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**“Charting the Path to Sustainable Resource Management: Unveiling the 2024 Global Resources Outlook Report (GRO24)”**

**Speakers:**

* Janez Potočnik, co-chair of the International Resource Panel (IRP)
* Sirpa Pietikäinen MEP
* Paul Ekins – Professor of Resources and Environment Policy, University College London
* Mathilde Crêpy – Head of Environmental Transparency, ECOS
* Josip Pervan - Senior Manager, Policy Advocacy & Member mobilization, World Business Council for Sustainable Development (WBCSD)
* Jeff Turner – Senior Advisor, WBCSD (remote)
* Hans Bruyninckx – Professor of Environmental Governance, University of Antwerp
* Heather Grabbe – Senior Fellow, Bruegel
* Nicolas Galudec – Senior Policy Adviser, UN Environment
* Astrid Ladefoged – Head of Unit for Planetary Resources, Universal Values and Environmental Security, DG ENV

**Summary:**

**Keynote Address:**

In his keynote address presenting the IRP’s 2024 Global Resource Outlook (GRO24), **Janez Potočnik** emphasized the unprecedented interconnectedness and interdependence of the current generation, highlighting the need for cooperation and shared responsibility to address global challenges such as climate change and security issues. He focused on climate change, noting that despite increased policymaker attention, success has been limited. Global CO2 emissions and surface temperatures have reached record highs, with post-fossil fuel subsidies also at an all-time high, contributing to economic losses from extreme weather events.

Janez argued that the approach to climate change has been too narrow, focusing mainly on carbon emissions and energy policies without adequately considering material usage, waste output, and the growth of human society. He advocated for combining carbon management with a decoupling circular economy, which includes demand-side solutions and nature-based solutions. He noted that, while recent COP meetings have started to address these issues, progress has been slow.

He criticized the current economic model as wasteful and unjust, calling for a shift towards an economy that prioritizes human needs and well-being over GDP. GRO24 emphasizes the importance of optimizing provisioning systems for human needs rather than maximizing individual sector outputs.

Janez highlighted the dramatic increase in global material use over the past 50 years and the varying drivers of material footprint across different regions. He pointed out that high-income countries have managed to stabilize their material footprint, but their climate impacts per capita remain significantly higher than those of low-income countries.

The GRO24 report predicts a 60% increase in resource use by 2060 if current trends continue, underscoring the urgency of decoupling resource use from economic activity. Janez presented scenarios showing that a sustainable transition is possible, with economic growth, reduced inequality, improved well-being, and lower environmental impacts.

In conclusion, Janez called for urgent action to change direction and fix the "broken compass" of the current economic system. He recommended institutionalizing resource governance, directing finance towards sustainable resource use, making trade an engine of sustainable resource use, mainstreaming sustainable consumption options, and creating circular, resource-efficient business models. He stressed that addressing environmental sustainability is not only an economic and technological choice but also a moral one, and that transformation is essential for the future..

**Presentation:**

Addressing financial mechanisms and indicators for sustainable resource management, **Sirpa Pietikäinen** emphasized the need for systemic change in economic incentives and measurement systems to address environmental challenges. She argued that current economic models, which prioritize GDP growth, are not accounting for environmental degradation and resource depletion. Sirpa suggested that economic systems should reflect the impact on nature and resources, proposing a parallel accounting system that includes environmental and social statistics.

She called for the integration of environmental costs into public budgets, state aid, and financial evaluations, including credit ratings. Sirpa also advocated for compulsory public disclosure of environmentally harmful investments and the inclusion of environmental impact analysis in EU budget assessments.

Sirpa highlighted the need for global standards for environmental and resource accounting, similar to financial accounting standards, and the integration of environmental risks into financial regulations. She suggested reforms in credit rating agency regulations, insurance, solvency rules, banking regulations, and company reporting to reflect environmental and social impacts.

