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Report of the Executive Director

Progress in implementing UNEA Resolution 5/11 on enhancing circular economy as a contribution to achieving sustainable consumption and production.

Introduction

1. In its preambular text, the resolution recognizes that circular economy approaches require scaling up sustainable practices along value chains and acknowledges that there are business models and best practices that embrace circular economy approaches; technologies that improve resource management across sectors; and “leapfrogging technologies” that generate economic savings and improve resource efficiency while still driving development, notwithstanding the need for circular innovation.
2. In this context, paragraph 10 of the resolution requested the Executive Director, in collaboration with other United Nations entities, including the International Resource Panel, development partners and relevant international multi-stakeholder networks, including the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP), to facilitate collaboration among Member States and members of specialized agencies in research, capacity-building, knowledge management and the sharing of best practices for the promotion of innovative pathways for sustainable consumption and production, including the circular economy, and to facilitate a conversation on natural resources and materials in the context of the circular economy.
3. The resolution also requested to further UNEP work to a more circular economy in one specific sector through the Partnership for Clean Fuels and Vehicles. More specifically, in paragraph 9 the United Nations Environment Assembly requested the Executive Director, in consultation with Member States, members of specialized agencies and relevant stakeholders, to continue to collect information and conduct further analysis on used vehicles and clean fuels, with a view to reducing the negative environmental and health-related impact of used vehicles, including end-of-life disposal, and promoting clean fuels, and to support Member States upon request.
4. The present report describes UNEP actions to implement the resolution organized in the following three groups: (a) findings from the Global Resources Outlook 2024, (b) Sustainable Consumption and Production and circular economy policy, sectoral and cross-cutting actions; and (c) sectoral efforts on circular economy, with focus on the mobility sector. To advance the goals of this resolution, UNEP has taken advantage of existing resources and synergies with key stakeholders, projects and initiatives.

* UNEP/EA.6/1.

I. Findings from the Global Resources Outlook 2024

5. Science-based evidence is critical to understand governance and management of resource use, towards a fundamental restructuring of consumption and production systems across countries. UNEP through the International Resource Panel (IRP) is leading analysis and research on sustainable resource use, sustainable consumption and production, and circular economy. This research will culminate in the Global Resources Outlook 2024, which will be presented to the sixth session of the United Nations Environment Assembly.¹ The report will emphasize that targeted and coordinated sustainability actions, particularly those based on sustainable consumption and production, circular economy, and resource efficiency, can decrease the overall amount of resources used and related environmental impacts, while delivering on continued socio-economic development for all, but especially for low- and middle-income countries. Scenario modelling by the IRP shows that putting these actions into practice can reduce resource use while still delivering economic growth (the concept of ‘decoupling’). The modeling from the IRP shows that in a global economy projected to be 3 % larger by 2060, aggregate global resource use would only grow to 20 % above 2020 levels compared to the estimated 60 % based on historical trajectories. Some environmental impacts can be substantially decreased compared to historical trends, for example greenhouse gases emissions would fall by 80 % from 2020 levels, agricultural land would decrease by 5 % and 38 % of biodiversity loss would be avoided.

6. The findings of the International Resources Panel also shed light on the urgent need for ramped up action towards a circular economy. Of the 105 billion tonnes of materials consumed worldwide in 2019, only 9 % constituted secondary materials reintroduced into the economy via recycling and resource recovery. If the technical potential for resource recovery were to be fully harnessed, an estimated circularity of 30-40% could be achieved². To increase the circularity rate beyond its current potential, and decrease resource use growth trajectories, there must be a fundamental restructuring of the global production and consumption systems. This requires, inter alia, finance and trade policies directed to achieve sustainable resource use, the mainstreaming of sustainable consumption options, and ambitious science-backed circular economy action plans supported by strong regulatory environments and networked coalitions of actors. It will also require a continued effort to collect and curate data, such as the material flow database developed and curated in partnership with IRP.

