

CONTENTS

Pa_{ij}	ge
ACRONYMS AND ABBREVIATIONS	V
EXECUTIVE SUMMARY	ΙI
I INTRODUCTION	1
1.1 Project Background	.1
1.2 Evaluation Purpose and Scope	.3
1.3 Sampling strategy	. 4
1.4 Evaluation Methodology	. 4
1.5 Evaluation questions	. 5
1.6 Leaving No-One Behind	.6
1.7 Limitations	.6
1.8 The evaluation's scoring approach	.6
II. EVALUATION FINDINGS	8
2. RELEVANCE: WAS THE PROJECT DOING THE RIGHT THING?	8
2.1 Relevance of the project's objectives and activities with the identified needs and priorities of UNECE Member States	
2.2 Enabling UNECE and supporting Member States in implementing the 2030 Agenda for Sustainable Development	10
2.3 Integration of gender, human rights, and disability perspectives	13
3. COHERENCE: DID THE PROJECT FIT?1	.5
3.1 Coherence and harmonisation with other relevant initiatives	15
3.2 Coherence with UN entities and international organisations working in the same area, including at country level	16

4. EFFECTIVENESS: WERE RESULTS ACHIEVED, AND HOW? 1	18
4.1 Support transition towards a Circular Economy in the beneficiary countries – achievement of project objective	
4.1.1 Achievement of project outcomes	20
4.1.2 Understanding of opportunities and challenges related to Circular Economy in the beneficiary countries – behaviour change	23
4.2 Factors affecting project performance	25
4.3 Best practices and successful examples	28
4.4 Adequacy of considering and responding to the emerging challenges and risks during its life cycle	
4.5 Unexpected effects	29
5. EFFICIENCY: WERE RESOURCES USED APPROPRIATELY TO ACHIEVE PROJECT RESULTS?	31
5.1 Adequacy of resource allocation and utilisation	31
5.2 Appropriateness of resources to the project design	32
5.3 Efficiency of resource use	32
6. SUSTAINABILITY: ARE RESULTS LASTING?	33
6.1 Measurable improvements observed at the policy level	33
6.2 Measures to ensure continued results beyond the project's duration	34
6.3 Collaboration and partnerships	35
6.4 Sustainability concerning results for gender equality, human rights, climate change, disability, and youth	
SECTION III: CONCLUSIONS AND RECOMMENDATIONS	37
7. CONCLUSIONS	37
8. RECOMMENDATIONS	39
ANNEX 1: TERMS OF REFERENCE OF THE EVALUATION	1 8
ANNEX 2: DOCUMENTS REVIEWED	54
ANNEX 3. LISTS OF STAKEHOLDERS INTERVIEWED	55

ANNEX 4: EVALUATION MATRIX	56
ANNEX 5:CIRCULAR ECONOMY TOOLS UNDER THE PURVIEW OF	ECE
INTERGOVERNMENTAL BODIES SERVICED BY THE ECE SUBPROG	
ON TRADE (SP6) AND ECONOMIC COOPERATION AND INTEGRAT	ON (SP4)

FIGURES

Figure 1: Overview of evaluation findings	vi
Figure 2: Infographic - Overview of the project and main evaluation results	xiv
Figure 3: Map of evaluation stakeholders by country	4
Figure 4: Evaluation tools and processes; UNECE project N22124	5
Figure 5: Key for color-coding used for results assessment	7
Figure 6: Relevance of the project, the Circular STEP network, and related events	9
Figure 7: Project contribution to SDGs in beneficiary countries	. 10
Figure 8: Key project initiatives addressing cross-cutting issues	. 14
Figure 9: Project alignment and cooperation with international partners	. 16
Figure 10: Summary of main project results	. 19
Figure 11: Achievement of project outcomes based on logframe indicators	. 21
Figure 12: UNECE Circular Economy project and results in behaviour change	. 23
Figure 13: Institutionalization of learning, changes at the workplace, and effects on institutional performance	. 24
Figure 14: Reasons driving behaviour change	. 25
Figure 15: Factors affecting project performance	. 26
Figure 16: Unexpected project effects	. 30
Figure 17: Summary of key findings conclusions and recommendations	43

ACRONYMS AND ABBREVIATIONS

AI	Artificial Intelligence	
CE	Circular Economy	
ECE	Economic Commission for Europe	
ECTD	Economic Cooperation and Trade Division	
EU	European Union	
FAO	Food and Agriculture Organization	
GDF	Global Disability Fund	
HORECA	Hotel, Restaurant, and Catering	
IA	Internal Audit	
ILO	International Labour Organization	
ITC	International Trade Centre	
IoT	Internet of Things	
OC	Operational Committee	
OECD	Organisation for Economic Co-operation and Development	
PMSSD	Programme Management and Support Service Division	
PMU	Programme Management Unit	
TESSD	Trade and Environmental Sustainability Structure (WTO)	
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women	
UN/CEFACT	United Nations Centre for Trade Facilitation and Electronic Business	
UNCTAD	United Nations Conference on Trade and Development	
UNDA	United Nations Development Account	
UNDP	United Nations Development Programme	
UNECE	United Nations Economic Commission for Europe	
UNEP	United Nations Environment Programme	
UNIDO	United Nations Industrial Development Organization	
UNPRPD	United Nations Partnership on the Rights of Persons with Disabilities	
UNSWAP	United Nations System-wide Action Plan on Gender Equality	
WP.7	Working Party on Agricultural Quality Standards	
WTO	World Trade Organization	

Executive summary

This document presents the evaluation report of the UNECE project N2124, titled "Accelerating the Transition Towards a Circular Economy in the ECE region" (hereafter referred to as "the project"), which is funded by the United Nations Development Account (UNDA) with a project budget of US\$ 549,000.

Dr Achim Engelhardt, Founding Director of the Geneva-based Lotus M&E Group, undertook this external evaluation between December 2024 and March 2025.

Results summary

The DA-funded Circular Economy project demonstrated strong overall performance, excelling in three of the five evaluation criteria. Effectiveness emerged as the highest-rated category (93%), with the project successfully meeting targets for three out of four outcome-level indicators. Coherence and relevance followed closely (83%), reflecting alignment with stakeholder needs and policy priorities. These findings, derived from document reviews, interviews, and a behaviour-focused online survey, are illustrated in Figure 1.

While efficiency scored 67%, highlighting the challenges of balancing the available budget with an ambitious project design and human resource limitations in UNECE, sustainability, in terms of ensuring the continuation over time, remained the weakest area at 50%. Despite establishing a solid foundation for circular economy initiatives, the project's long-term impact will depend on continued support and commitment. The following sections explore these findings in greater depth, offering insights into both achievements and areas for future enhancement.

Overview of Cicrular Economy project performance

Sustainability 50% Evaluation results

Efficiency 67% 83% Coherence

93% Effectiveness

Key:

Highly unsatisfactory Unsatisfactory Satisfactory Highly satisfactory

Figure 1: Overview of evaluation findings

Project background

The Circular Economy project aimed to leverage synergies across multiple UNECE subprogrammes, supporting environmental governance, economic cooperation (including innovation and infrastructure financing), trade (market access and trade facilitation) to drive sustainable development. Rooted in the mandates of intergovernmental bodies such as the Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP), the Steering Committee on Trade Capacity and Standards (SCTCS), and the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) the project was set to promote

digital trade facilitation, sustainable value chains, and public-private partnerships. It responds to the outcomes of the 69th UNECE Commission session, which emphasized Circular Economy approaches as essential for achieving the Sustainable Development Goals (SDGs), fostering economic resilience, and mitigating climate change. Recognizing the challenges of transitioning from a linear to a circular model—particularly for economies reliant on extractive industries and resource-intensive production—the project aimed to support Belarus, Serbia, Tajikistan, and later North Macedonia as pilot countries. It facilitated learning from advanced economies and catalysed national policies and programs in three priority areas: product traceability along international value chains, sustainable public procurement, and waste management. The project contributed directly to SDGs 3, 5, 6, 7, 8, 9, 11, 12, 13, and 17, reinforcing the global shift toward resource-efficient, sustainable economic growth.

Evaluation purpose and scope

The evaluation assessed the project's relevance, coherence, effectiveness, efficiency, and sustainability in enhancing circular economy policy capacities in the UNECE region.

Evaluation methodology

The evaluator used a theory-based evaluation methodology to address the time lag between the project activities, such as capacity building and network building, and changes in policy capacities. The evaluator used a document review, remote interviews, and an online survey. The evaluation reached 81 project stakeholders in 28 UNECE member States: 39 female (48.1%) and 42 male (51.9%). Eighteen stakeholders were interviewed, while 63 were involved through an online survey featuring complementary questions focused on behaviour change. The evaluation did not encounter any significant limitations.

Evaluation findings, conclusions, and recommendations

Relevance: Did the project do the right thing?



The evaluation finds that the UNDA-funded UNECE project was highly relevant, particularly in addressing SDG 12, responsible consumption and production. The project has done the right thing, with a relevance score reaching 83% (highly satisfactory ratings for two evaluation sub-criteria and satisfactory ratings for another two evaluation sub-criteria).

The UNECE Circular Economy project was highly relevant to member States, particularly non-EU countries, by raising awareness, fostering knowledge exchange, and supporting the integration of Circular Economy principles into national policies. While 86.2% of survey respondents felt the project met their institution's needs in advancing the Circular Economy transition, challenges remained in aligning national priorities, securing funding, and ensuring long-term implementation. The project played a key role in supporting the 2030 Agenda by advancing SDGs 8, 12, 13, and 17, promoting regulatory reforms, industry engagement, and international cooperation, particularly in the pilot countries of Serbia, Tajikistan, and North Macedonia, as well as in Uzbekistan, a member of the project-funded Circular STEP network. It also complemented UNECE's Economic Commission for Europe Transformative Innovation Network (ETIN) project and strengthened UNECE's position as a leader in implementing the Circular Economy.

The project promoted gender equality to some extent, mainly through balanced participation in events and hiring processes. It also integrated human rights considerations into traceability efforts within the textiles and cotton industries and contributed to climate action through waste reduction

and resource efficiency. However, disability inclusion remained largely unaddressed, presenting an area for future improvement.

Conclusion

The evaluation highlights that the UNDA project has positioned UNECE with both the mandate and momentum to lead the Circular Economy transition, reinforcing its role as a key driver of sustainable economic transformation that benefits its member States. UNECE's driving role in the circular economy transition it likely to maintain, if not further gain, relevance against the backdrop of today's economic situation, where resilience is turning into a key objective for member States and supply chain actors. While the project has successfully advanced policy integration and stakeholder engagement, its impact could be strengthened through a more comprehensive and inclusive cross-cutting strategy that fully integrates gender equality, human rights, and climate considerations.

Recommendations

R1: For UNECE Economic Cooperation and Trade Division's (ECTD) Strategic Plan and future projects:

UNECE and the Circular Economy: Driving Innovation and Accelerating SDG 12 Implementation

ECTD should develop a strategic plan, building on the Office of Internal Oversight Services (OISO) evaluation of UNECE, to establish the organisation as a global leader in the Circular Economy transition. This presents a key opportunity to strategically align Circular Economy initiatives with UNECE's long-term objectives, ensuring that funding, staffing, and programming priorities reflect its growing significance within ECTD. At the same time, the strategic plan must facilitate a necessary but difficult shift away from traditional work areas that are not directly aligned with achieving SDG 12 and no longer correspond to evolving priorities or available funding. This forward-looking approach will strengthen UNECE's role in driving sustainable economic transformation while optimising ECTD's resources for maximum impact.

With no single UN entity currently championing the Circular Economy agenda at a global level, UNECE has a unique opportunity to take the lead, leveraging its expertise and networks to drive transformative change and accelerate progress towards sustainable and circular economies. The groundwork has already been laid, with successful business cases established in countries like Serbia and Tajikistan, providing a strong foundation for scaling and replication across the region to enhance effectiveness and drive systemic change.

Priority: high, next six months.

R2: For future projects. UNECE:

Future projects would benefit from clearer mechanisms for mainstreaming cross-cutting perspectives, including targeted disability inclusion efforts, and explicit links to climate adaptation and mitigation goals. Additionally, increased collaboration with UN agencies specializing in these areas such as the International Labour Organisation (ILO) on workers' rights in the just transition context could enhance the depth and effectiveness of cross-cutting integration.

Priority: high, next six months for new project designs.

Coherence: Was the program well aligned?



The project was highly coherent and cooperated with UN entities and international organizations, reaching a score of 83% (one highly satisfactory ratings for one evaluation sub-criterion and one satisfactory rating for another one).

The evaluation finds that the project was highly coherent, effectively collaborating with UN entities and international organizations to advance Circular Economy objectives. Its cross-programmatic approach positioned UNECE as "One UNECE," addressing economic and other, notably environmental sustainability objectives. In the case of the Division implementing this project, "One UNECE" manifests itself in the integrated treatment of trade, innovation, value chain traceability, and infrastructure financing. The project aligned well with national development strategies in North Macedonia and Serbia, introduced Circular Economy concepts in Tajikistan and Kyrgyzstan, and provided policy support in Uzbekistan and Belarus despite challenges. By embedding Circular Economy within broader UN and international economic frameworks, UNECE helped shift the narrative from a narrower environmental issue to an economic priority. Collaboration with key partners such as UNEP, UNCTAD, WTO, UNIDO, ITC, and the European Commission ensured complementarity with existing initiatives, though stronger engagement with FAO could have further enhanced the integration of Circular Economy principles into food systems and agricultural waste management. Such cooperation and complementarity also respond to the increasing consideration of economic resilience, as a key objective for member States and supply chain actors.

Conclusion

The project demonstrated strong coherence within UNECE and across international partnerships, successfully positioning Circular Economy as an economic priority rather than solely an environmental issue. However, sustaining national-level coordination, avoiding duplication, and securing long-term funding remain critical challenges for ensuring lasting impact.

Recommendation

R3: For UNECE Economic Cooperation and Trade Division's Strategic Plan

To maximise impact and foster greater collaboration, UNECE should leverage the strong commitment of several member States and non-state actors to both the Circular STEP network and the ETIN network, created in a previous UNECE project, on transformative innovation. Bringing these networks together would create a cohesive platform for advancing Circular Economy innovation and facilitating knowledge exchange and implementation across Member States.

To maintain the momentum generated by these initiatives, UNECE should adopt a coordinated approach, aligning both networks under its leadership to support the attainment of SDG 12. This integration would enhance efficiency, strengthen partnerships, and position UNECE as a key driver of circular transformation in the UNECE region, unlocking new opportunities for collaboration, investment, and policy innovation.

Priority: high, next six months.

Effectiveness: Has the program achieved its objectives?



The project greatly enhanced national knowledge, influenced policy, and fostered regional cooperation, setting the stage for expanded implementation. It achieved an impressive 93% rating, with highly satisfactory scores in eight evaluation subcriteria and satisfactory ratings in two others. This success was firmly rooted in strong regional collaboration through the Circular STEP network and propelled by high-quality project coordination and effective leadership from UNECE senior management.

The project successfully introduced Circular Economy concepts in previously unengaged countries, contributing to policy development and raising awareness. 86.5% of stakeholders are confident in leading Circular Economy efforts, and 71.9% report improved institutional performance. Strong institutional support, regional collaboration through the Circular STEP network, and high-quality coordination have ensured effective implementation and knowledge sharing. A supportive organisational culture further enabled practical application, with 77.9% of respondents confirming workplace support.

Challenges included limited resources, uneven policy adoption, and varying government commitment, particularly in Central Asia and the Western Balkans. Private sector engagement and geopolitical instability also affected implementation, but the project adapted by focusing on more countries like North Macedonia and Serbia, where a good basis for cooperation on circular economy already existed. Unexpected results included stronger cross-sector collaboration, broader stakeholder engagement, and increased awareness of trade barriers. The project also brought social and human rights issues, such as labour rights and value chain transparency, into discussions, particularly in Tajikistan.

Conclusion

The UNECE project successfully advanced discussions on the Circular Economy, integrated these into national policies, and fostered regional collaboration through the Circular STEP network. However, lasting progress will require sustained national and international support, stronger institutional frameworks, and long-term funding. Although resource constraints and uneven policy adoption posed challenges, UNECE's adaptive approach ensured broader engagement and alignment with complementary initiatives. The project also yielded unexpected benefits, such as elevating social and human rights issues in policy discussions, which further enriched the dialogue on sustainable economic transformation.

Recommendations

R4: For future projects. UNECE:

To ensure the successful and sustained adoption of Circular Economy (CE) principles, UNECE should support Member States in developing robust circular economy laws, policies, and governance structures, addressing the regulatory gaps that have slowed implementation. Additionally, targeted capacity-building efforts, including extensive training and technical support, are essential to equip government officials and industries with the necessary expertise in circular economy. To improve coordination and avoid duplication, UNECE should strengthen collaboration with key international partners, such as UNEP, UNDP, the EU, and the World Bank, ensuring a more aligned and effective approach to circular economy implementation at the country level.

Priority: high, next six months for new project designs.

