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Distr.  
LIMITED  
E/ESCWA/CL1.CCS/2023/WG.11/Report  
15 August 2024  
ORIGINAL: ENGLISH

**Economic and Social Commission for Western Asia (ESCWA)**

## Report

### **Accelerating the Transition to Circular Economy for Climate Resilience in the Arab Region Amman, 22-23 November 2023**

#### Summary

The United Nations Economic and Social Commission for Western Asia (ESCWA), with the support of the Government of Sweden, and in partnership with the Regional Program Energy Security and Climate Change of the Konrad Adenauer Stiftung (KAS-REMENA), organized on 22 and 23 November 2023 the Regional Dialogue on Accelerating the Transition to Circular Economy for Climate Resilience in the Arab Region.

The main objectives of the meeting were to analyse the existing status of the circular economy in the region identifying pathways for mainstreaming, exchange insights on accessing finance and ensuring effective governance, and discuss strategies for ensuring the sustainability of the dialogue in the region.

During the meeting, participants discussed the ways in which the transition to a circular economy addresses regional challenges, benefiting both current and future generations. Discussions also encompassed various countries' experiences in transitioning to circular economy, focusing on achievements in policies, governance, projects, and initiatives. Additionally, discussions explored available financial opportunities and funding tools to support this transition. The role of circular economy in mitigating emissions from production and consumption, complementing efforts in energy transition for climate action, was also emphasized.

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## **Introduction**

1. The Regional Dialogue on Accelerating the Transition to Circular Economy for Climate Resilience in the Arab Region was organized by the United Nations Economic and Social Commission for Western Asia (ESCWA), with the support of the Government of Sweden and in partnership with the Regional Program Energy Security and Climate Change of the Konrad Adenauer Stiftung (KAS-REMENA). The meeting was convened at the Kempinski Amman Hotel in Amman on 22-23 November 2023 from 9:00 am to 14:30 pm Amman time (GMT+3) and virtually using the Zoom platform.
2. The meeting aimed at analysing the existing status of the circular economy in the region identifying pathways for mainstreaming, exchanging insights on accessing finance and ensuring effective governance, and discussing strategies for ensuring the sustainability of the dialogue in the region.
3. The meeting consisted of an opening and a closing session and seven plenary sessions spread over one day and a half: Session 1 covered the enabling policies needed to accelerate the transition to a circular economy in the Arab region, Session 2 discussed financial needs, opportunities and challenges for an accelerated transition to a circular economy, Session 3 explored the crucial role of governance in steering the transition towards circular economy, discussions in Session 4 focuses on exploring countries and private sectors' experiences in transitioning to a circular economy across various sectors, Sessions 5 discussed sectors prioritization for the transition to circular economy, Session 6 focused on examining the essential approaches and steps required to mainstream circular economy principles across government and society, and Session 7 was dedicated to discussing ways to ensure sustainability of the dialogue and setting a framework for promoting the transition to circularity in the Arab Region. The meeting documentation and background information is available at the following website: <https://www.unescwa.org/events/accelerating-transition-circular-economy-climate-resilience>.

## **I. Topics of discussions**

### **A. Opening Session**

4. The meeting started with welcoming remarks from the Ministry of Environment in Jordan, KAS-REMENA, and ESCWA.
5. The Ministry of Environment underscored Jordan's significant achievements in circular economy through initiatives like the Green Growth Plan and the establishment of Law No. 16 of 2020, which introduces pivotal waste management principles such as prevention, precaution, and the Extended Producer Responsibility (EPR) and the polluter-pay principles. KAS-REMENA stressed the timeliness of the dialogue before COP28, highlighting the need for regional cooperation to drive circular economy transitions for enhanced climate resilience and accelerated sustainable development, focusing on innovation, scalability, governance, and successful models from the region. ESCWA emphasized the necessity of transitioning to a circular economy despite regional challenges, such as war and conflicts, underscoring its role in disseminating knowledge and monitoring progress on this front, marking this dialogue as an initial step toward implementing Decision 651/34, 2023 of the Council of Arab Ministers Responsible for the Environment.
6. A keynote presentation by The World Bank underscored the convenience and cost-effectiveness of the linear economy as a key challenge hindering the shift to a circular economy. The intervention highlighted the need for policy shifts to tackle the root causes of pollution, advocating for the polluter-pay principle, coherent regulations to minimize risks for innovators, infrastructure development for new CE models, innovation to support firm adaptation, and promoting consumer behaviour change through awareness.

