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KEY POINTS

- Over 2011 to 2019, carbon emissions per unit of gross domestic product (GDP, in US\$) either stabilised or declined in most AMS, indicating lower emissions from production. However, the demand side shows the opposite picture as emissions per capita continue to rise in the AMS, except for Brunei Darussalam and Singapore where emissions per capita dropped.
- Circular economy is still a relatively new programme area for ASEAN, particularly in the ASEAN Economic Community. There is need for thoughtful and deliberate action on the development of appropriate frameworks and mechanisms, as well as giving due consideration to spread awareness and improve capacity in the region.
- Circular economy will be part of ASEAN's journey towards achieving a resilient, inclusive, and sustainable development. It will be a long-term multi-sectoral and multi-stakeholder process that will need the strong support of the private sector and the wider stakeholders. At the regional level, strategic measures have to be broad and flexible to cover the diverse priorities and levels of development of Member States; practical enough for the private sector to adopt: and relatable to the public.

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ASEAN Transition Towards Circular Economy

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Economic development has put undue pressure on natural resources and the environment, raising concerns on resource scarcity and climate change. On one hand, development has generated jobs, increased incomes and purchasing power, thereby improving standards of living. On the other hand, higher production of goods and services to meet demand meant greater use of resources and higher carbon emissions. In ASEAN, the region's growth led to a rapid increase in carbon emissions, from 1,038 metric tons (Mt) of carbon dioxide (CO_2) in 2010 to 1,429 Mt CO_2 in 2018¹.

Economic development and emissions in ASEAN Member States

Table 1. Carbon emissions in AMS

AMS	KG per 2017 \$PPP of GDP				Metric Tons per Capita			
	2011	2015	2019	Average ^a	2011	2015	2019	Average ^a
BN	0.27	0.24	0.26	0.27	18.62	15.42	16.13	17.21
КН	0.13	0.15	0.22	0.17	0.37	0.54	0.98	0.61
ID	0.22	0.19	0.19	0.19	1.94	1.89	2.29	1.97
LA	0.09	0.20	0.33	0.22	0.48	1.32	2.61	1.55
MY	0.33	0.32	0.28	0.31	7.08	7.81	7.93	7.57
ММ	0.06	0.10	0.14	0.10	0.17	0.36	0.68	0.41
PH	0.14	0.15	0.15	0.15	0.86	1.09	1.35	1.10
SG	0.11	0.09	0.08	0.09	8.64	8.21	8.31	8.33
тн	0.24	0.24	0.21	0.23	3.46	3.84	3.84	3.74
VN	0.27	0.30	0.34	0.28	1.76	2.38	3.49	2.33

Note: a\ Simple average for 2011-2019. PPP = purchasing power parity Source: World Bank (November, 2022)

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Senior Officer and Officers, respectively, of the Analysis and Monitoring on Finance and Socio-Economic Issues Division. The authors would like to thank the ASEAN Connectivity Division, Science and Technology Division, and the Enterprise and Stakeholder Engagement Division for the substantive inputs and comments. On a positive note, the ASEAN region is seeing a more stable relationship between domestic production and carbon emissions. Over 2011 to 2019, carbon emissions per unit of gross domestic product (GDP, in US\$) either stabilised or declined in most AMS (see Table 1), indicating lower emissions from production. However, the demand side shows the opposite picture as emissions per capita continue to rise in the AMS, except for Brunei Darussalam Singapore and where emissions per capita dropped.



Figure 1. Carbon dioxide (CO2) emissions vs GDP per capita, 2011-2019

Source: World Bank (November, 2022)

Note: Brunei Darussalam and Singapore are outliers and excluded from the charts.

Figure 1 shows the trends in carbon emissions vis-à-vis GDP per capita, representing income, in the AMS. In the first chart, *Figure 1.a*, emissions

tend to rise steeply in lower incomes (represented by GDP per capita) then flatten as incomes go up. It is important to note that industries are top emitters of carbon due to the nature of their production, while services emit less because of their structure of operations. Therefore, this trend reflects the conventional path in development, where lower income economies adopt rapid Industrialisation to accelerate growth, leading to a surge in carbon emissions.

As economies develop and gradually transition into more service-oriented sectors, emissions slow down. Meanwhile, *Figure 1.b*, for the demand side shows a clear upward trend in emissions as incomes rise, reflecting greater consumption, hence higher resource use and emissions.