R5: For UNECE Economic Cooperation and Trade Division's Strategic Plan

ECTD should reinforce its leadership in driving the circular economy transition by focusing on its core economic mandate while strategically expanding cross-sectoral collaboration. Systematic engagement with sister UN agencies should continue, building on existing partnerships such as those with UNEP on environmental aspects. Additionally, new partnerships should be developed to address key cross-cutting issues: collaborating with the ILO on workers' rights, FAO on food waste, and both UN Women and the ILO to ensure a just transition that integrates gender equality considerations. To further enhance inclusivity, ECTD should explore cooperation with the Global Disability Fund (GDF), formerly the United Nations Partnership on the Rights of Persons with Disabilities (UNPRPD), to ensure that disability rights are effectively integrated into circular economy strategies. Strengthening these partnerships will enhance policy coherence, maximise impact, and ensure a holistic approach to the circular economy transition.

Priority: high, next six months.

See R7 on funding.

Efficiency: Was the program doing things right?



The project team's efficient resource use maximized reach and results, but the budget for an ambitious project limited scalability and sustainability. The efficiency score reached 66%, with satisfactory ratings for all three evaluation subcriteria.

The UNECE Circular Economy project effectively leveraged partnerships and strategic funding, such as for the Circular STEP network, to maximize resources despite financial and human constraints. Although its ambitious scope stretched available resources, prioritization and collaboration enhanced efficiency.

Conclusion

The project delivered value for money by effectively utilising resources and adapting to challenges, strengthening UNECE's position in Circular Economy leadership. However, without a clear long-term sustainability plan, there is a risk that the advantages of the project-funded Circular STEP network may fade over time.

Recommendation

R6: For future projects. UNECE:

During project design, UNECE should systematically assess whether existing UNECE or other relevant networks can be leveraged as an efficiency measure before establishing new ones. If the creation of a new network is deemed necessary due to a lack of viable alternatives, a comprehensive sustainability plan must be developed from the outset. By default, this plan should be integrated into project implementation from the beginning and maintained throughout the entire project duration rather than being addressed only at the project's conclusion, ensuring long-term impact and viability.

Priority: high, next six months for new project designs.

Sustainability: Is change lasting?



The project laid a foundation for Circular Economy sustainability in several beneficiary countries, though long-term success depends on ongoing support. It received a sustainability rating of 50%, with two sub-criteria rated satisfactory and two considered unsatisfactory.

The project's sustainability hinges on continued funding, institutional support, and coordinated partner engagement. While the Circular STEP network fostered regional collaboration, its long-term viability remains uncertain without a clear strategy for sustained impact. Elevating Circular Economy policies to economic ministries increased political influence, but maintaining momentum will require ongoing financial and strategic commitment. Additionally, while the project advanced gender inclusion, value chain transparency, and resource efficiency, further efforts are needed to integrate disability and youth engagement for a more inclusive and lasting transition.

Conclusion:

The project established a solid foundation for long-term Circular Economy integration, but its lasting impact will depend on securing financial resources, maintaining stakeholder engagement, and translating policy commitments into action. Strengthening partnerships with UN agencies specializing in gender, human rights, and youth empowerment could enhance inclusivity and ensure greater alignment with broader UN priorities.

Recommendations

R 7: UNECE Economic Cooperation and Trade Division's Strategic Plan

ECTD needs to diversify its funding sources, as traditional donors encounter competing priorities amid significant geopolitical challenges in Europe.

Moving forward, UNECE has an exciting opportunity to fully integrate Circular Economy strategies into its (modest) regular budget workstreams and strengthen strategic partnerships to drive long-term impact. Several alternative funding sources and mechanisms emerge:

- In line with SDG indicator 12.7 and building on the success of UNECE's recent ETIN project, **public procurement** with its enormous budgets, annually over €14 billion in the Western Balkans alone, can serve as a powerful catalyst for advancing the Circular Economy agenda across Member States. UNECE-supported procurement reform does not require ongoing funding, but rather seed investment to create self-sustaining, circular business models.
- Furthermore, private sector investments keen to expand into circular economy
 markets present a compelling win-win scenario, accelerating Circular Economy
 initiatives in EU accession countries, EU neighbourhood countries, and beyond.
 These funding sources are particularly promising in reducing UNECE's reliance
 on traditional bilateral donors, ensuring greater financial sustainability and
 resilience.
- Other important actors to consider are **philanthropic organisations** that are not only eager to fill the gaps left by traditional donors but also committed to leaving

a lasting impact, a legacy, by driving innovation and accelerating SDG 12 achievement.

• Besides, strategic collaboration with UNDA and New York-based funding sources is recommended, particularly for projects tied to SDG 12.

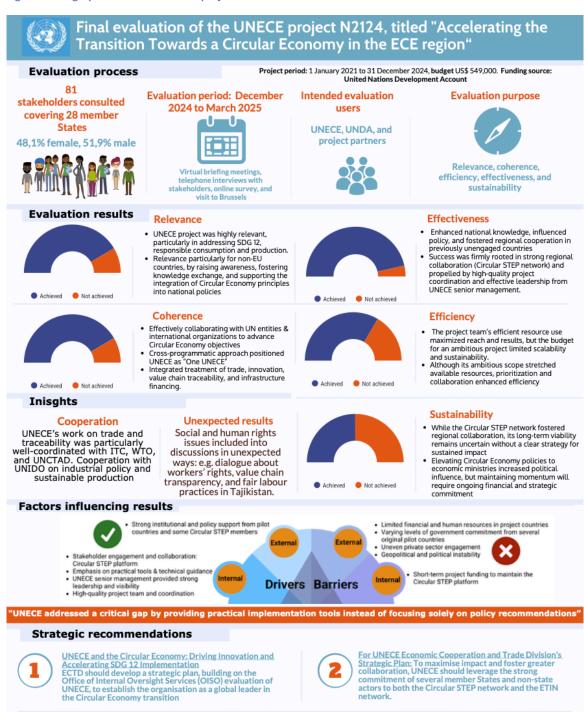
Priority: high, next six months.

R8: For future projects. UNECE:

Future projects could benefit from stronger partnerships with UN agencies specializing in gender, human rights, and youth empowerment to enhance impact further.

Priority: high, next six months for new project designs.

Figure 2: Infographic - Overview of the project and main evaluation results





For UNECE Economic Cooperation and Trade Division's Strategic Plan: ECTD should reinforce its leadership in driving the circular economy transition by focusing on its core economic mandate while strategically expanding cross-sectoral collaboration.

Source: A. Engelhardt, 2025: Final evaluation: of the UNECE project N2124, titled "Accelerating the Transition Towards a Circular Economy in the ECE region" Design: A. Engelhardt, 10/2025

Europe.

For UNECE Economic Cooperation and Trade Division's Strategic Plan: ECTD needs to diversify its funding sources, as traditional donors encounter competing priorities amid significant geopolitical challenges in

I Introduction

This document constitutes the evaluation report of the UNECE project N2124 Accelerating the transition towards a Circular Economy in the ECE region (hereafter referred to as "the project").

1.1 Project Background

The evaluation ToR state that "the project built on the work of various ECE Subprogrammes, thus contributing to strengthen synergies among working areas in the organization. In particular, it is directly linked to selected objectives of the following Subprogrammes: *Environment*—to improve environmental governance and performance throughout the ECE region for safeguarding the environment and human health; *Economic Cooperation and Integration*—to strengthen policies on innovation, competitiveness and public-private partnerships in the ECE region; and *Trade*—to enhance trade facilitation, agricultural quality standards and regulatory and trade-related economic cooperation for the transition to sustainable economic growth and sustainable production and consumption in the ECE region and beyond.



The project responded to mandates of several intergovernmental bodies serviced by the Economic Cooperation and Trade Division. The ECE Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP) supports countries in the region to promote a policy, financial and regulatory environment conducive to economic growth, innovative development, higher competitiveness, economic cooperation and integration for sustainable development. The United Nations Centre for Trade Facilitation and e-Business (UN/CEFACT) develops policy reviews and recommendations, standards and tools for sustainable and digital trade facilitation and sustainable and circular value chain management, which explores the role that innovation in advanced technologies, including Blockchain, Internet of Things (IoT), Artificial Intelligence (AI) and Quantum Computing, can play in support of a transition to a resilient and sustainable economy. Normative work of ECE in Working Party on Agricultural Quality Standards (WP.7), a subsidiary of the SCTCS, delivers tools assisting governments in addressing market failures and economic inequalities in agriculture trade through standards which allow better access to markets and better-quality production preventing environmental degradation.

Soon after the project was started, the high-level segment of the sixty-ninth session of the Commission was held in April 2021 under the theme "Promoting Circular Economy and the

sustainable use of natural resources 1". During its deliberations, ECE Member States emphasized the importance of Circular Economy and the sustainable use of natural resources in achieving the sustainable development goals (SDGs), supporting economic prosperity and resilience, addressing environmental pressures, mitigating climate change and building back better in response to the COVID-19 pandemic. They recognized the need for multilateral and coordinated multi-stakeholder approaches to develop integrated solutions to respond to these challenges and stressing the importance of public-private partnerships. Decision B (69) was adopted, which among other follow up actions requested relevant Sectoral Committees and bodies reporting directly to the Executive Committee, and their subsidiaries, to consider how to enhance the impact of relevant existing ECE instruments in order to foster circular and more resource efficient approaches, including by proposing ways to identify, assess and fill gaps in governance and good practices. The decision also invites subsidiary bodies to consider possible collaboration across subprogrammes, for impactful and measurable solutions and requests the secretariat to promote partnerships related to a Circular Economy and the sustainable use of natural resources, including with the United Nations system, other international organizations, non-governmental organizations, academia and the private sector, to explore opportunities for synergies to broaden the use of relevant ECE instruments2.

In the period of project implementation, decisions were made at each of the Sectoral committees and respective subsidiary bodies that had a remit for this project deliverables, where the need to mainstream Circular Economy approaches to respective programmes of work was reinforced.

The project was set up to build on the growing consensus about the importance of circular models of production and consumption for long-term sustainable development, as many questions remain on how to implement and accelerate the transition from a linear to a circular economic model, especially without incurring substantial short-term economic and social costs. These concerns are even more pronounced among ECE Member States with economies in transition, including countries heavily reliant on extractive industries such as oil and gas production, coal and mineral mining, countries reliant on energy and resource-intensive industrial production, and countries facing serious environmental risks. The project centred around learning from what has worked and what has not in more advanced countries and aimed at adapting, instead of simply transposing, lessons learned to target countries with economies in transition. The project built on this momentum by supporting the design and implementation of national policies for a Circular Economy, as well as of national programmes and strategies for promoting innovation in the selected priority areas. In particular, it served as an operational vehicle for catalysing country efforts to test and invest in innovative approaches to promote and enable circular economic growth in the three priority areas:

- Improved ESG traceability of products along international value chains
- Sustainable and innovation-enhancing public procurement, and
- Waste management, including in the agri-food sector and through public private partnerships (PPPs)

Based on the Member States' needs and interests, the following tentative list of potential target countries has been identified: Belarus, Georgia, Kazakhstan, Republic of Moldova, Serbia, and Tajikistan. These countries had requested support in managing the transition to a more Circular Economy in several United Nations forums. During project implementation, the list of target

2

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¹ https://unece.org/sites/default/files/2022-

^{01/}Item%207%20ECE_EX_2022_4_Reporting%20on%20%20implementation%20of%20CE%20ECE 69.pdf

² E ECE 1494 e Final.pdf

countries directly benefiting from this project was reduced to Belarus, Serbia, and Tajikistan. North Macedonia was added in the last year of the project."³.

The project aimed to address SDGs 3,5,6,7,8,9,11,12,13, and 17.



1.2 Evaluation Purpose and Scope

The evaluation ToRs outline the background of this evaluation as follows:

"The purpose of this evaluation is to assess the extent to which the objectives of the ECE project (2124N) "Accelerating the transition towards a Circular Economy in the ECE region", funded from the UN Development Account (UNDA) were achieved.

The evaluation will also assess how human rights, gender equality, disability inclusion and climate change considerations were included and will make recommendations for future projects, though those aspects were not part of the project design.

As per ECE Evaluation policy, the evaluation aims to (i) Promote organizational learning, by identifying lessons learned and best practices; (ii) Contribute to improvement of programme performance; (iii) Ensure accountability of the Secretariat to Member States, senior leadership, donors, and beneficiaries."⁴

The project was implemented in the period 1 January 2021 to 31 December 2024, with UNEP as an implementing partner agency and a budget of \$549,000.

Annex 1 contains the evaluation matrix for this evaluation, listing the specific evaluation questions related to each evaluation criterion, which define the evaluation scope further.

An external evaluator conducted the evaluation exercise⁵ under Programme Management Unit (PMU) within the Programme Management and Support Service Division (PMSSD) guidance and in coordination with the project team.

³ UNECE, 2024: Terms of Reference. Evaluation of the UNDA project Accelerating the Transition towards a Circular Economy in the ECE region (2124N), pages 1-3.

⁴ UNECE, 2024: Terms of Reference. Evaluation of the UNDA project Accelerating the Transition towards a Circular Economy in the ECE region (2124N), page 1.

⁵ Dr. Achim Engelhardt, founding director of the Geneva-based Lotus M&E Group

1.3 Sampling strategy

The evaluator evaluated all activities under this project due to the use of multiple data collection methods, including an automated online survey with a potentially broad reach.

1.4 Evaluation Methodology

For this evaluation, the evaluator used a **theory-based evaluation methodology** to address the time lag between the project activities, such as capacity building and network building, and changes in policy capacities.

The approach has been successfully utilised in recent evaluations of international organizations, including the UN Secretariat. A theory-based evaluation outlines the intervention logic, also known as the "theory of change," which is tested during the evaluation process. The theory of change is grounded in a set of assumptions regarding how the project designers anticipate changes will occur. Logically, it is connected to the project's logframe, which is detailed in the project document.

The evaluation reached 81 project stakeholders in 28 UNECE Member States: 39 female (48.1%) and 42 male (51.9%). Eighteen stakeholders were interviewed, while 63 were involved through an online survey featuring complementary questions focused on behaviour change. 23 project stakeholders participating in the evaluation were from transition economies, and 58 were from developed economies.

Figure 3: Map of evaluation stakeholders by country



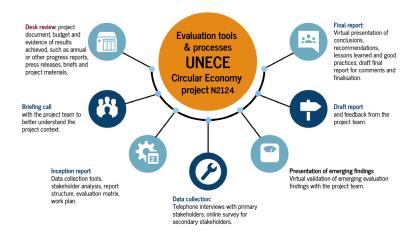
While the 81 evaluation stakeholders were generally distributed evenly across the countries shown in the map above, a notable concentration emerged in the United Kingdom (5), France (7), and Switzerland (14). Additionally, 11 stakeholders reported being located outside UNECE member states.

Online survey: The evaluation survey was sent to 291 project stakeholders with a valid email address, achieving a response rate of 21.6% (31 female and 32 male respondents). Among them, 24% were from government, 19% from civil society organisations, 19% from the private sector, 18% from academia, and 11% from international organisations, while 9% fell into other categories.

The response rate is considered satisfactory, as UN Secretariat evaluation response rates typically range between 15% and 30%.

Figure 4 outlines the customised evaluation tools and processes for the project assessment. This mixed-methods approach is designed to ensure robust data triangulation. The complete evaluation matrix can be found in Annex 4.

Figure 4: Evaluation tools and processes; UNECE project N22124



1.5 Evaluation questions

The evaluation matrix in Annex 1 includes the proposed evaluation questions (EQs) for this assessment, which are reiterated in this section. The evaluator recommends addressing all 17 EQs outlined in the ToR but one⁶ and to elevate one sub question to a fully-fledged EQ under the effectiveness criterion concerning unexpected project results, including for cross-cutting evaluation aspects such as gender due to its relevance for UNECE's UNSWAP reporting (new EQ 3.5, highlighted in italics below). Besides, the evaluator added the sub-question "Which factors affected the attainment of project results either positively or negatively?" under EQ 3.2.

1. Relevance: Was the project responding to stakeholders' needs?

- 1.1. How relevant were the project's objectives and activities with the identified needs and priorities of UNECE Member States?
- 1.2. To which extent this project allowed UNECE to support its Member States in the implementation of the 2030 Agenda for Sustainable Development?
- 1.3. **Cross-cutting issues**: To what extent were gender equality, human rights, climate change, disability and other cross-cutting perspectives integrated into the design and implementation of the project?

2. Coherence

2.1. How coherent was the design and the outcomes of the project and the partnerships developed to fulfil the stated objectives?

2.2. To what extent was this project coherent with those of other UN entities and international organizations working in the same area, including at country level? Has the coherence changed over the course of the project?

⁶ UNECE, 2024: Terms of Reference. Evaluation of the UNDA project Accelerating the Transition towards a Circular Economy in the ECE region (2124N), pages 3-4. Following comments from the project team in the inception report, the question concerning the coherence of the communication strategy was purposefully omitted as it seemed less relevant.