Lastly, Sirpa proposed a shift in taxation from profits and labor to environmental and resource use, incentivizing environmentally friendly business practices and penalizing unsustainable ones. She stressed the importance of politics in implementing these changes and the challenge democracies face in enacting necessary regulations.

**Panel Discussion 1**: Finance for Systemic Resource Management (chair: **Paul Tang** MEP)

**Paul Ekins** emphasized the importance of redirecting private sector money towards sustainable resource management, stating that governments can only do so much and most funding must come from the private sector. He highlighted that there are numerous business models for sustainable resource management, such as turning waste into resources, product life extension, sharing and renting, and substituting services for products. However, these models often do not work due to the current incentive structure, which needs fundamental change through policy intervention.

Paul discussed the need for regulations, fiscal measures like materials taxes, public procurement that favors sustainability, and innovation support. He provided an example from the UK, where a landfill tax was introduced and gradually increased, leading to a significant rise in recycling rates.

Paul concluded by underscoring the critical role of politicians in changing incentive structures to enable systemic transformation towards sustainable resource management..

**Mathilde Crêpy** emphasized the importance of clearly defining what is considered environmentally sustainable, particularly in the context of the EU taxonomy. She pointed out that current definitions, such as those for sustainable buildings, do not adequately address efficiency and often overlook it. Mathilde suggested that criteria should include considerations for renovation over new construction, and exclude certain categories like second homes from being labeled as green.

Mathilde also stressed the need to stop supporting environmentally harmful or resource-intensive activities by clearly identifying and labeling them as such. She highlighted the shocking figure of seven trillion US dollars being used to subsidize the fossil fuel industry and called for an end to such subsidies.

Lastly, Mathilde advocated for a shift in the tax burden from labor to resource use, noting that circular business models are labor-intensive and would benefit from such a shift. This would incentivize circular business models and support the creation of jobs in sectors like repair and repurposing, which are more labor-intensive compared to less sustainable practices..

**Presentation:**

**Josip Pervan** introduced the Global Circularity Protocol, a voluntary framework aimed at accelerating the transition to circularity by addressing policy roadblocks and harmonizing methodologies and metrics. The protocol is developed by the World Business Council for Sustainable Development (WBCSD) and designed to create a virtuous cycle where companies measure and report circular performance, attracting investment, driving innovation, and improving business performance.

Josip mentioned that businesses are not waiting for mandatory frameworks or reporting guidelines but are actively developing metrics for measuring circularity and implementing them to shift their strategies. This proactive approach has led to the development of the Circular Transition Indicators by the WBCSD, which companies are using to measure their circular performance and inform investment decisions.

Josip outlined the work streams of the Global Circularity Protocol, which include impact analysis, corporate performance and accountability systems, policy frameworks, and target setting for circularity. He mentioned the goal to launch a rough draft at COP 30 and to release the first version in the first half of 2026. The protocol is being developed in partnership with various organizations and aims to become a go-to framework for circularity.

**Panel Discussion 2**: Global Governance for Systemic Resource Management (chair: **Heidi Hautala** MEP)

**Hans Bruyninckx** emphasized the need for strong institutionalization of resource efficiency within multilateral environmental agreements, as current frameworks lack an explicit resource angle, which is crucial for achieving climate and biodiversity objectives. He suggested the potential establishment of an international resource agency to track policies, data, and analysis on resources, recommending it be located in the global south due to its strong connection to the resource cycle. Hans also called for sustainable resource use strategies at all government levels, which are currently lacking in many areas.

Additionally, he highlighted the importance of financial and fiscal governance, trade, and explicit norm setting for products and material categories as part of governance. Hans expressed skepticism about the effectiveness of voluntary frameworks, stressing the need for speed and scale in addressing resource use challenges. He noted the failure of the circular economy resolution at UNEA due to opposition from Brazil and Saudi Arabia, and advocated for explicit resource efficiency in governance to prevent further environmental degradation.

