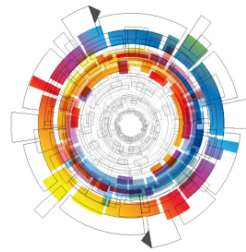


Item 8. Integrating circular economy considerations into Studies on Regulatory and Procedural Barriers to Trade



UNECE Cross-cutting Priority Themes

Green, inclusive, circular and digital



69TH SESSION OF THE COMMISSION

PROMOTING CIRCULAR ECONOMY AND SUSTAINABLE USE OF NATURAL RESOURCES IN THE UNECE REGION

20-21 APRIL 2021 | ROOM XVII | PALAIS DES NATIONS | GENEVA

7th SESSION OF THE SCTCS – “Accelerating the Circular Economy Transition: Policy Options for Harnessing the Power of Trade and Economic Cooperation – Executive Summary”

27-28 June 2022 | PALAIS DES NATIONS | GENEVA



70th SESSION OF THE COMMISSION

DIGITAL AND GREEN TRANSFORMATIONS FOR SUSTAINABLE DEVELOPMENT IN THE REGION OF THE ECONOMIC COMMISSION FOR EUROPE

18-19 APRIL 2023 | PALAIS DES NATIONS | GENEVA

The Role of Trade in CE Transition



Circular economy*

the **value of materials** in the economy** is **maximized** and maintained for as long as possible

the **input** of materials and their **consumption** is **minimised**

the **generation of waste** is **prevented** and

negative environmental impacts **reduced** throughout the life-cycle of materials



CE in trade

Economies of scale

Opportunities for new economic activities

Reduced dependence on raw materials

Increased the resilience and adaptability

Extended life cycle of products

In global economy, only 7.2 % is circular

*The definition as adopted by UNECE Conference of European Statisticians.

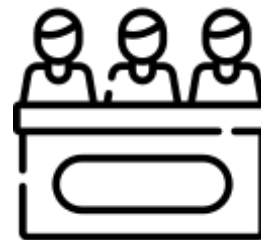
**The “value of materials in the economy” is understood to encompass the value for society as a whole, taking into account economic efficiency, environmental effectiveness and social equity.

ECTD is a Pioneer in Linking the CE and Trade



ANALYTICAL WORK & OUTREACH

- Accelerating the Circular Economy Transition: Policy Options for Harnessing the Power of Trade and Economic Cooperation (2022)
- Mobilizing **Financing** for the Circular Economy (2022)
- **UNECE Stakeholder Engagement Platform (Circular STEP)**
- Side Event on Circular Economy and Trade (SCTCS, 7th session, 27-28 June 2022)
- Session at the WTO Public Forum (September 2022)
- Joint workshop with Friedrich Ebert Stiftung: Deep Dive into Circular Economy: HS Codes at Heart (19-21 October 2022)
- Circular Economy applied in international trade, which official statistics do we need? joint OECD-UNECE Seminar (13-15 March 2023)



NORMATIVE WORK

- Code Of Good Practice – **Reducing Food Loss** and Ensuring Optimum Handling of Fresh Fruit and Vegetables Along the Value Chain (2021)
- Food Loss and Waste Measuring Methodology for Fresh Produce Supply Chains (2020)
- **UNECE Sustainability Pledge, for Transparency and Traceability in the Textiles and Footwear Sector (2021)**
- Good practices on Innovation for the Circular Economy and Sustainable Consumption and Production and Procurement for Sustainable Development (2021)
- **Leveraging Innovation** for the Circular Economy (2022)
- **Guidelines on PPPs for the SDGs** in Waste-to-Energy Projects for Non-recyclable Waste: Pathways Towards a Circular Economy (2022)

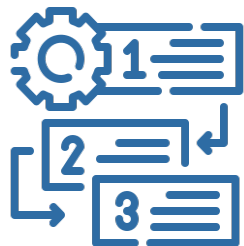
How UNECE Can Support



- **7th session of the SCTCS, June 27-28, 2022** (request to integrate the CE analysis into RPBT studies (Decision 2022-11))
- **8th session of the SCTCS, June 26-27, 2023** (high-level segment, concept note):



- **Suggests** a general **framework** for assessing the regulatory and procedural barriers to circular trade, covering:
 - ✓ **Trade facilitation conditions**
 - ✓ **Regulatory and standardisation policies**
 - ✓ **The role of regulatory cooperation in CE transition**



- **Offers** targeted and country-specific **recommendations**:
 - ✓ **Separate chapter** in RPBT studies upon request
 - ✓ **Sector specific analysis** with a focus on sectors with the highest circularity potential
 - ✓ **Extension of the scope** (e.g., additional stages of the products life cycle along the entire value chain; broader range of interviewed stakeholders; customers' perspective)

Circular trade: Challenges and Good Practices



Challenges



Good practices



Trade and Trade Facilitation Conditions

Issues at the **border control** (e.g., poor inter-agency coordination, risk management systems and inadequate customs valuation procedures)

Risk management systems, certifications, permits, post-border concessions, policing and enforcement strategies to fight illicit trade

Lack of public-private dialogue, financing and institutional capacity

Cooperation, knowledge sharing and dissemination, improved data collection and institutional capacity

Regulatory and Standardization Policies

Unintended **effect** of **dissuading** economic operators from upholding the CE principles

Detect and eliminate barriers hampering the standard-making process, the implementation of labelling or information schemes and the adherence to standards

Diminished credibility of “green” claims due to the diversity of labels and information schemes

Not optimal regulatory cooperation and regional integration dynamics

Greater mutual recognition or harmonization of standards

The Role of International Cooperation in the CE Transition

Development of labelling schemes and in **isolation**

Development aid and technical assistance projects

Resort to **RTAs** to promote and facilitate circular trade flows.

Further Approaches to Integrating CE Dimension into RPBT Studies



- **Extension of the scope** (e.g., additional stages of the products life cycle along the entire value chain; broader range of interviewed stakeholders; customers' perspective).
- **Separate chapter** in RPBT studies upon request
- **Sector specific analysis** with a focus on sectors with the highest circularity potential
- CE potential analysis - **the assessment matrix**:
 - key lifecycle stages and corresponding intermediary products of the production process of the product concerned;
 - a range of strategies that support the reduction of material consumption and waste production (i.e., material efficiency); and
 - instruments and necessary actions to accommodate the CE transition.



UNECE

**THANK
YOU**

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