3. Effectiveness

- 3.1. To what degree did the project successfully support the transition towards a Circular Economy in the beneficiary countries?
- 3.2. To what extent did the project's activities significantly improve the understanding of opportunities and challenges related to Circular Economy in the beneficiary countries? Which factors affected the attainment of project results either positively or negatively?
- 3.3. Are there some best practices or successful examples that could be highlighted?
- 3.4. Did the project adequately consider and respond to the emerging challenges and risks during its life cycle?
- 3.5. Did the project yield any unexpected results, either positive or negative, including with reference to the cross-cutting evaluation aspects?

4. Efficiency: Were resources used appropriately to achieve results?

- 4.1. How efficiently were the resources (financial, human, and technological) allocated and utilized throughout the project's implementation phase?
- 4.2. Were the resources (financial and human) appropriate to the design of the project?
- 4.3. Were the activities implemented most efficiently compared to alternatives? In particular, how do resources' costs and use compare with similar projects?

5. Sustainability: Are results lasting?

- 5.1. What measurable improvements were observed in the beneficiary countries (new policies, policy change), following the project's intervention?
- 5.2. What measures were implemented to ensure the continued results beyond the project's duration?
- 5.3. To what extent did the project foster collaboration and partnerships that could sustain efforts for shift towards Circular Economy beyond the project's conclusion?
- 5.4. How sustainable were the interventions of the project with respect to gender equality, human rights, climate change, disability, and youth?

1.6 Leaving No-One Behind

This evaluation mainstreams cross-cutting issues such as gender equality, disability inclusion, and human rights as part of the Leaving No One Behind approach 7. Gender equality, disability inclusion, and human rights are thus addressed in one out of the 17 evaluation questions, as presented in the evaluation matrix in Annex 4. This evaluation question is as follows:

EQ 1.3 Cross-cutting issues: To what extent were gender equality, human rights, climate change, disability and other cross-cutting perspectives integrated into the design and implementation of the project?

1.7 Limitations

The evaluation did not encounter any significant limitations.

1.8 The evaluation's scoring approach

⁷ The project did not specifically target disability in its project design

The evaluation scored the project's performance for each evaluation question. Aggregated data resulted in performance scores by evaluation criteria using a four-point scale. Dividing the scores by the maximum score possible and multiplying the result by 100 provides the percentage result. The scoring system aligns with decision-makers' need for evaluation reports that facilitate evidence-based decision-making. A solely narrative assessment would not fulfil this requirement.

Figure 5: Key for color-coding used for results assessment

Highly satisfactory	Dark green: Strong achievement across the board. Stands out as an area of good practice where UNECE is making a significant positive contribution. Score 76% to 100%.
	Light green: Satisfactory achievement in most areas but partial achievement in
	others. An area where UNECE is making a positive contribution but could do more. Score 51% to 75%.
Satisfactory	
Unsatisfactory	Yellow: Unsatisfactory achievement in most areas, with some positive elements. An area where improvements are required for UNECE to make a positive contribution. Score 26% to 50%.
	Red: Poor achievement across most areas, with urgent remedial action required in some. An area where UNECE is failing to make a positive contribution. Score: 0% to 25%.
Highly unsatisfactory	

Figure 5 specifies the scoring approach based on the United Kingdom's Independent Commission for Aid Impact.⁸ The scoring does not use weightings. Where no rating is applied, a light grey colour is used. The evaluator systematically applies this scoring methodology to evaluate interventions implemented by international organizations such as the International Labour Organization (ILO) or the Organization of American States (OAS).

⁸ See for example http://icai.independent.gov.uk/wp-content/uploads/ICAI-Review-UK-aids-contribution-to-tackling-tax-avoidance-and-evasion.pdf

II. EVALUATION FINDINGS

2. Relevance: Was the project doing the right thing?

This section addresses the evaluation criteria of relevance. The sub-criteria used comprise i) the relevance of the project objectives with needs and priorities of UNECE member States, ii) enabling UNECE and supporting member States in implementing the 2030 Agenda for Sustainable Development, and iii) the integration of gender, human rights, and disability perspectives. This section's principal sources of evidence are the document review, virtual interviews and the online survey.

Key findings: The project was highly relevant.

- The UNECE Circular Economy project was highly relevant to UNECE member States, particularly non-EU countries, by raising awareness, fostering knowledge exchange, and integrating Circular Economy principles into national policies, though challenges remained in aligning national priorities, securing funding, and ensuring long-term implementation.
- An impressive 86.2% of survey respondents felt that the project met their institution's performance needs in advancing the Circular Economy transition.
- The project supported Member States in implementing the 2030 Agenda by integrating Circular Economy principles into national policies, advancing SDGs 8, 12, 13, and 17, and fostering sustainable economic growth through regulatory reforms, industry engagement, and international cooperation, particularly in Serbia, Tajikistan, Uzbekistan, and North Macedonia. Complementarity emerges with the UNECE's ETIN project. At the same time, it positioned UNECE as a leader for implementing CE.
- The project incorporated gender equality through balanced participation in events and hiring processes, addressed human rights in traceability efforts in textiles and cotton industries, and contributed to climate action through waste reduction and resource efficiency, while disability inclusion remained largely unaddressed.



The evaluation finds that the project was highly relevant to strengthening the capacities of the Governments of three selected ECE countries to enable and accelerate the transition towards a Circular Economy. Based on the evaluator's scoring methodology, the relevance score reaches 83%.9

2.1 Relevance of the project's objectives and activities with the identified needs and priorities of UNECE Member States



The project was highly relevant to the needs and priorities of member States, particularly in regions where the Circular Economy concept was relatively new, especially for member States outside the European Union (EU). The initiative played a key role in raising awareness, fostering knowledge exchange, and providing technical

⁹ Scores by sub-criteria: dark green: 3, light green: 2, yellow: 1; red: 0; 2.1 = 2; 2.2 = 3.3; 2.3 = 2. Total = 10 out of a maximum of 12. Overall performance = SUM (10/12*100) (83.33%).

guidance to countries aiming to transition towards more sustainable economic models. In some cases, such as Tajikistan and Uzbekistan, the project focused on integrating Circular Economy principles into national policies, while in others, like Serbia and North Macedonia, it addressed the development of roadmaps and pilot projects.

One of the main strengths of the project was its focus on creating a platform for knowledge sharing and collaboration. Meetings and workshops in Geneva, Belgrade, and Brussels brought together policymakers, industry stakeholders, and international organizations to discuss best practices and challenges. This networking aspect was particularly valuable for countries that had limited prior exposure to Circular Economy policies and regulations. In many instances, the project facilitated connections between national governments and international organizations such as the WTO, UNEP, enhancing cross-border cooperation on sustainability initiatives. The project also accounted for the special nature of the European Commission in terms of cross-border cooperation on sustainability initiatives and driver of the circular economy transition.

However, the project also encountered several challenges. A recurring issue was the difficulty of aligning national priorities with the objectives of the Circular Economy transition, particularly in countries with limited regulatory frameworks or technical expertise in this area. — an issue that lies at the very nature of the type of objectives the project aimed to pursue. Also, some respondents emphasised the need for clearer coordination among international donors and organisations to prevent duplication of efforts. Additionally, limited funding and short project timelines were recognised as constraints that hindered the long-term sustainability of the initiative. While the project successfully initiated discussions and policy development, ensuring follow-through and implementation remains a challenge for many participating countries.

Figure 6 summarises the relevance of the project, its Circular STEP network, and related events based on the evaluation's online survey results. The project's high relevance for UNECE member States is evident, with 78.8% of respondents stating that the project and its events were timely. When meetings were held online, 75.1% found the format suitable, and an impressive 86.2% felt that the project met their institution's performance needs in advancing the Circular Economy transition.

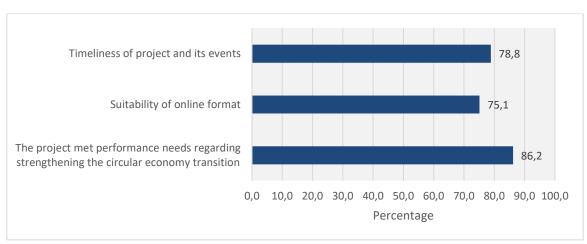


Figure 6: Relevance of the project, the Circular STEP network, and related events

n=56

2.2 Enabling UNECE and supporting Member States in implementing the 2030 Agenda for Sustainable Development

The UNECE Circular Economy project has made significant contributions to supporting its Member States in implementing the 2030 Agenda for Sustainable Development, particularly with respect to SDG 12 (Responsible Consumption and Production) and SDG 8 (Decent Work and Economic Growth). The project has effectively integrated Circular Economy principles into national strategies, facilitated knowledge sharing, and provided technical guidance to foster sustainability across various economic sectors. The experiences gained from Serbia, Tajikistan, Uzbekistan, and North Macedonia underscore the project's impact and its essential role in accelerating the transition to circular economies in different regions.

Figure 7 provides a full overview of SDGs supported in the relevant beneficiary countries.

Figure 7: Project contribution to SDGs in beneficiary countries

Country	Key Focus Areas	Supported SDGs
Serbia	Food waste management, agriculture, waste reduction, biogas production, regulatory reform	SDG 12, SDG 8, SDG 13, SDG 2
Tajikistan	Textile and footwear industry traceability, labor rights, circular production, trade strategy integration	SDG 12, SDG 8, SDG 17
Uzbekistan	Cotton and textile sector sustainability, supply chain transparency, labor rights compliance	SDG 12, SDG 8, SDG 9, SDG 17
North Macedonia	Waste-to-resource strategies, policy framework refinement, Circular Economy roadmap expansion	SDG 12, SDG 8, SDG 17, SDG 9
Belarus	Legislative review on waste management and Circular Economy SDG 12 alignment	

In Serbia, the project drives systemic change in food waste management and agriculture by facilitating the adoption of Circular Economy principles. It engages key stakeholders in the HORECA sector (hotel, restaurant, and catering) to implement waste reduction strategies and energy recovery solutions, diverting organic waste from landfills and converting it into biogas. The initiative mobilizes government agencies to amend waste management regulations, ensuring the recognition of food waste as a distinct category that requires tailored policies and infrastructure. By promoting cooperation between the Ministry of Agriculture and the Ministry of Environmental Protection, the project strengthens institutional coordination. It was noted that this also and aligns national policies with EU Circular Economy regulations.

The project **enhances traceability in the textile and footwear industries in Tajikistan**, equipping businesses and policymakers with the tools to meet international sustainability and labor rights standards. It facilitates the adoption of circular production models, enabling manufacturers to comply with environmental and social requirements that increasingly are a pre-condition for access

to the EU market. By working directly with the Ministry of Economy, the project integrates Circular Economy principles into national trade strategies, ensuring Tajikistan's participation in sustainable global value chains. These efforts empower industries to maintain access to high-value markets while fostering ethical and environmentally responsible production practices.

In **Uzbekistan**, the Circular STEPs network strengthens the **cotton and textile sectors** by embedding sustainability and labour rights reforms into national policies. It facilitates the transition to a more transparent and ethical supply chain by enhancing traceability mechanisms and ensuring compliance with international labour standards, including the Better Cotton Initiative. By creating synergies with other donor-funded initiatives, the project secures long-term support for Uzbekistan's transition to a Circular Economy, positioning the country as a competitive player in the global sustainable textiles market. The project's engagement with national policymakers paves the way for ongoing reforms that align economic growth with environmental and social responsibility.

In North Macedonia, the project builds on existing Circular Economy initiatives by expanding the scope of the OECD-supported roadmap and introducing waste-to-resource strategies. It mobilizes diverse stakeholders—government agencies, industry representatives, and academia—to refine policy frameworks and scale up Circular Economy solutions. By facilitating knowledge exchange through national workshops, the project accelerates policy development and ensures alignment with green economy funding mechanisms offered by other donors/support structures, including the European Commission. These actions empower North Macedonia to prioritize Circular Economy solutions in its long-term economic planning.

The project actively contributes to the advancement of the 2030 Agenda for Sustainable Development by promoting responsible consumption and production (SDG 12), fostering inclusive economic growth through job creation and labour rights protections (SDG 8), mitigating environmental impacts through waste reduction and circular business models (SDG 12), and enhancing international cooperation for sustainable development (SDG 17). By leveraging partnerships with international organizations such as the OECD, WTO, UNEP, and the European Commission, the project establishes a foundation for sustained progress in Circular Economy adoption.

Overall, the project's objectives and activities were highly relevant to the identified needs and priorities of UNECE Member States, particularly as they aligned with key policy developments, such as **Belarus's** legislative review on waste management and its connection to the Circular Economy.

UNECE's proactive engagement ensures that Circular Economy strategies become an integral part of national economic and trade policies.

In this context, engaging with public procurement in Member States presents a significant opportunity. In the Western Balkans alone, public procurement is over €14 billion¹0, offering substantial potential to drive Circular Economy initiatives and sustainable development. Public procurement was one of the workstreams of UNECE's ETIN project, which complements the CE project.

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¹⁰ Balkan Tender Watch, 2024: Comparative Report on Public Procurement in the Western Balkans 2024, page 2.



The box below outlines the importance of the DA project concerning the attainment of SDGs not only for Member States but also for UNECE, the project implementing agency.

The evaluation indicates that the project has generated significant momentum within UNECE, particularly for the Economic Cooperation and Trade Division (ECTD), positioning it to lead Circular Economy (CE) initiatives. This development is timely, as the current global economic climate is characterized by increased tariffs, reduced trade, disrupted supply chains, and rising protectionism—a trend often referred to as "deglobalization." This shift presents an opportunity to accelerate the adoption of circular economy principles, with UNECE well-placed to spearhead this transformation in the UN. Notably, the project has propelled ECTD into a leadership role in CE expansion, marking a significant and positive side-effect of this DA-funded initiative, a role that now requires strategic action to maximize its potential, as presented in the box below.

UNECE and the Circular Economy: Driving Innovation and Accelerating SDG 12 Implementation

Transitioning to a circular economy is fundamental to achieving SDG 12, ensuring sustainable consumption and production patterns. While various UN agencies, including UNEP, UNIDO, and UNCTAD, have addressed aspects of the circular economy, they have not fully taken ownership of the agenda. Through its Consumption and Production Unit, UNEP has promoted SDG 12, yet its focus remains broad. UNIDO and UNCTAD engage in circular economy-related activities but only as a minor part of their mandates. Despite the critical importance of circular economy in fostering resource efficiency, reducing waste, and strengthening economic resilience, there is no single UN entity fully championing the circular economy agenda at a global level.

This presents a strategic opportunity for UNECE. Like other UN Economic Commissions, UNECE has often operated in survival mode, responding to shifting priorities and limited funding streams. However, to remain relevant and impactful, UNECE must take a semi-offensive approach: take leadership in the circular economy, integrate it across its diverse work areas, and leverage its normative and multi-actor role to drive systemic change.

UNECE is well-positioned to play a transformative role in mainstreaming the circular economy. Building on its history of engaging large number of experts, notably through its many "Teams of Specialists" – part of UNECE's normative machinery and other initiatives – UNECE, it has the flexibility to engage with multi-stakeholder networks beyond governments, including the private sector, consumers, and regional actors. The Economic and Trade Integration Network (ETIN) has already demonstrated its ability to inspire and empower member States through knowledge exchange. The Circular STEP platform could become a hub for catalysing transformative change among its members, fostering regional cooperation and practical implementation of circular economy principles.

With its headquarters in Geneva, UNECE benefits from the attractiveness of the UN brand, drawing together businesses, policymakers, and experts to discuss and implement circular economy solutions. The region itself must take responsibility for advancing the circular economy. Beyond aligning with global agreements, there is a need for localised, subregional cooperation, particularly in areas such as the Western Balkans, where the circular economy offers tangible economic and environmental benefits.

Breaking down supply chains can be seen as an opportunity rather than a risk, particularly when fostering regional loops that create win-win situations for businesses, consumers, and policymakers. UNECE must position itself as a facilitator, bringing together relevant actors and providing the policy frameworks, standards, and governance mechanisms needed to advance circular economy effectively.

One of UNECE's main challenges is funding diversification. Traditionally, it has relied on government contributions, and also received EU funding (e.g. through DG INTPA). To expand its reach and impact, UNECE must explore alternative funding models, including philanthropic and private sector engagement, such as companies seeking to expand into circular economy markets like a Central European waste management company investing in Serbia's recycling sector. National government contributions must ensure that circular economy remains a priority in UNECE Member States. Strategic collaboration with UNDA and New York-based funding sources will be necessary for projects tied to SDG 12.

Exploring self-financing mechanisms, including procurement-driven circular economy models where public-private innovation enhances funding streams, will be critical. Procurement reform does not require ongoing funding but rather seed investment to create self-sustaining, circular business models.

However, unlike other international initiatives, notably ISO standards and certain UN initiatives, emerging circular economy topics and related UNECE tools do not yet generate user fees. Therefore, UNECE must build local funding models by identifying who directly benefits from circular economy initiatives—be it businesses, industries, or policymakers. UNEP's on-the-ground engagement in consumption and production models could serve as a blueprint for integrating localised funding mechanisms into circular economy programs.