Looking at the economies in detail, *Figure 2* shows emissions vis-à-vis production in the AMS, for agriculture, industry, and services. Broadly, there is a stark contrast between the agriculture and the industry sector. There is a downward trend in emissions as the share of agriculture to the economy increases, while for industries the trend goes upward – supporting the stylized fact mentioned above.



Figure 2. Emissions per GDP vs economic sectors, 2011-2019

¹ Source: International Energy Agency, <u>CO2 emissions reductions by scenario</u> in Southeast Asia, 2010-2040



Source: Emission Data from World Bank (November, 2022); Value Added Sector from UNCTAD (November, 2022)

Cities, particularly in the rapidly urbanising ASEAN region, is also a key factor in resource use and emissions. Development tends to concentrate in cities, where employment opportunities are better and incomes are higher compared to rural areas. This leads to uneven development with rapid urbanisation and rural-urban migration. However, cities also foster more energy-intensive and consumerist lifestyles. Compounded by population growth, this fuels consumption and results to higher resource use and emissions. *Figure 3* shows this positive relationship between emissions per capita vis-à-vis urbanisation rate and density.

The Shifting Economic Landscape

Sustainability is finally taking hold in the economic landscape, years after the inception of the UN



Figure 3. Emissions vs Urbanisation, 2011-2019

Source: World Bank (November, 2022) Note: Brunei Darussalam and Singapore are outliers and excluded from the chart.

Sustainable Development Goals (SDGs) and the signing of the Paris Agreement for climate change, expedited by accelerating technological advancements. Reusable, recyclable, and environment-friendly have become mainstream labels as consumer preferences shift towards sustainable products and services, creating opportunities as а fast-growing market. Businesses are likewise getting into sustainable practices, in part due to the growing market and opportunities. emerging Notably, some multinationals have acknowledged the impact of plastic pollution on the environment, and have improved their packaging to reduce plastic waste². These multinationals have also taken further action to address plastic waste by initiating a call

² For example, Unilever redesigned its packaging to reduce waste, and to encourage reuse and refill. Nestle, on the other hand, has committed to the SDGs and embraced resource efficiency and circular economy.

to action for a UN Treaty on Plastic Pollution³.

Industries are adapting to the changing environment by shifting to low carbon technology. Leading this is the energy sector which is working on the transition towards clean energy, including by promoting solar and wind energy sources⁴. The Rapid Response Facility was launched at the 26th Conference of the Parties for Climate Change (COP26) to support this transition. Another example is transport, which aims to reduce emissions through electrification, recycling, and remanufacturing. The road transportation sector is pushing for zero emission vehicles - buses by 2030, cars and vans by 2035, and heavy duty vehicles by 2040⁵. At COP26, the Zero Emission Vehicle Transition Council issued a statement to accelerate the transition⁶, and market players, including automotive manufacturers and fleet owners/operators, have since joined in⁷.

Services is also stepping up as technological advancements radically encouraged innovation, in both products and business models. Digital-based services, which are more resource efficient than traditional business models because of the much greater ease of access and utilisation, are thriving⁸. For example, digital service platforms fostered online commerce and sharing services. Examples are Shopee for goods, Grab for transportation, and Airbnb for vacation rentals. Better infrastructure, as well as an accommodating regulatory landscape which allows regulatory sandboxes for testing of new technologies in a controlled environment. also enabled these developments.

Commitments: Paris Agreement for Climate Change

ASEAN Member States are signatories to the Paris Agreement for Climate Change, to which pledged to reduce greenhouse thev gas emissions by 2030. The levels of commitment and manner of transition vary per Member State, with most relying on external support to meet the targets *(see Table 2)*. Countries renewed commitments with the issuance of the Glasgow Climate Pact at COP26.

