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Meeting of the MAP Focal Points

Athens, Greece 10-13 September 2019

Agenda Item 5: Specific Matters for Consideration and Action by the Meeting, including Draft Decisions

Draft Decision: Development of a Set of Regional Measures to Support the Development of Green and Circular Businesses and to Strengthen the Demand for more Sustainable Products

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Note by the Secretariat

The Fourth UN Environment Assembly (UNEA-4) held in March 2019 gathered more than 170 United Nations Member States under the overall theme "Innovative Solutions for Environmental Challenges and Sustainable Consumption and Production".

UNEA-4 highlighted the key role of sustainable businesses in the process of adopting Sustainable Consumption and Production (SCP) patterns to save our planet:

- It recognized "global, regional and national initiatives promoting sustainable business" and invited Member States to "develop enabling macroeconomic and sectoral policies that contribute to sustainable development including environmental policies and the use of lifecycle approaches, considering the administrative burden for micro, small and medium sized enterprises in order to stimulate investments in sustainable business practices". ¹
- It requested "the Executive Director of the UNEP, in collaboration with other UN bodies and UN partners, to continue to support the development of skills, especially for micro, small and medium sized enterprises, to promote sustainable production patterns".
- It invited "Member States to create enabling conditions for policy reforms, as appropriate, innovative practices and technologies, economic instruments, investments and regional cooperation to encourage efficiency, reduce the carbon footprint and enhance sustainable manufacturing".
- It further requested "to develop and implement programmes that catalyse replication, upscale existing innovative solutions and technologies, and promote the uptake of sustainable business approaches".
- It invited the "international community, regional bodies, the private sector and civil society to develop, adopt and implement effective measures to stimulate demand for sustainable products".
- It decided to "promote sustainable and innovative financing opportunities and mechanisms to unlock new capital for sustainable investments and upscaling of sustainable business models, with a special focus on small and medium-sized enterprises".²

Through the Mediterranean Strategy for Sustainable Development (Hereinafter MSSD) and the Regional Action Plan on Sustainable Consumption and Production in the Mediterranean (Hereinafter SCP Regional Action Plan), the Contracting Parties have identified businesses, especially green businesses and entrepreneurs, as key drivers in the transition towards green and blue economies in the Mediterranean region and countries.

The MSSD includes several Strategic Directions (5.1 to 5.6) on the support to green businesses, SCP and green economy.

In the SCP Regional Action Plan, businesses are identified as major stakeholders for its implementation, including local small, medium and big enterprises, multinationals, entrepreneurs, manufacturers, producers, retailers and sellers, because they are responsible of the production processes, bringing to market products and services, and hence are in a unique position to advance sustainable consumption and production in the region³. Accordingly, many actions included in the SCP Regional Action Plan call for the creation of business models integrating a SCP, for green businesses and jobs as well as for innovation on SCP. Many actions also refer to the need to strengthen consumer awareness, educate for sustainable lifestyles and to improve information and products labelling in order to increase the demand for sustainable products.

¹ UNEP/EA.4/L.5, United Nations Environment Assembly: "Addressing environmental challenges through sustainable business practices".

² Ministerial Declaration of the 2019 United Nations Environmental Assembly on "Innovative solutions for environmental challenges and sustainable consumption and production".

³ See Chapter 5 of the SCP Regional Action Plan on Implementation and Monitoring mechanisms

Following the policy guidance from the MSSD and the SCP Regional Action Plan, the support to green business, entrepreneurs and innovation for SCP is identified as a strategic outcome under the SCP cross-cutting theme of the United Nations Environment Programme/Mediterranean Action Plan (UNEP/MAP) Mid-Term Strategy (MTS) 2016–2021. Indicative Key Output 6.3.1 of the MTS calls for training and support of green entrepreneurs. Furthermore, the MTS Strategic Objectives on SCP call for strengthened capacities of entrepreneurs and others to implement SCP solutions that in turn will reduce toxic chemicals and marine litter and contribute to the conservation of biodiversity and ecosystems. Green entrepreneurs and their implementation of eco-innovation and circular economy approaches are important sources of these SCP solutions.

