

# Bangkok Goals on the Bio-Circular-Green Economy

By Lim Tau Wee

The 29<sup>th</sup> Asia-Pacific Economic Co-operation (APEC) Summit was held physically in Bangkok from November 18-19, 2022 for the first time in four years. The Chief Secretary to the Malaysian Government in his capacity as the Special Representative of the Prime Minister led the Malaysian delegation to the APEC Economic Leaders' Meeting (AELM) due to the General Election 15. Among the world leaders who attended the APEC Summit were the Prime Ministers and Presidents of Australia, Canada, Japan, China, Korea, Peru, the Philippines, and Singapore, just to name a few.

At the conclusion of the meeting, the leaders made some declarations, among them was the endorsement of the Bangkok Goals on the Bio-Circular-Green (BCG) Economy as a comprehensive framework to further APEC's sustainability objectives. They also iterated on the continuation of the implementation of the APEC Putrajaya Vision 2040, including the Aotearoa Plan of Action. They agreed to advance the Bangkok Goals (BCG) in a bold, responsive, and comprehensive manner, building upon existing commitments and work-streams as well as considering new aspirational ones.

By adopting the Bangkok Goals, APEC moves forward, outlining how to achieve its comprehensive and ambitious sustainability goals and inclusion objectives, while reinforcing and contributing to on-going global actions. APEC explored approaches such as the BCG economy model that integrates three economic approaches, where technology and innovation are used to create value, reduce waste, advance resource efficiency, and promote sustainable business models. It also called for more holistic efforts to achieve balanced, inclusive, and sustainable growth. Such efforts should build on APEC's existing commitments and work streams as well

as consider new aspirational commitments to further APEC's sustainability objectives.

## KEY POINTS OF THE BANGKOK GOALS ON BCG

**a. Supporting global efforts to comprehensively address all environmental challenges, including climate change, extreme weather, and natural disasters, for a sustainable planet, particularly in terms of climate mitigation, adaptation, and resilience by:**

1. *Contributing* practical, ambitious, and concrete initiatives to transition to a climate-resilient future global economy which aligns with global efforts, such as the achievement of the 2030 Agenda for Sustainable Development and the goals of the Paris Agreement, appreciating and supporting APEC members' respective net zero/carbon neutrality commitments, recognising the urgent need to collectively address climate change and reduce greenhouse gas emissions and the need to provide international support including capacity building, technological and financial support, which are key enablers in this regard.
2. *Enhancing* adaptive capacity, strengthening resilience, and reducing vulnerability to the adverse effects of climate change and associated risks, including mainstreaming adaptation measures into policies, strategies and planning, as well as disaster and emergency preparedness and management.
3. *Strengthening* co-operation to develop and exchange policies and best practices and promote capacity building and awareness-



Session on Bangkok Goals on BCG in August 2022

raising programmes that address all environmental and climate challenges and support sustainable growth.

4. *Ensuring* diversity and inclusion in our collective efforts to address climate change.
5. *Advancing* the transition to clean and low-carbon energy through various pathways reflecting the different circumstances in each economy, strengthening energy resilience, promoting energy security, and ensuring affordable and reliable energy access, including fostering technical collaboration and exchange of best practices and experiences. The members acknowledged the importance of stable energy markets and clean energy transitions. Noting the progress made to date, APEC economies are discussing goals for further strengthening the region's capacity to adopt renewable energy and other clean and low-emission energy technologies.
6. *Recalling* our commitment to rationalise and phase out inefficient fossil fuel subsidies that encourage wasteful consumption while recognising the importance of providing those in need with essential energy services, and, to reach this goal, continuing efforts in an accelerated manner.
7. *Promoting* sustainable, resilient, productive, and inclusive food systems and agricultural practices, achieving food security and nutrition, reducing food loss and waste, including encouraging environment-friendly policies and minimising environmentally harmful ones, conserving agrobiodiversity, and enhancing the use of agricultural biotechnology, digitalisation, and other innovative approaches.
8. *Promoting* research, development and deployment of cost-effective low and zero emission technologies, acknowledging that there are a variety of technologies and approaches available.

9. *Supporting* finance and investments in sustainability and climate action, including disaster risk finance insurance, and, if appropriate, carbon pricing and non-pricing mechanisms and international carbon credit markets, as well as exploring options to support the alignment of financial flows towards a greener and cleaner global economy, for example, taxonomies and other alignment approaches.

