



G7 Workshop on “Tools making value chains more circular and resource efficient. Voluntary agreements, standardisation & non-financial reporting”

Paris, 20-21 March 2019

Summary Report

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**G7 Workshop on
“Tools making value chains more circular and resource efficient.
Voluntary agreements, standardisation & non-financial reporting”
Paris, 20-21 March 2019**

Summary Report

Introduction



Brune Poirson,
Secretary of
State, Ministry
for the Ecological
and Inclusive
Transition,
France

This report¹ is a summary of some of the most valuable perspectives shared by participants at the G7 workshop on “**Tools making value chains more circular and resource efficient. Voluntary agreements, standardisation & non-financial reporting**”, held in Paris on 20-21 March 2019, as identified by the meeting convenors.

Over 150 participants (business representatives, economic and environmental policy makers, investors and international institutions) took part, enabling a fruitful exchange of views that resulted in a number of [Key Messages](#) to the G7 and stakeholders.

The workshop was convened by the French Ministry for the Ecological and Inclusive Transition and the Ministry of the Economy and Finance as 2019 Presidency of the G7 and the

Environment Directorate-General and the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs of the European Commission. The workshop was a contribution to the work of the G7 Alliance for Resource Efficiency².



Astrid Schomaker,
Director, Global
Sustainable
Development,
Directorate-
General for
Environment,
European
Commission

The 2019 G7 Environment Ministers’ Meeting

The Workshop’s Key Messages and further considerations by the members of the G7 Alliance on Resource Efficiency contributed to the discussions by the G7 Environment Ministers in Metz, France, on 5-6 May 2019. As a result, the Communiqué³ of the meeting includes the following elements:

- 1) On **standards** for circular economy and resource efficiency:

*“We invite standardisation institutions in coordination with experts on resource efficiency and circular economy to actively integrate resource efficiency and circular economy issues in their standardisation activities, taking into account applicable **life-cycle approaches**.”*

¹ Also available online at [here](#) and [here](#).

² G7 leaders established the G7 Alliance on Resource Efficiency at the 2015 G7 Summit held in Elmau (Germany), as a platform for sharing, on a voluntary basis, best practices and experiences, in collaboration with businesses and other relevant stakeholders.

³ [2019 G7 Environment Ministers’ Meeting Communiqué](#), paras 38 to 40.

- 2) On **metrics, reporting and environmental accounting** principles for circular economy and resource efficiency:

*“We invite relevant stakeholders to work with the G7 Alliance on Resource Efficiency to contribute to the development of comparable **metrics, reporting protocols, and related environmental accounting principles** for value chains resource efficiency and circularity....”*

- 3) In relation to the **use of voluntary agreements, reporting, metrics and standardisation**:

*“We strongly urge continued dialogue of sharing and **promoting best practices together with the active participation of business** and relevant stakeholders, and recognize the role of the G7 Alliance on Resource Efficiency and the G20 Resource Efficiency Dialogue in that respect.”*

The context and objectives

- The extraction and processing of materials, fuels and food make up about 50% of total global greenhouse gas emissions and more than 90% of biodiversity loss and water stress, according to the International Resource Panel’s (IRP) latest publication, Global Resource Outlook 2019.
- Between 1970 and 2015, natural resource use increased threefold driven by a growing population and rising incomes. On current trends, natural resource use will more than double from 85 to 186 billion tonnes per year by 2050 (IRP, 2016).
- Improving resource efficiency and managing materials by closing the loops, in the context of a transition to a more circular economy, is an essential step to achieve the Sustainable Development Goals and the Paris Agreement’s climate goals and related Science-Based Targets for companies. In addition, a circular economy may provide a US\$4.5 trillion opportunity by 2030 through avoiding waste (Accenture, 2015) and improving efficiency of businesses.
- The workshop discussed the needs and benefits to use tools to improve circularity and resource efficiency through international value chains.



