resources (ECE/ENERGY/137, paras 17-22):

- 1. Activities in sustainable resource management (UNFC and UNRMS) underpin both;
- 2. The **initiative on high performance buildings** involves full life-cycle consideration of resource use and recycling of materials;
- 3. The work **on environmental footprint and methane management** specifically aims to improve technical and carbon efficiency of the energy system, thereby improving resource use; and
- 4. Activities in the **re-conception of energy systems for the future**, including hydrogen and renewables, are aimed at integrating sustainability throughout energy value chains.

The subprogramme is pursuing active and effective deployment of related UNECE instruments. It continues to support **webinars**, **virtual seminars**, **and incountry events** such as the international fora on energy for sustainable development, renewable energy hard talks, and dedicated projects in all of the areas covered by the sub-programme.

Subprogramme 6: UN/CEFACT established a Team of Specialists on Environmental, Social and Governance (ESG) Traceability of Sustainable Value Chains in the Circular Economy to improve ESG monitoring and reporting in value chains. In its first session in November 2021, the ToS initiated work to contribute to better and more informed decisions for sustainable production and consumption, through ESG traceability approaches and systems for the exchange of data and information along global value chains in priority industries for the circular transition. (ECE/TRADE/C/CEFACT/2021/23/Rev.1)

<u>Subprogramme 7</u>: The work under the Committee on Forests and Forest Industry will be strengthened by the activities of its subsidiary bodies, the joint UENCE/FAO Working Party on Forest Statistics, Economics and Management and the Teams of Specialists (ToS), providing a **platform for replicating and scaling up knowledge** on a range of topics relevant to a circular economy and the sustainable use of forest resources:

- ToS on Boreal Forests
- ToS on Monitoring Sustainable Forest Management
- ToS on Sustainable Forest Products
- ToS on Forest Communication
- ToS on Forest Products and Wood Energy Statistics

Subprogramme 8:

The work under the Committee on Urban Development, Housing and Land Management will be strengthened through developing **capacity building activities based on principles of the Guide to Circular Cities**, featured in it seventeen case studies, that was published earlier.

12. Further invites these subsidiary bodies, as appropriate, to consider **developing proposals in their respective programmes of work**, including possible collaboration across subprogrammes, for impactful and measurable solutions that promote a circular economy and the sustainable use of natural resources and that can facilitate attaining the objectives of the 2030 Agenda for Sustainable Development;

Subprogramme 1:

- At its twenty-seventh session, the Committee on Environmental Policy decided to advance the development of the catalogue of actions/measures on possible voluntary actions/commitments under the Batumi Initiative on Green Economy on the two themes of the Ninth Environment for Europe Ministerial Conference. An ad hoc expert group led by Switzerland will be formed to prepare the catalogue.
- The Meeting of the Parties to **the Aarhus Convention** (October 2021) mandated the Task Force on Access to Information to explore e.g. means to **improve access to information relevant for circular economy**, namely to product information, including through the latest digital solutions such as "**product passports**", with a view to **possible adoption of a new instrument** by the Meeting of the Parties at its eighth session in 2025 (decision VII/1).
- The Meeting of the Parties to the Protocol on PRTRs (October 2021) agreed to initiate the work on possible amendments to the Protocol aimed at strengthening PRTRs to e.g. promote circular economy and support monitoring and implementation of Sustainable Development Goals (decision IV/2).

<u>Subprogramme 2:</u> The **Inland Transport Committee Programme Plan for 2023** stipulates that "... the subprogramme will scale up its efforts to support the development of sustainable inland transport systems internationally and ensure that its activities benefit the ECE region and provide best practices to other regions in their own efforts to curb the number of road traffic deaths and injuries; **improve the environmental performance of the inland transport**

systems, including the need for circularity and reduction of emissions; and enhance efficiency, connectivity and accessibility for all, including persons with disabilities, through digitalization of documents and procedures in transport and promotion of automated vehicles" (ECE/TRANS/2022/9, para 19). Further, several relevant subsidiary transport bodies (e.g. WP.15 and WP. 11) took note of the outcomes of the Commission and decided to elaborate concrete proposals for further consideration in its subsequent sessions.

As part of the nexus on sustainable use of natural resource activities, an RPTC project was approved on "improving capacity in Ukraine to support the circular economy in e-mobility and sustainable resource management using a nexus approach of Mobility and Resource as a Service model (M-RaaS)". Implemented jointly by the Transport and Energy divisions of UNECE, the project aims to provide an overview, policy recommendations and capacity building for Ukrainian stakeholders in the field of circular mobility and resources through the analysis of Mobilita and M-RaaS models.