**b. Progressing sustainable and inclusive trade and investment, and ensuring that they are mutually supportive with our environmental policies by:**

1. *Intensifying* work that enhances stability, resilience, and sustainability of supply chains, as well as improving connectivity, including the implementation of the APEC Connectivity Blueprint, and advancing co-operation and sharing best practices in green public procurement.
2. *Advancing* work on the facilitation of trade in environmental goods and services, building on discussions about the APEC List of Environmental Goods and the Reference List of Environmental and Environmentally Related Services and further discussing the impact of non-tariff measures on trade in environmental goods.
3. *Advancing* concrete initiatives on responsible business conduct, environmental, social and governance (ESG) industry practices, through the development of sustainable tourism, manufacturing, agriculture, transport, and logistics sectors, as well as the green and low-carbon digital and technology sectors.
4. *Advancing* gender equality and economic integration, inclusion and empowerment of women.
5. *Strengthening* the roles of micro, small, and medium enterprises (MSMEs), including encouraging the formulation of an updated APEC Strategy for Green, Sustainable and Innovative MSMEs, building capabilities for MSMEs in sustainability practices such as the ESG and BCG approaches, and collaborating to improve opportunities for MSMEs to be competitive, specialised,

innovative and expand into international markets.

**c. Promoting environmental conservation, sustainable use, and management of natural resources, as well as halting and reversing biodiversity loss by:**

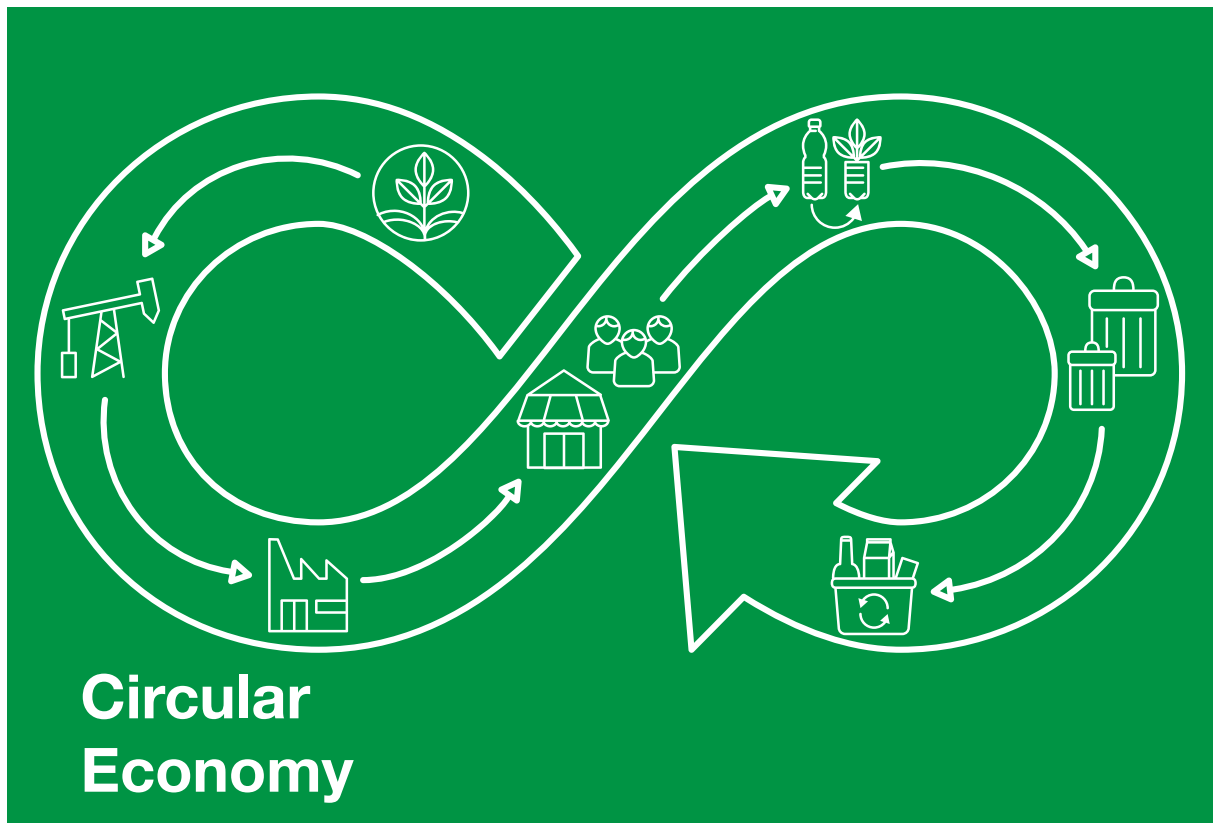
1. *Enhancing* conservation and sustainable use and management of coastal and marine resources and ecosystems as well as sustainable fisheries and aquaculture, including preventing, combatting and working towards ending illegal, unreported, and unregulated (IUU) fishing and implementing the APEC Roadmap on Combatting IUU Fishing.
2. *Continuing* work to prevent and reduce marine debris and plastic pollution, including through the implementation of the APEC Roadmap on Marine Debris.
3. *Strengthening* efforts to combat illegal logging and associated trade, stop the degradation of forest ecosystems, and promote trade and consumption in sustainably managed and legally harvested forest products.
4. *Striving* to ensure diversity and inclusion to improve our efforts in maintaining, conserving, managing, and protecting the environment and natural resources.

