

Subject: Advancing Sustainable Business and Industrial Solutions for a Resilient Planet

Submitted in consultation with 88 Organizations Accredited by United Nations Environment Program as Members of the Business and Industry Major Group and Stakeholders (BIMG).

Date: February 21, 2025

His Excellency Mr. Abdullah Bin Ali Amri, President of UNEA and Chair of the Environment Authority of the Sultanate of Oman.

We welcome the UNEP-7 presidency's commitment to strengthening regional forums, civil society consultations, and the integration of digital technologies and Artificial Intelligence in addressing global environmental challenges.

The private sector - ranging from the largest multinationals to the smallest enterprises - accounts for over 70% of global investments in climate solutions (UNEP), underscoring our pivotal role in accelerating and delivering essential sustainability outcomes. As representatives of some of the key drivers of innovation, climate action, and sustainability, the BIMG emphasizes the critical role of policy coherence, appropriate financial incentives, and regulatory alignment in ensuring the successful implementation of environmental solutions that result in tangible and quantifiable impact across all 17 Sustainable Development Goals (SDGs) across all 17 Sustainable Development Goals (SDGs).

The most important elements that would enable the ministerial declaration to take forward the UNEA theme in the most impactful manner is to provide evidence-based recommendations for integrating business and industry leadership into UNEA-7's global agenda.

The Seventh United Nations Environment Assembly (UNEA-7) is a pivotal moment to advance global sustainability policies and implementation mechanisms. This submission, in response to the President of UNEA-7's call, provides strategic policy inputs for the Ministerial Declaration, integrating best practices from business and industry. It emphasizes leadership in key sectors and value chains such as the built

environment, transport, energy, circular products & materials, finance, and agriculture, ensuring formal recognition and integration into UNEA-7 outcomes.

The Business and Industry Major Group urges UNEA-7 to propose collective actions and policy solutions to the Ministers for the Environment adopt to advance the UNEA theme and promote effective and inclusive environmental governance by promoting these recommendations into the Ministerial Declaration to drive the changes that are absolutely necessary to achieve long-term climate resilience, responsible resource management, and just environmental transitions.

This consultation outlines four core policy recommendations to support climate action, pollution reduction, and biodiversity conservation, leveraging emerging trends such as green finance mechanisms, circular innovations, and AI-driven solutions.

Key Policy Recommendations (1) Climate Action & Decarbonization

Accelerating business-led climate solutions requires carbon pricing, clean energy investments, and corporate climate accountability.

Best Practices:

- Sweden's Carbon Tax Model – A leading framework for pricing emissions and incentivizing decarbonization.
- Greenhouse Gas Protocol – A voluntary standard for corporate climate disclosures.
- Saudi Aramco & NEOM Green Hydrogen Project – Scaling net-zero energy solutions and carbon capture.
- Climate Action Business Hub – Supporting corporate transition to net-zero.

Proposed UNEA-7 Actions:

- Sector-Based Carbon Pricing & Markets – Establish emissions reduction pathways and create incentives accordingly.
- Carbon Tax Reinvestment – Direct revenues into clean technology and adaptation projects.
- Leverage Voluntary Standards – Strengthen corporate climate accountability such as initiatives like the Greenhouse Gas Protocol, TCFD, and ISSB, amongst others.

Key Policy Recommendations (2) Green Buildings, Sustainable Construction and Materials

To meet sustainability goals, UNEA-7 must leverage business innovation, scalability, and financial capacity in the built environment, energy, mobility, and circular materials.

Best Practices:

- Singapore's Green Mark Certification – A globally recognized framework for energy-efficient, climate-adaptive buildings.
- saaf® Certification (Sustainability Assessment Accreditation Framework) – A standard tailored to address green building challenges in arid and desert environments.
- Global Circularity & Emissions Protocols – Adoption of the Global Circularity Protocol for Business, Greenhouse Gas Protocol, and ISSB Sustainability Standards to guide industry transformation.
- Zero Carbon Buildings – Business-led initiatives for net-zero energy and resource-efficient construction.

Proposed UNEA-7 Actions:

- **Sufficiency as a Global Imperative** – The **Sufficiency First Principle** a guiding framework across all sectors. By systematically integrating sufficiency measures, to optimize resource use, lower energy intensity, and reinforce decarbonization efforts.
- Public policies - A **clear reduction target**, achieving **40% lower energy consumption in buildings by 2030**, while allowing flexibility in implementation
- Accountability Mechanisms – Mandate Life Cycle Assessments (LCAs) for major construction projects.
- Promote Circularity in Construction – Prioritize recycled, reclaimed, and bio-based materials.
- AI-Driven Optimization – Require AI-powered energy management and resource efficiency in urban planning.

Key Policy Recommendations (3) Circular Economy & Waste Reduction

Scaling circular economy models requires regulatory frameworks, extended producer responsibility (EPR), and digital waste tracking systems.

Best Practices to Consider for Inspiration:

- Germany's Packaging Act – A leading EPR framework that drives circular supply chains.

- Voluntary Circular Economy Standards – Adoption of the Global Circularity Protocol for Business and its performance management methodology, the Circular Transition Indicators.