The circular economy's cross-sectoral nature offers endless opportunities, from waste and textiles to construction and food systems. UNECE must strategically identify high-impact sectors that can drive its adoption. Potential areas include the construction industry, where circular economy principles can reduce material waste and improve efficiency through partnerships with private-sector companies (including through PPPs, as evidenced by the work of UNECE). Supermarket supply chains in Eastern Europe, where environmental standards are growing in importance, present an opening for circular economy-driven procurement policies, as well as efforts to reduce food loss and waste. Public-private innovation in procurement will enhance circular purchases and self-financing mechanisms to scale circular economy adoption.

Countries such as Tajikistan and Serbia have already demonstrated business cases for the circular economy but need continued support to institutionalise these practices. Other nations in the region present further opportunities for replication and scaling.

To drive this momentum, UNECE must take three key steps. First, it must merge networks and identify strategic entry points for scaling circular economy initiatives. Second, it must empower a dedicated circular economy team within UNECE, led by a creative, dynamic expert who can push circular economy from within the regular budget and integrate it across UNECE's diverse workstreams. Third, it must ensure high-level buy-in, securing senior management support to elevate circular economy as a core part of UNECE's mandate.

Additionally, the past OIOS evaluation presents an opportunity for UNECE's Economic Cooperation and Trade Division (ECTD) to strategically align circular economy with its long-term objectives, ensuring that funding, staffing, and programming priorities reflect circular economy's growing importance.

UNECE, and specifically ECTD, has both the mandate and momentum to take decisive action on circular economy. With two established networks, government buy-in, and the ability to focus on sub-regional implementation, UNECE ECTD can position itself as a global leader in circular economy governance. However, it must invest its energy wisely, recognising the bureaucratic and political dynamics at play while seizing high-impact opportunities for systemic change.

By stepping forward with a proactive, well-funded circular economy strategy, UNECE can accelerate SDG 12 implementation, enhance economic resilience, and establish itself as the UN's key driver of circular economy transformation.

2.3 Integration of gender, human rights, and disability perspectives



The integration of gender equality, human rights, climate change, disability, and other cross-cutting perspectives into the design and implementation of the UNECE Circular Economy project was uneven, with some aspects receiving more attention than others. Although the project made efforts to address these issues, the level of integration

differed across various activities and countries, as summarised in Figure 8.

Figure 8: Key project initiatives addressing cross-cutting issues

Cross-Cutting Theme	Key Actions & Considerations
Gender Equality	Ensured gender balance in panels and participation, applied a gender-inclusive approach in hiring; no systematic gender-mainstreaming beyond participation metrics.
Human Rights	Focused on traceability in textiles and cotton sectors, aligning with international labour standards to prevent forced and child labour, particularly in Tajikistan and Uzbekistan.
Climate Change	Addressed through food waste reduction, waste-to-energy, and resource efficiency; not a primary focus, but contributed to lowering greenhouse gas emissions.
Disability Inclusion	No targeted activities for disability inclusion; no evidence of measures ensuring accessibility in events, consultations, or capacity-building initiatives.

Gender equality was actively considered in project events and consultations. The project ensured gender balance in panel discussions and among participants at major meetings, such as the 2023 Belgrade Conference on Circular Economy. Efforts were made to include both male and female participants, even in traditionally male-dominated sectors. The project also applied a gender-inclusive approach in hiring consultants, striving for regional and gender balance in its selection process. However, while representation was addressed, there is little evidence of a systematic gender-mainstreaming approach beyond participation metrics. Closer coordination with the Division's work on gender-responsive standards (GRS) could have been an opportunity in this regard.

Human rights considerations were primarily reflected in the project's traceability and sustainability components, particularly in sectors such as textiles and footwear in Tajikistan and cotton production in Uzbekistan. These efforts aimed to align national industries with international labour standards, especially in the prevention of forced and child labour. Uzbekistan, for example, engaged in reforms to improve compliance with international human rights frameworks, enabling it to regain access to global markets. These activities supported decent work and economic growth by encouraging fair labour practices and sustainable value chain management. Picking up on some of the engagements the Division had on "the right to development" (e.g. with the UN Special Rapporteur on the right to development), could have been an opportunity in this regard.

Climate change was a vital aspect of the project's Circular Economy focus, although it was not always explicitly recognised as such. Initiatives like reducing food waste in Serbia, enhancing waste-to-energy processes, and promoting resource efficiency in agriculture and manufacturing helped reduce greenhouse gas emissions. However, the project was not primarily dedicated to climate issues, and some respondents pointed out that climate concerns were treated as a byproduct of Circular Economy initiatives rather than a main objective.

Disability inclusion was the least developed cross-cutting element of the project. No specific activities were reported that directly addressed the inclusion of persons with disabilities in Circular Economy strategies. While the project aimed for broad stakeholder engagement, there is no evidence of targeted measures to ensure accessibility for persons with disabilities at events, consultations, or capacity-building initiatives.

3. Coherence: Did the project fit?

This section of the evaluation report focuses on the criterion of coherence. The sub-criteria include i) coherence and harmonisation with other relevant initiatives, and ii) coherence with UN entities and international organisations working in the same area, including at the country level. The main data sources comprise document review, virtual interviews, and the online survey.

Key findings: The evaluation finds that the project was highly coherent and cooperated with UN entities and international organizations.

- The project's cross-programmatic approach enabled the Economic Commission to
 position itself as "One UNECE", which, specifically for this Division manifested
 itself in addressing key trade, innovation, value chain traceability, and sustainability
 objectives.
- The project was well integrated into national development strategies in North Macedonia and Serbia, introduced Circular Economy as a concept in Tajikistan and Kyrgyzstan, and provided policy advice and expertise in Uzbekistan and Belarus despite political challenges in the latter country.
- The project was well integrated within the broader UN system and international Circular Economy efforts, enabling UNECE to establish itself as a key actor and shift the topic from being solely environmental to also an economic priority.
- UNECE successfully collaborated with key entities such as UNEP, UNCTAD, WTO, UNIDO, ITC, OECD, and the European Commission, ensuring its work complemented rather than duplicated existing initiatives.
- Stronger engagement with FAO could have facilitated the integration of the Circular Economy into food systems and agricultural waste management.



The evaluation finds that the UNECE project was highly relevant to supporting the Circular Economy transition of participating Member States. According to the evaluator's scoring methodology, the coherence score reaches 83%¹¹.

3.1 Coherence and harmonisation with other relevant initiatives



Overall coherence of the project design: The Circular STEP network and project activities were largely perceived as well-structured, aligning with UNECE's cross-programmatic approach. The project effectively integrated multiple divisions within UNECE, and multiple work streams within one Division, ensuring that key trade, innovation, ESG traceability, and sustainability objectives were achieved. UNECE's

niche role was clearly defined, particularly in areas such as trade, traceability, and policy frameworks. Many respondents acknowledged that UNECE addressed a critical gap by providing practical implementation tools instead of focusing solely on policy recommendations.

The project's regional approach was widely appreciated, enabling countries at different levels of Circular Economy adoption to learn from each other. Stakeholders noted that the project evolved

II Scores by sub-criteria: dark green: 3, light green: 2, yellow: 1; red: 0; 3.1 = 3; 3.2 = 2. Total = 5 out of a maximum of 6. Overall performance = SUM (5/6*100) (83,33%).

over time, refining its methods and improving cross-country collaboration. However, some respondents felt that earlier country selection and stricter timelines would have improved coherence, preventing some pilot countries from dropping out.

National-level coherence and government engagement: In North Macedonia and Serbia, the project was well integrated into national development strategies, ensuring a high level of coherence with UNECE's work. In Tajikistan and Kyrgyzstan, the project introduced Circular Economy as a concept for the first time, leading to its inclusion in long-term strategic planning. In Uzbekistan and Belarus, the project provided policy advice and expertise to a country where the circular transition is still at an emerging stage.

Some pilot countries initially chosen for this project faced challenges with engagement due to insufficient government coordination or conflicting policy priorities, which made full implementation difficult.

3.2 Coherence with UN entities and international organisations working in the same area, including at country level

Strong alignment with the UN system and international organisations: As shown in Figure 9, the project was widely perceived as well integrated within the broader UN framework and international efforts in the Circular Economy. UNECE effectively collaborated with key entities such as UNEP, UNCTAD, WTO, UNIDO, ITC, and the European Commission, ensuring its work complemented rather than duplicated existing initiatives. Figure 9 offers a summary.

Figure 9: Project alignment and cooperation with international partners

Key Areas of alignment and cooperation	Partners
Trade and Traceability	ITC, WTO, UNCTAD
Industrial Policy & Sustainable Production	UNIDO
Circular Economy as Economic Transformation	UNEP, European Commission, WTO, UNCTAD
Regional and National-Level Coordination	UNDP, EU initiatives, National Governments
Integration with Global Circular Economy Initiatives	UNEP (GACERE), WTO (TESSD)

Respondents highlighted that UNECE's work on trade and traceability was particularly well-coordinated with ITC, WTO, and UNCTAD, helping to position Circular Economy as a key trade-relevant issue. Collaboration with UNIDO on industrial policy and sustainable production was another positive aspect, while some respondents suggested that stronger engagement with FAO would have helped integrate Circular Economy into food systems and agricultural waste management.

UNECE's cross-sectoral approach ensured that the Circular Economy was not treated as a standalone environmental issue but rather as an economic transformation strategy, integrating trade, environment, innovation, and sustainability.

Regional and national-level coordination: UNECE's partnerships were particularly effective in areas where its niche expertise could complement existing efforts. One of the most successful examples was its work on traceability in sustainable value chains, which aligned with existing UN agency mandates and was especially impactful in Uzbekistan, where it complemented EUfunded projects. Some respondents noted, however, that greater effort could have been made to connect the project with ongoing UNDP and EU initiatives at the national level to avoid duplication. UNECE's expertise was recognised in key discussions at WTO's Trade and Environmental Sustainability forum, while UNEP actively promoted Circular STEP, strengthening UNECE's presence in the global Circular Economy policy landscape.

The project's integration with UNEP's Global Alliance on Circular Economy and Resource Efficiency (GACERE) was also highlighted as a success, allowing UNECE to contribute its expertise on Circular Economy traceability and trade implications. Collaboration with WTO's Trade and Environmental Sustainability Structure (TESSD) was valuable in ensuring that Circular Economy considerations were embedded in trade discussions. However, some respondents pointed out that coordination at the country level could have been stronger, particularly where Circular Economy was linked to national development strategies. In some cases, overlapping Circular Economy initiatives from multiple international organisations led to fragmentation or duplication of efforts. A stronger coordination mechanism between UNECE, UNDP, and international donors could help align funding and policy implementation more effectively in the future.

Evolution of coherence over time: The coherence of the project with other UN and international initiatives increased over time, particularly as UNECE strengthened partnerships with regional and global Circular Economy networks. Early in the project, some respondents felt that UNECE's Circular Economy work was not widely known among key international partners. By 2023-2024, UNECE had become a recognised actor in the Circular Economy space, with its engagement in major policy dialogues reinforcing inter-agency collaboration. The Belgrade (2023) and Geneva (2024) policy dialogues were particularly effective in fostering direct engagement between UNECE and other UN bodies, while the Circular STEP network played a key role in sharing knowledge and best practices beyond UNECE's direct project activities.

4. Effectiveness: Were results achieved, and how?

This section evaluates the achievement of project results using the following sub-criteria: i) project objective achievement, ii) project outcomes achievement, iii) behaviour change, iv) reasons for behaviour change, v) factors affecting project performance, vi) best practices and successful examples, vii) adaptability, and viii) unexpected effects.

The primary data sources for this section are the document review, virtual interviews, and the online survey.

Key findings: The UNECE circular economy project successfully strengthened national knowledge, policy influence, and regional cooperation, creating opportunities for greater implementation,

- Project Objective: Positive contribution to policy development and awareness-raising
 by introducing Circular Economy concepts in countries where they were previously
 underdeveloped.
- **Project outcomes:** Three out of four targets achieved or exceeded, one with satisfactory results.
- **Behaviour change:** positive shift in knowledge and behavioral intent of stakeholders following the UNECE project, its events, and the development of the Circular STEPS platform (86,5% confidence to lead, 71,9% improved institutional performance on CE).
- A supportive organizational culture is a strong **enabler**, with 77.9% of respondents indicating that their workplace allows for the application of learning.
- The **project benefited** from strong institutional and policy support in pilot countries, fostering stakeholder engagement and regional collaboration through the Circular STEP network, while high-quality project coordination and UNECE senior management leadership ensured effective implementation and knowledge-sharing.
- The **project faced challenges** related to limited financial and human resources in project countries, uneven policy adoption, weak institutional capacity, and varying government commitment, particularly in some originally selected pilot countries with concerns about sustaining initiatives beyond the project's duration, particularly in Central Asia and the Western Balkans, while private sector engagement and geopolitical instability further affected implementation.
- The **project successfully adapted** to emerging challenges and risks throughout its implementation, for example, by redirecting efforts toward more committed countries, such as North Macedonia and Serbia, or allowing countries like Moldova to engage later
- The **unexpected effects** of the project relate to stronger than expected cross-sector collaboration, stakeholder engagement beyond expectations, and greater awareness of trade-related barriers to Circular Economy implementation. Additionally, it helped bring social and human rights issues into discussions in unexpected ways, for example, a dialogue about workers' rights, value chain transparency, and fair labour practices in Tajikistan.



The evaluation finds that the project was highly effective in strengthening Member States' capacities to accelerate the transition towards a Circular Economy. Based on the evaluator's scoring methodology, the effectiveness score reached 93%.

4.1 Support transition towards a Circular Economy in the beneficiary countries – achievement of project objective

Project objective: The project significantly contributed to its objective of strengthening the capacities of the governments of three selected ECE countries to enable and accelerate the transition toward a circular economy in selected priority areas.

awareness-raising by introducing Circular Economy concepts in countries where they were previously underdeveloped, as presented in Figure 10. Through policy guidance, capacity-building workshops, and regional dialogues, UNECE helped integrate Circular Economy into national frameworks. The project aligned with OECD and EU strategies in North Macedonia and Serbia, refining roadmaps and linking environmental policies with economic priorities. In Uzbekistan, it supported trade and traceability in the cotton and textile sector, aiding sectoral reforms. In Tajikistan and Kyrgyzstan, Circular Economy was introduced to policymakers, though implementation remains at an early stage. In Belarus, a country where the circular economy transition is still at an emerging stage, the project provided technical advice on waste management during ongoing legislative reviews, and was impactful in terms of raising awareness.

Figure 10: Summary of main project results

Key Aspect	Results summary
Policy Development and Awareness-Raising	The project played a crucial role in introducing Circular Economy concepts, supporting policy development, and aligning strategies with OECD and EU frameworks in countries like North Macedonia, Serbia, Tajikistan and Uzbekistan.
Enhancing Institutional Capacity and Stakeholder Engagement	It fostered collaboration among government agencies, businesses, and academia, breaking institutional silos and strengthening interministerial coordination. The Circular STEP network enhanced stakeholder engagement through its modalities for government-nominated focal points.
Regional and Cross-Border Learning	UNECE facilitated regional knowledge exchange through events like the Belgrade and Geneva policy dialogues, allowing countries to share experiences and benefit from global Circular Economy policies and trade considerations.

The project also **enhanced institutional capacity and stakeholder engagement** by fostering collaboration among government agencies, businesses, academia, and civil society. The Circular STEP network played a crucial role in connecting policymakers and promoting best practices. In many countries, the project helped dismantle institutional silos by improving coordination between ministries responsible for environmental and economic policies. Specifically, **North Macedonia**, **Serbia**, **Uzbekistan**, **and Tajikistan** were highlighted as countries where the project facilitated inter-ministerial coordination on Circular Economy policies.

While pilot projects and roadmaps facilitate structured discussions on implementation, some countries still need greater institutional capacity and technical expertise to translate plans into action.

At a regional level, the project supported cross-border learning by facilitating policy dialogues such as those in Belgrade (2023) and Geneva (2024). Countries with more developed Circular Economy strategies, such as Serbia and North Macedonia, shared their experiences, while Central Asian nations gained exposure to European policy approaches. UNECE's focus on trade and traceability helped ensure that Circular Economy was viewed as an economic opportunity linked to market access and global trade requirements, rather than solely an environmental concern.

4.1.1 Achievement of project outcomes

This section analyses the project's achievement of its two outcomes (OC):

Outcome – OC1

Improved knowledge of policymakers in the UNECE region, including from middle and low income countries, with a focus on the selected three priority countries, on strategies, polices, regulations, approaches that promote the transition to a Circular Economy in selected priority areas and existing gaps that hinder this transition;

Outcome – OC2

Enhanced national capacities in target countries to implement Circular Economy approaches in selected priority areas and ascertain compliance with national commitments and criteria for advancing such approaches in priority areas and sectors.

The assessment follows a two-tiered approach. First, targets defined in the logframe are evaluated using its outcome level indicators. Then, behaviour change results from the evaluation survey are incorporated to complement the overall assessment. Figure 11 provides an overview of the project's achievements, fully meeting three outcome-level logframe indicators and making substantial progress toward the remaining one.