<u>Subprogramme 5:</u> The spectrum of new initiatives underway, planned, or under consideration is captured in the sub-programme's **strategic review** that was endorsed by member States at the 30th session of the Committee on Sustainable Energy (ECE/ENERGY/137, paras 17-22).

<u>Subprogramme 7:</u> The work under the Committee on Forests and Forest Industry will be implemented in line with the new **Integrated Programme of Work 2022-2025.** New initiatives are expected to emerge at the beginning of 2022.

13. Further requests that these subsidiary bodies **implement this decision without affecting their core mandate** and activities carried out under each sectoral committee, **and subject to available resources**;

Extrabudgetary Projects

Please refer to Annex I for a list of extrabudgetary projects that promote circular economy and the sustainable use of natural resources. (Further details are available in the respective project documents submitted to EXCOM earlier.)

UN DA Projects (focused on/including activities on promoting circular economy and sustainable use of natural resources):

- Accelerating the transition towards a more circular economy in the ECE region (multi-agency UNDA project, 2021-2024). (see item 11 above)
- Global initiative towards post-Covid-19 MSME sector MSME Surge project (joint UNDA project with UNCTAD, DESA and other regional commissions, 2021).
 - The objective of the project is to develop and implement capacity building tools for governments and MSMEs to facilitate resurgence and strengthen resilience of micro, small and medium enterprises (MSMEs) in developing countries and economies in transition to mitigate the economic and social impact of the global Covid-19 crisis and to facilitate the MSMEs contribution to the SDGs implementation. The deliverables include the development of an online training on agricultural quality and **food loss and waste**, which will be finalized in March 2022 and several **webinars on entrepreneurship for SMEs, including for circular economy approaches**.

- Increased policy coherence and sustainability of national production and consumption patterns in North-South and South-South agriculture trade (2018-2021)
 - The project's key focus is on agricultural quality standards and food loss and waste reduction. Expected accomplishments are: (1) Increased capacity of national stakeholders to analyse and address the impact of trade requirements on export-oriented production and food loss; and
 (2) Enhanced understanding of national stakeholders on international standard setting of sustainable production patterns and food supply chains.
 - Key outputs include the development of a blockchain enhanced smart food loss management system (FeedUP@UN), as well as the development of a food loss measurement methodology, and a Code of Good Practice for Reducing food loss and waste in fresh fruit and vegetable supply chains. The activities were implemented in close collaboration with WP.7, which had established an ad-hoc drafting group for the Code of Good Practice.
- Evidence-based environmental governance and sustainable environmental policies in support of the 2030 Agenda in South-East Europe
- Food-Water-Energy nexus support to post-COVID-19 recovery in Eastern Europe, Western Balkans, Central Asia, the Middle East and Africa
- Integrated energy and water resource management in support of sustainable development in South-East Europe and Central Asia
- Smart Sustainable Cities for the 2030 Agenda on Sustainable Development and the New Urban Agenda in selected countries in the UNECE Region
- Building Urban Economic Resilience during and after COVID-19
- 14. Invites the secretariat to **collaborate with other international organizations and regional economic integration organizations,** including the European Union towards the development of a harmonized approach to **measuring progress** towards circularity including greater resource efficiency;

<u>Subprogramme 1:</u> Within the framework of the Environmental Monitoring and Assessment Programme, a **regional conference on "Measuring and monitoring the circular economy and the use of data for policy-making"** was organized in November 2021 by UNECE with support of UNEP, the European Environment Agency, the European Commission, Eurostat and UNECE member States.

Subprogramme 3: A **Task Force on Measuring Circular Economy** was set up by the Bureau of the Conference of European Statisticians in February 2021. The main objective of the Task Force is to draft guidelines for measuring the circular economy. It was decided that the guidelines will be drafted jointly with OECD's Expert Group on a new Generation of Information on Waste and Materials. Members of the Task Force include, next to experts from several National Statistical Offices and National Environment Agencies, experts from UNEP, OECD, European Environment Agency, United Nations Statistics Division, United Nations University, Eurostat, IMF, Platform for the Acceleration of the Circular Economy, and the World Resources Institute.