- The full set of slide-presentations made at the workshop is currently available for download [here](#) : or on the [Europa webpage](#).
- The presentations explored the scientific basis for the potential benefits of value-chain co-operation, and showcased a wide-range of existing best-practices from companies, governments and international organisations in the use of the tools of:
 - **Voluntary Agreements**
 - **Standardisation**
 - **Reporting and Metrics**
- The steps to advance the use of these tools were discussed in panels and in small working groups. The key messages from each of these areas are summarised below.
- Common to all discussions was the need for co-ordination all around international value chains to innovate and scale-up circular, resource-efficient business models. This particular need for co-ordination is frequently challenging due to limits of transparency and effective communication between stakeholders in the value chains.
- Global value chains involve cross-border activities. Interrupted information flows and information asymmetries can lead to suboptimal decision-making and can leave resource efficiency and circular economic opportunities under-developed at all phases of the value chain. Further difficulties come from a high number of actors, standard competitive practices, and the barriers caused by regulatory divergence.



Key Points on use of Voluntary Agreements

A) Potential Advantages:

1. Voluntary Agreements can identify scale-up and replicate opportunities requiring co-operation and action that no single actor can achieve alone;
2. They can support individual leadership, identifying and supporting their potential contribution, so ideally reaching a higher level of ambition based on ongoing mutual learning between companies and public authorities;
3. They can drive impact across international value-chains by, notably, smartly using global, regional leadership venues, e.g. G7, G20, where national legislation falls short;

4. They may be helpful in bringing industry on board through initiatives in a field that may not have been regulated, and encourage pro-active approach from industry. They may stimulate innovation, and can make value chains more circular and resource efficient with the alignment of ambitious objectives and targets beyond business as usual. Involvement of public authorities or NGOs is key to reach this aim. They may also allow industry to adjust environmental investment to their medium term capital investments;
5. They can enhance behaviour change towards sustainable development practice, building on shared responsibilities at all levels of the involved value chain, and promoting a holistic approach in the collective working process. They can promote shifts in business management toward circular economy and resource efficiency;
6. Voluntary agreements may complement regulation in support of an ambitious environmental policy. Public authorities may also accept to implement a “right of experimentation” – helping to create and adjust enabling policy frameworks to address specific barriers to advancing the circular economy;
7. Voluntary agreements are flexible: they are tailored for every stakeholder and to a specific context, with a shared action plan for every stakeholder. Thanks to business specific and pragmatic knowledge, they can address environmental concerns and respond to requirements of a particular geographic area with aligned objectives;
8. They can guide public authorities to implement more realistic environmental policies, by creating better knowledge of business realities of the other involved stakeholders, and creation of a value chain network for exchange;
9. Negotiated agreements are considered to be an especially meaningful type of voluntary agreement. They are defined as commitments undertaken by firms and sectors negotiated and signed between government and industry. Such agreements improve dialogue and trust between industry and government, industry and stakeholders.

B) Action Points:

1. Public authorities should promote and encourage voluntary agreements which aim at ambitious action on value chains circularity and resource efficiency, and to develop and share best practices in this field, notably within the G7 Alliance on Resource Efficiency;
2. Public authorities may play a role to convene stakeholders, and guarantee that the voluntary agreements are in line with scientific knowledge;
3. Credibility and accountability improvements are needed, for wider use of voluntary agreements for resource efficiency and the circular economy. This calls for the setting of clear targets, for greater transparency during the agreement negotiating process, implementation and evaluation based on the introduction of reliable monitoring and reporting arrangements, possibly with the support of public authorities;



4. An appropriate cultural background of the involved stakeholders (inc. open-mind, collaboration, self-regulated initiatives) is a key factor;
5. Voluntary Agreements could be monitored to see how they contribute to national targets (for example: when they form national platforms for implementing evidence-based action plans).