7. UNEP, with the support of partners and Member States, is helping governments and key stakeholders to contextualize science-based evidence for a transition to SCP and circular economy strategies. For example, the adoption of resolution 5/11, trends for sustainable resource use have been analyzed in the West Asia region in the report “Trends and Outlook of Natural Resource Use in West Asia”.³

II. Sustainable Consumption and Production and circular economy policy, sectoral and cross-cutting actions

8. Achieving sustainable consumption and production (SCP), as recognized in the Sustainable Development Goal 12 (SDG 12), is an overarching objective of, and prerequisite for, sustainable development. The High-Level Political Forum on Sustainable Development 2023, convened in July under the auspices of the Economic and Social Council, through its Political Declaration, reaffirmed the commitment to make fundamental changes in consumption and production patterns, including by transitioning to sustainable economic and business models, by implementing the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP), and by providing support to developing countries to strengthen their scientific, technological and innovation capacity.⁴

¹ The Global Resources Outlook 2024 is led and prepared by the UNEP International Resource Panel

² UNEP/EA.6/INF/9 - Global Resources Outlook 2024: A Report by the International Resource Panel - *to be issued*.

³ This study focuses on the 12 countries: Kingdom of Bahrain, the Republic of Iraq, the Hashemite Kingdom of Jordan, the State of Kuwait, the Republic of Lebanon, the Sultanate of Oman, State of Palestine, State of Qatar, Kingdom of Saudi Arabia, Syrian Arab Republic, United Arab Emirates, and the Republic of Yemen.

⁴ [A HLPF 2023 L1.pdf \(un.org\)](#)

9. The “Global Strategy for Sustainable Consumption and Production” was approved by the 10YFP Board in October 2022, with the objective to support the achievement of global sustainability ambitions and a just transition by 2030 through the shift to SCP practices across society.⁵ The 10YFP and its One Planet Network have the mandate to mobilize global support for the implementation of the Strategy by Member States and Stakeholders. To date, the One Planet Network comprises 5800 Member Organizations which have reported since 2013 over 7300 activities, including resources, guidelines, policies, and implementation projects.⁶ In addition, UNEP through the SDG12 Hub has developed an inter-agency one-stop shop to track progress on SDG12 by Member States⁷, and a capacity building platform, encompassing a total of 27 tools from the UN system that mainstream SCP in high-impact sector and are applicable across countries.⁸

10. Policy action: Based on the scientific evidence provided by the IRP and in collaboration with the UN partners, UNEP provided support to over 20 countries to develop policies and action plans for SCP and circular economy. Among these, UNEP worked with Kyrgyzstan to develop a national roadmap on sustainable finance and a national law on plastic waste management; with Pakistan to develop a circular economy policy; with Ukraine to formulate legal proposals for Extended Producer Responsibility schemes, in Moldova to elaborate a green economy action plan in Moldova; with Azerbaijan to formulate a waste management action plan; and with Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine and Tunisia to implement the respective National SCP action plans. These efforts have been supported through the projects Global Opportunities for Sustainable Development Goals (GO4SDGs), “EU4Environment”⁹, SwitchMed and Switch Africa Green.

11. Building on the evidence provided by the IRP work, the importance of the transition to sustainable consumption and production and circular economy in the context of national policies has been at the centre of UNEP’s collaboration with the UN system. UNEP through the 10YFP Secretariat, the United Nations Development Programme (UNDP) and the secretariat of the UN Framework Convention on Climate Change (UNFCCC) developed a digital toolbox on “Building Circularity into Nationally Determined Contributions”¹⁰ to support countries to identify and implement circular economy intervention to increase the ambition in Nationally Determined Contributions. This toolbox is being piloted in Vietnam, Zimbabwe and Ecuador. In collaboration with UNIDO and in the context of the Global Alliance for Circular Economy and Resource Efficiency (GACERE), UNEP has supported dialogue among Members States on the role of circular economy and management of natural resources to address the triple planetary crisis¹¹, the strategic importance of partnerships to transition to more circular economies¹², and on the development of circular roadmaps and strategies.¹³ The Circular Economy Coalition for Latin America and the Caribbean, the African Circular Economy Alliance (ACEA) have played a strategic role in enhancing dialogue on the opportunities and implications of the transition to circular economy at regional level.