## **B. Enabling Policies for Transition Acceleration**

7. The keynote presentation titled 'Circular Economy for Accelerating Climate Action: Scaling with Policies' by the Ellen MacArthur Foundation, originally planned for this session, was rescheduled to take place at the conclusion of the sectors prioritization session on the subsequent day.

8. During this session, the African Circular Economy Network Foundation started by sharing their work in developing circular economy roadmaps and supporting in their implementation. In their intervention, the foundation highlighted the countries with existing roadmaps, noting a lack of participation from many Arab nations. The Foundation announced plans to unveil an African region action plan later this year, along with a study conducted in Tunisia, exploring circular economy potential across sectors. This study involves assessing policy frameworks, mapping stakeholders, identifying gaps, and offering recommendations for enhancements.

9. During the session, the SwitchMed intervention stressed the importance of avoiding duplication of existing solutions. It also emphasized the subtle differences and connections between efforts in circular economy, green economy, green growth, and sustainable production and consumption. Additionally, it underscored the significance of nationally owned and driven projects, the impact of consumer behaviours, and stressed the necessity for the involvement of all stakeholders in decision-making to ensure effective implementation.

10. In their intervention, The Ministry of Economy in Oman highlighted the Sultanate's achievements in circular economy. They emphasized the ministry's pivotal role in developing policies and setting up monitoring parameters. Key achievements include Oman's Vision 2040, incorporating 14 national priorities that link environmental and economic facets, a 2050 Net Zero-Emission (NZE) Target, and the establishment of a specialized unit dedicated to achieving net zero, developing public policies for sustainable waste management. Collaborations with entities like the Boston Consulting Group and Circular Economy Foundation have been important for developing respectively, a study of economic costs and returns and investment opportunities to reach NZE by 2050, and a circular economy roadmap in Oman.

## **C. Financing the Transition to Circular Economy**

11. A keynote presentation by Capital Concept highlighted the expanding global ESG landscape, foreseeing ESG-mandated assets comprising half of all managed assets (\$145.4 trillion) by 2024. This surge presents diverse investment prospects in ESG, renewables, water, climate-focused initiatives, and electric vehicles. The presentation highlighted key elements for integrating ESG systems in the private sector: risk assessment, policy formulation, goal clarity, circular design emphasis, innovation, supply chain circularity, NGO/CSO partnerships, incentivization, external certification, continuous improvement, monitoring, and reporting. It emphasized the need for a multi-stakeholder ESG stewardship program to influence private and public sector behaviour, yielding national benefits. Governments, regulators, financial institutions, standard-setting bodies, and CSOs each hold specific roles in this concept. Capital Concept has established an ESG methodology, collaborating with 100 companies, enabling \$1.1 billion investment in the Arab region, increasing the total enterprise value from \$27 billion to \$31 billion.

12. The panel discussion during this session started with insights from the Global Green Growth Institute (GGGI), emphasizing their role in assisting countries in transitioning to green economies. GGGI supports governments in engaging the private sector, fostering innovative green growth solutions, financing, and knowledge sharing. Their programs focus on embedding circular economy principles in sustainable bioeconomy solutions and resilient programs for cities and communities, promoting green jobs, services, and infrastructure. GGGI operates within ministries related to green growth, bridging the gap between governments and the private sector. They aid governments in identifying viable financial investments, making projects appealing to institutional investors and supporting the development of national financing mechanisms. In Jordan, they've facilitated GCF readiness by assisting in concept note development and mobilizing finance for studies. Moreover, GGGI supports national banks such as the Cities and Villages Development Bank of Jordan,

in becoming GCF accredited and directly accessing funding for climate projects. Their initiatives encompass waste management pilots benefiting refugee and host communities, utilizing compost, and treated wastewater for greening spaces. These pilots aim to demonstrate scalability and commercial use, focusing on compost production and green fuels from organic waste. GGGI also arranges quarterly roundtables and public-private dialogues, fostering an environment conducive to green economy transformation.

