

## **Summary Report of the Ministerial Meeting on Circular Economy**

**On the margins of the 2024 United Nations Climate Change Conference (COP29)**

**Baku - 16 November 2024**

On 16 November 2024, the ECO Secretariat in partnership with the United Nations Environment Programme (UNEP) and the COP29 Presidency of the Republic of Azerbaijan (represented by the Ministry of Economy) convened 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 margins of the 2024 United Nations Climate Change Conference (COP29).

The Meeting was inaugurated by Ms. Inger Andersen, Under-Secretary-General of the United Nations and Executive Director of the United Nations Environment Programme (UNEP), and Dr. Khan, the ECO Secretary-General as keynote speakers.

Ms. Andersen in her remarks after reference to the huge costs of our current unsustainable extractive economic models on human health and biodiversity argued that we have to change gear. She underscored that we now have a big chance to make a significant shift by taking circularity into our Nationally Determined Contributions (NDCs) and invited all countries to include circularity in their submissions. She underlined the need to redesign and regulate for circularity especially while extracting; we must get the critical minerals in the right way. She also emphasized the significance of circularity in plastic and creating circular regulatory frameworks and incentive and reward systems that do just that. We have to promote durability, longevity, repairability, and recyclability. If a specific region in Asia decides to do this, we are actually well on our way. She said that UNEP very much welcomes the RESCUE Initiative in the ECO region, since it is precisely what we need to do and we are very pleased to see that. We hope to see a significant switch to circularity that can help slow down climate change, biodiversity loss and ensure that pollution is stand, and in such a way, we will protect human health and wealth.

Dr. Khan in his remarks referred to the circular economy as a doable framework to achieve environmental goals by focusing on resource efficiency, waste reduction and sustainable production and consumption. He noted that the circular economy approach also amplifies the values and traditions we have developed over generations in respecting and valuing natural resources and ecosystems. Dr. Khan underlined challenges in transitioning from a linear to a circular economic mindset which requires a cultural shift in consumer behaviour and business practices, and a system-wide rethink, innovative policies, resources, advanced business models, and the mobilization of required funds.

Ms. Armida Salsiah Alisjahbana, Under-Secretary-General of the United Nations and Executive Secretary of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) highlighted her reflections on the importance of international cooperation in the advancement of the circular economy. Having welcomed the RESCUE Initiative in the ECO

region, she noted that interregional partnership can support the objectives of this Initiative in 3 key areas: 1. Cooperation in building a strong scientific and analytical foundation that provides credible projections of resource use and savings, helping to identify priority sectors and potential gains from circular economy models, 2. Strong mission orientation through resource efficiency targets and ambitious benchmarking for the key sectors that are in the common interest, in particular, resource and water waste for energy-intensive sectors; strong mission orientation helps frame the right policy incentives and the right investments, and 3. Effective dynamic and disruptive models for partnership. She emphasized for these, regional cooperation is not optional; it is imperative and essential. The Executive Secretary of ESCAP said that climate change brings challenges and transformative opportunities for the ECO region through regional collaboration, inclusive transition to a low-carbon resource-efficient, as well as circular economy and with robust support from all stakeholders, and not only the governments, we can hope to build resilient and sustainable future. Ms. Alisjahbana concluded by saying that you can count on ESCAP to be your partner in this matter.

Mr. Samad Bashirli the Deputy Minister of Economy of Azerbaijan after acknowledging the vital role that the ECO can play in shaping a sustainable future we can all share, emphasized that ECO region with its diverse economies is in a unique position to drive sustainable development forward. Underscoring the circular economy presents an answer to the issues confronting us, he showcased the two Meeting outcomes namely the Joint Statement and Declaration which could pave the way for our regional circularity efforts. He clarified that these documents are agreements that show our dedication to promoting circularity and resource efficiency practices in the ECO region and beyond. They aim to establish the ECO region as a frontrunner in spearheading the transition to an economy by emphasizing our commitment to advocating for sustainable resource management policies, climate-resilient initiatives, and the adoption of renewable energy resources. By aligning with the global initiatives, RESCUE will also strengthen our ties with international partners, ensuring that our region plays a critical role in global circularity efforts.

The Meeting then proceeded to the high-level panel discussions in two sessions. In the first session, the high-level panelists shared their insights on empowering interregional partnerships for circular economy transition, while another session elaborated on the reflections from international organizations and academia. During these panels, the vital role of circular economy practices in achieving our climate goals and economic transition, enhancing resource efficiency, and creating resilient communities were discussed.

Mr. Fatih Turan General Director of Environmental Management, Ministry of Environment, Urbanization, and Climate Change of Türkiye shared his experience regarding the circular economy in his country and emphasized that a successful circular economy process requires operation across multiple sectors, from producers to consumers. This is a crucial step in our journey toward sustainable development.