In June 2021 the Conference of European Statisticians endorsed the "Waste Statistics Framework", which provides a fundamental conceptual basis for measuring important aspects of a circular economy. The Task Force which drafted the document included many national experts, experts from research and the private sector, as well as experts from Basel Convention Secretariat, Eurostat, OECD, UNEP, UN-Habitat, United Nations University and UNSD.

<u>Subprogramme 5:</u> The Sustainable Energy Subprogramme is working with a wide range of organizations, incl. international and regional economic integration organisations and the other Regional Commissions, on the development and deployment of the United Nations Framework Classification (UNFC) and United Nations Resource Management Systems (UNRMS).

Subprogramme 6:

- Facilitated through the inter-agency cooperation between ECE and ESCAP, countries participating in the UN Special Programme for Economies in Central Asia (SPECA) adopted the **Tashkent Statement on Sustainable Transport, Trade and Connectivity in the SPECA Region for a Greener, Circular and Inclusive Post-Pandemic Recovery** (November 2021). The statement reaffirms the importance of circular economy and the sustainable use of natural resources in achieving the SDGs and calls for support to SPECA countries in their efforts to implement the SPECA Principles of Sustainable Trade, including by harnessing the power of trade for sustainable development and transition to circular economy. It also calls to increase the outreach to other fora, such as UNEP, WTO, OECD, and others; create a network of SPECA Sustainable Trade experts, using the UNECE regional study "Promoting sustainable trade and circular economy in SPECA countries: State of play and way forward".
- The subprogramme also collaborated with several other international organizations in the preparation of circular economy related events, including:
 - High Level Political Forum (July 2021), session "Making the circular transition work for a transformative and prosperous post-COVID recovery";
 - o IISD Trade and Sustainability Hub, on the occasion of WTO MC 12 (December 2021): sessions "Trade in Circularity: Perspectives of Developing and Transition Economies" and "Advancing the Race to Net Zero: How Trade Policy Can Support Climate Action".

Subprogramme 7:

Under the Committee on Forest and Forest Industry, the Joint UNECE/FAO/ITTO/Eurostat Forest Sector Questionnaire (JFSQ) collects statistical data on the use of forest based natural resources. Currently, key data is not collected by member States but calculated based on material inputs and outputs in production chains, meaning the data used is actually estimations that require resource-intensive and complex processes to refine.

The Forestry and Timber section continuously works on capacity building in data collection in the forest sector to provide a more accurate view on the use of forest products in order to foster circular and more resource efficient approaches. The Section is part of the informal **Expert Group on the generation of information for a resource efficient and circular economy.** This work is done under the leadership of the UNECE Statistics Division.

The Joint Section has also issued a study on "Circularity concepts in forest-based industries" as a knowledge building instrument for informed policymaking.

Subprogramme 8:

The Committee on Urban Development, Housing and Land Management will continue cooperating with ITU, UN-Habitat and other 14 UN entities within the

<u>United for Smart Sustainable Cities (U4SSC) Initiative</u> based on the <u>Guide to Circular Cities</u>, which contains a circular city implementation framework that is designed to improve circularity in cities and seventeen case studies that illustrate the implementation of the Guide.

15. Also requests the secretariat to further promote **partnerships related to a circular economy and the sustainable use of natural resources,** including with the United Nations system, other international organizations, non-governmental organizations, academia and the private sector, to explore opportunities for synergies to broaden the use of relevant ECE instruments;

The Secretariat is reaching out to partners to explore **collaboration in the production of think pieces** covering a number of cross-sectoral issues. The goal of this initiative is to co-generate knowledge in a way that strengthens internal cross-sectoral dynamics in the Secretariat while drawing on complementarities with partners that contribute to fill gaps and increase the external projection of ECE work. Three broad topics related to circularity have been identified for this collaborative initiative, which is supported by extrabudgetary funding: **financing for circular economy, governance for circular economy and digitalization and circular economy.**

Subprogramme 1:

In March 2021, UNDP Uzbekistan, the Government of Uzbekistan, the European Union and UNECE organized an international online forum "Building forward better": Green recovery of Uzbekistan after the COVID-19 coronavirus pandemic". The purpose of the Forum was to initiate a dialogue between the Government of the Republic of Uzbekistan, international development agencies, donors and investors, the private sector, and the civil community about the country's transition to a green economy and sustainable development of Uzbekistan. UNECE supports the development partners' efforts to assist the Government of Uzbekistan in **advancing the green transition agenda**. Under the leadership of UNDP Uzbekistan and World Bank, UNECE participates in the coordination mechanism for the preparation of a Green Growth Strategic Framework and contributes to the discussion under the thematic groups.