13. Qutoof Professional Development highlighted in their intervention the diverse perspectives of various actors—government, private sectors, and CSOs—in the transition to a circular economy. They emphasized the importance of identifying the appropriate entry points for each actor and maintaining constant communication and coordination among them to ensure a successful transition. Their initiatives involve raising awareness among youth and young entrepreneurs, collaborating with the private sector on pilot projects to showcase success stories, and establishing a platform for dialogue among waste management stakeholders. They are partnering with the Chamber of Industry in Amman to create a self-assessment tool for industries to evaluate their circularity across environmental, governance, and social aspects, guiding them toward funding opportunities. Qutoof highlighted the necessity of transitioning all industries throughout the value chain, acknowledging that results might take time, potentially posing funding challenges. They pointed out that opting for renewable energy was a simpler choice due to its relatively easier funding. Finally, they stressed the need for a platform to facilitate ongoing discussions on circular economy.

14. In his intervention, the head of the green committee of the Association of banks in Jordan, emphasized a critical challenge in green financing: the scarcity of bankable projects rather than limited access to finance. Five key pillars for green investments were highlighted: 1) capacity building and awareness, extending to bank employees and executives; 2) providing incentives and reduced interest rates through cash-back incentives to ensure compliance and showcase opportunities for clients and other banks interested in green financing; 3) establishing a regulated ecosystem such as the Green Finance Strategy localized to Jordan's context, addressing both opportunities and risks; 4) emphasizing the need for technical expertise and studies; 5) ensuring accessible and inclusive data and reporting processes, especially for SMEs, through user-friendly applications for report uploads. Additionally, the intervention stressed the significance of public-private partnerships in reducing unemployment and advocated for green guarantees to encourage investor and client confidence.

#### **D. Ensuring Effective Governance for Accelerated Transition to Circular Economy**

15. During the panel discussion in this session, the intervention of the Climate Change Center at the Arab American University in Palestine emphasized the region's limited resources advocating for circular business models and a zero-waste target. The intervention stressed the need for a collective approach, engaging stakeholders and ensuring long-term commitment from all involved in implementing a green circular economy. The identified key stakeholders to involve include consumers, suppliers (favouring renewable and socio-environmentally low-impact resources), government (supporting innovative environmental solutions), industry partners (ensuring fair competition and transparency, sharing strategic objectives), universities and research centres (providing expertise in introducing circular products), and employees (encouraging innovative processes to minimize ecosystem impacts).

16. The intervention of GIZ in Jordan highlighted the implementation of the Extended Producer Responsibility (EPR) in Jordan as an application of the polluter-pays principle, holding producers accountable throughout a product's life cycle. The intervention discussed the EPR milestones in Jordan, outlining institutional arrangements and the creation of the Producer Responsibility Organization (PRO). It also detailed the engagement of the private sector in EPR, involving them from negotiations to process development, emphasizing their crucial role in ensuring commitment and compliance. Furthermore, it highlighted how EPR significantly contributes to job creation in the recycling sector.

17. In the panel, the Union for the Mediterranean (UfM) emphasized the importance of circular economy within the ministerial declarations of their member states and their 2030 GreenerMed Agenda, focusing on pollution, biodiversity, and a socially inclusive green circular economy. They highlighted key conditions for

success for promoting circular economy: 1) knowledge-sharing and financial platforms like UfM's Blue Mediterranean Partnership and PAMEx Local investment facility, 2) reliable data and scientific reports such as UfM's annual climate and WEF (Water, Energy, Food and Ecosystem) nexus reports), 3) scaling up and replicating projects such as their wastewater irrigation initiative in Jordan and Palestine, 4) mainstreaming circular economy at local, national and regional levels, through regional cooperation. UfM announced that they are publishing soon a report on green circular economy with a focus on green jobs and skills and is organizing a COP28 event on circular economy and WEF nexus for communities in the Mediterranean region.

18. CEWAS Jordan's intervention focused on innovation and business development in circular economy. While foundational aspects (legal, institutional, and infrastructure) are still in progress, CEWAS emphasized ample opportunities for businesses of all sizes to participate. Using insights from the Arab region market, they advised startups to explore specific segments within the value chain where they can compete effectively. Acknowledging informalities, such as in solid waste management, and understanding market needs and regulatory frameworks particularly concerning potentially lengthy licensing processes for facilities were highlighted as crucial for the effective transition. CEWAS outlined key areas of business support: providing market insights, nurturing innovations, building markets, fostering connections, and advocating for impact investments.