Key Points on use of Standardisation

A) Potential Advantages:



1. Standards can facilitate the dialogue between different stakeholders at national, regional or international levels and so let companies access international markets, with less complexity;
2. Standardisation drives internal harmonisation, and can create a reliable basis for collaboration between firms and diffusion of innovation in global supply chains without need of double testing;
3. International standards can lower complexity, by avoidance of use of multiple standards, and increase trust throughout the value chain, whilst reducing “green-washing”;
4. In this way, standard setting can support the transition to a circular economy and so to the achievement of the SDGs, climate targets, the 3Rs and regional policy;
5. National regulation making reference to international standards can facilitate market growth with reduced business costs through the harmonisation of vocabulary, definitions and methodological frameworks;
6. Harmonized standards for circular business models, based on a wider, life-cycle approach to product impacts would be beneficial in driving eco-design, to substitute standards focussing on reduction on specific negative environmental impacts;
7. Standard setting can facilitate the use of life cycle approach in identifying how product design can make most progress in emission and cost reduction. E.g. the ISO standard on Life Cycle Assessment (ISO 14040) can be used to identify the share of environmental impact is produced at the raw material stage, which in some cases is more than 70%.

B) Action Points:

1. Standard setting is an important tool for adopting, at the international level, common elements in particular specifications, definitions and principles that can facilitate removing barriers and improving efficiencies between actors in global value chains, to facilitate trade;
2. International and national authorities need to establish an internationally recognised framework that helps the global development of circular and resource efficiency business models, particularly Business-to-Business standards on common language, principles and specifications along value chains. It should involve all relevant stakeholders;

3. Standards generally address individual aspects of a product or service system. Some organizations are looking at how to integrate resource efficiency and circular economy into the development of horizontal standards that can provide a framework for more specific standards and guidance to help companies rethink their business models;
4. The development of standards to fill needed gaps and the integration of circularity and resource efficiency in standards with the goal of reducing life cycle environmental impacts from materials would help make global supply chains more resource efficient. The ISO Technical Committee on the circular economy aims to facilitate this;
5. The development of standards in circular economy and resource efficiency at ISO and IEC levels is dependent on the active participation of national standardisation bodies;
6. Public authorities should guarantee a common framework for circular economy initiatives to align activities of the range of public authorities, economic actors and citizens needed to expand markets for circular and resource-efficiency business models.

Key Points on metrics, reporting and environmental accounting principles

A) Potential Advantages:

- 1) Comparable, concise and consistent value-chain circular economy and resource efficiency metrics and reporting can help companies, including SMEs, identify their dependencies and exposures to environmental risks factors, raise their ability to improve the resilience of their business and enhance its economic performance;
- 2) Current diversity, differences and lack of comparability in the information that companies gather, use and disclose, reduces the value of information for company managers and investors. This diversity appears likely to increase internationally, without further action;
- 3) Businesses strongly underlined the need to develop a common and concise set of metrics and reporting protocols, and related environmental accounting principles to reduce the burden from different and divergent reporting frameworks while encouraging consistency, completeness, comparability, clarity, accuracy and reliability, in accordance with the materiality principle;
- 4) The level of harmonisation achieved by the IFRS (International Financial Reporting Standards) and the GAAP (Generally Accepted Accounting Principles) is a model in developing environmental accounting, although it is necessary to achieve it in a shorter period of time;
- 5) Further improvements, alignments and updates in the quantity, quality and comparability of non-financial disclosures are urgently required in the working norms and assumptions used to assess impacts of circularity and value chain resource efficiency improvement, in order to meet the needs of investors and other stakeholders;
- 6) Mandatory requirements for non-financial reporting have proved very useful in prompting businesses to develop capacities for integrated ESG (environment, social and governance) reporting and risk analysis, and in ensuring a level-playing field;
- 7) The development and application of digital technologies for gathering and processing large amounts of data could substantially enhance the capacity of companies, including SMEs, to improve management of resources along supply chains, and to report on resource efficiency and circularity.