Figure 11: Achievement of project outcomes based on logframe indicators

Outcome	Indicator, baseline and target	Results
OC1	IA1.1: IA1.1 By 2023, at least 5 countries will be part of the international knowledge-sharing network on the Circular Economy.	The Circular STEP stakeholder engagement network was launched in April 2022. By December 2023, 26 UNECE Member States had officially designated national focal points to participate in the initiative.
	Baseline: No stakeholder network existent in the UNECE region.	
	IA1.2: IA1.2 By 2023, the network will have developed and disseminated at least 5 options for policy instruments to advance the Circular Economy on the selected themes	The network formulated and distributed six policy options to promote the Circular Economy across selected themes, including value chain traceability, innovative public procurement, food loss reduction and prevention, trade, and finance. The following reports by UNECE bodies were subsequently finalized, among others:
	Baseline: No options for policy instruments to advance Circular Economy on selected themes.	 Harnessing the Power of Trade for the Circular Economy (2022). Enhancing Traceability of Products along International Value Chains for the Circular Economy and Sustainable Use of Resources (2023) Mobilizing Financing for the Circular Economy (2023). Institutional Arrangements for the Circular Economy (2023). Innovation-Enhancing Public Procurement for the Circular Economy (2024). Waste Management in the Agri-Food Sector for the Circular Transition and Efficient Use of Natural Resources (2024).
OC2	By 2024, at least three countries* will have identified gaps in regulatory and policy frameworks that hinder the transition to a Circular Economy in selected priority areas and sectors. *includes Serbia, Tajikistan and Belarus. Baseline:	Serbia and Tajikistan identified gaps in their regulatory and policy frameworks that impede the transition to a Circular Economy in key priority areas—circularity in the agri-food sector in Serbia and value chain traceability in Tajikistan. Draft gap analyses were developed, followed by consultations held in person and virtually. In Serbia, discussions took place on June 5, 2022, with national and international consultants and government representatives, with further virtual consultations in 2023. In Tajikistan, consultations were conducted on September 6, 2022. Belarus completed the gap analysis in 2024.
	No gap analysis methodology existent. By 2024, at least three pilot countries will have developed at least one roadmap or action plan for the Circular Economy transition on a particular theme (e.g. traceability of value chains in garments and footwear, sustainable public procurement, waste management in food or energy). Baseline:	By the end of 2023, Serbia finalized a comprehensive 10+ page concept note outlining the Roadmap for Circular Economy in the Agri-Food Sector. This document defines strategic opportunities, incorporates best practices, and provides an analytical foundation for integrating Circular Economy principles into Serbia's agri-food value chain. To advance roadmap development, Serbia is expanding its expertise by recruiting a second national consultant to collaborate with an international expert.
	No roadmap methodology existent.	In Tajikistan, the project strengthened its regulatory assessment by engaging a second national consultant in 2023 to enhance the gap analysis, ensuring a more thorough evaluation of challenges and opportunities in the country's Circular Economy transition, which resulted in successful completion of the activity (including validation by the Government)
		In Belarus, the project supported discussions on waste management legislation, highlighting regulatory gaps and improvement opportunities, with results validated by the Government.

The evaluation interviews revealed that the UNECE project successfully improved stakeholders' understanding of Circular Economy opportunities and challenges, particularly in countries where the concept was still emerging.

- In North Macedonia, the UNECE project played a significant role in aligning Circular Economy discussions with national policies. The CE roadmap, developed in collaboration with the OECD, established a strong foundation for policy implementation. However, national stakeholders emphasised the need for clear prioritisation and a dedicated coordination body to ensure long-term implementation. The project facilitated increased stakeholder engagement, with workshops bringing together government representatives, academia, and the private sector.
- In **Serbia**, the food waste and agriculture sectors became focal areas for Circular Economy, and the project supported a gap analysis and the development of a roadmap for food waste management, which is expected to be finalised in 2025. Collaboration between the Ministries of Environment and Agriculture was a key outcome, marking the first time these two institutions worked together on CE.
- The project significantly impacted **Uzbekistan**, a member of Circular STEP, by emphasising traceability and sustainability in the textile industry, which contributes approximately 30% to the country's GDP and employs a substantial segment of the population. The initiative facilitated the integration of ESG (Environmental, Social, and Governance) principles into production and compliance frameworks, essential for accessing the EU market. The study on traceability within the textile sector informed capacity-building activities and was piloted with key partners, including the Better Cotton Initiative and the World Bank. The reforms supported by the project also addressed labour rights concerns, particularly regarding child and forced labour, which had previously resulted in trade restrictions.
- In **Tajikistan**, the UNECE project was instrumental in introducing CE principles at the governmental and industrial levels. Traceability in the footwear and garments value chain was a notable success story, as the country recognised the need to comply with international standards to access export markets. The project also enhanced institutional awareness, helping government ministries understand CE's role in industrial policy and waste management. In Kyrgyzstan, CE knowledge was almost non-existent before the project, and major challenges such as low recycling rates (only about 10% of potential), lack of waste treatment infrastructure, and data gaps hindered progress. The UNECE initiative facilitated discussions on legislative improvements and infrastructure needs, which are critical to advancing CE in the country.
- **Belarus** engaged in the project during a legislative review concerning waste management, making the UNECE initiative particularly relevant. The project helped identify regulatory gaps and propose improvements to align Belarus' policies with CE principles.

A common theme among beneficiary countries was the need for policy coherence, inter-ministerial coordination, and building institutional capacity. Several national stakeholders emphasised that financial incentives and regulatory frameworks must be strengthened to support lasting behaviour change. The project successfully raised awareness, built networks, and fostered initial commitments, but sustaining the momentum necessitates long-term funding, national ownership, and integration into broader economic planning. The Circular STEPS platform was acknowledged as a valuable tool, yet several stakeholders indicated that it needs further development and visibility to maximize its impact.

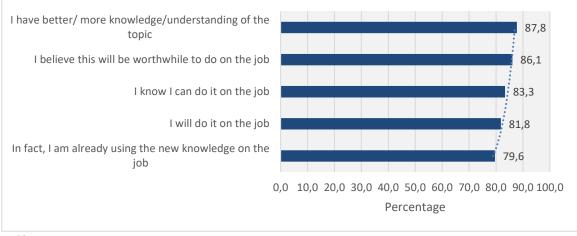
4.1.2 Understanding of opportunities and challenges related to Circular Economy in the beneficiary countries – behaviour change

This section analyses the evaluation survey results using the 2024 UNECE Regional Conference



on the Circular Economy, the most recent project-funded major event, as a sample of project beneficiaries. The methodology section provides further details on the sample size and response rate. The following graphics illustrate the extent of behaviour change and the key factors driving the effects of the UNECE project.





n=52

The evaluation survey results depicted in Figure 12 indicate a positive shift in knowledge and behavioural intent following the UNECE project, its events, and the development of the Circular STEPS platform. A significant 87.8% of respondents reported an improved understanding of the topic, while 86.1% believe that applying this knowledge in their job will be valuable. Confidence in implementation is also high, with 83.3% stating they can apply the knowledge and 81.8% expressing intent to do so. Notably, 79.6% are already integrating the new knowledge into their work, highlighting a tangible impact of the initiative. These results suggest that the project has successfully fostered learning and motivation, with a strong potential for practical application.

Figure 13 summarises the project's effects on the institutionalisation of learning, workplace changes, and institutional performance.

A notable 84.4% of respondents have shared their learning informally with colleagues, while 79.0% have shared it formally within their workplace. This indicates not only an active transfer of knowledge but also a broader institutionalisation of learning, ensuring that the impact extends beyond the individuals who directly attended project-funded events.

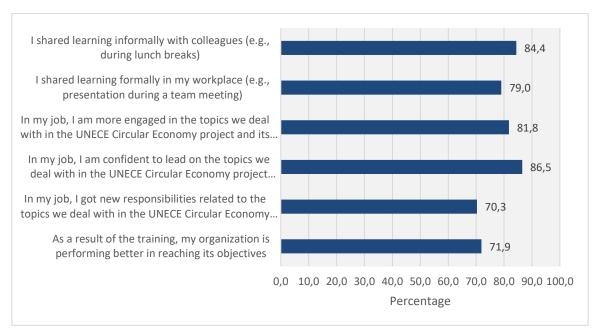


Figure 13: Institutionalization of learning, changes at the workplace, and effects on institutional performance

n=50

Workplace changes are also significant. A strong 81.8% of respondents feel more engaged in Circular Economy topics at work, while 86.5% are confident in leading discussions on these subjects, highlighting increased motivation and leadership. Additionally, 70.3% of participants have taken on new responsibilities related to the Circular Economy, showcasing the project's tangible impact on career growth and professional development.

Furthermore, 71.9% believe that their organisation or institution is now performing better in achieving its objectives due to the event. These figures suggest that the Circular Economy project has effectively promoted both individual empowerment and organisational improvements, reinforcing its positive effects on professional growth and institutional progress.

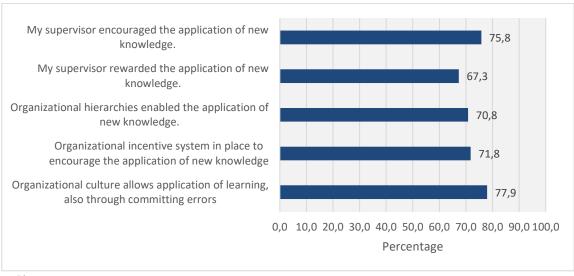
4.1.3 Reasons for behaviour change



For every evaluation, grasping the rationale for change—the essential "why" question—is crucial. This sets evaluation apart from audit and underscores its unique added value. Therefore, the following paragraphs are dedicated to exploring the underlying reasons for the observed changes.

The results presented in Figure 14 highlight key organisational factors that drive or hinder behaviour change following the UNECE project, its events, and the creation of the Circular STEPS platform. A supportive organisational culture appears to be a strong enabler, with 77.9% of respondents indicating that their workplace allows for the application of learning, even through trial and error. Additionally, 75.8% stated that their supervisor encouraged the use of new knowledge, demonstrating the importance of leadership in fostering change.

Figure 14: Reasons driving behaviour change



n=50

However, while encouragement is high, tangible rewards for applying new knowledge are less common, with only 67.3% of respondents reporting that their supervisor provided recognition or incentives. Furthermore, structural and systemic factors play a role, as 71.8% acknowledged the presence of organisational incentives to support knowledge application, and 70.8% felt that hierarchies enabled this process. These findings suggest that while there is a generally positive environment for behaviour change, the impact could be strengthened through more structured incentives and formal recognition mechanisms among stakeholders' institutions, although this is clearly beyond the scope of the UNECE project. Therefore, this criterion is not scored.

4.2 Factors affecting project performance



The evaluation highlighted a mix of factors that influenced the project's performance, both positively and negatively. These are outlined in the following paragraph and summarised in Figure 15.

Positive factors

Strong institutional and policy support: The project benefitted from strong institutional and policy support, successfully integrating Circular Economy principles into national frameworks in several countries. In North Macedonia, the roadmap for Circular Economy was aligned with OECD and EU strategies, ensuring coherence with broader regional goals. In Tajikistan, the project contributed to incorporating Circular Economy into national strategic documents, laying the groundwork for long-term policy integration. This institutional alignment helped create a more structured approach to Circular Economy implementation, reinforcing the importance of sustainability in economic planning.

Stakeholder engagement and collaboration were also key to the project's success, with the **Circular STEP platform** playing a pivotal role in fostering cooperation between governments, businesses, and academia. Countries such as Serbia, North Macedonia, and Uzbekistan actively participated in knowledge-sharing and multi-stakeholder discussions, enhancing regional learning.

Events such as the **Belgrade (2023) and Geneva (2024) policy dialogues** provided platforms for peer exchange, allowing beneficiary countries to gain insights from those with more advanced Circular Economy frameworks. Among **EU-based respondents**, the project was seen as a **key knowledge-sharing platform**, offering regional exposure and alignment with EU circular economy strategies. Professionals from **international organisations** also emphasised the importance of the **Circular STEP network**, which has expanded connections and enabled valuable policy dialogue.

· Strong institutional and policy · Limited financial and human resources support from pilot countries and in project countries some Circular STEP members Varying levels of government commitment from several original pilot countries Uneven private sector engagement · Stakeholder engagement and Geopolitical and political instability **External** collaboration: Circular STEP platform External Emphasis on practical tools and technical guidance Short-term project · UNECE senior management funding to maintain the provided strong leadership Circular STEP platform **Drivers** Internal Barriers Interna and visibility

Figure 15: Factors affecting project performance

 High-quality project team and coordination

Source: evaluation interviews and survey, design, A. Engelhardt, 03/2025

High-quality project team and coordination: The professionalism and dedication of the UNECE project team further strengthened these efforts, with respondents in North Macedonia specifically highlighting UNECE's **swift response and technical support** as crucial for advancing national workshops and roadmap development.

Key drivers and barriers towards achieving project objectives

The UNECE senior management provided strong leadership and strategic support. The Division Director was widely praised for her professionalism, dedication, and strategic leadership, with many highlighting her energy and ability to keep the project moving forward despite challenges. The engagement of the Deputy Executive Secretary and the Executive Secretary further elevated the project's visibility, strengthening its impact. Their combined efforts ensured effective coordination, stakeholder engagement, and sustained momentum, though some respondents noted that resource limitations constrained the project's ability to scale its impact.

Additionally, UNECE's emphasis on **practical tools and technical guidance** helped bridge the gap between Circular Economy principles and real-world implementation, particularly in industries such as **textiles**, **footwear**, **and waste management**, where traceability and trade policies played a crucial role in shaping sustainable business practices.

Negative factors

Despite its successes, the project faced several challenges that impacted the attainment of some results, and required the implementing team to make extra efforts for overcoming the challenges. It also has to be noted that some factors were outside the remit of the project or the project team.

A key issue was **limited financial and human resources** in project countries, with multiple respondents highlighting funding constraints as a barrier to long-term sustainability. In the **Western Balkans**, there were concerns about the **fragmented adoption** of circular economy policies, where some countries have progressed while others lag due to institutional and financial limitations. Countries such as North Macedonia and Serbia were particularly affected by budget limitations, which restricted their ability to sustain Circular Economy initiatives beyond the project's duration.

A common challenge identified across Central Asian countries (Uzbekistan, Kyrgyzstan, and Tajikistan) was the limited capacity to implement recommendations, with countries needing more institutional support, technical expertise, and investment to move from policy discussion to action. In Central Asia, a major risk is that roadmaps and policy frameworks remain unimplemented due to competing government priorities and lack of regulatory enforcement, which in turn calls for continued UNECE engagement on this topic in this region.

The short-term nature of funding also made it difficult to maintain momentum, with some stakeholders concerned about the future of established networks like Circular STEP if additional resources were not secured. All of this was compounded by the increasingly challenging Regular Budget situation in the UN; the ongoing liquidity crisis, with ever increasing requirements for vacancy rates across the secretariat makes the implementation of projects like the one under review increasingly challenge.

Another major obstacle was the **varying levels of government commitment** across beneficiary countries. Institutional barriers and coordination challenges further complicated efforts, with countries like Moldova and Kazakhstan struggling to establish clear focal points for Circular Economy initiatives. Weak inter-ministerial collaboration and unclear mandates made it difficult to translate policy discussions into concrete action.

Additionally, **private sector engagement remained uneven**, with significant gaps in industry participation. While some sectors, such as textiles in Uzbekistan, actively contributed to Circular Economy discussions, other industries showed low awareness and involvement. Respondents noted that without stronger incentives and regulatory frameworks, many businesses remained reluctant to adopt Circular Economy models. While creating a challenge for project implementation, this aspects surely also speaks to the relevance of the project, and its impact in terms of drilling down to individual countries' capacities and context specific situations.

Respondents from the **private sector and business groups** were particularly concerned about the **lack of incentives and financing mechanisms** for companies to adopt circular economy principles, calling for more structured financial support or regulatory incentives. This in turn demonstrates the importance of ensuring follow-up funding for the project activities under review.

Lastly, **geopolitical and political instability** posed a challenge in certain regions, where political uncertainties affected participation in project activities and follow-up on policy recommendations. These factors collectively limited the project's ability to achieve its full potential in some countries, underscoring the need for sustained funding, clearer governance structures, and stronger private sector incentives to ensure long-term impact.

4.3 Best practices and successful examples

While somewhat repetitive, this section reinforces the key project results, highlighting them as best practices and successful examples.



The project successfully introduced best practices by integrating Circular Economy principles into national policy frameworks, particularly in North Macedonia and Serbia. In North Macedonia, alignment with OECD and EU strategies helped ensure a structured approach to Circular Economy implementation, while in Serbia, collaboration between the Ministry of Agriculture and the Ministry of Environment led to joint guidelines on

food waste management in the hospitality sector. This marked an important step in breaking institutional silos and fostering cross-sectoral cooperation.