### **E. Countries Experience and Lessons Learnt in the Transition**

19. Two interventions scheduled for this session were postponed to the session on "Mainstreaming Circular Economy in Public Policies" on day 2 due to time constraints on day 1.

20. The panel discussion started with an intervention from the Ministry of Environment in Egypt outlining the country's efforts in embracing circular economy principles. This included legislative measures incentivizing green investments, public procurement regulations, decisions on waste-to-energy tariffs, and initiatives promoting alternatives to single-use plastics. Additionally, collaborations with the Ministry of Manpower were emphasized, focusing on formalizing the solid waste sector and ensuring benefits for workers. The intervention also shed the light on Egypt's new 2030 vision which emphasizes integrating environmental concerns into economic enhancement strategies and addressing national challenges such malnutrition. The commitment to mandate circular economy and sustainability standards for all state-funded projects by 2030 was also highlighted. Institutionally, they've developed manuals on standards for environmental sustainability, in several sectors, energy, water and waste, focusing on capacity building for public servants, and awareness raising of the private sector, and NGOs. Initiatives in the industrial sector that were highlighted in the intervention involve facilitating funding, grants, and loans for the private sector, for implementing wastewater treatment. Achievements also included the establishment of intermediary waste management plants, waste-to-energy protocols, an electronic waste application (*E-tadweer*), successful recycling of rice waste, use of and small-scale biogas plants.

21. In a subsequent presentation, Egypt emphasized the growing possibilities of a circular economy in unconventional sectors, particularly in reusing iron slag, signifying both environmental benefits and economic opportunities. Previously discarded in nature, the slag is now being recycled due to its iron content and utilized in various applications, including roads, pavements, and cement production.

22. An intervention by the International Water Research Institute (IWRI), Mohammed VI Polytechnic University (UM6P), showcased Morocco's achievements in enhancing water sector management amid economic growth and climate change. Highlighted were pivotal laws and initiatives fostering wastewater treatment and reuse, such as the Water Code, the 2005 national sanitation program, the 2008 Green Morocco plan, the 2009 national water strategy and plan, and the 2016 national wastewater reuse plan. These objectives are integral to the 2021 New Development Model, which includes a key performance indicator aiming for 15% of total water use to be sourced from desalination or treated wastewater by 2035, ensuring water sustainability.

23. The last intervention was by Ecoserv, a leading NGO from Lebanon, for the management of hazardous electronic waste. Their intervention highlighted their program across 150 drop zones in Lebanon, empowering households to responsibly dispose of electronic waste, significantly enhancing community awareness and capacity. Ecoserv's focus on treating and recycling e-waste highlighted its pivotal role in mitigating environmental and human health impacts, emphasizing its economic importance. Notably, they neutralize hazardous substances like bromide in plastic, extract mining metals from waste (a cost-effective alternative, 40-50% cheaper than natural mining), foster job creation, collaborate with scrapers for responsible e-waste collection, and recycle batteries for utilization in solar energy systems. This approach replaces harmful practices of random dumping or burning, significantly benefiting both the environment and human health.

#### **F. Prioritizing Key Sectors for the Transition to a Circular Economy**

24. During this session, the panel discussion started with a presentation from the Ministry of Economy in Oman, outlining their strategic focus on prioritizing sectors in the transition to a Circular Economy. Two main projects were highlighted in the intervention: 1) a study evaluating economic costs and returns and investment opportunities to achieve Net Zero Emissions (NZE) by 2050, 2) a Circular Economy Roadmap, expected to conclude next year. Emphasizing the National Programme for Economic Diversification away from oil and gas, pivotal sectors like manufacturing, logistics, transport, tourism, food security, and mining have been identified for sustainable GDP growth. Various projects supporting this agenda include waste-to-energy plants, battery recycling, recycling of fish waste, and exploring the conversion of cooking oils into biofuels. Investment opportunities were highlighted in the waste sorting sector by showcasing the potential of recyclable materials, emphasizing their substantial market value. In the education sector, the Ministry of Education is advancing green school projects to cultivate knowledge, skills, and positive environmental trends. Additionally, Oman is investing in green hydrogen production as part of its circular carbon economy ambitions, targeting 8.5 million tons by 2050, and investing USD 30 billion positioning itself as a significant global producer. The intervention highlighted that funding the net zero pathway would cost USD 190 billion in additional capital investment (70- 80% financed by the private sector by 2050), driving extensive job creation opportunities.