**Heather Grabbe** emphasized the importance of integrating resource efficiency into mainstream economic thinking and the mandates of various policy areas, rather than solely focusing on environmental governance. She suggested that the principles of resource efficiency could be linked with the EU's strategic goals, such as strategic autonomy, economic security, competitiveness, and employment policies. Heather proposed that reducing imports and promoting shorter supply chains could enhance resilience and reduce dependencies on other countries.

She highlighted the need for public procurement to prioritize durability and eco-design criteria, as this would support the competitiveness of European products both domestically and internationally. Heather also mentioned the potential for a circular economy to create jobs, but noted the necessity for skills development to meet the demands of new job roles.

Heather cautioned against framing the resource agenda as being about degrowth, as it might hinder political acceptance. Instead, she recommended using terms like economic independence, resilience, and fairness to make the resource efficiency agenda more appealing. She concluded by stressing the importance of intrinsic motivations, fairness, and the emotional connection people have with nature in promoting resource efficiency and management.

**Jeff Turner** emphasized the proactive role that businesses are taking in the transition to sustainable resource management. He highlighted that this shift is not only essential for long-term prosperity but also creates value for businesses in the short term. Turner pointed out that businesses are not waiting for mandatory frameworks or reporting guidelines; instead, they are actively developing metrics for measuring circularity and implementing them to make strategic decisions within companies.

He mentioned the Circular Transition Indicators developed by WBCSD, which have been used to inform ISO standards. Turner stressed that responsible businesses recognize the need for mandatory disclosure and are advocating for it, but in the meantime, they are engaging and implementing circular procurement policies and business models to drive progress.

He concluded by expressing support for the Global Circularity Protocol and the importance of businesses taking conscious, responsible actions to advance sustainability..

**Panel Discussion 3**: Equity and Justice (chair: **Ville Niinistö** MEP)

**Nicolas Galudec** discussed the political and geopolitical dynamics present at the United Nations Environment Assembly (UNEA) in Nairobi, highlighting the increased participation from various sectors beyond the usual environmental crowd, including those involved in climate COPs and representatives from foreign affairs, security, and defense. He noted the challenges in securing additional mandates for UNEP and the importance of connecting the dots across multiple multilateral events.

Nicolas emphasized UNEP's role in addressing the triple planetary crisis (climate, biodiversity, pollution) with a social lens, recognizing the interconnectedness of environmental issues with social justice, development, poverty eradication, and peace. He mentioned the Secretary General's report on the common agenda, which calls for greater justice and equity in multilateral discussions.

He also referred to the upcoming "Summit for the Future" in September, which aims to bring together various UN agendas, and the newly formed panel on the global critical energy transition minerals, which will focus on the economic dimensions of environmental phenomena and seek solutions for vulnerable communities.

Nicolas highlighted UNEP's commitment to promoting a balanced approach that includes social considerations in environmental policymaking and the need to maintain this focus in multilateral contexts. He also mentioned the importance of addressing the economic dimensions of resource use and consumption, and the need for solutions that benefit the most vulnerable populations..

**Astrid Ladefoged** highlighted the importance of systemic thinking in environmental policy, as exemplified by the EU's Green Deal, which integrates various strategies and aims to eliminate trade-offs between environmental objectives. She acknowledged the complexity of advancing systemic and complex issues in a polarized world but noted the progress made in embedding systemic approaches within the Green Deal, including strategies for circular economy and climate targets.

Astrid pointed out that while the EU has made strides in environmental policy, the social dimension, particularly the principle of leaving no one behind, needs more attention. The EU has implemented funding instruments like the Just Transition Fund to address disparities between regions and support those negatively impacted by the green transition. However, she emphasized that economic incentive structures still require significant work.

She mentioned the EU's ongoing fitness check on the polluter pays principle and initiatives like the deforestation regulation and the carbon border adjustment mechanism, which aim to ensure that trade partners adhere to environmental standards. Astrid stressed the need to maintain a focus on social equity and raise global standards as the EU's environmental policies become more ambitious.