**d. Advancing resource efficiency and sustainable waste management towards zero waste by:**

1. *Increasing* co-operation to advance circular economy approaches, including promoting circular business models as well as exchange policies and best practices, and sustainable production and consumption patterns.

**INCLUSIVE APPROACH**

To achieve the above and the three economic drivers of the Putrajaya Vision 2040 it requires the adoption of an inclusive approach that improves the quality of life for all members of society and advances gender equality as well as economic inclusion and empowerment of MSMEs, women, and other groups with untapped



economic potential, such as indigenous people, people with disabilities, and those from remote and rural communities, while also promoting the role of youth. Further, there is a need for stronger whole-of-society partnerships and whole-of-system approaches within APEC, particularly across all fora and sub-fora in order to deliver comprehensive, coherent and mutually reinforcing outcomes.

## ENABLERS

The following enablers should be accelerated through relevant APEC mechanisms:

1. Conducive and agile regulatory frameworks and enabling business environment, including structural reform, good regulatory practices and international regulatory co-operation, particularly advancing the implementation of the Enhanced APEC Agenda for Structural Reform (EAASR) and taking into account the findings

and recommendations of the 2022 APEC Economic Policy Report (AEPR) on Structural Reform and a Green Recovery from Economic Shocks and other relevant AEPRs to inform policies and approaches.

2. Capacity building by deepening economic and technical co-operation, exchanging experiences and best practices to achieve sustainable and inclusive growth, voluntary technology transfer on mutually agreed terms, as well as inclusive human resource development, especially reskilling and upskilling to boost recruitment, retention, and promotion of a diverse workforce.
3. Enabling environment for the development of quality infrastructures, financing, and investment, as well as further leveraging science, technology, innovation, and digitalisation.
4. Networks for collaboration among public sector, private sector, financial sector, academia, other international and regional organisations, other relevant stakeholders,

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as well as mechanisms within and related to APEC, including ABAC, the APEC Study Centres Consortium, and APEC permanent observers namely ASEAN, PECC, and PIF.

## **CROSS-FORA COLLABORATION**

The APEC Committees and relevant sub-fora will integrate and advance the above agenda in their respective strategies and work plans, where appropriate, as well as deepening cross-fora collaboration. The APEC Secretariat will maintain an evergreen compendium of the actions and initiatives taken and provide regular updates for senior officials as the means to review our progress to contribute to and in accordance with the APA review process. Senior officials will have the overall responsibility for monitoring and evaluating progress under the Bangkok Goals on the BCG Economy. The furtherance of the sustainability agenda in a comprehensive and ambitious manner will support APEC’s growth trajectory towards a strong, balanced, secure, sustainable, and inclusive future.

## **GLOBAL TREND**

The Malaysian Government has been promoting ESG (Environmental Social Governance) as the way forward for Malaysian industries in line with the

global trend. Regulators, including the Securities Commission Malaysia (SC), are also helping to push the ESG agenda through the issuances of guidance notes and taxonomies to guide the domestic development of ESG investments. The Malaysian Investment Development Agency (Mida), as the principal investment promotion agency of the country, also targets ESG-driven investments in its promotional activities.

For Malaysian practising engineering consultancy firms, the writing is on the wall to adopt ESG for their advancement or be left behind in the competitive race to gain recognition or acceptance to participate in project development. Many MNCs and banks favour those firms embarking on ESG or its equivalent.

In this context, the Bangkok Goals on the BCG Economy is another important document to digest especially for Engineering Consultancy Practices (ECP) aspiring to venture into the Asia-Pacific area as part of APEC Connectivity Blueprint. BCG emphasises strengthening roles of MSMEs for building their capabilities in sustaining practices such as ESG and BCG approaches in order to be competitive, specialised, innovative and to expand into international markets.

The importance of BCG and ESG is best referred to in the quote by the UN Secretary General, Antonio Guterres, “Making peace with nature is the defining task of the 21<sup>st</sup> Century. It must be the top, top priority for everyone, everywhere.” ■