Mr. Obidjon Kudratov, First Deputy Minister of Environmental Protection and Climate Change of Uzbekistan reported that their initial learning has been the critical importance of integrating circular economy principles into their agri-food value chain. Uzbekistan also realized the necessity of adopting comprehensive and forward-thinking national strategies to guide its transition, and the

pivotal role of innovation and technology in facilitating circularity within the agricultural sector. One of the most prominent challenges Uzbekistan encountered in developing and implementing circular economy policies is securing adequate financing to support the transition, particularly in the agricultural sector.

Ms. Izabella Teixeira, Co-Chair of the International Resource Panel while joining the Initiative attributed that as a good start in the ECO region, and underscored the importance of such initiatives from climate change and energy transition perspectives. She highlighted energy transition as one of the main responses to climate change which requires applying clean energy technologies. She said that now it's time for a forward-looking vision for the region to ensure that the region's economies are future-fit and resilient in a changing world.

Ms. Atsuko Hirose, Acting Secretary-General of the Energy Charter Secretariat called this Meeting very important and timely. She emphasized we can have no circular economy without energy, and no energy transition without circular economy. She further highlighted some points on the energy and circular economy nexus, including 1. Use of circular products, parts and minerals, 2. Application of circular technology and processes, 3. Development and implementation of circular strategies.

Mr. Conrad Albrecht, Managing Director and Head of the Directorate of Sustainability, Eurasian Development Bank (EDB) said that EDB as the IFC of Eurasia remains very active as a trustful partner in the region which is still in the early stage of its transition towards a circular economy, and fully dedicated to bridging the financial gap of the resource-intensive countries in the region in their transition to circular economy. These countries really require significant international financial support from the industrialized countries for their development and their circular economy goals and ambitions in the future. He reiterated that EDB prioritizes projects on resource efficiency and achievement of SDG 12 in our region which can create an enabling environment for the transition from fossil fuel dependency, and emphasized that EDB is ready to combine its regional experience and expertise with the global partnerships in such a context for creating long-lasting benefits for our societies.

Mr. Jesús Alquézar from the Directorate-General for the Environment of the European Commission highlighted their investments in circular economy in the last three years and their support of the Partnership for Action on Green Economy (PAGE) and launching the Global Alliance on Circular Economy and Resource Efficiency (GACERE) with UNEP and UNIDO, and Regional Action Plan in Latin America. Mentioning that circular economy is not so much present in the climate negotiations, he underscored the necessity of Parties' engagement in negotiations to push circular economy as another important domain in this area.

Professor Semida Silveira, Professor of Practice in the Systems Engineering Program at Cornell University underscored the necessity of a system approach to plan and implement the circular economy. Because of the integration of the global economy, we need to have a global implementation. However, the local engagement can start which can have a catalytic effect and could be upgraded to actions at a regional level. She also argued that the circular economy is also about the flow of energy in the economy; energy cannot be recycled, but it can be cascaded.

Referring to conservation as another important topic, she underlined the design of polymer and plastic that can save energy in the circulation of materials. While recognizing some of the barriers in the implementation, she reiterated that cooperation is necessary at the global level, but action can start at a local level. She concluded by saying that she is very pleased to see this Initiative and their community is ready to provide support in this process.

Dr. Sithembiso G. G. Nyoni, Minister of Environment, Climate and Wildlife of Zimbabwe said that Zimbabwe is on board with the circular economy. In Zimbabwe, the circular economy creates jobs, and helps people to think creatively and redesign to take care of their resources. It changes the way the economy runs, strengthens public-private partnerships, and helps the country to be organized.

Dr. Innocent Barikor, National Environmental Standards & Regulations Enforcement Agency of Nigeria explained the environmental opportunities and challenges his country is facing and elaborated on their national policy to drive resource efficiency across seven sectors. He referred to Nigeria's commitment to circularity by highlighting its National Circular Economy Roadmap 2024 and efforts to infuse circularity in the design of products.

Finally, the “Joint Declaration on Baku Resource Efficiency and Circularity Agenda” and the “Joint Statement on Launching the RESCUE” were presented by the ECO Secretary General, Dr. Khan as the outcome documents of the event. The Declaration manifested the resolve in advocacy of resource-efficient, sustainable, and circular policies globally, as well as the importance of enhancement of regional ownership and bridging a network of entities advocating circular transition. The Joint Statement marked the launching of the Regional Initiative on Resource Efficiency, Sustainability, and Circular Economy in the ECO Region (RESCUE), as a joint initiative of the ECO Secretariat and COP29 Presidency aimed at creating a regional cooperation platform that will advocate for a just transition to a resource-efficient and circular economy. Both documents have non-binding character and all stakeholders were invited to associate with them.