Uzbekistan also demonstrated a strong example of Circular Economy adoption, particularly in the textile sector. The project facilitated discussions on traceability and sustainable trade policies, linking national efforts with international initiatives such as EU-funded projects and the Better Cotton Initiative. This engagement allowed Uzbekistan to integrate Circular Economy principles into sectoral reforms, ensuring long-term sustainability. Similarly, in Tajikistan and Kyrgyzstan, the project introduced Circular Economy as a policy topic for the first time, leading to its inclusion in national strategic discussions.

Another key best practice was the regional learning approach promoted through policy dialogues in Belgrade (2023) and Geneva (2024). These events created opportunities for knowledge exchange, enabling countries to learn from more advanced Circular Economy frameworks and adapt successful policies to their contexts. The Circular STEP network also played a crucial role in fostering stakeholder collaboration between policymakers, industry representatives, and academia. Through these initiatives, the project helped advance Circular Economy adoption by strengthening policy integration, cross-sectoral engagement, and regional cooperation. Collaboration between different actors was also supported by the scheduling and organization of the Concluding Conference, which was held as part of the Division's two Sectoral Committees.

4.4 Adequacy of considering and responding to the emerging challenges and risks during its life cycle



Throughout its implementation, the project successfully adapted to emerging challenges and risks. One of the main challenges was the varying levels of government commitment, where engagement was lower. UNECE responded by focusing on capacity-building and policy advocacy to keep Circular Economy on the agenda. Institutional coordination was another hurdle, especially in Serbia, where Circular

Economy responsibilities were fragmented. The project facilitated collaboration between ministries, leading to joint guidelines on food waste management for the hospitality sector.

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Challenges in engaging pilot countries and mitigation strategies

Several initially selected pilot countries, including Kazakhstan, Moldova, and Georgia, faced challenges that limited their engagement with the project. In Kazakhstan, while there was interest from the Ministry of Environment, the project's focus areas did not fully align with national priorities, leading to lower engagement. Moldova joined the initiative late and had insufficient time to fully integrate national activities. Georgia initially planned to participate but redirected its Circular Economy efforts to another UNECE initiative funded by Swedish development program, limiting its involvement in the Circular Economy project.

To mitigate these challenges, UNECE kept participation open through regional events and knowledge-sharing platforms, allowing countries like Moldova to engage later. The project also redirected efforts toward more committed countries, such as North Macedonia and Serbia, ensuring resources were used effectively. Additionally, UNECE promoted cross-border collaboration and aligned its work with other international initiatives to maintain its impact despite varying levels of national engagement.

Financial constraints also affected progress, particularly in North Macedonia and Serbia, where limited budgets raised concerns about long-term sustainability. UNECE addressed this by promoting regional knowledge exchange and aligning efforts with existing EU-funded initiatives, as seen in Uzbekistan. External disruptions, such as the war in Ukraine, further complicated policy coordination, but the project adapted its engagement strategies to maintain relevance. Private sector involvement was another challenge in some countries, prompting UNECE to highlight economic opportunities to encourage business participation, particularly in Uzbekistan's textile sector

Despite these challenges, UNECE remained flexible, leveraging partnerships, knowledge-sharing, and policy support to ensure the project's continued results focus.

4.5 Unexpected effects



The evaluation revealed unexpected effects of the project. Those effects relate to stronger than expected cross-sector collaboration, stakeholder engagement beyond expectations, and greater awareness of trade-related barriers to Circular Economy implementation. Additionally, it helped bring social and human rights issues into discussions in unexpected ways, as summarised in Figure 16.

Figure 16: Unexpected project effects

Unexpected Outcome	Description
High Stakeholder Engagement	Stronger than expected participation in pilot countries, with sustained engagement across academia, businesses, and NGOs.
Cross-Sector Collaboration	Facilitated new collaborations, such as Serbia's Ministry of Agriculture and Ministry of Environment partnering on food waste guidelines.
Trade & Customs Role in CE	Highlighted the impact of trade and customs regulations on CE, emphasizing the role of harmonized customs codes in cross-border trade.
Openness to Social & Human Rights Issues	Encouraged discussions on workers' rights, value chain transparency, and fair labor practices, particularly in Tajikistan.
Strategic Positioning of CE in UNECE	Strengthened UNECE's leadership in CE and its role in setting international standards, particularly in traceability and trade policy.

- 1. Higher than expected stakeholder engagement and interest in pilot countries: One of the most notable positive outcomes was the unexpectedly high level of stakeholder engagement in project activities. For example, during the Skopje workshop, participation remained strong throughout the day, with a diverse mix of academia, businesses, and NGOs contributing to discussions. The high interest in beneficiary countries also manifested itself in the very rich attendance of the project's closure conference.
- 2. Unexpected cross-sector collaboration: Additionally, the project fostered new collaborations between institutions that had not previously worked together. In Serbia, the Ministry of Agriculture and the Ministry of Environment partnered for the first time to develop joint guidelines for the hospitality sector on food waste management.
- 3. Another unanticipated outcome was the **heightened awareness of the role that trade and customs regulations** play in Circular Economy implementation. The project's work with the World Customs Organization (WCO) and WTO highlighted how harmonized customs codes could either facilitate or restrict the movement of circular products across borders, a perspective that had previously received little attention.
- **4.** The project also contributed to **increased unexpected openness on social and human rights issues** in some countries. In Tajikistan, discussions on Circular Economy unexpectedly led to broader conversations about workers' rights, value chain transparency, and fair labour practices. Initially, government officials were hesitant to engage in these topics, but framing them within the context of economic policies made them more receptive.
- 5. Additionally, within UNECE itself, the project reinforced the strategic importance of Circular Economy as a priority area, demonstrating its potential role in setting international standards, particularly in traceability and trade policy. As highlighted in the relevance section, the project positioned UNECE as a leader in the UN system in advancing SDG 12 through the Circular Economy transition. However, to fully capitalize on this momentum, UNECE leadership must now take strategic action.

5. Efficiency: were resources used appropriately to achieve project results?

This section analyses the efficiency of the project. The following sub-criteria are used, as listed in the evaluation matrix: i) Adequacy of resource allocation and utilisation, ii) Appropriateness of resources to the project design, and iii) Efficiency of resource use compared to alternatives.

This section's primary data sources are the document review, virtual interviews, and the online survey.

Key findings: The project team's efficient resource use maximized reach and results, but budget constraints for an ambitiously designed project limited scalability and sustainability.

- The UNECE Circular Economy project efficiently utilized resources through partnerships and strategic funding, for example, for the Circular STEP network, but financial and human resource constraints limited scalability and long-term sustainability.
- While resources were stretched for the project's ambitious scope, effective prioritization and collaboration helped maximize impact.
- Compared to similar projects, the initiative seems cost-efficient, though budget limitations restricted national-level engagement and sustained follow-up.



The evaluation finds that the project was adequately efficient in supporting the transition of beneficiary Member States to the circular economy. Based on the evaluator's scoring methodology, the coherence score is 66% 12.

5.1 Adequacy of resource allocation and utilisation



The UNECE Circular Economy project demonstrated a high degree of efficiency in resource allocation and utilisation despite financial and human resource constraints. Respondents acknowledged that the project team effectively leveraged partnerships, particularly through the Circular STEP network and collaboration with international organisations such as UNEP, WTO, and OECD, to maximise impact. Funding was

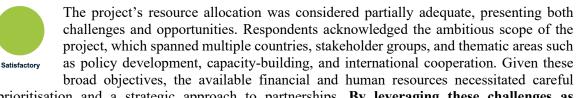
strategically directed toward capacity-building, policy development, and stakeholder engagement, ensuring that key project objectives were met. The project team's ability to coordinate efforts across multiple countries and policy areas was recognised as a strength, reflecting a well-managed approach within the available budget. By the end of February 2025, the project had spent 97% of its budget.

However, several respondents noted that financial and human resource limitations constrained the project's scalability and long-term sustainability. Human resource limitations arose due to unfilled staff positions in the UN Secretariat, including UNECE, as a result of budget cuts, requiring available staff to manage multiple responsibilities simultaneously.

¹² Scores by sub-criteria: dark green: 3, light green: 2, yellow: 1; red: 0; 5.1 = 2; 5.2 = 2; 5.3 = 2. Total = 6 out of a maximum of 9. Overall performance = SUM (6/9*100) (66,67%).

The small team managing the initiative often handled a large workload, limiting in-depth follow-up at the national level. Some administrative burdens, including reporting and coordination requirements, also affected efficiency. While the project made effective use of existing structures, the limited funding restricted opportunities for sustained engagement, particularly in maintaining the Circular STEP network and supporting national policy implementation beyond the project's duration. Some stakeholders suggested that integrating more digital tools and platforms could have improved knowledge-sharing and monitoring. Despite these challenges, the project delivered substantial results with limited resources, reflecting a cost-effective approach but highlighting the need for further investment to sustain long-term impact.

5.2 Appropriateness of resources to the project design



prioritisation and a strategic approach to partnerships. By leveraging these challenges as opportunities for innovation and collaboration, the project team effectively maximised its reach and successfully delivered results, contributing to this 'satisfactory' rating.

5.3 Efficiency of resource use

Given the available resources, the UNECE Circular Economy project's activities were implemented efficiently compared to alternatives. The project team optimised financial and human resources effectively by leveraging partnerships, coordinating with existing networks, and focusing on targeted interventions instead of resource-intensive large-scale programs. The Circular STEP network was recognised as a cost-effective method to foster collaboration and knowledge-sharing without needing significant additional investment.

Compared to similar projects, such as EU or World Bank-funded initiatives, the UNECE project operated with a more limited budget, which constrained the depth of national-level engagement and long-term follow-up. While the project successfully maximised impact within its financial limitations, some stakeholders noted that additional investments in digital tools, monitoring mechanisms, and sustained engagement could have further enhanced its effectiveness. Despite these constraints, the project was perceived as highly cost-efficient relative to its budget and operational scope.

6. Sustainability: are results lasting?

This section examines the sustainability of project results using the following sub-criteria: i) measurable improvements observed at the policy level, ii) measures implemented to ensure the sustainability of project results, iii) collaboration and partnerships, and iv) sustainability concerning outcomes for gender equality, human rights, climate change, disability, and youth.

This section uses the document review, virtual interviews, and online surveys as its main data sources.

Key findings: A foundation for circular economy sustainability was established in some beneficiary countries, but long-term success depends on ongoing support.

- The UNECE Circular Economy project strengthened policy and regulatory frameworks across multiple countries by developing national roadmaps, influencing sectoral policies, and fostering regional cooperation, with notable impacts in North Macedonia, Serbia, Uzbekistan, Kyrgyzstan, Tajikistan, and Belarus. The Circular STEP network facilitated knowledge exchange and collaboration, though long-term sustainability depends on continued funding, institutional support, and donor coordination.
- It elevated CE policy from environmental to economic ministries for greater political influence, fostered regional and international partnerships with key organizations, and encouraged public-private cooperation, though maintaining momentum will require sustained financial and strategic support.
- The project contributed to cross-cutting sustainability issues by promoting gender inclusion in events, enhancing value chain transparency in human rights and labour standards, supporting climate-friendly resource efficiency, and encouraging sustainable production, though disability and youth engagement could be further integrated.



The evaluation finds that the project's sustainability is mixed. Based on the evaluator's scoring methodology, the sustainability score reaches $50\%^{13}$.

6.1 Measurable improvements observed at the policy level

While Section 4 of this report assessed the project's effectiveness, the evaluation questions in the ToR revisited a results-focused inquiry at the policy level under the sustainability criterion. The findings are presented below.

¹³ Scores by sub-criteria: dark green: 3, light green: 2, yellow: 1; red: 0; 6.1 = 2; 6.2 = 1; 6.3 = 2 and 6.4 = 1. Total = 6 out of a maximum of 12. Overall performance = SUM (6/12*100) (50%).



The UNECE Circular Economy project resulted in measurable improvements in policy and regulatory frameworks across multiple beneficiary countries. In North Macedonia, the project aided in developing a Circular Economy roadmap that aligns with OECD and EU strategies, ensuring coherence with broader regional goals and enhancing national implementation efforts. In Serbia, the initiative significantly influenced policy discussions on food waste and agriculture, leading to the creation of a roadmap for the HORECA (hotel, restaurant, and catering) sector and shaping future regulatory changes.

In Central Asia, the project significantly influenced Uzbekistan, contributing to policy discussions on trade and traceability within the textile sector. It aligned sustainability reforms with international market access requirements, particularly for EU exports. In Kyrgyzstan and Tajikistan, the project introduced Circular Economy principles at the national level, raising awareness among government officials and industry leaders. However, these countries still face challenges in implementing roadmaps due to limited regulatory frameworks and financial constraints. Belarus experienced progress in waste management legislation, where the UNECE project offered insights into **regulatory gaps** and opportunities for improvement.

Across all regions, the Circular STEP network facilitated knowledge sharing and policy exchange. However, some stakeholders noted that long-term sustainability requires additional funding and institutional support. Despite resource limitations, the project successfully elevated the Circular Economy as a policy priority and contributed to structural reforms, setting the stage for further advancements in participating countries.

6.2 Measures to ensure continued results beyond the project's duration

The UNECE Circular Economy project implemented several measures to ensure its results would extend beyond its official duration. A key approach was the establishment and expansion of the Circular STEP network, which facilitated ongoing knowledge exchange, policy discussions, and cross-regional cooperation. Many stakeholders, particularly in Central Asia and the Western Balkans, highlighted the network's role in maintaining the relevance of CE principles even after the project concluded. However, concerns were raised regarding the network's long-term sustainability, with suggestions that it requires additional institutional support and a stable funding mechanism. This seems to be the primary challenge affecting the sustainability of the project's results.

In some countries, the project supported the integration of CE into national policy frameworks, ensuring that CE principles would remain embedded in government strategies. For example, in Uzbekistan, a follow-up project funded by the EU (2.5 million euros) is continuing CE-related work, particularly in the textile sector, reinforcing sustainability efforts beyond UNECE's initial intervention. Similarly, North Macedonia and Serbia have developed CE roadmaps with concrete implementation plans, which will guide their national strategies moving forward.

Capacity-building efforts also contributed to sustaining project results. Training sessions and stakeholder engagement workshops helped institutionalise CE knowledge within government agencies and industry leaders in countries like Serbia and Tajikistan. However, some respondents pointed out that without dedicated staff or future funding, the implementation of these policies may remain low.

Additionally, UNECE's **collaboration with other international organisations**, including UNDP, UNEP, and the World Bank, is regarded as a crucial factor in sustaining CE momentum. Respondents indicated that improved donor coordination would assist in aligning ongoing efforts and ensuring that funding gaps do not impede progress, particularly regarding workers' rights in relation to just transition with the ILO.

6.3 Collaboration and partnerships

The project fostered collaboration and partnerships, particularly through the Circular STEP network, which facilitated knowledge exchange and stakeholder engagement. Regional and international cooperation with UNEP, WTO, OECD, and the European Commission helped align national policies with global sustainability goals. Countries such as Serbia, Uzbekistan, and Tajikistan benefited from stronger policy coordination and international support. The project also encouraged public-private partnerships, although private sector engagement remained inconsistent. While the initiative laid a strong foundation for ongoing cooperation, challenges persist in securing long-term funding and maintaining momentum without dedicated UNECE resources. Strengthening strategic partnerships with international donors and governments could help sustain Circular Economy efforts beyond the project's duration.

Private sector involvement

The engagement with the private sector was most substantial in Serbia, Uzbekistan, and Tajikistan. In Serbia, the project successfully involved businesses in the agriculture, forestry, and HORECA (hotel, restaurant, and catering) sectors, with industry stakeholders actively contributing to discussions on integrating residuals into the bioeconomy and waste management reforms. Uzbekistan saw significant private sector engagement in the textile sector, where the focus on trade and traceability helped companies align with international sustainability standards, particularly for EU market access. In Tajikistan, businesses in the footwear and garment industries were introduced to circular economy principles as part of efforts to enhance international trade compliance, though industry awareness remains relatively low.

A key lasting achievement of the project was successfully elevating the circular economy agenda from the Ministries of Environment to the Ministries of Economy. This shift integrated sustainability into core government strategies with greater political influence and access to higher budgets. It also strengthened UNECE's partnerships on circular economy with key international organisations such as the WTO and OECD, enhancing global cooperation and impact.

6.4 Sustainability concerning results for gender equality, human rights, climate change, disability, and youth

Overall, while the project contributed to some extent to cross-cutting sustainability issues, its approach was largely implicit rather than systematically integrated.

The project incorporated gender equality by ensuring balanced participation in events and discussions. For example, gender inclusion was considered in the selection of panelists and participants in the Belgrade 2023 regional policy dialogue.

Concerning human rights and labour standards, the project enhanced value chain transparency and fostered discussions on workers' rights, particularly in Uzbekistan's textile sector, where circular economy principles were associated with adherence to international labour standards.

The project advanced resource efficiency, sustainable production, and circular business models in relation to climate change. Some stakeholders highlighted the importance of the circular economy in reducing environmental impacts and emphasized the need for stronger ties to climate finance mechanisms and carbon reduction incentives.

Finally, the project did not focus primarily on disability or youth. However, some respondents suggested more actively incorporating youth engagement by integrating circular economy principles into educational curricula and entrepreneurship programs.

