



COP29
Baku
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MINISTRY OF ECONOMY
OF THE REPUBLIC
OF AZERBAIJAN

UN 
environment
programme



CONCEPT NOTE

THE MINISTERIAL MEETING ON CIRCULAR ECONOMY

**“EMPOWERING INTERREGIONAL PARTNERSHIPS FOR
CIRCULAR ECONOMY TRANSITION:
TOWARDS A CLIMATE RESILIENT AND SUSTAINABLE
FUTURE VIA RESOURCE-EFFICIENCY”**

**on the sidelines of the
2024 United Nations Climate Change Conference
(COP29 of UNFCCC)**

Science, Technology and Innovation Day

**16 November 2024
(09:00-10:30 Hours)**

**Meeting venue: Conference Hall SE5 “Nasimi”,
Blue Zone, COP29 premises**

Baku, Republic of Azerbaijan

Context and Rationale

The circular economy represents a regenerative economic model by intention and design that restores and revitalizes its own sources thus closing resource loops. It is a new sustainability paradigm increasingly gaining global prominence over the past decade in policymaking, academia, and businesses as a facilitator of long-term growth. The circular model can contribute to tackling the triple planetary crisis: climate change, pollution and biodiversity loss via keeping the most of resources in use for as long as possible, extracting the maximum value from them, and then recovering and regenerating products and materials at the end of their life cycle. In fact, the circular economy offers a holistic approach to sustainability by addressing resource scarcity, waste reduction, environmental degradation and climate change.

Nevertheless, its global, regional, national and local capture as a paradigm shift still remains unsatisfactory notwithstanding strong ambitions and inspiring examples. It is therefore more than pertinent to advocate a shared vision on a circular transition, pursue regenerative principles, and scale up relevant solutions within the regional framework. In this vein, target-oriented cooperation at a regional level could be instrumental in stimulating circular economy ambitions and finding regional solutions.

The circular economy model seems promising for the ECO Region as well. The homogeneity of existing traditional linear economic models in its Member States; sluggish pace of productivity catch-up to advanced economy levels; the interconnectivity of supply chains; need for well-targeted policies to reignite productivity growth, diversification, human capital and efficient infrastructure; and other factors calls upon for strong regional collaboration in this area. ECO requires a cohesive and collaborative approach to accelerate circularity at a systemic level.

Given the ever-increasing prioritization of the subject theme in the global agenda its regional uptake needs strong support from the relevant international stakeholders. Such a supportive approach could demonstrate solidarity among countries of the ECO Region, which are predominantly endowed with hydrocarbons or other mineral resources and traditionally pursue linear economic model policies, to gradually change the established practices and stereotypes. In such a context, these countries may thus position themselves as proponents of a just and innovative transition to circularity and lower-carbon economies in international arena.

It is worth noting that up to date, strategies and investments to reduce GHG emissions have focused on cleaner energy and energy efficiency¹. The event will thus offer the opportunity to shed light on the potential impact that materials efficiency and more broadly, circular economy approaches can have on the drivers of GHG emissions, i.e. the way we design, make, use and dispose of products.

¹ IRP (2020). Resource Efficiency and Climate Change: Material Efficiency Strategies for a Low Carbon Future.

While circular economy has demonstrated its benefits to people, economies and nature (lower emissions, less harmful resource extraction, less pollution and waste, new markets & job opportunities, increased GDP and revenues for businesses), it is critical to ensure the transition is just and inclusive. In this regard, it is particularly important to collaborate with countries that depend on resources to accompany the diversification of their economies and ensure the burden of the transition is not transferred to the most vulnerable countries and most vulnerable people. Consultations with and involvement of different stakeholder groups in the design and implementation of economic transition processes are essential to address issues related to jobs, skills and social impacts. In this context, the strategic role of public and private financial institutions to direct financial flows to support circular business models should also be highlighted.

Background

Over the past few years, the importance of the circular and resource-efficient transition as well as zero waste concepts is increasing in the global discourse. Certain platforms and initiatives at global and regional levels have been established to support this process in the last decade. A number of countries and the European Union have adopted programmatic documents and regulatory frameworks in this respect. Their inspiring experiences could further be explored for possible replication in other regions.

However, the circular transition brings both opportunities and challenges in terms of restructuring the economic model at the critical juncture when the Global South encounters a severe setback in the current polycrisis era. The subtle differentiated approach between developed and developing states is crucial to enable countries with diverse national circumstances, socio-economic development and resources to deliver these transition goals.

From the regional perspective, ECO strives to build up the diverse and resilient energy architecture in the region notwithstanding the vital role of hydrocarbons in the economies of the majority of its Member States. To this end, ECO has been mainstreaming sustainable energy transition and the energy-environment nexus in its overall agenda. The environment and impacts of climate change were designated as a cross-sectoral priority of ECO.

While the ECO Member States committed to the Paris Agreement, the climate action in this region greatly depends on proportionate means of implementation. To this end, further opportunities for regional entities may be explored to enhance partnerships for bold actions, including those encompassing regional roadmaps and priorities on circularity.

