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# **Framework for Circular Economy for the ASEAN Economic Community**

**Venkatachalam Anbumozhi**

Senior Research Fellow for Innovations

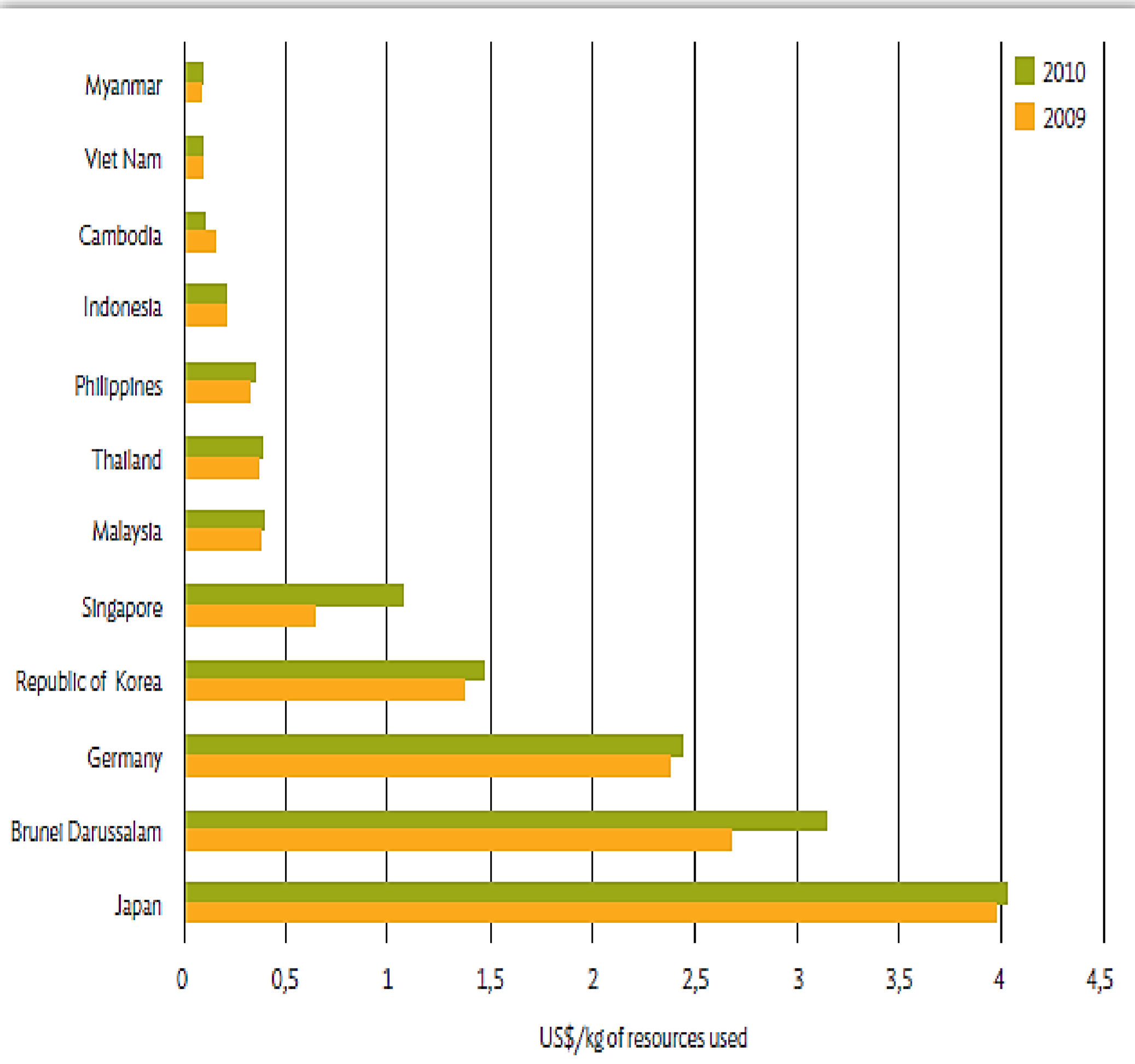
# Focus

- Definition and Motivation for the Framework
- Key elements
- ASEAN initiatives
- Criteria and entry points
- Priority areas
- Regional Cooperation principles
- Enablers