Subprogramme 2:

The Vehicle Regulations and Transport Innovations Section collaborates with the World **Economic Forum (WEF) Circular Car Initiative (CCI)** to provide expertise in automotive legislation and to promote ECE legal instruments. Several ECE instruments are quoted in one of the main 2021 deliverables on CCI: **"Paving the Way: EU Policy Action for Automotive Circularity."**

Subprogramme 4:

The subprogramme initiated an extrabudgetary **project on disruptive innovation** (Reinforcing the innovation ecosystem in the UNECE region to promote innovation and digital technologies for sustainable development and for the circular economy transition; 2021/40) that will strengthen collaboration and networking with a wide range of partners.

Closer links to key players in the circular economy field were forged by the subprogramme's active participation in and the organization of panels and events to establish close ties with the potential new partners.

<u>Subprogramme 5</u>: The **High Performance Buildings Initiative** is conceived as networks of partnerships with local community institutions, academia, industry, and thought leaders to mobilize real change in the built environment to deliver a range of outcomes including circular economy and the sustainable use of natural resources.

Centres of excellence in methane management and in sustainable resource management are partnerships established explicitly to advance ECE instruments.

<u>Subprogramme 6</u>: Together with UN Regional Economic Commissions UNECE launched a joint policy brief entitled "Transforming Food Systems" in connection with the Food Systems Summit (23 September 2021, New York), identifying game changers, including for resource efficiency and circularity.

<u>Subprogramme 7:</u> Under the Committee on Forests and Forest Industry, the Joint UNECE/FAO Forestry and Timber Section cooperates with FAO, ITTO and Eurostat on the preparation of the **Forest Sector Questionnaire (JFSQ)** – mentioned above. In addition, **Teams of Specialists provide a platform for partnerships and collaboration** with experts from the United Nations system, other international organizations, non-governmental organizations, academia and the private sector, on a number of topics relevant to a circular economy and the sustainable use of forest resources.

16. Requests the secretariat to submit relevant inputs from its work, both subprogramme-specific and cross-sectoral, on **promoting a circular economy** and the sustainable use of natural resources to overarching international initiatives, such as the Decade for Action on the SDGs (2020–2030); the United Nations Decade on Ecosystem Restoration (2021–2030); and the Decade of Sustainable Energy for All;

Subprogramme 1:

The Water Convention contributes to promoting circular economy and sustainable use of natural resources through initiatives specifically focused on Water (e.g. UN Water Conference 2023) as well as to climate, energy (UN Climate Change Conferences COP, SE4All initiative, etc.). The recent publication "Solutions and investments in the water-food-energy-ecosystems nexus in transboundary basins" includes experience from around the world on how countries can design and implement 'nexus' solutions and investments that create synergies and provide transboundary benefits.

Subprogramme 5: The subprogramme is contributing to a number of overarching international initiatives, and provides

- Support for efforts by the office of the Secretary General to establish a Working Party on Extractive Industries;
- Support for the G7 work on critical raw materials;
- Promotion of a 5-point action plan to establish a global framework for sustainable resource management;
- Contributions to the Global Tracking Framework for SDG7, and support for the SDG7 Technical Advisory Group.

<u>Subprogramme 7:</u> Under the Committee on Forests and Forest Industry, the UNECE/FAO Forestry and Timber Section contributes to the the **Decade for Action on the SDGs (2020–2030) and the United Nations Decade on Ecosystem Restoration (2021–2030)** through its work forest landscape restoration (more information: https://unece.org/info/Forests/events/349092, https://unece.org/restoration-forests-and-landscapes-unece-region) and urban trees and forests (more information: https://unece.org/info/Forests/events/362773, https://unece.org/info/Forests/events/361546, https://unece.org/info/Forests/events/361234)

Subprogramme 8: The #Housing2030 Initiative, www.housing2030.org, joins UNECE, the United Nations Human Settlements Programme (UN-Habitat) and Housing Europe. It supports among others circularity in the use of natural resources for housing construction and refurbishment. The Initiative developed in 2021 a study "Housing2030: Effective policies for affordable housing in the UNECE region" which has a dedicated chapter climate-neutral housing construction and renovation which address issues of circularity.