AMS	Mitigation Type	Mitigation Target by 2030
BN	Relative emission reduction	20%
КН	Relative emission reduction	41.7% with FOLU
ID	Relative emission reduction	29% unconditional, 41% conditional
LA	Relative emission reduction	40% unconditional, 50% conditional
MY	Carbon intensity re- duction	45% unconditional, 10% conditional
MM	Relative emission reduction	
PH	Relative emission reduction	2.71% unconditional, 72.29% conditional ^a
SG	Absolute emission peaking	Peak emission at no higher than 65 MtCO2eq around 2030
TH	Relative emission reduction	20% unconditional, 25% conditional
VN	Relative emission reduction	9% unconditional, 27% conditional

Table 2. AMS Climate Mitigation Pledges by 2030

Notes: Unconditional means countries use their own resources to achieve their targets/National Determined Contributions (NDCs). Conditional means that countries require external support, e.g. financing, capacity-building, to achieve their targets. Baselines are based on the Business as Usual Scenarios (BAUs). - Forestry and Land Use; a\ Philippines NDC as communicated to FOLU UNFCCC as of April 2021. Source: ASCCR (2021)

One way by which countries can reduce carbon emissions, transition to a low carbon economy, and achieve sustainable development, is to enhance resource efficiency. With Circular

³The Business Case for a UN Treaty on Plastic Pollution, www.plasticpollutiontreaty.org . This initiative complements the Basel

Convention, which in 2019 was amended to include plastic waste, to promote transparency and better regulations on trade of plastic waste. For details, see Convention

For details, see Energy - UN Climate Change Conference (COP26) at the SEC – Glasgow 2021 (ukcop26.org)

See RouteZero, https://www.theclimategroup.org/routezero

⁶ https://www.gov.uk/government/news/joint-statement-of-the-zero-emissionvehicle-transition-council

COP26 declaration on accelerating the transition to 100% zero emission cars and vans ⁸ The downside is that technology use is also energy intensive.

 ⁹ See <u>https://ellenmacarthurfoundation.org/</u>
¹⁰ The Ellen MacArthur Foundation developed a more specific translation of circular economy activities into business actions, known as RESOLVE - Regenerate, Share, Optimize, Loop, Virtualise, Exchange.

Economy, countries may do this by enhancing the use materials and energy, and retaining their value as long as possible. Loosely, circular economy is to 'reuse, reduce, and recycle', but with a broader scope⁹. It applies to entire operations, covering both goods production and services operations¹⁰.

Last year, ASEAN adopted the Framework for Circular Economy for the ASEAN Economic Community¹¹ (Framework hereafter) to address the pressing issue of sustainability, and to provide guidance on the region's journey towards longterm sustainable development. However, the Framework starting is iust the point: implementation is more important to achieve results. For this, ASEAN recognises that the transition towards circular economy needs the participation of stakeholders, especially the private sector.

Circular economy hinges on the enthusiasm and readiness of businesses and consumers to adopt circular processes and sustainable practices. In the succeeding section, we look at some of the notable mechanisms on circular economy to see how ASEAN can learn from or complement these existing initiatives.

Mechanism for Putting Circular Economy to Action

One of the global pioneers on circular economy is Ellen MacArthur Foundation. the а nongovernmental organisation (NGO) which conducts research. capacity-building, and stakeholder engagement to promote circular economy. It focuses on five key sectors - plastics, food, fashion, finance, cities. Another global NGO taking the lead is the World Economic Forum¹² (WEF), which has circular economy as one of its work streams. WEF established the Platform for Accelerating Circular Economy¹³ (PACE) to advocate circular economy among global leaders in the public and private sector, and civil society; conducts studies: and supports innovative projects for possible scaling up.

Another leading institution on circular economy is the European Union (EU). The EU established the Circular European Economy Stakeholder Platform¹⁴, a hub for information and exchange that is meant to facilitate the implementation of the Circular Economy Action Plan for the European Union. As well, circular economy is taking hold in Africa and Latin America. Visible efforts are being done by the African Circular Economy Network (ACEN), the ACEN Foundation, and the African Alliance¹⁵. Circular Economy Aside from highlighting the environmental aspects of circular economy, these networks also delve into the opportunities in key sectors such as agriculture and manufacturing, which can accelerate growth and generate wider benefits to society. Latin America has a similar initiative, the Circular Economy Coalition for Latin America and the Caribbean¹⁶, although it focused on mobilising resources to achieve country commitments to the Paris Agreement.