Section III: Conclusions and Recommendations

The conclusions and recommendations outlined are derived from the key findings summarized at the beginning of each evaluation criterion section. Figure 17 illustrates the logical progression from key findings to the resulting conclusions and recommendations.

7. Conclusions

Relevance: was the DA-funded project doing the right thing?

- 1. The evaluation revealed that, thanks to the UNDA project, UNECE now has both the mandate (as emanating from the 69th Commission session) and the momentum to take decisive action in driving the Circular Economy transition benefitting its member States, particularly countries with economies in transition.
- 2. While the project made efforts to integrate gender equality, human rights, and climate change considerations, it lacked a comprehensive cross-cutting strategy on these issues.

Coherence: did the project fit?

- 3. The Circular Economy project and the Circular STEP network as one of its key mandated outcomes, were widely viewed as coherent and effective, with strong integration across UNECE divisions and international partnerships. Still, the r improving national-level coordination remains a key challenge in many jurisdictions, and further activities and related financing will be required to ensure long-lasting benefits.
- 4. The project demonstrated strong coherence with other UN entities and international organizations, particularly in trade, ESG traceability of value chains, and sustainability, and its alignment improved over time. The project also harnessed synergies between trade, innovation and infrastructure financing/investment, the implementing Division's three major work streams.

By transforming CE from a purely environmental agenda to the heart of governments in the Ministries of Economy, UNECE attained a position at the forefront of Circular Economy transformation, leading the way toward a more resource-efficient and sustainable future. However, challenges remain in ensuring long-term coordination, avoiding duplication at the country level, and securing sustainable funding for continued collaboration – all of which crosscutting challenges for the UN and other development partners.

Effectiveness: were results achieved, and how?

5. The UNECE project successfully raised awareness, aligned CE discussions with other relevant national policies, and facilitated knowledge transfer. However, the sustainability of these country-level efforts will depend on continued national and international support, structural policy changes, and the strengthening of institutional frameworks.

- 6. The project enabled stakeholder engagement and regional collaboration through the Circular STEP network, with high-quality coordination and UNECE leadership ensuring effective implementation. However, challenges such as resource constraints, uneven readiness for policy adoption, and varying government commitment highlight the need for sustained efforts to strengthen institutional capacity, also for the UN team, secure long-term funding, and enhance private sector engagement for lasting impact.
- 7. While some pilot countries did not engage as initially expected, UNECE adapted by focusing on more responsive countries, encouraging participation in regional dialogues, and integrating its work with complementary initiatives to maintain the broader reach and effects of the project.
- 8. The project yielded several unexpected positive results, including bringing social and human rights issues into discussions in unexpected ways (e.g. in the context of ESG traceability of value chains).

Efficiency: were resources used appropriately to achieve project results?

9. The project demonstrated value for money for the UN Development Account through its adaptive management approach, ensuring efficient resource use and responsiveness to challenges. However, the establishment of Circular STEP, as a UNECE project-funded network in parallel to ETIN, another UNECE-funded network supported by the same Division, raises concerns regarding long-term sustainability of such initiatives. While both networks are seen as successful and valuable by beneficiary actors, the absence of clear strategies for maintaining their impact beyond the project's duration is of concern. When aiming to ensure long term impact and value for money, such considerations need to be part and parcel of the project's initial planning.

Sustainability: are results lasting?

- 10. While several positive steps have been taken to ensure continuity (e.g. maintaining stakeholder engagement through cross-fertilization with UNECE's Teams of Specialists and Working Parties), challenges remain, particularly related to financial sustainability, and ensuring that policy commitments translate into concrete actions. Overall, the project laid a foundation for long-term CE integration, but further concrete efforts are needed to sustain its results.
- 11. Partnerships with UN agencies specialising in gender, human rights, and youth empowerment could have enhanced the project's alignment with UN Secretariat cross-cutting priorities, ensuring a more comprehensive and inclusive approach.

8. Recommendations

Relevance:

R1: For UNECE Economic Cooperation and Trade Division's Strategic Plan and future projects:

UNECE and the Circular Economy: Driving Innovation and Accelerating SDG 12 Implementation

ECTD should capitalize on the opportunities presented by the recommendations from the recent OISO evaluation, which mandates ECTD to develop an integrated strategic plan. Specifically, ECTD should embed the circular economy as a pillar of ECTD's strategic plan. Noting the organization's different functions, the technical assistance function would seem the one most pertinent in terms of following up on this UNDA project.

A carefully developed strategic plan would also present a key opportunity to strategically align Circular Economy initiatives with UNECE's and ECTD's long-term objectives, ensuring that funding, staffing, and programming priorities reflect its growing significance within ECTD. At the same time, the strategic plan must facilitate a necessary but difficult shift away from traditional work areas that are not directly aligned with achieving SDG 12 and no longer correspond to evolving priorities or available funding. This forward-looking approach will strengthen UNECE's role in driving sustainable and resilient economic transformation while optimising ECTD's resources for maximum impact.

With no single UN entity currently championing the Circular Economy agenda at a global level, UNECE has a unique opportunity to take the lead, leveraging its expertise and networks to drive transformative change and accelerate progress towards sustainable, resilient and circular economies. The groundwork has already been laid, with successful business cases established in countries like Serbia and Tajikistan, providing a strong foundation for scaling and replication across the region to enhance effectiveness and drive systemic change.

Priority: high, next six months, in line with implementation of OIOS recommendations. R2: For future projects. UNECE:

Future projects would benefit from clearer mechanisms for mainstreaming cross-cutting perspectives, including targeted disability inclusion efforts, and explicit links to climate adaptation and mitigation goals. Additionally, increased collaboration with UN agencies specializing in these areas such as the ILO on workers' rights in the just transition context could enhance the depth and effectiveness of cross-cutting integration.

Priority: high, next six months for new project designs.

Coherence

R3: For UNECE Economic Cooperation and Trade Division's Strategic Plan

To maximise impact and foster greater collaboration, UNECE should leverage the strong commitment of several member States and non-State actors to both the Circular STEP network and the ETIN network, created in a previous UNECE project, on transformative innovation. Bringing

these networks together, and embedding them in the respective intergovernmental structures (e.g. respective Teams of Specialists, Working Parties) would create a cohesive platform for advancing Circular Economy innovation and facilitating knowledge exchange and implementation across member States.

To maintain the momentum generated by these initiatives, UNECE should adopt a coordinated approach, aligning both networks under its leadership to support the attainment of SDG 12. This integration would enhance efficiency, strengthen partnerships, and position UNECE as a key driver of circular transformation and resilience in the UNECE region, unlocking new opportunities for collaboration, investment, and policy innovation.

Priority: high, next six months.

Effectiveness

R4: For future projects. UNECE:

To ensure the successful and sustained adoption of Circular Economy (CE) principles, UNECE should support member States in developing robust circular economy laws, policies, standards and governance structures, addressing the regulatory gaps that have slowed implementation. Additionally, targeted capacity-building efforts, including extensive training and technical support, are essential to equip government officials and industries with the necessary expertise in the circular economy. To improve coordination and avoid duplication, UNECE should strengthen collaboration with key international partners, such as UNEP, UNDP, and other development partners, such as the EU and the World Bank, ensuring a more aligned and effective approach to circular economy implementation at the country level.

Priority: high, next six months for new project designs.

See R7 on funding.

R5: For UNECE Economic Cooperation and Trade Division's Strategic Plan

ECTD should reinforce its leadership in driving the CE transition by focusing on its core economic mandate while strategically expanding cross-sectoral collaboration. Systematic engagement with sister UN agencies should continue, building on existing partnerships such as those with UNEP on environmental aspects. Additionally, new partnerships should be developed to address key crosscutting issues: collaborating with the ILO on workers' rights, FAO on food waste, and both UN Women and the ILO to ensure a just transition that integrates gender equality considerations.

To further enhance inclusivity, ECTD should explore cooperation with the Global Disability Fund (GDF) formerly the United Nations Partnership on the Rights of Persons with Disabilities (UNPRPD) to ensure that disability rights are effectively integrated into CE strategies. Strengthening these partnerships will enhance policy coherence, maximise impact, and ensure a holistic approach to the CE transition.

Priority: high, next six months.

Efficiency

R6: For future projects. UNECE:

During project design, UNECE should systematically assess whether existing UNECE or other relevant networks can be leveraged as an efficiency measure before establishing new ones. If the creation of a new network is deemed necessary due to a lack of viable alternatives, a comprehensive sustainability plan must be developed from the outset. By default, this plan should be integrated into project implementation from the beginning and maintained throughout the entire duration, rather than being addressed only at the project's conclusion, ensuring long-term impact and viability.

Priority: high, next six months for new project designs.

Sustainability

R 7: UNECE Economic Cooperation and Trade Division's Strategic Plan

ECTD needs to diversify its funding sources, as traditional donors face competing priorities in the context of groundbreaking geopolitical challenges in Europe and beyond.

Moving forward, UNECE has an exciting opportunity to fully integrate Circular Economy strategies into its (modest) regular budget workstreams and strengthen strategic partnerships to drive long-term impact. Several alternative funding sources and mechanisms emerge:

In line with SDG indicator 12.7 and building on the success of UNECE's recent ETIN project, public procurement with its enormous budgets, annually over €14 billion in the Western Balkans alone, can serve as a powerful catalyst for advancing the Circular Economy agenda across Member States. UNECE supported procurement reform does not require ongoing funding, but rather seed investment to create self-sustaining, circular business models.

Furthermore, private sector investments keen to expand into circular markets present a compelling win-win scenario, accelerating Circular Economy initiatives in EU accession countries, EU neighbourhood countries and beyond. These funding sources are particularly promising in reducing UNECE's reliance on traditional bilateral donors, ensuring greater financial sustainability and resilience. This can also be seen against the backdrop of discussions around fee-based contribution models.

Other important actors to consider are philanthropic organisations that are not only eager to fill the gaps left by traditional donors but also committed to leaving a lasting impact, a legacy, by driving innovation and accelerating SDG 12 achievement

Besides, strategic collaboration with UNDA and New York-based funding sources is recommended, particularly for projects tied to SDG 12.

Priority: high, next six months.

R8: For future projects. UNECE:

Future projects could benefit from stronger partnerships with UN agencies specializing in gender, human rights, and youth empowerment to further enhance impact.

Priority: high, next six months for new project designs.

The following conclusions and recommendations emerge based on the main findings summarized at the beginning of the findings' sections for each evaluation criterion. Figure 17 presents the logical flow from key findings to conclusions and recommendations.

Figure 17: Summary of key findings, conclusions, and recommendations

Key findings	Conclusions	Recommendations
1. The project was highly relevant to UNECE Member States, particularly non-EU countries, by raising awareness, fostering knowledge exchange, and integrating Circular Economy principles into national policies. 86.2% of survey respondents felt that the project met their institution's performance needs in advancing the Circular Economy transition.	The project successfully positioned UNECE as a leader in supporting Circular Economy transitions in its Member States contributing particularly to the attainment of specific SDG 12 targets. The evaluation revealed that, thanks to the DA project, UNECE now has both the mandate and the momentum to take decisive action in driving the Circular Economy transition.	R1: For UNECE Economic Cooperation and Trade Division's Strategic Plan and future projects: UNECE and the Circular Economy: Driving Innovation and Accelerating SDG 12 Implementation ECTD should develop a strategic plan, building on the OISO evaluation of UNECE, to establish the organisation as a global leader in the Circular Economy transition. This presents a key opportunity to strategically align Circular Economy initiatives with UNECE's long-term objectives, ensuring that funding, staffing, and programming priorities reflect its growing significance within ECTD. At the same time, the strategic plan must facilitate a necessary but difficult shift away from traditional work areas that are not directly aligned with achieving SDG 12 and no longer correspond to evolving priorities or available funding. This forward-looking approach will strengthen UNECE's role in driving sustainable economic transformation while optimising ECTD's resources for maximum impact. With no single UN entity currently championing the Circular Economy agenda at a global level, UNECE has a unique opportunity to take the lead, leveraging its expertise and networks to drive transformative change and accelerate progress towards sustainable and circular economies. The groundwork has already been laid, with successful business cases established in countries like Serbia and Tajikistan, providing a strong foundation for scaling and replication across the region to enhance effectiveness and drive systemic change. Priority: high, next six months for new project designs.
3. The project incorporated gender equality through balanced participation in events and hiring processes, addressed human rights in traceability efforts in textiles and cotton industries, and contributed to climate action through waste reduction and resource efficiency, while disability inclusion remained largely unaddressed.	2. While the project made efforts to integrate gender equality, human rights, and climate change considerations, it lacked a comprehensive cross-cutting strategy.	R2: For future projects. UNECE: Future projects would benefit from clearer mechanisms for mainstreaming cross- cutting perspectives, including targeted disability inclusion efforts, and explicit links to climate adaptation and mitigation goals. Additionally, increased collaboration with UN agencies specializing in these areas such as the ILO on workers' rights in the just transition context could enhance the depth and effectiveness of cross-cutting integration. Priority: high, next six months for new project designs.

enabled the Economic Commission to position
itself as "One UNECE", addressing key trade,
innovation, traceability, and sustainability objectives.

- objectives.

 5. The project was well integrated into national development strategies in North Macedonia and Serbia, introduced Circular Economy as a concept in Tajikistan and Kyrgyzstan, and
- 6. The project was well integrated within the broader UN system and international Circular Economy efforts, enabling UNECE to establish itself as a key actor and shift the topic from being solely environmental to also an economic priority.

provided policy advice and expertise in Belarus.

7. UNECE successfully collaborated with key entities such as UNEP, UNCTAD, WTO, UNIDO, ITC, ILO, and the European Commission, ensuring its work complemented rather than duplicated existing initiatives.

Stronger engagement with FAO could have facilitated the integration of the Circular Economy into food systems and agricultural waste management

3. The Circular Economy project and Circular STEP network were widely viewed as coherent and effective, with strong integration across UNECE divisions and international partnerships. However, maintaining improvement of national-level coordination, remains a key challenge.

4. The project demonstrated strong coherence with other UN entities and international organizations, particularly in trade, traceability, and sustainability, and its alignment improved over time.

By transforming circular economy from a purely environmental agenda to the heart of governments in the Ministries of Economy, UNECE attained a position at the forefront of Circular Economy innovation, leading the way toward a more resource-efficient and sustainable future.

However, challenges remain in ensuring longterm coordination, avoiding duplication at the country level, and securing sustainable funding for continued collaboration. R3: For UNECE Economic Cooperation and Trade Division's Strategic Plan

To maximise impact and foster greater collaboration, UNECE should leverage the strong commitment of several Member States and non-state actors to both the Circular STEP network and the ETIN network, created in a previous UNECE project, on transformative innovation. Bringing these networks together would create a cohesive platform for advancing Circular Economy innovation and facilitating knowledge exchange and implementation across Member States.

To maintain the momentum generated by these initiatives, UNECE should adopt a coordinated approach, aligning both networks under its leadership to support the attainment of SDG 12. This integration would enhance efficiency, strengthen partnerships, and position UNECE as a key driver of circular, sustainable and resilient transformation in the UNECE region, unlocking new opportunities for collaboration, investment, and policy innovation.

Priority: high, next six months.

Coherence

	8. Project Objective: Positive contribution to policy development and awareness-raising by introducing Circular Economy concepts in countries where they were previously underdeveloped. Project outcomes: Three out of four targets achieved or exceeded, one with satisfactory results.	5. The UNECE project successfully raised awareness, aligned CE discussions with national policies, and facilitated knowledge transfer. However, the sustainability of these efforts will depend on continued national and international support, structural policy changes, and the strengthening of institutional frameworks.	R4: For future projects. UNECE: To ensure the successful and sustained adoption of Circular Economy (CE) principles, UNECE should support Member States in developing robust CE laws, policies, and governance structures, addressing the regulatory gaps that have slowed implementation. Additionally, targeted capacity-building efforts, including extensive training and technical support, are essential to equip government officials and industries with the necessary expertise in CE. To improve coordination and avoid duplication, UNECE should strengthen collaboration with key international partners, such as UNEP, UNDP, the EU, and the World Bank, ensuring a more aligned and effective approach to CE implementation at the country level. Priority: high, next six months for new project designs.
	9. Behaviour change: positive shift in knowledge and behavioral intent of stakeholders following the UNECE project, its events, and the development of the Circular STEPS platform (86,5% confidence to lead, 71,9% improved institutional performance on CE). A supportive organizational culture is a strong enabler, with 77.9% of respondents indicating that their workplace allows for the application of learning.		See R7 on funding.
Effectiveness	10. The project benefited from strong institutional and policy support in pilot countries, fostering stakeholder engagement and regional collaboration through the Circular STEP network, while high-quality project coordination and UNECE senior management leadership ensured effective implementation and knowledge-sharing. The project faced challenges related to limited financial and human resources in project countries, uneven policy adoption, weak institutional capacity, and varying government commitment, particularly in some originally selected pilot countries with concerns about sustaining initiatives beyond the project's duration, particularly in Central Asia and the Western Balkans, while private sector engagement and geopolitical instability further affected implementation.	6. The project enabled stakeholder engagement and regional collaboration through the Circular STEP network, with high-quality coordination and UNECE leadership ensuring effective implementation. However, challenges such as resource constraints, uneven policy adoption, and varying government commitment highlight the need for sustained efforts to strengthen institutional capacity, secure long-term funding, and enhance private sector engagement for lasting impact.	