12. Sectoral actions: UNEP has focused its attention in accelerating the shift towards more sustainable consumption and production and circular economy in specific high-impact industry sectors. UNEP has promoted efforts in the textile sector¹⁴, across the entire

⁵ The Global Strategy for SCP was approved by the 10YFP Board with Member States and Stakeholders during the 10YFP Meeting on 18th-19th October 2022

⁶ HLPF 2023 10YFP Report, [10YFP annual report.pdf \(un.org\)](https://www.unep.org/10yfp/annual-report)

⁷ At the end of 2022, 62 Member States and the European Union had reported policies under SDG 12.1.1.

⁸ The SDG12 Hub is the platform that integrates UN-wide tools for SCP, to facilitate easy access of key stakeholders from the UN Development System and other actors [SDG 12 Hub | SDG 12 Hub](https://sdg12hub.org/)

⁹ EU4Environment is an EU-funded programme jointly implemented by UNEP, UNECE, OECD, the World Bank, and UNIDO

¹⁰ <https://www.unep.org/resources/toolkits-manuals-and-guides/building-circularity-nationally-determined-contributions-ndcs>

¹¹ More information available at <https://www.unep.org/events/online-event/second-high-level-meeting-global-alliance-circular-economy-and-resource> and at <https://www.un-page.org/event/page-at-the-high-level-political-forum-2023/>

¹² More information available at <https://www.wcef2022.com/session/partnerships-for-a-global-circular-economy/>

¹³ More information available at <https://www.wcef2022.com/session/partnerships-for-a-global-circular-economy/>, and <https://wcef2023.com/sessions/circular-strategies-and-road-maps/>

¹⁴ <https://www.unep.org/explore-topics/green-economy/what-we-do/environment-and-trade-hub/textiles>

plastics value chain¹⁵, in the building and construction sector¹⁶, in the tourism sector in partnership with the World Tourism Organization and the One Planet Network Sustainable Tourism Programme, and in the mobility sector, as described in the following section of this report. 10YFP Secretariat has also joined hands with the World Business Council on Sustainable Development on a cross-sectoral Stockholm+50 legacy initiative intended to increase accountability on progress towards circularity, in the context of the “Global Circularity Protocol”.

13. Recognizing the importance of sustainable finance to promote the uptake of sustainable consumption and production and circular economy, UNEP published the “Guidance on Resource Efficiency and Circular Economy target setting”¹⁷, the report “Unlocking circular economy finance in Latin America and the Caribbean”¹⁸ and convened a “Finance Leadership Group on Plastics”¹⁹ with the objective to accelerate and scale up the mobilization of financial flows from all sources to end plastic pollution.

14. In the context of the high impact sectors initiatives, UNEP has enhanced regional capacity on: (i) the harmonization of standards in the tourism sector in Eastern African countries by training 50 youth entrepreneurs on green skills; (ii) legislation for plastic reduction in Latin America by targeting over 200 legislators; (iii) the use of the [SCP Hotspot Analysis Tool \(SCP-HAT\)](#)²⁰ in Asia-Pacific by engaging over 25 government officials from 10 countries as well as the UNCTs of Bhutan, Thailand, the Philippines, and Viet Nam; and (iv) the adoption of resource efficiency and access to sustainable finance for SMEs and women leadership role in the hospitality sector to move towards “zero waste” in Central Asia. Instrumental to these efforts have been the project Global Opportunities for Sustainable Development Goals (GO4SDGs) and the global initiative “Green Jobs for Youth Pact”.