Incipient measures on circular economy are also present in the ASEAN region, largely at the national level. A good example is Singapore's government policy framework, the Zero Waste Masterplan¹⁷, which takes a circular economy approach to manage waste in three priority areas - food, electrical and electronic equipment, and packaging including plastics - and implemented through the development of enabling

 ⁹ See <u>https://ellenmacarthurfoundation.org/</u>
¹⁰ The Ellen MacArthur Foundation developed a more specific translation of circular economy activities into business actions, known as RESOLVE -Regenerate, Share, Optimize, Loop, Virtualise, Exchange. See https://asean.org/asean-adopts-framework-for-circular-economy/

¹² See <u>https://www.weforum.org/topics/circular-economy</u>

¹³ See https://pacecircular.org/

 ¹⁴ See <u>https://circulareconomy.europa.eu/platform</u>
¹⁵ See <u>https://www.acen.africa/, www.aceaafrica.org</u>
¹⁶ See <u>https://pacecircular.org/latin-america-and-caribbean-circular-economy-</u> coalition ¹⁷ See <u>https://www.towardszerowaste.gov.sg/zero-waste-masterplan/</u>

The infrastructure, and manpower. implementation is overseen by the Ministry for the Environment and Water Resources, and puts emphasis on stakeholder engagement including through public consultations. Malaysia similarly set clear governance mechanisms with the up establishment of the Malaysian Green Technology and Climate Change Corporation¹⁸, an institution mandated to direct and provide strategic guidance country's programmes and policies on on the green growth and climate change, including circular economy.

Meanwhile. the Indonesia Circular Economy Forum¹⁹ fosters collaborative efforts in engaging stakeholders to advance circular economy goals. Lao PDR also took the initial steps in crafting its vision for circular economy and sustainable development, through a study to determine national strategies appropriate for circular economy²⁰. Using a systems approach, the study proposed three strategies based on their potential impact to accelerate circular economy in Lao PDR, namely, i) for Lao PDR to position itself as a recycling hub for the region given its strategic location along transport systems; ii) the use of (abundant) local construction materials for tourism; and iii) algae farming.

At the regional level, circular economy is still a relatively new programme area for ASEAN, particularly in the ASEAN Economic Community. Therefore, there is need for thoughtful and deliberate action on the development of appropriate frameworks and mechanisms, as well as giving due consideration to spread awareness improve capacity in the region. More and importantly, the cross-pillar and multi-sectoral scope of circular economy requires strong engagement with multiple stakeholders, to promote dialogues, encourage collaborations, and gather support to improve and expand efforts to put ideas and plans into action. The diverse global and national initiatives presented above embody a few common elements that may guide ASEAN's journey towards becoming a low carbon circular economy.

First, there has to be *a common vision* that can inspire stakeholders, be it aovernments. businesses, the academe, or the public in general, to take action to advance circular economy in the region. Notwithstanding the commitments made, ASEAN needs to recognise the priorities and contributions of market players, and leverage on their respective strengths while at the same time encouraging them to participate knowing that they are involved and acknowledged.

Second, research and knowledge sharing are necessary for enhancing innovation that facilitates circular economy. Circular economy needs new technology and business models that enable better circular economy. Circular economy needs new technology and business models that enable better resource use, such as clean fuels or renewable energy. Disseminating knowledge and information on circular economy also informs stakeholders and gives them а better understanding of how it relates to them and how it can be applied in their processes or products, and also individual lifestyles in the case of the general public.

Lastly, promoting cooperation and resource mobilisation would be crucial to gain traction and scale up efforts. Notably, most of the examples given targeted creating platforms and networks to promote collaborations across sectors and market players. Moreover, many of these technologies

 ¹⁸ See <u>https://www.mgtc.gov.my/</u>
¹⁹ See <u>https://indonesiacef.id/id/about/</u>
²⁰ See Circular Economy Strategies – Lao PDR, <u>Circular Economy Strategies</u> – Lao PDR | United Nations Development Programme (undp.org)

and models are new. Therefore, financing is needed not only for the actual implementation of strategic measures and initiatives, but also for testing of new ideas and products, and scaling up of promising ones.

Recommendation and Conclusions

Circular economy will be part of ASEAN's journey towards achieving a resilient, inclusive, and sustainable development. It will be a long-term multi-sectoral and multi-stakeholder process that will need the strong support of the private sector and the wider stakeholders. At the regional level, strategic measures have to be broad and flexible to cover the diverse priorities and levels of development of Member States; practical enough for the private sector to adopt; and relatable to the public.