25. The intervention by the Ministry of Industry in Lebanon highlighted the collaborative effort between the public and private sectors in advancing towards circularity, despite profound socio-economic and environmental challenges confronting the country. These include repercussions of the Syria crisis, financial instability, currency depreciation, as well as waste mismanagement, pollution, and biodiversity decline. Several impactful initiatives were highlighted such as the resource efficiency projects under the SwitchMed Program and the subsequent 2Circular program. Such initiatives focus on the food and beverage sectors, offering technical support, in-kind grants and additional financial opportunities. Despite persisting challenges highlighted during the session, such as the economic crisis hindering strategy implementation, and the need for adequate decrees and the necessity for decrees and administrative decisions to apply circular economy principles across industries, opportunities have emerged. The evident push towards renewable energy due to high energy costs was underscored as well as an increased focus on locally produced products to substitute traditionally imported products. Lebanon's Ministry of Industry encouraged the replication of successful projects implemented in other countries and exploring the potential of circularity in new sectors, while emphasizing the importance of data for effective replication and scaling-up efforts.

26. SustainMENA's intervention focused on Jordan's commitment to embracing circular economy principles as a catalyst for economic growth. This commitment was underscored through Jordan's updated NDCs, climate goals, and a dedicated climate investment plan. As highlighted during the intervention, progress has been made across sectors like water, agriculture, energy, and industry, resulting in concept notes and a project pipelines. Several laws and frameworks, including the Economic Modernization Vision, progress with EPR law, and the Green Public Procurement law, are being considered as key drivers for the circular economy in Jordan. The intervention emphasized the economic benefits of this transition, including reduced consumer prices, the creation of green jobs to address unemployment, particularly among youth and women, and access to the EU market. Successful projects were showcased like the recycling of wastewater and agricultural waste,

along with rural development initiatives such as the REGEND project implemented with ESCWA. The intervention highlighted sectors prioritized in the transition, such as the textile and food sectors, as well as the services sector with a focus on the "sharing economy" principle. Additionally, peace and security emerged as crucial elements for advancing circularity initiatives, particularly in conflict zones like Gaza, where water and energy are weaponized. A need for a Nexus approach for an effective transition was highlighted, alongside the necessity for a circular economy framework at both regional and national levels.

27. In their intervention, the Ministry of Environment in Tunisia underscored several key issues hindering Tunisia's shift to a circular economy. These include the number of sectoral strategies lacking coordination among administrative bodies, minimal private sector engagement, limitations in legislative and institutional frameworks, and lack of awareness. Moreover, the intervention emphasized Tunisia's ecological transition strategy, which aligns and integrates various national sectoral strategies across five action areas: institutional and financial governance, climate change, sustainable consumption and production and pollution reduction, scientific knowledge and environmental education, and preservation of natural resources and ecosystems. To expedite the transition to a circular economy, the intervention outlined several plans in Tunisia, including the establishment of a digital platform to promote circular economy principles, hosting dialogues through roundtable discussions to sustain engagement, and creating communication tools to raise public awareness. Furthermore, the intervention highlighted the pivotal role of SMEs and start-ups, particularly in the textile sector, known for its high greenhouse gas emissions and resource-intensive practices. It underscored the "Save Your Wardrobe" application—an initiative aiding users in organizing and redistributing their unused clothing, thereby reducing emissions, and promoting reuse, thus aligning with circular economy objectives.

28. The discussions following the panel suggested for ESCWA to play a role in establishing a regional cooperation mechanism aimed at accelerating the adoption of circular economy practices across the Arab region. UNEP highlighted how country experiences revealed mutual opportunities at the intersection of business and the environment, emphasizing the crucial need for strong coordination mechanisms and national dialogues within each country to effectively prioritize sectors.