17. Encourages timely **implementation of the voluntary initiatives submitted by member States to the Commission session**, to further accelerate the transition to a circular economy and the sustainable use of natural resources, and further encourages member States who have not done so yet to consider taking concerted action in this regard;

(to be updated later via outreach to MS)

18. Requests the secretariat to present a **progress report** on the work of the Commission on the promotion of a circular economy and the sustainable use of natural resources **for consideration at its seventieth session.**

This status report and subsequent updates will inform the progress report to be presented to ECE70.

IV. Resource management, near-term acceleration of achievement of the 2030 Agenda for Sustainable Development through action on gases and buildings, and study of the impact of subsidies as well as carbon pricing options

The Economic Commission for Europe,

34. Invites the **Committee on Sustainable Energy** to pursue diligently further work on the role of natural gas, hydrogen, carbon capture, use, and storage, and high-efficiency, low-emissions technology for those countries that choose to use it as well as on the management of anthropogenic methane emissions in the transition to a carbon neutral economy;

The Committee on Sustainable Energy held its thirtieth session in September 2021. Recognizing that (i) each country has its own endowment of natural resources and its unique cultural, legislative, and regulatory heritage; (ii) addressing climate change is a critically urgent imperative; and (iii) achieving the quality-of-life objectives of the 2030 Agenda remains an important opportunity for collaboration among member States, the Committee called on member States to deliver tangible outcomes at scale in the near term and over the long term through their commitments, plans and actions and to: (a) redefine energy and resources as services to facilitate the transition to sustainable energy systems; (b) deploy more effective and pragmatic approaches to managing energy systems with a goal to increase sustainability and to achieve carbon neutrality; (c) ensure that actions taken are cost effective, resource-efficient, and socially responsive in their respective contexts; and (d) consider the life cycle and transversal consequences of alternatives, including embedded carbon/GHGs, water and resource implications.

Further, the Committee took note of the document "A Commitment Trifecta" (ECE/ENERGY/2021/17) and the informal companion document, "A Push to Pivot" (CSE30/2021/INF.5) and called on member States to consider taking action in the six areas indicated in the documents.

35. Requests its sectoral committees on Sustainable Energy and on Urban Development, Housing and Land Management to undertake dissemination, education and research, consultation, and engagement among stakeholders on high-performance buildings and to support member States further developing and deploying normative instruments to improve energy efficiency in buildings;

The Committee on Sustainable Energy discussed the issue during its thirtieth session (see ECE/ENERGY/2021/17, paras 2-6). During its eighth session in September 2021, the Group of Experts on Energy Efficiency discussed ways to broaden the update of the guidance available under the High-performance building initiative. (ECE/ENERGY/GE.6/2021/2, paras 23-27)

A series of trainings on affordable and energy efficient housing will be organized, including through the interagency Housing2030 initiative. Also podcasts addressing the topic are available in the podcasts on www.housing2030.org

36. Requests the Committee on Sustainable Energy to continue studying how best to address **efficient use of energy resources**, and in this regard the impact of subsidies as well as carbon pricing options.

During the Committee's thirtieth session, an international panel presented topics on subsidies and carbon pricing relevant for the ECE region with a view to develop best practice guidance regarding reform of subsidies and institution of effective GHG pricing mechanisms.

Other issues calling for decision by the Commission (E/ECE/1500/Add.1)

I. Best Practice Guidance for Effective Methane Recovery and Use from Abandoned Coal Mines

The Economic Commission for Europe,

2. Recommends that the Best Practice Guidance be disseminated widely, inviting States Members of the United Nations, international organizations and the regional commissions to consider the possibility of taking appropriate measures to ensure the application of the Best Practice Guidance in countries worldwide;

Subprogramme 5 continues its collaboration with partners, including the international centres of excellence, on coal mine methane, to conduct seminars and training sessions. Further development of the suite of best practice guidance is underway, including on Monitoring, Reporting, Verification (MRV) and Mitigation of methane emissions from coal mines and support for an International Decade for Methane Management. For further details, see the Report of the Group of Experts on Coal Mine Methane (ECE/ENERGY/GE.4/2021/2)

3. Decides to propose to the Economic and Social Council that it recommend the application of the Best Practice Guidance in countries worldwide and transmit to the Council at its next session a draft decision on this issue for consideration and possible adoption.

The Economic and Social Council pronounced on the issue in ECOSOC decision 2021/249 of 21 July 2021.

