Financing for Development in the Era of COVID-19 and Beyond Initiative

- UN Secretary-General convened series of virtual regional Roundtables on Extractive Industries in collaboration with RECs

- **Objective**: to assess how extractives can support sustainable development and help resource-rich countries recover from COVID-19 pandemic

- Roundtable on Extractive Industries and Sustainable Development in the UNECE Region, 20 January 2021

- Global Roundtable on Extractive Industries: Transforming the Sector into an Engine for Sustainable Development, 25 May 2021: global perspective and deliver tangible proposals going forward
21st Century issues

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<thead>
<tr>
<th>Topic</th>
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<tbody>
<tr>
<td>Exponentially increasing material footprint</td>
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<tr>
<td>Resources (depletion and security)</td>
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<td>Carbon footprint</td>
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<td>Water use</td>
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<td>Waste</td>
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<td>Environment</td>
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<td>Society</td>
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Resources: “drain industry” “extracts” wealth, leaves social and environmental problems.

Linear ➔ Circular
By 2030, achieve sustainable management and efficient use of natural resources.
UN Policy Brief, May 2021

Recommendations in six areas

(i) financing for development: debt, liquidity, taxation, and illicit financial flows
(ii) governance and revenue management
(iii) the green economy
(iv) a just transition to sustainable systems
(v) technology, innovation, and a circular economy
(vi) regional and global collaboration
UN Policy Brief, May 2021

- **Green Economy**

- No. 7 Create a [common ESG taxonomy and principles](#) to increase ESG financing, update development bank portfolios and policies to align with the 2030 Agenda for Sustainable Development and the Paris Agreement.
Green Economy

• No. 9 Create tax incentives to encourage sustainable practices in the extractives sector, including by shifting fossil fuel subsidies to support increased renewable energy, energy efficiency, and energy access for all, providing tax breaks and funding for capacity-building enterprises and technology/research centres, and implementing carbon pricing, taxation, and border adjustments.
Technology, innovation, and a circular economy

• 14. Adopt policies that assess upstream and end-of-life impacts of clean technologies to ensure that extractive industries adopt sustainable and responsible practices and circular business models to meet rising mineral demand
Regional and global collaboration

15. Implement a shared principles-based, integrated, sustainable resource management framework using tools such as the existing United Nations Framework Classification for Resources (UNFC) and the United Nations Resource Management System (UNRMS) under development.
17. Capitalize on United Nations Regional Economic Commissions to bolster regional coordination and policy dialogue on extractive activities. Issues to be addressed include harmonizing the implementation of carbon pricing and border adjustments, developing a comprehensive framework for traceability and transparency in global value chains, illicit activities, cross-border conflicts and disputes, transparency on trade and financial flows, and strengthening extractive sector fiscal frameworks to encourage value addition and economic diversification.
UN Working Group on Extractive Industries

- Move policy brief to real outcomes at regional and national level
- Oversee/complement work plans received by the RECs
- Co-chaired by RECs, UNDP and UNEP (UNECE Co-Chair in 2022)
- Include all global stakeholders from UN system and elsewhere
- Launch of Working Group on 27 April during UNECE Resource Management Week
Working Group Terms of Reference

- Coordination, including stakeholder mapping
- Common narrative on just transition
- Information knowledge hub
- Thematic activities
- Communications and outreach
- UN-Extractives@un.org
UNECE’s 5-point agenda on natural resources

- Socio-environmental-economic contract to operate based on just principles
- Sustainable finance framework and taxonomy
- Sustainable resource management using UNFC and UNRMS
- Comprehensive framework for traceability, transparency, and sustainability in supply chains
- Strategic environmental assessments
Please Join
UNECE Resource Management Week 2022

Including the 13th Session of the Expert Group on Resource Management
25-29 April 2022, Geneva and Online

UN Working Group on Extractive Industries

High-level Launch
27 April, 13:30 – 14:30 hrs

Session: Transforming Extractive Industries for Sustainable Development
27 April, 15:00 – 17:00 hrs

For more details: reserves.energy@un.org

Thank you!

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