15. Cross-cutting actions: The 10YFP Secretariat together with the Environment Management Group have organized Nexus Dialogues, to strengthen cooperation mechanisms in cross-cutting themes such as sustainable consumption and lifestyles, digitalization, green jobs, sustainable public procurement and sustainable tourism.²¹ Building on these events, UNEP with leadership of the 10YFP and together with UN Agencies, intends to organize a Global Dialogue for SCP.²²

III. Sectoral efforts on circular economy: the role of cleaner fuels and the impact of used vehicles in the mobility sector

16. The resolution recognizes the opportunity for specific sectors to advance to a more circular economy and concentrates on opportunities in the mobility sectors, in the context of the trade of used vehicle. In this context, following the release of the light-duty used vehicles report in 2020²³ and its updated version in 2021,²⁴ UNEP is collecting new data on used heavy-duty vehicles (HDVs) and, on this basis, developing a global overview report on

¹⁵ <https://www.unep.org/explore-topics/chemicals-waste/what-we-do/one-plastics-initiative/about-one-plastics-initiative>

¹⁶ The initiative is co-led by UNEP, the Global Alliance for Buildings and Construction (Global ABC) Construction Materials Working Group, and the Green Building Council with the support of core partners including UNOPS, UN-Habitat and WBCSD, Costa Rica, Finland and RMIT (former leads of the OPN Sustainable Buildings and Construction Programme), and the leads of the One Planet Sustainable Public Procurement programme – Netherlands, China and ICLEI.

¹⁷ <https://www.unepfi.org/industries/banking/guidance-on-resource-efficiency-and-circular-economy-target-setting-version-2/>

¹⁸ <https://www.unepfi.org/publications/unlocking-circular-economy-finance-in-latin-america-and-the-caribbean-the-catalyst-for-a-positive-change/>

¹⁹ <https://www.unepfi.org/news/finance-leadership-group-on-plastics-reacts-to-inc-secretariat-options-paper-for-an-international-instrument-to-end-plastic-pollution/>

²⁰ The SCP Hotspot Analysis tool is developed by UNEP- to help governments to make progress on target 12.2 for the sustainable management and efficient use of natural resources <http://scp-hat.lifecycleinitiative.org/>.

²¹ EMG Nexus Dialogues on Sustainable Consumption and Production – UN Environment Management Group (unemg.org)

²² The Global Dialogue for SCP is a key outcome of the [Global Strategy for Sustainable Consumption and Production \(2022-2030\)](#)

²³ [Used Vehicles and the Environment: A Global Overview of Used Light Duty Vehicles - Flow, Scale and Regulation](#)

²⁴ [Used Vehicles and the Environment - Progress and updates 2021](#)

used HDVs and the environment. The new HDV report will analyze the flow and scale of used HDVs from major exporters and review the regulatory environment for used HDVs import in 146 countries where data are available, with a view to understanding and reducing the negative environmental, health and safety impact of the used HDVs.

17. UNEP recognizes the role of both used vehicles importing and exporting countries to put in place minimum quality standards for cleaner and safer used vehicles. On the importers' side, UNEP has supported the East Africa sub-region to adopt regionally harmonized standards for both new and used vehicles and conducted trainings on inspection framework for used vehicles in May 2022. On the exporters' side, in July 2023, the European Union (EU) proposed a new regulation on end-of-life vehicles (the ELV Regulation)²⁵ which includes the recommendations made by UNEP on used vehicles export. The new EU ELV Regulation proposal requires the export of good quality used vehicles through more inspections, interoperable vehicle registration systems, improved distinction of used vehicles from ELVs and banning the export of unroadworthy used vehicles. With funding from the UN Road Safety Fund, UNEP and partners are implementing a project to advance minimum quality standards for cleaner and safer used vehicles for Southern and Central Africa, as well as two countries in Asia (Mongolia and Cambodia). Another phase of the project is already planned to expand its work to the region of Latin America and the Caribbean. These efforts have been promoted through the Used Vehicles Programme and are the outcome of the collaboration with other UN agencies and international organizations such as United Nations Economic Commission for Africa (UNECA), United Nations Economic Commission for Europe (UNECE) and UN Road Safety Fund (UNRSF).