Following the requests from the Contracting Parties reflected in the above-mentioned policy and strategic instruments, the Secretariat developed the first ever support programme for the creation and development of Mediterranean Green Businesses. It includes training, coaching and advisory services, as well as activities promoting networking and access to finance. Likewise, that programme includes a component to provide support to establish the enabling policy and regulatory frameworks for green businesses in the Mediterranean countries. The programme is currently a pioneer in several aspects, including an innovative set of methodologies and toolkits to support Green Business Development. It has received more than 5,000 applications in its first phase, and has led to the creation of +2,000 business ideas and +200 new businesses. The programme also includes a service to enable access to finance that focuses both on the supply and demand sides of financing for start-ups. In that sense, the programme managed the establishment of a Fund for Mediterranean green entrepreneurs that is developed through a partnership with the European Federation of Fair Banks (FEBEA) and is receiving financial support from the Organization for Security and Co-operation in Europe (OSCE).

The MSSD and the SCP Regional Action Plan do not provide for common criteria for the definition of green and circular businesses in the Mediterranean, nor for a specific set of measures supporting them, this draft decision. The identification of such common criteria and set of measures would promote policy coherence among the Contracting Parties and synergies among national stakeholders, and would provide a better understanding of the need to support Mediterranean countries in promoting the creation and development of green businesses through capacity building and technology transfer.

The proposed Draft Decision builds on the policy directions and on the work and achievements described above and responds to the need to prepare a set of regional measures in support of the development of green and circular businesses and to strengthen the demand for more sustainable products, with the view to approving them at the 22^{nd} Meeting of the Contracting Parties (COP 22).

The implementation of this Decision is linked to Output 6.1.1 of the proposed Programme of Work. The financial resources for the preparation of the proposal of Decision for COP 22 and the corresponding regional consultations under UNEP/MAP governance process are secured through external funding.

Draft Decision IG.24/13

Development of a Set of Regional Measures to Support the Development of Green and Circular Businesses and to Strengthen the Demand for more Sustainable Products

The Contracting Parties to the Barcelona Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean and its Protocols at their twenty-first meeting,

Recalling the outcome document of the United Nations Conference on Sustainable Development, entitled "The future we want", endorsed by the General Assembly in its resolution 66/288 of 27 July 2012, in particular those paragraphs relevant to sustainable consumption and production,

Recalling also General Assembly resolution 70/1 of 25 September 2015, entitled "Transforming our world: the 2030 Agenda for Sustainable Development",

Recalling further the Environment Assembly resolutions of 15 March 2019, UNEP/EA.4/Res.1, entitled "Innovative pathways to achieve sustainable consumption and production" and UNEP/EA.4/Res.4, entitled "Addressing environmental challenges through sustainable business practices".

Bearing in mind the international community's commitment expressed in the Ministerial Declaration of the United Nations Environment Assembly at its fourth session to advance sustainable consumption and production patterns, including, but not only, through circular economy and other sustainable economic models and the implementation of the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns,

Having regard to the Protocol for the Protection of the Mediterranean Sea against Pollution from Land-based Sources and Activities (1996), in particular article 5 thereof on general obligations and Article 9 thereof on scientific and technical cooperation, to the Protocol on the Prevention of Pollution of the Mediterranean Sea by Transboundary Movements of Hazardous Wastes and their Disposal (1996), in particular Article 5 thereof on general obligations, and to the Protocol on Integrated Coastal Zone Management in the Mediterranean (2008), in particular Article 9 thereof on economic activities.