29. The Ellen MacArthur Foundation's presentation, initially scheduled for the first day, was delivered at the conclusion of this session. The presentation discussed the ways in which the circular economy could accelerate climate action and explored the necessary policies for this transformative shift. A key highlight was that the circular economy could effectively address 45% of global greenhouse gas emissions stemming from production processes and land management, thereby complementing energy transition efforts. It emphasized the economic and environmental potential of the circular economy leading to considerable reductions in CO<sub>2</sub> emissions, material consumption, negative impacts on biodiversity and plastic leakage to oceans. The presentation underscored that collaborative design and high-scale operations of return systems can compete effectively with single-use applications. Regarding policies for a circular economy, the presentation outlined the following universal circular economy policy goals: Stimulate design for the CE (Goal 1), Manage resources to preserve value (Goal 2), Make the economics work (Goal 3), Invest in innovation, infrastructure, and skills (Goal 4), Collaborate for system change (Goal 5). Innovative measures on circular policy development were shared, including France's law for phasing out single-use plastics by 2040 and its EPR scheme on construction waste, the EU's Ecodesign for Sustainable Products (ESPR), Belgium's fiscal measures, involving tax reductions on investments in energy efficiency and circular operations, and Chile's Circular Economy roadmap. The presentation concluded by emphasizing the mutual reinforcement between business actions and government policies, creating an ambition loop for accelerating the transition to a circular economy.

### **G. Mainstreaming Circular Economy in Public Policies**

30. During the panel discussion, the Ministry of Economy of the United Arab Emirates (UAE) showcased their efforts in mainstreaming Circular Economy. One of their main achievements is the establishment of the CE policy framework and governance structure, featuring the Circular Economy Council chaired by the Ministry of Climate Change and the Circular Economy Policy Committee led by the Ministry of Economy. Notable highlights included the launch of a circular economy lab focusing on research and development,



alongside targeting €8 billion for circular economy investments. UAE's approach to identify circular policies involved a bottom-up method, engaging all stakeholders. Economic and environmental KPIs were identified, with national targets set and customized for each emirate's economic profile to assess progress. Four sectors, driving significant contributions to the UAE GDP - sustainable transportation, green infrastructure and development, sustainable manufacturing, and sustainable food production and consumption - were prioritized, resulting in 22 policy developments including policies data and green procurement. Their strategy involved extensive collaboration and networking with CE-specialized SMEs, international entities, and banks to expedite advancements towards circularity. The launch of "*Investopia*," a financial platform aimed at accelerating investments, accentuates their commitment. Additionally, the UAE highlighted their green financial instruments and portfolio, and exploring blockchain applications for green investments, especially in food tech. The Ministry is also launching the UAE CE digital forum, in partnership with the Ellen Mac Arthur Foundation during COP28. This forum aims at sharing best practices, fostering collaboration, and tackling finance, knowledge, and awareness challenges in CE.

31. The behavioural and cultural linkages with the transition to circular economy were emphasized by a governance expert from Jordan, focusing on how demand serves as driver for this transition. The intervention stressed the importance of breaking habits and initiating behavioural shifts. Jordan's Economic Modernization Vision was cited as an exemplary model that involves multiple stakeholders - civil society, academia, and the private sector - highlighting that the government should not solely bear the weight of this transition. Furthermore, the intervention discussed the business case by exploring market dynamics and examining the costs associated with transitioning to circular practices, often proving more advantageous than linear methods. The intervention underscored the importance of integrating the cost of environmental degradation for using raw products and material, which can minimize the cost differences between linear and circular approaches. The concept of "cradle to cradle" certification for circular products was underscored as part of the business case, advocating for local solutions in product design and advocating for behavioural changes at the household level. Additionally, authenticity was highlighted as a crucial factor, warning against greenwashing practices that weaken genuine efforts in this area.