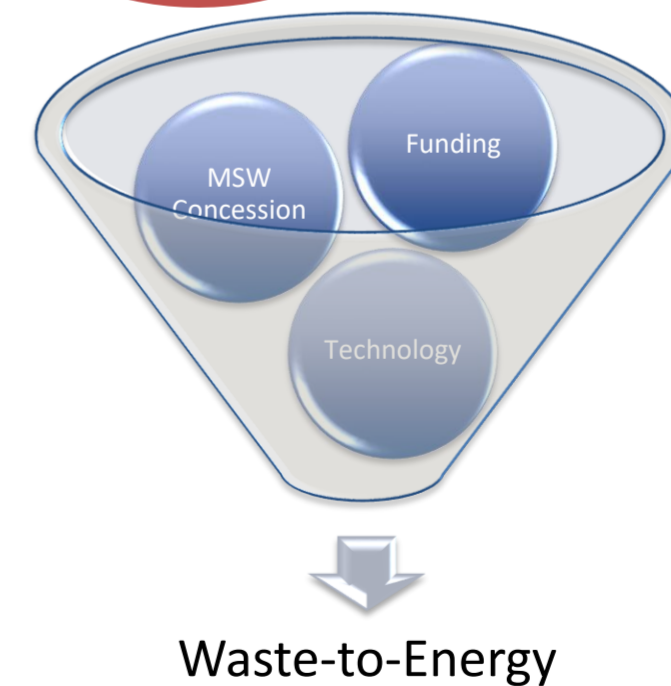
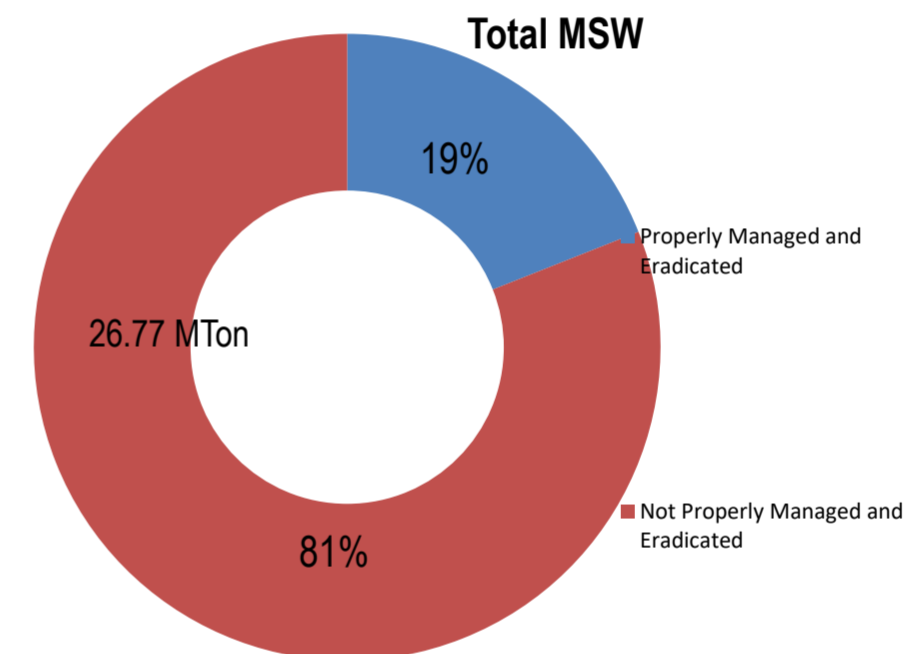
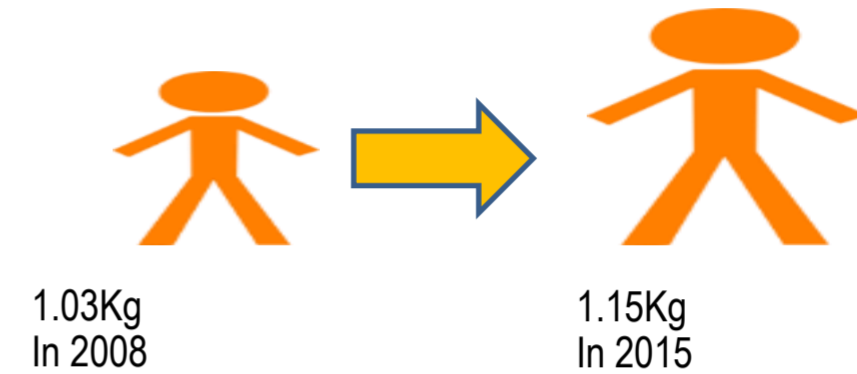
# Prerogatives for Circular Economy in ASEAN

## Resource Productivity



## Waste Management Case of BKK

MSW produced per head per day



# Definition & Motivation for Framework on CE

Circular economy as one that is restorative, and one which aims to maintain the utility of products, components and materials and retain their value. It thus minimizes the need for new inputs of materials and energy, while reducing environmental pressures linked to resource extraction, emissions, and waste.