Recalling Decisions IG.22/2 and IG.22/5, adopted by the Contracting Parties at their 19th Meeting (COP 19) (Athens, Greece, 9-12 February 2016), on the Mediterranean Strategy for Sustainable Development 2016–2025, and the Regional Action Plan on Sustainable Consumption and Production in the Mediterranean respectively, which highlight that businesses, especially green businesses and entrepreneurs, are key drivers in the transition to green and blue economies in the Mediterranean countries.

Acknowledging also the need to shift from traditional linear business models to innovative green and circular business models, and that in order to achieve this shift, a proper enabling policy environment should be in place together with strengthened business support organisations and appropriated financial instruments at the regional and national level,

Noting with appreciation the work undertaken in that direction under the Mediterranean Green Businesses Programme which has contributed to the creation of green companies in the southern Mediterranean countries,

Having considered the report of the meeting of the Focal Points of the Regional Activity Centre for Sustainable Consumption and Production, held in Barcelona, Spain, on 14-15 May 2019,

- 1. Request the Secretariat (Regional Activity Centre for Sustainable Consumption and Production) to prepare a set of regional measures to support the development of green and circular businesses and strengthen the demand for more sustainable products, according to the timeline set out in Annex I to the present Decision, as a way to support the shift to green and circular economy from traditional linear business models to innovative green and circular business models;
- 2. Also request the Secretariat (Regional Activity Centre for Sustainable Consumption and Production) to ensure that regional measures target those economic sectors which are identified by the relevant Protocols to the Barcelona Convention and have a particular impact on the marine and coastal environment, and address related cross-cutting issues;
- 3. Further request the Secretariat (Regional Activity Centre for Sustainable Consumption and Production) to develop specific criteria for the definition of green and circular businesses in the Mediterranean, based on existing initiatives at global, regional and national levels for consideration by the Contracting Parties to the Barcelona Convention and its Protocols at the 22nd Meeting of the Contracting Parties (COP 22);
- 4. *Require* the Secretariat to make every effort to ensure that the preparation of the set of regional measures and the development of criteria is in synergy with existing regional and national policy frameworks supporting the development of green and circular businesses.

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Annex I: Timeline for the development of a set of regional measures to support the development of green and circular businesses and to strengthen the demand for more sustainable products

| When? | What? |
|------------------------------|---|
| 1st quarter 2020 | Request to SCP/RAC Focal Points to nominate national experts to support the development of the regional measures and criteria (SCP/RAC will develop Terms of Reference for these national experts) |
| | Review of existing information |
| | Preparation of a baseline study |
| | Preparation of the Terms of Reference of an online consultation mechanisms, using the appropriate existing relevant SCP web platform managed by SCP/RAC, facilitating the involvement and participation of all relevant stakeholders and partners |
| 2 nd quarter 2020 | Launch of the online consultation |
| | Development of a first draft of the measures and criteria |
| 3 rd quarter 2020 | Organisation of a regional consultation meeting in order to ensure the inputs of key Mediterranean stakeholders, particularly the business sector, economic leaders, financing stakeholders and other relevant bodies active on green economy and circular economy in the Mediterranean region. |
| | Closing on the online consultation |
| | Updated list of regional measures and criteria and circulation of the draft to the SCP/RAC Focal Points for online consultation |
| 4 th quarter 2020 | Organisation of a consultation meeting with national experts nominated by the Contracting Parties to the Barcelona Convention |
| | Advanced list of measures and criteria shared with SCP/RAC Focal Points for a second online consultation |
| 1st quarter 2021 | Submission of the final draft of the measures and criteria to the SCP/RAC Focal Points and MCSD Meetings |
| 2 nd quarter 2021 | SCP/RAC Focal Points and MCSD Meetings |
| | Updated list of measures and criteria integrating comments of MCSD Members and SCP/RAC Focal Points |
| | Preparation of the draft Decision |
| 3 rd quarter 2021 | Draft Decision submitted to the MAP Focal Points Meeting |
| 4 th quarter 2021 | Draft Decision submitted to COP 22 for endorsement |