**B) Action Points:**

- 1) The reporting of value-chain progress in sustainable management of resources and circular economy must be enhanced, just as climate reporting was given momentum at UNFCCC COP21. Extra-financial reporting should achieve a quality and status comparable to financial information provided for investors' use;
- 2) Public authorities are called on to encourage the development of a single – or at least harmonized – set of metrics, methodologies, reporting protocols and environmental accounting principles for value-chain resource-efficiency and circularity aligned with future climate reporting practices by international businesses;
- 3) An essential role of policy makers is the convening and facilitating of focused exchanges to develop these, between the stakeholders involved in non-financial reporting at national and international levels;
- 4) This development should support be based on the creation of a mid-term vision for value-chain reporting metrics on circularity and resource-efficiency improvement that:
 - builds on existing best practices by corporate leaders in value-chain reporting, in environmental accounting and the design of metrics to measure circularity;
 - facilitates easier implementation of non-financial reporting by companies, especially SMEs;
 - considers future ICT possibilities for information management and use, including use for indicators of national, or regional progress on circularity and resource-efficiency;
 - integrates with wider uptake of the [Task Force on Climate-related Financial Disclosures](#) recommendations and alignment of reporting practices by international businesses;
- 5) Governments may also work on indicators for measuring circular economy (categories, perspectives, dimensions).

A condensed version of the potential advantages and action points in these 3 areas was forwarded to the G7 Environment Ministers Meeting in Metz as the [Workshop's Key Messages](#), also set out here as an annex.

Annexes

G7 Alliance Workshop Agenda

*Tools making value chains more circular and resource efficient
Voluntary agreements, standardisation & non-financial reporting*

Hôtel de Roquelaure
244, Boulevard Saint-Germain
75007 Paris, 20-21 March 2019

Wednesday 20th March 2019

Wednesday 20th March 2019	
9:30 – 10:15	Registration and refreshments
10:15 – 11:00	<p>Opening session</p> <p>Welcome addresses by</p> <ul style="list-style-type: none"> – Daniel Calleja Crespo, <i>Director-General for Environment, European Commission</i> – Brune Poirson, <i>Secrétaire d’État auprès du Ministre de la Transition Écologique et Solidaire</i>
11:00 – 13:00	<p>Session 1: Introduction, setting the scene</p> <p>Moderator: Laurence Monnoyer-Smith, <i>Commissioner-General for Sustainable Development, French Ministry for the Ecological and Inclusive Transition</i></p>
11:00 – 11:45	<ul style="list-style-type: none"> • International Resource Panel – (Janez Potočnik, <i>co-Chair, former European Commissioner for the Environment</i>) – “<i>Improving resource efficiency: environmental challenges and economic opportunities</i>” • Global Business Coalition – (Stephan Krinke, <i>Director Strategy and Program, Volkswagen AG</i>) – “<i>Improving resource efficiency in value chains: a business perspective</i>” • World Materials Forum – (Philippe Varin, <i>Chairman World Materials Forum</i>) – “<i>Improving resource efficiency in value chains: WMF’s experience</i>”
11:45 – 12:00	Refreshment break
12:00 – 12:30	<ul style="list-style-type: none"> • Platform for Accelerating the Circular Economy – (Harald Friedl, <i>CEO of Circle Economy</i>) – “<i>Improving resource efficiency in value chains through public-private collaborations</i>” • Organisation for Economic Cooperation and Development – (Peter Börkey, <i>Principal Administrator</i>) – “<i>Improving resource efficiency in value chains: policy makers perspective</i>”
12:30 – 13:00	Audience Q&A
13:00 – 14:30	Lunch break