32. Due to time limitation, two presentations originally scheduled for day one have been moved to this session. The first presentation was from the Ministry of Energy Transition and Sustainable Development in Morocco, focusing on the strategic directions to achieve the transition to circularity in the country. Among the highlighted accomplishments was Law 12-99, which covers waste-related legislative frameworks, incorporating Extended Producer Responsibility (EPR) principles, and implementing an eco-tax system. In addition, the National Strategy for Sustainable Development, was highlighted as a reference document in the transition towards a circular economy, particularly emphasizing integrated waste management and formalizing the informal waste sorting sector among other objectives. Recommendations from the Economic, Social, and Environmental Council were also highlighted, stressing the necessity for an appropriate institutional framework and governance structure, communication strategies fostering a circular economy culture, incentivizing sorting improvements, building technical and financial capacities, and investing in research and innovation. Moreover, sectoral strategies such as the energy sector strategy were discussed. In waste management, highlighted achievements included the national waste valorisation program, the national plan to curb marine pollution from plastic waste, efforts to address waste in pottery and olive oil sectors, and a National Strategy for Waste Reduction and Valuation setting targets for 2030.

33. The second presentation rescheduled from day 1 was delivered by the Tunis International Center for Environmental Technology (CITET), shedding light on the Center's mission and objectives operating under the Ministry of Environment. CITET's main goals, highlighted in the presentation, involve enhancing capacities through training, supporting green professions and entrepreneurship, aiding institutions in establishing circular economy systems, modernizing environmental technologies. Notably, the intervention showcased key projects related to circular economy in which CITET has actively participated. These include the SwitchMed project aimed to promote green entrepreneurship and the transition to a circular economy in Tunisia. This initiative trained 120 individuals in green professions, incubated 15 projects to actual start-up stages, established environmental institutions, and developed a digital platform for green initiatives.

Additionally, the "STAND Up!" project, focusing on Sustainable Textile Initiative for Networking and Development of Circular Economy Businesses in the Mediterranean Region, emphasized cotton valorisation, and trained 41 individuals in circular economy projects within Tunisia's textile and clothing sector. Lastly, the intervention spotlighted a project supporting sustainable and circular entrepreneurship in decentralized Tunisian regions, specifically aiding six circular project owners in funding searches and project realization.

34. The discussions following the panel brought forward several key points. Rather than solely prioritizing sectors based on their GDP contributions, the suggestion was to target sectors that offer more immediate opportunities for circular economy implementation, gradually scaling up from there. The UAE clarified that their approach involved comprehensive consultations with stakeholders in priority sectors to understand their specific needs and challenges. Moreover, new departments within the UAE Ministry of Economy are being established to focus on remaining sectors, driving the creation of a new economy, and stimulating demand and new markets.

35. During the discussions, there was an agreement on the significance of incorporating circular economy and sustainability principles into educational curricula - emphasizing the necessity for practical application alongside theoretical learning. Furthermore, the discussions underscored the significance of regional efforts, exemplified by GCC's initiatives to form a CE council and initiate a circular trade strategy at a regional level. These efforts aim to establish unified standards. Sharing their experience, UAE's Ministry of Economy highlighted how the Ministry of Climate Change requested the incorporation of CE and sustainability pillars within the National Determined Contributions (NDCs) and National Adaptation Plans. Additionally, they emphasized their cascading principle in the development of circular policies.

36. The discussions also underscored the strategic importance of capitalizing on opportunities within decarbonization, climate change mitigation, and SDG achievement to advance circularity.

## **H. Ensuring Sustainability of the Dialogue on Circular Economy**

37. This session focused on strategies to sustain ongoing dialogues and establish a robust framework for promoting circularity in the Arab Region. Several key actions were proposed.

38. Firstly, the idea emerged to compile a regional report highlighting the achievements of countries in the circular economy, showcased during the meeting. Additionally, there was notable support for creating a regional multi-expertise network or platform dedicated to circular economy. This platform aims to bring together professionals from diverse fields - policy, strategy, economics, and the environment - engaged in circular economy initiatives.

39. Recommendations also included launching capacity-building programs to develop projects that attract green financing, both locally and globally. The need to address the shortage of circular economy experts in the region was emphasized. This involves training trainers in circular economy principles, practices, and region-specific expertise, creating a pool of knowledgeable experts. Moreover, highlighting gaps and opportunities, particularly in sectors needing further examination for circular transition, was stressed through a comprehensive needs assessment.

40. UNEP highlighted language barriers hindering access to documentation on circular economy achievements in the Arab region. To overcome this, suggestions were made to create specialized sections - like an Arabic corner - within knowledge platforms such as the Green Growth Knowledge Platform. Also, the session emphasized the significance of tapping into national and regional expertise rather than solely depending on international consultancy firms. Furthermore, simplifying the language used to explain circular economy concepts was stressed as beneficial for wider adoption.