While circular economy is a recent priority for the AEC, it is part of the broader sustainable development agenda of ASEAN, and is already practised in some ASEAN Member States. ASEAN can learn from their experiences and build on existing mechanisms were possible. The following recommendations are derived from the measures taken by various regions and countries as discussed in the preceding section, as well as the recognition of potential role of relevant platforms in ASEAN.

a. ALIGN ASEAN circular economy measures with global principles and AMS priorities

Circular economy measures in ASEAN should be aligned with other sustainable development initiatives, global practices, and AMS priorities, to maximise efficiency and effectiveness across levels of jurisdictions, industries, and sectors. A clear vision at the regional and national levels is

needed to provide direction to policymakers, the private sector, and other stakeholders. Moreover, there has to be a lead institution or office that is formally appointed with a clear mandate to promote, coordinate, and build collaborations for circular economy, in line with broader sustainable development initiatives. This is one area that needs consideration as ASEAN strives to consolidate the diverse initiatives in the region, including at the AMS level and across ASEAN Community pillars. In particular, several initiatives circular economy have related to alreadv commenced in ASEAN, but the institutional mechanism to oversee these initiatives and provide clear direction is still lacking.

For example, the environment sector has taken the lead in incorporating circular economy into the ASEAN sustainable development agenda, through the ASEAN Senior Officials on the Environment (ASOEN). With the support of the EU, a study on plastics management in the AMS was conducted in 2019 to look into how ASEAN can address marine debris pollution through circular economy in plastics.

From the economic side, the Framework that was adopted in 2021 considered circular economy from the point of view of regional economic integration, under the purview of the Senior Economic Officials Meeting (SEOM). Priority areas for the economic pillar are harmonisation of standards and facilitating trade on circular goods and services; harnessing innovation, technology, sustainable finance. and investments: and promoting resource efficiency. Related to circular economy, the ASEAN finance sector published the ASEAN Taxonomy for Sustainable Finance (Version 1)²¹ in 2021 to provide a common classification system for sustainable activities in the region, to encourage sustainable investments.

²¹ See ASEAN Sectoral Bodies Release ASEAN Taxonomy for Sustainable Finance – Version 1

Prior to this, several initiatives on sustainable finance are already in place, such as the green, sustainable, and social bond standards that were introduced in 2017 and 2018 to mobilise sustainable financing for gualified projects; the Roadmap for ASEAN Sustainable Capital Markets to guide regulators and investors on sustainability reporting and transparency, capacity-building, and sustainable practices: adoption of quiding documents for the banking sector; and a green financing facility, the ASEAN Catalytic Green Finance Facility (ACGF)²², among others.

Promoting circular economy in the region requires policymaking, top-down approach to а to harmonise fragmented plans, frameworks, and regulations across sectors and jurisdictions. Notwithstanding, governments can build on the efforts made bv the private sector. especially multinationals which are at the forefront of the circular economy transition, and employ citizen engagement for a more informed policymaking. Sectoral and public consultations also serve as a means of getting businesses and people interested involved economy and in the circular transformation. This bottom-up approach to planning may also provide insights on new concepts, models, or products. Scaling up, and applying learnings from, pilot projects may avoid costly mistakes while also saving resources from duplicate efforts. Examples are smart city projects which are normally implemented at local levels but learnings on how to properly address issues and challenges in implementation may be applied to other projects or cities or at the broader regional level.

Connecting cities through sharing of experiences and collaborations is important in promoting sustainable urbanisation actions and practical application of technology solutions, including for circular economy. For example, the ASEAN Smart Cities Network (ASCN) serves as a platform for national and local governments in the region to exchange knowledge and expertise; while the ASEAN Sustainable Urbanisation Strategy (ASUS) helps cities prioritise sustainable urbanisation actions as well as develop comprehensive action plans or viable proposals based on their unique contexts. Through ASCN and ASUS, ASEAN aims to catalyse opportunities for innovative, inclusive, and sustainable urban development in ASEAN. bv harnessing partnerships with Dialogue Partners, the private sector. and other solution providers. The implementation of ASEAN smart and sustainable initiatives complements ASEAN urbanisation efforts on circular economy.

b. ENABLE access to information and support services

Ease of access to information will facilitate interest and adoption. Related to above, the lead office can provide a one-stop shop for useful information on sustainability and circular economy initiatives, to manage gueries from interested parties, such as those relating to partnerships, regulations, among others. This can be established at the regional level but may link with related national level hubs. A similar example is ASEAN Access²³, a one-stop shop for trade and market access information in ASEAN that is tailored primarily for small and medium enterprises (SMEs). Another example is the ASEAN SME Academy²⁴, which caters to SMEs and provides training materials from global companies on diverse topics such as management, operations, and technology. Some of these courses relate to sustainability, such as climate change, energy efficiency, digital transformation, and certification.