18. Finally, UNEP continues to support member states to shift to low Sulphur fuels through a collaborative approach that includes partnerships and initiatives such as the Partnership for Clean Fuels and Vehicles (PCFV) and the Climate and Clean Air Coalition (CCAC). High Sulphur in diesel fuel is oxidized to sulfur dioxide (SO₂) during the combustion process and subsequently converted to sulfate particulate matter and black carbon emissions from diesel engine vehicles. Therefore, high Sulphur fuels hinder the effectiveness of emission control technologies and contribute to increased harmful vehicle emissions. UNEP is collaborating with the Southern Africa Development Community (SADC) Secretariat and the SADC standardization bodies (SADCSTAN) to develop draft standards for low Sulphur fuels. These actions also contribute to the implementation of the UNEA resolution 4/3 on sustainable mobility, as measures on cleaner fuels and used vehicles are essential for sustainable mobility strategies, policies and regulations across countries as set out in document UNEP/EA.6/3

V. Lessons learned.

19. Close collaboration across UNEP and UN partnerships and initiatives, as well as multi-stakeholder collaboration, involving business and industry actors, is essential to scale up actions and replicability and to avoid fragmentation. Collaboration includes actively engaging in the implementation of national roadmaps, action plans and other strategies; and sharing experience in the implementation of SCP and circular economy in specific sectors and value chains and in innovating in business models, products, technologies. This would lead to tangible progress measured through robust and comparable metrics.

20. Measures that strengthen the integration of resources management (including SCP and circular economy) in global, regional and national climate, biodiversity, and pollution strategies can and should be reinforced, with a specific focus on high impact sectors.²⁶ Research and science-based evidence highlight that the integration of SCP and circular economy in policies and action plans can increase the ambition in addressing the drivers of climate change, biodiversity loss, and pollution while maximizing positive development impacts and minimizing trade-offs. Further collaboration is required between the UN system and governments for analysis and data collection.

²⁵ [Proposal for a Regulation on circularity requirements for vehicle design and on management of end-of-life vehicles](#)

²⁶ This work can be led by International Resource Panel, Intergovernmental Panel on Climate Change, Intergovernmental Platform on Biodiversity and Ecosystem Services, and other relevant science-policy interfaces and in cooperation with member states, international organizations and stakeholders

21. Cross-cutting issues to advance SCP and circular economy in all sectors, including employment, social inclusion and health, should be given further attention. In this regard, UNEP in partnership with other United Nations entities, can help anchor sustainable consumption and production and the circular economy as key driver for a sustainable economic and social transformation.²⁷

22. Investments in SCP and circular economy across regions and in different sectors, including through public-private partnerships, blended finance and de-risking solutions, should be reinforced by enabling policy and fiscal frameworks.²⁸

23. Strong implementation and enforcement mechanisms are needed to obtain benefits of the adopted standards on clean fuels and vehicles. Although more countries and sub-regions are shifting to cleaner fuel and vehicle standards, implementation and enforcement are sometimes lagging. Reducing the negative impact of used vehicles is a shared responsibility of both importing and exporting countries. Importing countries have a responsibility to ensure only good quality used vehicles and cleaner fuels are imported into their countries; exporting countries have a responsibility to ensure only vehicles that are fit to be on their roads can be shipped to other countries.

VI. Recommendations and suggested actions

24. Member States, in close collaboration with other relevant actors, are encouraged to consider how to best develop metrics and disclosure frameworks for circularity. Essential data sets that contribute towards monitoring exist, including the IRP Global Material Flows Database and the SCP Hotspot Analysis Tool (SCP-HAT). These existing tools can be further strengthened to integrate metrics relating to circular economy. UNEP is playing a role in this space and can do more at the global level with interested member states.

25. There is a need to leverage the UN Development System to help countries mainstream SCP and circular economy in national development strategies and plans. UNEP can work collaboratively across its initiatives and the UN system, particularly with the UN Resident Coordinator System and UN Country Teams, to expand direct support at regional and national levels, including by targeting high impact sectors.

26. Member States are encouraged to develop and implement clean fuels and vehicles standards, including minimum quality standards of used vehicles at national, sub-regional, regional and global levels, and promote or strengthen the collection, accessibility and sharing of data on used vehicles flows.

²⁷ UNEP has collaborated with the G20 to promote “the G20 High Level Principles for Lifestyles for Sustainable Development” and with India for the LiFE Campaign.

²⁸ UNEP FI can lead this recommendation through its network of over five hundred financing institutions with over USD 170 trillion assets.