ECO has recently started to take up the importance of the circular transition. “ECO Strategy for Energy Cooperation 2030” proposes that recent and expected projects/activities may be implemented driven by a circular economy approach in collaboration with organizations and countries that have built up years of experience in gathering market research data and creating outlook documents. The Strategy lays down the circular economy policy activities to be driven from bottom up in terms of actions from cities, universities, and companies as much as by national and international action. In fact, these grassroots initiatives and

endeavours could not be realized without the governments' firm high-level support and stimulation.

Furthermore, there is a dire need for consolidating collective efforts, enhancing ownership and streamlining project-oriented cooperation in this respect. Accelerating transformative actions for circularity evidently calls for engaging regional platforms, not only from the Global South but also from the Global North. These entities can be employed in facilitating inclusive and sustainable multilateral actions towards circular future.

With all these in mind, the ECO Secretariat in partnership with the Republic of Azerbaijan developed the Regional Initiative on Resource Efficiency, Sustainability and Circular Economy in the ECO Region (RESCUE). This initiative aims at creating a regional cooperation platform that will advocate for a just transition to a resource-efficient, circular and regenerative economy. It envisages a number of collaborative activities in a short and mid-term perspective.

Currently, several regional initiatives are operational in Europe, Africa, Latin America and the Caribbean with explicit objectives of transitioning towards a circular economy or supporting it. A number of existing global and regional alliances of governments include, the Global Alliance on Circular Economy and Resource Efficiency (GACERE), the African Circular Economy Alliance (ACEA), the Circular Economy Coalition for Latin America and the Caribbean and Circular STEP, Stakeholder Engagement Platform to accelerate the circular transition in the UNECE region. The RESCUE will become another reference regional alliance, working closely with GACERE, and other regional alliances and coalition.

Objectives

1. Contribute to the mobilization of global efforts, enhancing the role of regional dimension through stronger partnerships, catalyzing resources for setting our region on a more nature-positive path, and accelerating circular transition across the region and the globe;
2. Raise awareness and knowledge on global and regional patterns, opportunities and challenges concerning circular transition, particularly the key factors to be considered to make a transition to a resource efficient and circular economy just and fair;
3. Explore relevant tools, mechanisms and leading innovative practices (including digital innovation), and present the best and inspiring examples of circular economy, diversification and sustainable management of resources, and integration of circular solutions to different sectors globally that could be replicated and adapted in the regional and national contexts;
4. Showcase some inspiring examples from countries that have successfully leveraged circular economy to raise climate ambition, including through their NDCs;
5. Provide policy recommendations through the deliverables of the meeting (outlined in the next section below) on how to forge regional partnerships, bridge regions through circular solutions and address the critical challenges for engagements with international partners to

promote a circular economy. These recommendations may target the facilitation of multi-level coordination of transition and citizen behaviour change;

6. As the circular economy model could globally address the triple planetary crisis, the event is expected to position the ECO Region in the international arena as a proponent of a just transition and a regenerative economic model. This ambition is critical for achieving climate resilience and keeping resource consumption within planetary boundaries, thus contributing to regional sustainability in a long-term perspective. Given the ever-increasing uptake of the subject theme in the global discourse, the RESCUE initiative could gain strong support from the international development partners.

Expected Outcomes and Deliverables

The meeting is expected to produce the **“Joint Declaration on Baku Resource Efficiency and Circularity Agenda”** as its key deliverable. The subject document will have a non-binding and declarative character. It will be open for joining any stakeholders (countries, international governmental and non-governmental organizations, businesses, academia, various entities, fora, initiatives, etc.). It will seek to reflect the resolve in advocacy of resource efficient, sustainable and circular policies globally, as well as presumably the valuable insights and key recommendations delivered by the participants on the ways and means of achieving this target. It will manifest the importance of enhancement of regional ownership, bridging interregional nodes across the globe and consolidating a network of regional platforms that advocate circular transition.

The meeting will also adopt the **“Joint Statement on launching the RESCUE”** as one of its outcome documents. It could primarily be adopted by the ECO Member States, however any potential international partners are mostly welcome to join it with a view to express solidarity or consolidate collective efforts in the implementation of its goals (The Concept Paper of RESCUE was circulated in October 2023 and the subject initiative was subsequently welcomed by the Member States).

Co-organizers

The Ministerial Meeting will be jointly organized by the COP29 Presidency of the Republic of Azerbaijan, the United Nations Environment Programme (UNEP) and the Economic Cooperation Organization (ECO).

Any other stakeholders interested in engaging as a co-organizer/partner of this event may be welcomed.

Target Audience

The Meeting seeks to bring together a wide range of stakeholders across the world that advocates circular economy to collectively call for scaling up relevant transformational

actions. The participants may include policymakers, government officials, high level representatives of international organizations, different fora, initiatives and alliances (as WCEF, GACERE, PACE, PAGE, CTCN, etc.), research scientists and representatives from academia, private sector and businesses, as well as other relevant stakeholders and the interested audience engaged in the relevant theme from various sectors.

Further information and Contact Points

The Tentative Programme of the event will be provided in due course prior to the meeting.

The updated and detailed information will be accessible via the web pages of the COP29 Presidency of the Republic of Azerbaijan at: <https://www.COP29.az/en>

For further coordination, questions, enquiries or suggestions, the following Focal Points of the event can be contacted:

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