²² See ASEAN Catalytic Green Finance Facility | Asian Development Bank (adb.org)

 ²³ See <u>https://www.aseanaccess.com/</u>
²⁴ See <u>https://asean-sme-academy.org/en/</u>

Accessibility should also cover knowledge sharing and capacity-building for policymakers, regulators, other interested stakeholders. through and designated training centers or online platforms. ASEAN may liaise with academia or training institutes to develop teaching materials, which may also include the development of useful frameworks, tools, and indicators for circular economy monitoring.

Businesses, particularly SMEs, should also be encouraged to take advantage of available online platforms and digital applications. Digital technology has a vital role in accelerating the adoption of circular economy, by improving production efficiency and generally lower energy/ resource use. One example is the Smart Growth Comment (SGConnect)²⁵ project by the ASEAN Business Advisory Council (ASEAN BAC) that aims to establish state of the art logistics hub with corresponding and human skills development across the region, to serve local markets, thereby reducing congestion, pollution, and supporting local business.

Recycling is also easier when there are support infrastructures which increases the convenience of disposing waste. For example, Singapore has established e-waste collection points whose addresses are shared on the National Environmental Agency²⁶ website, and e-waste collection drives for bulk e-waste. This system is part of the Extended Producer Responsibility (EPR) scheme for e-waste, which aims to promote proper handling, treatment, and extraction of usable materials from waste.

c. ENGAGE with networks and stakeholders

Advocating circular economy in ASEAN involves building partnerships and promoting knowledge

and information. ASEAN can build a platform that is focused on circular economy to bring together stakeholders to exchange knowledge and best practices. On the other hand, there are also various regional forums on sustainability, innovation, and SME promotion (e.g. trade fairs) through which ASEAN can promote circular economy. Other examples are the ASEAN networks of think-tanks, smart cities, business councils, and industry associations.

Notwithstanding, with building partnerships networks and alliances would be key to driving circular economy across the region. would Multi-stakeholder allow engagement discourse on circular economy initiatives, enable collaborations, and enhance relevance of projects, and thus facilitate more effective implementation. One example in the area of science and technology is the ASEAN Network on Bio-Circular -Green Economy (ASEAN BCG Network)27 that was launched in January 2022. The ASEAN BCG Network aims to promote the use of innovative and sustainable technologies in advancing sustainable development, specifically BCG. A related initiative that focuses on fostering collaboration among universities and the private sector to develop and make use of commercially viable research - the ASEAN Technology Management Hub²⁸ – is also planned.

ASEAN also engages with the businesses in the region²⁹, from multinationals to SMEs and microenterprises. There is an existing ASEAN mechanism for this, the Rules of Procedure for Private Sector Engagement under the AEC, which lays out the criteria for consultations with the private sector. Meanwhile, the ASEAN BAC acts as the main representative of the private sector in ASEAN to provide feedback on ASEAN efforts towards regional economic integration. The ASEAN BAC holds the bi-annual AEC Dialogue

 ²⁵ See <u>Singapore - ASEAN Business Advisory Council (asean-bac.org)</u>
²⁶ See <u>Where to Recycle E-Waste</u>

²⁷ See ASEAN BCG Network officially launched

²⁸ Mentioned in Joint Metwork Officially faultened ²⁹ For details, see <u>Priority Areas for Cooperation to Enhance Public-Private</u> Sector Engagement

with the ASEAN Secretariat to consult or comment on issues which are of importance to businesses in the region, including sustainable development.

Conclusions

Circular economy is part of ASEAN's undertakings to achieve sustainable development and similarly requires a whole of ASEAN approach. Dedicated mechanisms and platforms may facilitate a focused and clear direction, although this may also aggravate silos. Hence, ASEAN should take a deliberate and more participatory approach to build better synergies across existing mechanisms and initiatives, and to enable informed decision-making and more relevant policies in the long-run. Circular economy presents better defined path towards sustainable development. The adoption of the Framework and the development of its Implementation Plan, provides ASEAN clearer guidance on the different strategies that may be employed to integrate sustainability in the region's initiatives particularly in the economic pillar, and thereby enable ASEAN to transition to a low carbon circular economy and achieve long-term sustainable development.

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