Wednesday 20th March 2019

<p>14:30 – 18:15</p>	<p>Session 2: Voluntary Agreements</p> <p>Moderator: Yvon Martinet, <i>Orée Member, Executive Committee Member of DS lawyers</i></p> <p><u>Objective:</u></p> <p>7. to identify the relevant principles to be fulfilled by a voluntary agreement to make value chains more circular and resource efficient.</p>
<p>14:30 – 15:30</p>	<p>First panel</p> <ul style="list-style-type: none"> • Ellen Mac-Arthur Foundation – (Jocelyn Bleriot, <i>Executive officer</i>) – “<i>Plastics voluntary agreement initiatives</i>” • Waste and Resources Action Programme – (Richard Swannell, <i>Director, WRAP Global</i>) – “<i>The Courtauld Commitment</i>” • Dell – (Jonathan Perry, <i>EMEA Circular Economy Lead</i>) – “<i>PACE Capital Equipment Coalition</i>” <p><i>Audience Q&A</i></p>
<p>15:30 – 16:30</p>	<p>Second panel – Experience feedback of the partnerships from businesses, i.e. how the voluntary agreement did allow the company to make its value chain more circular and resource efficient, and what the economic and environmental benefits and the potential difficulties are.</p> <ul style="list-style-type: none"> • Michelin – (Cyrille Roget, <i>director of Scientific Communication</i>) • Sony – (Kieren Mayers, <i>Director, Environment and Technical Compliance</i>) – “<i>Games Console Self Regulatory Initiative</i>” (representing Microsoft, Nintendo, and Sony) • Danone – (Thomas Gauthier-Lafaye, <i>Public Affairs Director for Europe</i>) – “<i>Plastics voluntary agreements</i>” <p><i>Audience Q&A</i></p>
<p>16:30 – 17:00</p>	<p>Refreshment break</p>
<p>17:00 – 17:45</p>	<p>Interactive panel discussions with presenters – Participants in audience would be invited to propose ideas on needed requirements to establish in order to make a voluntary agreement successful in making value chains more resource efficient and circular, and also on the involvement of policy-makers.</p>
<p>17:45 – 18:15</p>	<p>Round up of discussions, lessons and framing for the workshop</p>
<p>18:30 – 20:30</p>	<p>Cocktail reception hosted by the European Commission</p>

Thursday 21st March 2019

8:45 – 9:15 Registration and refreshments

9:15 – 12:45 Session 3: Standardisation

Moderator: Fulvia Raffaelli, *Head of Unit – “Clean products and technologies”, European Commission*

Objectives:

- Identify the potentials of standardisation (management and product standards) in making value chains more circular and resource efficient,
- Spot the standardisation gaps that should be addressed,
- Explore tools for improving the situation

9:15 – 10:15 **First panel** – Overview of international standards that contribute to making value chains more circular and resource efficient, identification of potential gaps, and tools for improving the situation

- **International Standardisation Organisation** – (Olivier Peyrat, *ISO board member*)
- **European Committee for Standardisation** – (Vincent Laflèche, *CEN President*)
- **European Commission** – (Michele Galatola, *Team Leader*) – “*The environmental footprint method*”

Audience Q&A

10:15 – 10:30

Refreshment break

10:30 – 11:30 **Second Panel** – Business experience in using such standards, and which ones, and economic and environmental benefits through this tool

- **Dell** – (Jonathan Perry, *EMEA Circular Economy Lead*)
- **J.W.Ostendorf GmbH & Co** – (Hans-Joachim Weintz, *Director of Corporate Technology Development*)
- **Tarkett** – (Fabrice Barthélemy, *CEO*)
- **Italpollina** – (Benoît Planques, *Global Regulatory Manager*)

Audience Q&A

11:30 – 12:15 **Q&A and discussions within small groups on:**

A fish-bowl format where moderators hold small group discussions among all members

- to assess the contribution of standardisation to making value chains more circular and more resource efficient,
- identify potential barriers for a wider use of such standards,
- spot the potential standardisation gaps in this field,
- propose on how policy makers and G7 Members could contribute to facilitating and enhancing the role of standardisation in the areas of circular economy and resource efficiency.