Proposed UNEA-7 Actions:

- Establish Global EPR Mandates – Covering plastics, electronics, and construction materials.
- Implement Waste Traceability Systems – Enhance business and consumer accountability.
- Leverage voluntary standards – strengthen corporate accountability by enabling businesses to measure and disclose circularity performance and its sustainability and financial impacts through the Global Circularity Protocol for Business.

Key Policy Recommendations (4) AI-Driven Digitalization for Sustainability

Artificial Intelligence (AI) and digital transformation can enhance climate resilience, optimize resource use, and support sustainable decision-making.

Best Practices:

- AI for Carbon Emission Monitoring (U.S. Department of Energy & Microsoft) – Uses AI-powered climate modeling for emissions tracking and energy grid optimization.
- NEOM & AI-Powered Smart Cities – Deploys AI in traffic optimization, smart grids, and environmental monitoring.
- AI for Circular Economy & Supply Chains – Improves material recovery, logistics, and emissions tracking.

Proposed UNEA-7 Actions:

- Develop Global AI Carbon Tracking Frameworks – Standardize emissions monitoring.
- Support AI-Enabled Circular Economy Solutions – Drive waste recovery, water conservation, and logistics.
- Standardize Ethical AI Policies – Ensure responsible AI use in sustainability governance.

Strengthening UNEA-7 through Business & Industry Leadership and building on insights from UNEA-6, UNEA-7 should prioritize:

- Enhanced Transparency – Implement outcome-based, open-access environmental data platforms for accountability.
- Financial Support – Expand sustainable investment mechanisms for climate action and biodiversity conservation.
- International Cooperation – Strengthen global partnerships for pollution control and corporate responsibility.
- Private Sector Engagement – Encourage business-driven circular economy and green infrastructure investments.
- Policy Coherence

Policy Recommendations for UNEA-7 and Call to Action to drive scalable and impactful environmental solutions, UNEA-7 should:

- Climate Action & Decarbonization – Strengthen financial and other incentives for green hydrogen, low-carbon energy sources, , carbon dioxide removal (CDR) technologies and low-carbon industry.
- Biodiversity Conservation – Develop a biodiversity credit system to mobilize private sector funding in line with UNCBD.
- Pollution Control – Strengthen corporate hazardous materials management.
- Sustainable Agriculture & Food – Halt deforestation and scale regenerative agriculture models.
- Green Buildings & Urban Resilience – Incentify net-zero construction and AI-driven urban sustainability.
- AI & Digital Transformation – Expand AI-powered emissions tracking and sustainability optimization.
- Circular Economy & Waste Management – Scale industry-led Extended Producer & Consumer Responsibility (EPCR) programs.
- Sustainable Finance & ESG – Standardize corporate ESG disclosures and promote green investment incentives.
- Public-Private Partnerships – Establish a UN-backed Business Advisory Council under UNEA to enhance corporate engagement.
- Accountability & Transparency – Institutionalize holistic and voluntary sustainability standards such as the Greenhouse Gas Protocol, Global Circularity Protocol for Business, and ISSB Standards.
- Strengthen Green Building Policies – Incentify energy performance targets and integrate AI-driven efficiency solutions.
- Advance AI-Driven Business Policies – Expand carbon tracking, circularity, and predictive climate risk management.

- Enhance Financial Incentives – Support circular economy and clean energy investments.
- Ensure Transparent ESG & SDGs Reporting – Standardize holistic and outcome-based corporate climate disclosures.
- Scale Up Public-Private Partnerships (PPPs) – Establish a UN-backed Business Advisory Council to bridge government and industry collaboration.

We call on Member States to integrate evidence-based green business and industry practices into agreed resolution frameworks to:

- Accelerate sustainability transitions by embedding circular economy principles, renewable energy solutions, and resource-efficient technologies into regulatory and policy frameworks.
- Strengthen climate resilience through adaptive infrastructure, nature-based solutions, and sustainable urban planning that mitigates environmental risks and enhances long-term stability.
- Deliver lasting environmental and economic benefits for businesses and industries by fostering innovation, promoting responsible investment, and ensuring sustainable value chains.

We request our messages to the Ministers for the Environment to be considered in the ministerial declaration embedding environment policies and sustainable principles into international commitments, so business and industry action aligns with economic growth, driving a just and sustainable transformation for future generations.

Sincerely,

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The Business and Industry Major Group (BIMG) at United Nations Environmental Program

The Business & Industry Major Group (BIMG) is co-facilitated (2025-2026) by Mr. Faisal S. Alfadl, Secretary-General of the Saudi Green Building Forum (SGBF) and; Ms. Diane B. Holdorf, Executive Vice President of Business Council for Sustainable Development (WBCSD).

BIMG is one of nine major groups and stakeholders recognized by the United Nations Environment Programme (UNEP) in Nairobi, Kenya. supported by over +88 accredited nongovernmental organisations worldwide, from developed, developing, and least developed countries (LDCs). Members include individual non-profit, non-governmental organizations, academia, industry-specific associations, and national employer organizations.

The BIMG brings the voices of diverse businesses and employers to formal and informal United Nations consultations and events. It also seeks to raise business and industry awareness of the 2030 Agenda and build public-private SDGs partnerships