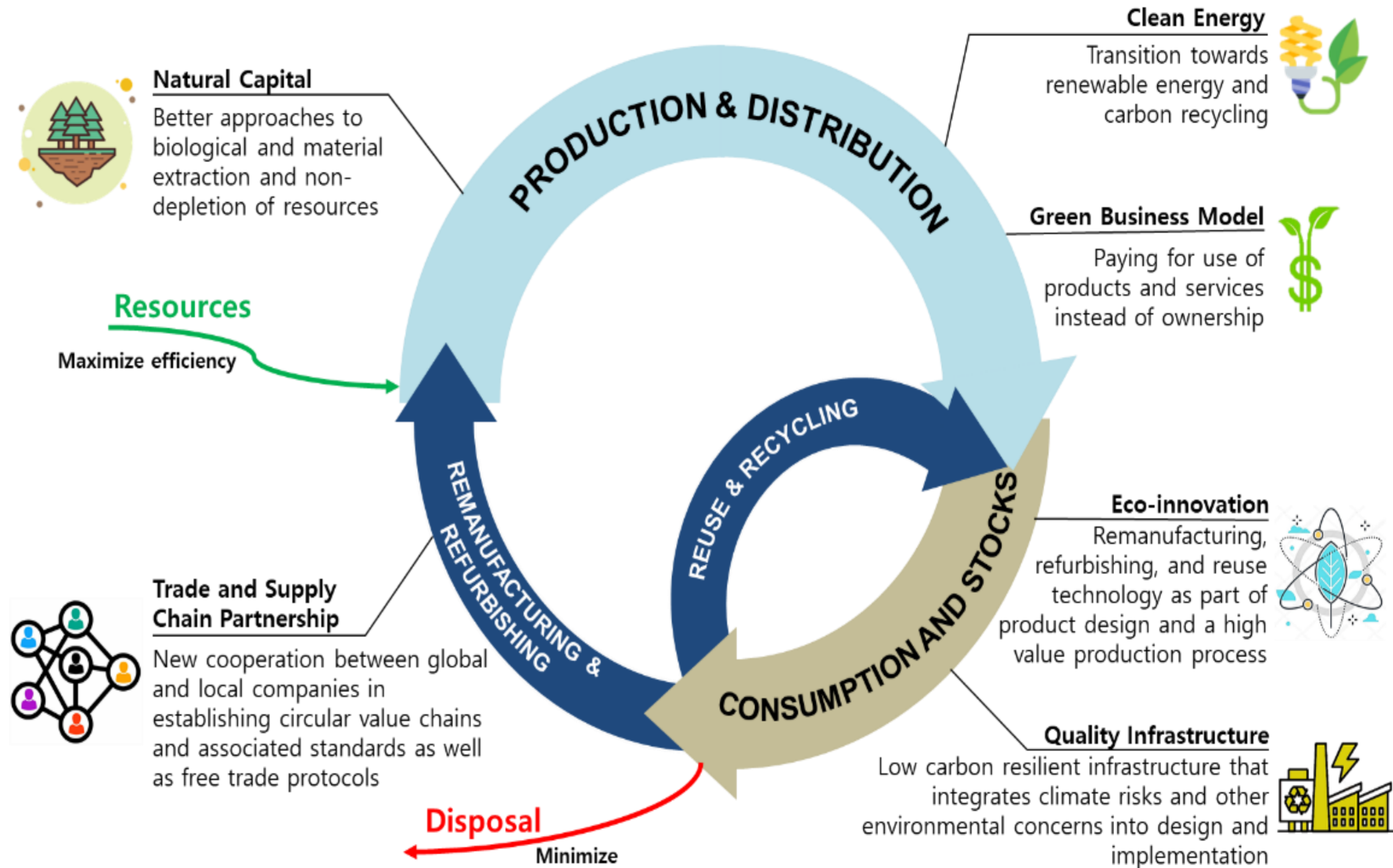
The Framework for Circular Economy for the AEC's specific objectives are as follows:

1. Evaluate the key elements of circular economy which are relevant to the work of the AEC, drawing upon global and regional best practices, especially from those in the advanced stage of implementing circular economy-related policies, with the aim of identifying entry points for the work under the AEC;
2. Define the scope and agencies for ASEAN's work on circular economy within the context of AEC and identify priority sectors, while taking into account its potential impact on the region's supply chain resilience and security, and trade rules; and
3. Propose dialogue and coordinating mechanisms between the AEC and the ASCC, to provide guidance, identify areas for collaboration and prioritisation on the work on circular economy, and to establish corresponding procedures.



# Key elements of CE

Circular economy does not only require closed-loop material cycles for resource efficiency improvement, but also a system thinking



# ASEAN's CE-related initiatives

The concept of circular economy has been picked up mostly under the ASCC, and mainly, if not solely, from the environmental perspective. Some selected initiatives:

- Development of the Sustainable Consumption
- Promotion of Biomass Energy for Agricultural Communities and Rural Development
- Roadmap for ASEAN Sustainable Capital Markets
- Roadmap and Action Plan To Promote Smart Manufacturing Development
- Guidelines for the development of Sustainable Urban Mobility Plans (SUMP)



# Circular Economy Enhancers Ratings of ASEAN

Country	Higher Education and Training	Goods Market Efficiency	Labour Market Efficiency	Financial Market Development	Technological Readiness	Market Size	Overall Rating
Cambodia	2.8	4.2	4.5	3.9	3.0	3.0	3.6
Indonesia	4.5	4.4	3.7	4.2	3.5	5.7	4.3
Lao PDR	3.2	4.3	4.5	3.8	2.8	2.9	3.6
Malaysia	5.0	5.4	4.9	5.2	4.6	5.0	5.0
Myanmar	2.5	3.6	4.2	2.4	2.2	4.2	3.2
Philippines	4.5	4.2	4.1	4.2	3.9	4.9	4.3
Singapore	6.2	5.7	5.7	5.6	6.2	4.8	5.7
Thailand	4.6	4.7	4.2	4.4	4.2	5.2	4.6
Viet Nam	3.8	4.2	4.4	3.7	3.3	4.8	4.0

# Criteria and Entry Points for the AEC

Indicative criteria to facilitate the framing for circular economy work across different AEC sectors:

1. Prioritizing regenerative resources and use waste as resource
2. Rethinking creative business models
3. Designing for the future:





# Priority areas for CE in ASEAN



Agriculture



Mining



Construction



Manufacturing



Transportation



# ASEAN principles for CE

- 1. Principle 1: Conceptualize CE within the reality of international production linkages.*
- 2. Principle 2: Support and enhance ASEAN integration and promote development of a single production base.*
- 3. Principle 3: Ensure adequate impact assessment of CE policies on production cost and market prices, especially in sectors relevant to MSMEs.*
- 4. Principle 4: Acknowledge development gap and thus, ensure the adoption of CE principles and practices are in support of long-term growth prospects.*
- 5. Principle 5: Enshrine the ASEAN way by ensuring ASEAN-wide coordination, e.g. through the mutual recognition arrangements (MRAs) of CE standards.*
- 6. Principle 6: Ensure that financial sustainability/feasibility of CE-related projects/initiatives are carried out before moving forward.*



# CE enablers for ASEAN

To accelerating the adoption and scaling-up of circular economy principles, these circular economy enablers need to be in place in ASEAN:

1. Policy framework and institutions;
2. Enhanced awareness and competences across sectors;
3. 4IR for circular economy; and
4. Partnership and collaboration.





# Thank You

Reach us at:

**Economic Research Institute for ASEAN and East Asia (ERIA)  
ASEAN Secretariat Lt. Mezzanine  
70 Jl. Sisingamanaraja, Jakarta Selatan 12110  
Indonesia**

**Tel : +62-21-726-2991**

**Fax : +62-21-7278-9006**

**Email : [v.anbumozhi@eria.org](mailto:v.anbumozhi@eria.org)**

**Website : [www.eria.org](http://www.eria.org)**