12:15 – 12:45 Round up of discussions, sharing the feedback and results with panellists and participants (brief reporting back)

Summary of discussions on major opportunities of this tool

12:45 – 14:00

Lunch break

Thursday 21st March 2019

14:00 – 17:45	<p>Session 4: Non-Financial Reporting and Metrics for Circularity in Value Chains</p> <p>Moderator: Christian Hudson, <i>EU G7 Support Team, GIZ</i></p> <p><i>Objectives:</i></p> <ul style="list-style-type: none"> Determine to what extent and in which conditions non-financial reporting and metrics on circularity and value chain resource efficiency would deliver more environmental and economic benefits, Explore the conditions under which these forms of non-financial reporting in value chains would be successfully and widely taken up.
14:00 – 15:00	<p>First panel – Best-practice frameworks regarding non-financial reporting and the way that they could encourage companies to make their value chains more circular and resource efficient</p> <ul style="list-style-type: none"> GRI – (Anna Krotova, <i>Manager – Standards Division</i>) Natural Capital Coalition – (Michael Zimonyi, <i>Climate Disclosure Standards Board, Policy and External Affairs Manager</i>) Ministry for the Ecological and Inclusive Transition / Ministry of the Economy and Finance – France – (<i>Sustainable consumption and production Unit / Charlotte Gardes, Deputy Head of the Financial Stability, Accounting standards and corporate governance</i>) Ministry of Environment, Land and Sea – Italy – (Aldo Ravazzi Douvan, <i>Chief Economist</i>) <p><i>Audience Q&A</i></p>
15:00 – 16:00	<p>Second panel – Demonstration of potential for improved resource management from businesses (including a representative of the financial sector/investor) through alternative forms of non-financial reporting, and future needs, barriers and steps:</p> <ul style="list-style-type: none"> Kering – (Michael Beutler, <i>Director of Sustainability Operations</i>) DSM – (Jeff Turner, <i>Vice President of Sustainability</i>) PriceWaterhouseCoopers – (Jean-Baptiste Petit, <i>Sustainable Development Manager</i>) Philips – (Harald Tepper, <i>Programme Lead, Circular Economy and Management Team Member, Group Sustainability</i>) <p><i>Audience Q&A</i></p>
16:00 – 16:30	<p><i>Refreshment break</i></p>
16:30 – 17:15	<p>Q&A and discussions within small groups to:</p> <ul style="list-style-type: none"> Identify a desired future path for non-financial reporting and metrics of circular and resource efficient value chains which would expand the use and value of this tool for companies , Identify the potential barriers and next steps for a wider use of this tool, How policy makers and G7 could contribute to facilitate and enhance its use by companies.
17:15 – 17:45	<p>Round up of discussions, sharing the feedback and results with panellists and participants (brief reporting back)</p> <p>Summary of discussions on major opportunities of this tool</p>
17:45 – 18:00	<p>Closing session</p>

G7 Workshop

Tools making value chains more circular and resource efficient Voluntary agreements, standardisation & non-financial reporting

Key Messages

Paris, 20-21 March 2019

The French Presidency of the G7, in cooperation with the European Commission, organised a workshop of the G7 Alliance on Resource Efficiency on ‘Tools making value chains more circular and resource efficient. Voluntary agreements, standardisation & non-financial reporting’ on 20-21 March 2019 in Paris.

The workshop took place against the background of the findings in the IRP’s Global Resource Outlook 2019, welcomed at the 4th United Nations Environment Assembly (UNEA4) as well as in the OECD’s Global Material Resources Outlook to 2060, which show that under a business-as-usual scenario, resource use at the global level would lead to unsustainable environmental pressures. The workshop followed the adoption by UNEA4 of a resolution on “Innovative pathways to achieve sustainable consumption and production” which underlines, inter alia, the importance of advancing sustainable consumption and production patterns, including, but not limited to through circular economy and other sustainable economic models, and which recognises the variety of policies that countries implement to move toward sustainable consumption and production, such as resource efficiency, circular economy, sustainable materials management, and 3Rs.

Participants at the workshop included those from industry, nongovernmental organisations, and G7 governments. The discussion at the workshop was open-ended and participants provided various fruitful insights without producing formal shared conclusions. The G7 members of the Alliance on Resource Efficiency identified the following **key messages** from the workshop.