41. The session highlighted the need to activate existing mechanisms, like unimplemented memoranda of understanding in Arab bilateral cooperation. Utilizing these mechanisms could expedite the region's transition

to a circular economy, especially given disparities among countries. Collaboration and cooperation were emphasized as crucial in addressing these differences and collectively progressing towards circularity.

42. Moreover, monitoring the intersectionality between strategies on climate change, circular economy, and biodiversity conservation and other related topics was underscored as necessary to accelerate the transition to circular economy.

43. At the end of the session, key conclusions and messages derived from the meeting were shared with participants and are detailed in annex I.

### **I. Closing Session**

44. The meeting concluded with closing statements delivered by representatives from KAS-REMENA and ESCWA. KAS-REMENA expressed their gratitude to participants and speakers for their active engagement throughout the discussions. They reiterated their commitment to furthering the advancement of circular economy in the Arab region in collaboration with regional partners.

45. ESCWA emphasized the importance of sustaining communication among participants beyond the meeting. They referenced ongoing efforts to develop guidelines aimed at accelerating the adoption of circular economy in the region, that will be shared with participants for feedback upon completion. ESCWA also outlined plans to follow-up the development of capacity-building materials related to circular economy and ensure their accessibility to all interested stakeholders. Appreciation was conveyed to KAS-REMENA and the Government of Sweden for their support in facilitating the organization of this meeting.

## **II. Organization of the meeting**

### **A. Date and venue**

46. The meeting was held in hybrid format, at the Kempinski Hotel Amman in Jordan and virtually on Zoom platform, on 22-23 November 2023 from 9:00 am to 14:30 pm Amman time (GMT+3).

### **B. Documentation**

47. The meeting documentation is available at: <https://www.unescwa.org/events/accelerating-transition-circular-economy-climate-resilience>

### **C. Participants**

48. The Regional Dialogue on Accelerating the Transition to Circular Economy for Climate Resilience in the Arab Region gathered 38 participants (28 attended in person and 10 attended virtually) and comprised representatives from relevant ministries and national institutions and representatives from regional and international organizations as well as United Nations organizations, financial institutions, academia, private sector, and civil society. The list of participants is provided in annex II.

## Annex I

### Key Conclusions

Key recommendations resulting from the regional dialogue to accelerate the transition to circular economy in the Arab region included:

- To direct efforts on building new circular infrastructure, creating policies, fostering value chains, and developing necessary skills and habits.
- To advocate for a cross-governmental approach in policy redesign for effective circular economy implementation.
- To involve all stakeholders including government bodies, private sector, civil society organizations, academia, and local communities throughout the development of national circular economy strategy, defining their responsibilities for effective governance.
- To implement policies supporting Small and Medium Enterprises (SMEs) in adopting circular practices, recognizing their potential as drivers of circular economy, and to guide start-ups to strategically focus on specific segments within value chains.
- To integrate the circular economy agenda into global and regional policies, such as multilateral agreements on climate change and biodiversity, and Zero Carbon Neutrality Plans, and to monitor their intersections with circular economy initiatives.
- To make circular products more attractive in the market compared to linear ones, emphasizing their cost-effectiveness, to generate demand.
- To consider cultural aspects during the transition phase and to emphasize behaviours and attitudes changes through education, integrating circular economy into curricula, raising awareness, and capacity-building.
- To recognize the role of innovation in the transition to circularity and to establish national and regional platforms for sharing best practices in circular economy initiatives.
- To introduce financial incentives for private sectors, such as cash backs or incentives after implementing green initiatives, offering reduced interest rates for circular and eco-friendly measures.
- To recognize the role of Private-Public Partnership in creating job opportunities in this transition.
- To prioritize sectors based on various criteria including environmental impact, economic costs and returns, socio-economic impact, job creation, green skills, governance, investment size, waste generation, and resource efficiency.
- To emphasize the importance of robust data and reporting mechanisms for monitoring Circular Economy progress.
- To establish, adopt and implement Key Performance Indicators for monitoring and measuring progress in circular economy initiatives.

## Annex II\*

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