II. Updated United Nations Framework Classification for Resource

The Economic Commission for Europe,

- 5. Endorses the updated United Nations Framework Classification for Resources (UNFC) of 2019, contained in document ECE/ENERGY/125 and ECE Energy Series No. 61;
- 6. Recommends that the updated UNFC be disseminated widely, inviting States Members of the United Nations, international organizations and the regional commissions to consider the possibility of taking appropriate measures to ensure the application of UNFC worldwide;

The sustainable energy subprogramme has engaged with the Secretary-General's initiative on extractive industries and is working with partners on supply of critical raw materials.

• five-point action plan for sustainable resource management. (ECE/ENERGY/2021/17, paras 17, 18)

The subprogramme continues to run workshops and seminars in the region to enhance capacities to apply UNFC.

Centres of excellence are being instituted around the world in collaboration with other regional commissions to ensure application of UNFC worldwide.

7. Decides to propose to the Economic and Social Council that it recommend the application of the updated UNFC worldwide and transmit to the Council at its next session a draft decision on this issue for consideration and possible adoption.

The Economic and Social Council pronounced on the issue in ECOSOC decision 2021/250 of 21 July 2021.

Annex - Extrabudgetary projects in support of further action related to high-level theme of the 69th Commission session

EXCOM Doc No.	Title	Duration
2019/6		Feb. 2019 – December 2022
2020/5	Enhance awareness and political commitment of the Caucasus, Central Asia, Eastern and South-Eastern Europe on forest landscape restoration under ECCA30 and the Bonn Challenge	Feb. 2020 - Feb. 2021
2020/7	Enhancing understanding of the implications and opportunities of moving to carbon neutrality in the UNECE region across the power and energy intensive industries by 2050	June 2020 - 31 May 2022
2020/29	Improving capacities of UNECE member States to decarbonize the transport sector by increasing the use of natural gas as a motor fuel.	June 2020 - 31 May 2022
2020/30	Strengthening the capacity of CIS countries to promote innovation for sustainable development in the context of the digital economy and Industry 4.0	June 2020 – April 2022
2020/31	Supporting UNECE member States in the development and implementation of the United Nations Framework Classification for Resources (UNFC) and the United Nations Resource Management System (UNRMS)	June 2020 – May 2024
2020/33	Enhancing national capacities to develop and implement energy efficiency standards for buildings in the UNECE region	July 2020 – March 2022
2020/35	Nater and Cleaner Used Vehicles for Africa	June 2020 - December 2022
2020/45	Enhanced adaptation of transport systems to climate change	Oct. 2020 – Dec. 2025

2020/46	Improve capacities of the UNECE member States on assessing forest damage/disturbance in the UNECE region	Dec. 2020 – Dec. 2022
2020/47	Secretariat to the United Nations Road Safety Trust Fund – Phase II	1 Jan - 31 Dec 2021
2020/48	Strengthening national capacity of the UNECE member States for environmentally responsible methane management through coordination of activities of the Centres of Excellence on Coal Mine	1 Nov. 2020 – 31 June 2021
2020/57	Strengthening policy framework on forest landscape restoration in selected UNECE countries to achieve SDG 15	January-December 2021
2021/5	Supporting UNECE member States to integrate the maintenance, protection and restoration of urban and peri-urban trees and forests in their post COVID-19 recovery plans	Feb.– Dec. 2021
2021/12	Strengthening cooperation and national capacities in selected UNECE countries for sustainable forest management	May 2021 – Dec 2023
2021/20	Building Cross-border Cooperation for Sustainable Trade in the SPECA subregion	Sept 2021 – Dec 2024
2021/21	Fostering Resilient, Diversified and Sustainable Value Chains in the Eurasian Region after COVID-19,	Sept 2021 – Sept 2023
2021/27	Sustainable hydrogen production in the UNECE region and its role in the development of a hydrogen ecosystem and export potential	October 2021 – October 2023
2021/37	Strengthening capacities of selected UNECE member States in sustainable and harmonious management of natural resources	Jan 22 - Dec 25

2021/39	Enhance capacity of countries in Eastern Europe, the Caucasus and Central Asia in developing and implementing policies and strategies for sustainable housing and sustainable smart cities (Centre of Excellence on Sustainable Housing and Sustainable Smart Cities for the CIS countries)	Jan 22 - August 23
2021/40	Reinforcing the innovation ecosystem in the UNECE region to promote innovation and digital technologies for sustainable development and for the circular economy transition	Jan 22 - July 25