Voluntary agreements

- Voluntary agreements, and similar approaches, in particular on the part of businesses, can effectively complement regulation in support of environmental outcomes;
- By allowing the creation of a common view, structured around shared objectives and by involving stakeholders among the different steps of value chains, voluntary agreements can facilitate the emergence and the implementation of new approaches, leading to more circular and resource efficient value chains in such a way as to ensure that materials are used more productively throughout their life cycle thereby reducing the environmental impacts;
- By facilitating and encouraging exchanges between policy makers, non governmental organizations and/or companies, voluntary agreements can contribute to relevant public policies;
- The involvement of public authorities and non governmental organisations in the governance and implementation of voluntary agreements can ensure a good ambition level and credibility;
- Voluntary agreements can have a beneficial impact on circularity and resource efficiency along value chains by bringing together all relevant companies and stakeholders involved in the same value chains, which may be global in their nature, around a common goal;
- A regular follow-up of the voluntary agreement’s implementation as well as a transparent reporting with a well-designed communication to raise public visibility are essential for guaranteeing an effective implementation of the voluntary agreement which go beyond or complement existing legal requirements;
- Communication of economic, social, and environmental benefits associated with voluntary agreements can encourage more actors to get involved in ambitious voluntary agreements.

Standardisation

- Standard setting is an important tool for adopting, at the international level, common elements in particular specifications, definitions and principles that can facilitate removing barriers and improving efficiencies between actors in global value chains, thus facilitating trade;
- Standards generally address individual aspects of a product or service system. Some organizations are looking at how to integrate resource efficiency and circular economy into the development of horizontal standards that can provide a framework for more specific standards and guidance to help companies rethink their business models;
- Standard setting can facilitate the use of life cycle approach in identifying where most environmental progress can be achieved, both in terms of reducing environmental impacts and facilitating resource efficiency;
- The development of standards to fill needed gaps and the integration of circularity and resource efficiency in standards with the goal of reducing life cycle environmental impacts from materials would help make global supply chains more resource efficient. The ISO Technical Committee on the circular economy aims to facilitate this;
- The development of standards in the field of circular economy and resource efficiency at ISO and IEC levels should build upon the active participation of national standardisation bodies.

Non-financial reporting

- Comparable, concise and consistent circular economy and resource efficiency metrics and reporting on value chains can help companies, including SMEs, identify their dependencies and exposures to environmental risks factors and their ability to improve the resilience of their business and enhance its economic performance;
- Business strongly underlined the need to develop a common and concise set of metrics and reporting protocols, and related environmental accounting principles to reduce the burden from different and divergent reporting frameworks while encouraging consistency, completeness, comparability, clarity, accuracy and reliability, in accordance with the materiality principle. Current differences and lack of comparability in the information that companies gather, use and disclose, reduce the value of information for company managers and investors
- Some participants noted that the level of harmonisation achieved by the IFRS (International Financial Reporting Standards) and the GAAP (Generally Accepted Accounting Principles) is a model in developing generally accepted environmental accounting principles, although it is necessary to achieve it in a shorter period of time;
- The Task Force on Climate-related Financial Disclosures (TCFD) recommendations on climate-related reporting and the Corporate Reporting Dialogue provide solid international examples for greater consistency and transparency in practices in non-financial reporting.
- Some businesses highlighted the usefulness of mandatory requirements for non-financial reporting in prompting the development of capacities for integrated Environmental, Social, and Governance (ESG) reporting and risk analysis in the private sector, and in ensuring a level-playing field;
- The development and application of digital technologies for gathering and processing large amounts of data could substantially enhance the capacity of companies, including SMEs, to improve management of resources along supply chains, and to report on resource efficiency and circularity;
- Policy makers could assist non-financial reporting efforts for example in convening and facilitating exchanges with clearly defined objectives between stakeholders involved in non-financial reporting, at national and international levels.