	11. The project successfully adapted to emerging challenges and risks throughout its implementation, for example, by redirecting efforts toward more committed countries, such as North Macedonia and Serbia, or allowing countries like Moldova to engage later. 12. The unexpected effects of the project relate to stronger than expected cross-sector collaboration, stakeholder engagement beyond expectations, and greater awareness of trade-related barriers to Circular Economy implementation. Additionally, it helped bring social and human rights issues into discussions in unexpected ways, for example a dialogue about workers' rights, value chain transparency, and fair labour practices in Tajikistan.	7. While some pilot countries did not engage as initially expected, UNECE adapted by focusing on more responsive countries, encouraging participation in regional dialogues, and integrating its work with complementary initiatives to maintain the broader reach and effects of the project. 8. The project yielded several unexpected positive results, including bringing social and human rights issues into discussions in unexpected ways.	R5: For UNECE Economic Cooperation and Trade Division's Strategic Plan ECTD should reinforce its leadership in driving the CE transition by focusing on its core economic mandate while strategically expanding cross-sectoral collaboration. Systematic engagement with sister UN agencies should continue, building on existing partnerships such as those with UNEP on environmental aspects. Additionally, new partnerships should be developed to address key cross-cutting issues: collaborating with the ILO on workers' rights, FAO on food waste, and both UN Women and the ILO to ensure a just transition that integrates gender equality considerations. To further enhance inclusivity, ECTD should explore cooperation with the Global Disability Fund (GDF) formerly the United Nations Partnership on the Rights of Persons with Disabilities (UNPRPD) to ensure that disability rights are effectively integrated into CE strategies. Strengthening these partnerships will enhance policy coherence, maximise impact, and ensure a holistic approach to the CE transition. Priority: high, next six months.
Efficiency	13. The project efficiently utilized resources through partnerships and strategic funding, for example, for the Circular STEP network, but financial and human resource constraints limited scalability and long-term sustainability. 14. While resources were stretched for the project's ambitious scope, effective prioritization and collaboration helped maximize impact. 15. Compared to similar projects, the initiative seems cost-efficient, though budget limitations restricted national-level engagement and sustained follow-up.	9. The project demonstrated value for money for the UN Development Account through its adaptive management approach, ensuring efficient resource use and responsiveness to challenges. However, the establishment of another UNECE project-funded network raises concerns regarding long-term sustainability, as clear strategies for maintaining its impact beyond the project's duration were not evident in the initial planning.	R6: For future projects. UNECE: During project design, UNECE should systematically assess whether existing UNECE or other relevant networks can be leveraged as an efficiency measure before establishing new ones. If the creation of a new network is deemed necessary due to a lack of viable alternatives, a comprehensive sustainability plan must be developed from the outset. By default, this plan should be integrated into project implementation from the beginning and maintained throughout the entire duration, rather than being addressed only at the project's conclusion, ensuring long-term impact and viability. Priority: high, next six months for new project designs.

	16. The project strengthened policy and regulatory frameworks across multiple countries by developing national roadmaps, influencing sectoral policies, and fostering regional cooperation, with notable impacts in North Macedonia, Serbia, Uzbekistan, Kyrgyzstan, Tajikistan, and Belarus. The Circular STEP network facilitated knowledge exchange and collaboration, though long-term sustainability depends on continued funding, institutional support, and donor coordination. 17. It elevated CE policy from environmental to economic ministries for greater political influence, fostered regional and international partnerships with key organizations, and encouraged public-private cooperation, though maintaining momentum will require sustained financial and strategic support.	10. While several positive steps have been taken to ensure continuity, challenges remain, particularly related to financial sustainability, maintaining stakeholder engagement, and ensuring that policy commitments translate into concrete actions. Overall, the project laid a foundation for long-term CE integration, but further concrete efforts are needed to sustain its results.	R 7: UNECE Economic Cooperation and Trade Division's Strategic Plan ECTD needs to diversify its funding sources, as traditional donors face competing priorities in the context of groundbreaking geopolitical challenges in Europe. Moving forward, UNECE has an exciting opportunity to fully integrate Circular Economy strategies into its (modest) regular budget workstreams and strengthen strategic partnerships to drive long-term impact. Several alternative funding sources and mechanisms emerge: In line with SDG indicator 12.7 and building on the success of UNECE's recent ETIN project, public procurement with its enormous budgets, annually over £14 billion in the Western Balkans alone, can serve as a powerful catalyst for advancing the Circular Economy agenda across Member States. UNECE supported procurement reform does not require ongoing funding, but rather seed investment to create self-sustaining, circular business models. Furthermore, private sector investments keen to expand into CE markets present a compelling win-win scenario, accelerating Circular Economy initiatives in EU accession countries, EU neighbourhood countries and beyond. These funding sources are particularly promising in reducing UNECE's reliance on traditional bilateral donors, ensuring greater financial sustainability and resilience. Other important actors to consider are philanthropic organisations that are not only eager to fill the gaps left by traditional donors but also committed to leaving a lasting impact, a legacy, by driving innovation and accelerating SDG 12 achievement Besides, strategic collaboration with UNDA and New York-based funding sources is recommended, particularly for projects tied to SDG 12.
Sustainability	18. The project contributed to cross-cutting sustainability issues by promoting gender inclusion in events, enhancing value chain transparency in human rights and labour standards, supporting climate-friendly resource efficiency, and encouraging sustainable production, though disability and youth engagement could be further integrated.	11. Partnerships with UN agencies specialising in gender, human rights, and youth empowerment could have enhanced the project's alignment with UN Secretariat cross-cutting priorities, ensuring a more comprehensive and inclusive approach.	R8: For future projects. UNECE: Future projects could benefit from stronger partnerships with UN agencies specializing in gender, human rights, and youth empowerment to further enhance impact. Priority: high, next six months for new project designs.

Annex 1: Terms of Reference of the Evaluation



TERMS OF REFERENCE

Evaluation of the UNDA project

Accelerating the Transition towards a Circular Economy in the ECE region (2124N)

I. Purpose

The purpose of this evaluation is to assess the extent to which the objectives of the ECE project (2124N) "Accelerating the transition towards a circular economy in the ECE region", funded from the UN Development Account were achieved.

The evaluation will also assess how human rights, gender equality, disability inclusion and climate change considerations were included and will make recommendations for future projects.

As per ECE Evaluation policy, the evaluation aims to (i) Promote organizational learning, by identifying lessons learned and best practices; (ii) Contribute to improvement of programme performance; (iii) Ensure accountability of the Secretariat to Member States, senior leadership, donors, and beneficiaries.

II. Evaluation scope

The evaluation of the project will follow the established objectives, indicators of achievement, and means of verification outlined in the project's logical framework. The scope will cover the entire implementation period from January 2021 to December 2024, in the target countries. To the extent possible, the evaluator will seek to engage youth in all phases of the evaluation.

III. Background

The project built on the work of various ECE Subprogrammes, thus contributing to strengthen synergies among working areas in the organization. In particular, it is directly linked to selected objectives of the following Subprogrammes: *Environment*—to improve environmental governance and performance throughout the ECE region for safeguarding the environment and human health; *Economic Cooperation and Integration*—to strengthen policies on innovation, competitiveness and public-private partnerships in the ECE region; and *Trade*—to enhance trade facilitation, agricultural quality standards and regulatory and trade-related economic cooperation for the transition to sustainable economic growth and sustainable production and consumption in the ECE region and beyond.

The project responded to mandates of several intergovernmental bodies serviced by the Economic Cooperation and Trade Division. The ECE Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP) supports countries in the region to promote a policy, financial and regulatory environment conducive to economic growth, innovative development, higher competitiveness, economic cooperation and integration, as well as sustainable development. The United Nations Centre for Trade Facilitation and e-Business (UN/CEFACT) develops policy reviews and recommendations, standards and tools for sustainable and digital trade facilitation and sustainable and circular value chain management, which explores the role that innovation in advanced technologies, including Blockchain, Internet of Things (IoT), Artificial Intelligence (AI) and Quantum Computing, can play in support of a transition to a resilient and sustainable economy. Normative work of ECE in Working Party 7 delivers tools assisting governments in addressing

market failures and economic inequalities in agriculture trade through standards which allow better access to markets and better-quality production preventing environmental degradation.

Soon after the start of the project, the high-level segment of the sixty-ninth session of the Economic Commission for Europe was held in April 2021 under the theme "Promoting circular economy and the sustainable use of natural resources". During its deliberations, ECE member States emphasized the importance of circular economy and the sustainable use of natural resources in achieving the sustainable development goals (SDGs), supporting economic prosperity and resilience, addressing environmental pressures, mitigating climate change and building back better in response to the COVID-19 pandemic. They recognized the need for multilateral and coordinated multi-stakeholder approaches to develop integrated solutions to respond to these challenges and stressing the importance of public-private partnerships. Decision B (69) was adopted, which among other follow up actions requested relevant Sectoral Committees and bodies reporting directly to the Executive Committee, and their subsidiaries, to consider how to enhance the impact of relevant existing ECE instruments in order to foster circular and more resource efficient approaches, including by proposing ways to identify, assess and fill gaps in governance and good practices. In the period of project implementation Decisions were made at each of the Sectoral committees and respective subsidiary bodies that had a remit for this project deliverables, where the need to mainstream circular economy approaches to respective programmes of work was reinforced.

The project was implemented in the period 1 January 2021 to 31 December 2024, with UNEP as an implementing partner agency. It was set up to build on the growing consensus about the importance of circular models of production and consumption for long-term sustainable development, as many questions remain on how to implement and accelerate the transition from a linear to a circular economic model, especially without incurring substantial short-term economic and social costs. These concerns are even more pronounced among ECE member States with economies in transition, including countries heavily reliant on extractive industries such as oil and gas production, coal and mineral mining, countries reliant on energy and resource-intensive industrial production, and countries facing serious environmental risks. The project centred around learning from what has worked and what has not in more advanced countries and aimed at adapting lessons learned to target countries with economies in transition. The project built on this momentum by supporting the design and implementation of national policies for a circular economy, as well as of national programmes and strategies for promoting innovation in the selected priority areas. In particular, it served as an operational vehicle for catalysing country efforts to test and invest in innovative approaches to promote and enable circular economic growth in the three priority areas:

- Improved traceability of products along international value chains
- Sustainable public procurement, and
- Waste management.

Based on the member States' needs and interests, the following tentative list of potential target countries has been identified: Belarus, Georgia, Kazakhstan, Republic of Moldova, Serbia and Tajikistan. These countries have requested support in managing the transition to a more circular economy in several United Nations forums. During project implementation, the list of target countries directly benefiting from this project was reduced to Belarus, Serbia and Tajikistan. North Macedonia was added in the last year of the project.

The project allowed target countries to apply good practices drawing from the experiences of both peer and more advanced economies.

The project, which had a budget of \$549,000, aimed to address the challenges and opportunities of accelerating the transition to the circular economy in these three thematic areas through two work streams.

The first workstream directly contributed to improved knowledge of policy makers in the ECE region by delivering three outputs: 1) creating a new multi-stakeholder knowledge sharing network to develop and disseminate evidence-based international good policy practices, involving experts from regional and local governments, the business community, consumers and civil society, and the academic community from the ECE region. 2) drafting three policy papers describing good

practices and lessons learned from the implementation of circular economy approaches and providing policy recommendations and guidelines. And 3), the policy papers will inform experts' discussions at policy dialogues organised at regional level.

The second work stream directly contributed to enhanced national capacities in project target countries to implement circular economy approaches. It involved 1) conducting gap analyses for three target countries to identify specific policy, regulatory and institutional limitations that hold back the circular economy transition in a specific policy area and sector identified in those countries. And 2) based on the recommendations of policy papers, gap-analyses and the outcomes of the national workshops, the project will support the preparation of roadmaps or action plans in target countries.

The project also included a regional conference of the knowledge-sharing network on the circular economy to launch project outputs and share experiences and lessons learned from the project (at the ECE premises in Geneva).

IV. Issues

The evaluation will answer the following questions:

Relevance

- 1. How relevant were the project's objectives and activities with the identified needs and priorities of UNECE member States?
- 2. To which extent this project allowed UNECE to support its member States in the implementation of the 2030 Agenda for Sustainable Development?
- 3. To what extent were gender equality, human rights, climate change, disability, youth and other cross-cutting perspectives mainstreamed in this project? How could this be improved?

Coherence

- 4. How coherent was the design and the outcomes of the project and the partnerships developed to fulfil the stated objectives?
- 5. To what extent was this project coherent with those of other UN entities and international organizations working in the same area, including at country level? Has the coherence improved over the course of the project?
- 6. How coherent was the communication strategy of the project?

Effectiveness

- 7. To what degree did the project successfully support the transition towards a circular economy in the beneficiary countries?
- 8. Did the project's activities significantly improve the understanding of opportunities and challenges related to circular economy in the beneficiary countries?
- 9. Are there some best practices or successful examples that could be highlighted?
- 10. Did the project adequately consider and respond to the emerging challenges and risks during its life cycle?

Efficiency

- 11. How efficiently were the resources (financial, human, and technological) allocated and utilized throughout the project's implementation phase?
- 12. Were the resources (financial and human) appropriate to the design of the project?
- 13. Were the activities implemented most efficiently compared to alternatives? In particular, how do resources' costs and use compare with similar projects?

Sustainability

- 14. What measurable improvements were observed in the beneficiary countries (new policies, policy change), following the project's intervention?
- 15. What measures were implemented to ensure the continued results beyond the project's duration?

- 16. To what extent did the project foster collaboration and partnerships that could sustain efforts for shift towards circular economy beyond the project's conclusion?
- 17. How sustainable were the interventions of the project with respect to gender equality, human rights, climate change, disability, and youth? Were there any unintended effects on any groups that were not adequately considered in the intervention design of the projects?

V. Methodology

The evaluation will be conducted in accordance with the ECE Evaluation Policy¹⁴; the UNDA Guidance Note for 13th Tranche Projects; the Administrative Instruction guiding Evaluation in the UN Secretariat¹⁵; and the United Nations Evaluation Group (UNEG) Norms and Standards for Evaluation¹⁶. Human rights and gender equality considerations will be integrated at all stages of the evaluation¹⁷: (i) in the evaluation scope and questions; (ii) in the methods, tools and data analysis techniques; (iii) in the findings, conclusions and recommendations of the final report. The evaluator will explicitly explain how human rights, gender, disability, youth, SDGs, and environmental considerations will be taken into account during the evaluation.

The evaluation will adopt a theory-driven and utilization-focused approach, fully encompassing gender, youth and human rights due diligences. The evaluator is required to use a mixed-method approach, including qualitative as well as quantitative data gathering and analysis as the basis for a triangulation exercise of all available data to draw conclusions and findings.

The evaluation will be conducted on the basis of:

- 1. A desk review of all relevant documents over the period including:
 - The Project Document of the projects 2124N, approved by DESA
 - All relevant documents including, press releases and materials developed in support of the activities.
 - Reports (including progress reports) and briefs prepared under the project implementation.
 - Proposed programme budgets of ECE18 covering the evaluation period.
- 2. A tailored questionnaire will be developed by the evaluator in consultation with the project manager to assess the views of stakeholders. These stakeholders will include civil servants from the beneficiary countries, experts from UN and international organizations, private sector, academia, youth representatives and NGOs. Results will be disaggregated by gender.
- The questionnaire will be followed by interviews of selected stakeholders (methodology to be
 determined by the evaluator in consultation with the ECE Programme Management Unit and
 the Project Manager). These will be carried out via phone or other electronic means of
 communication.

The report will summarize the findings, conclusions and recommendations of the evaluation. An executive summary (max. 2 pages) will sum up the methodology of the evaluation, key findings, conclusions and recommendations.

All material needed for the evaluation, will be provided to the consultant. In addition to the documents mentioned above in 1), the Project Manager will provide the list of persons to be interviewed by telephone. ECE will provide support and further explanation to the evaluator as needed.

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¹⁴ UNECE Evaluation policy

¹⁵ ST/AI/2021/3

¹⁶ UNEG 2016 Norms and Standards for Evaluation

¹⁷ In line with UNEG Guidance contained in Integrating Human Rights and Gender Equality in Evaluations

^{18 &}lt;u>A/75/6(Sect.20)</u>, <u>A/76/6(Sect.20)</u>, <u>A/77/6(Sect.20)</u>, <u>A/78/6(Sect.20)</u>

The evaluation will be conducted in accordance with the <u>ECE Evaluation Policy</u>. A gender-responsive methodology, methods and tools, and data techniques will be selected. The evaluation findings, conclusions and recommendations will reflect a gender analysis.

VI. Management of the evaluation

An Evaluation Reference Group (ERG) consisting of the Director of the Economic Cooperation and Trade Division, the Chief of PMU, the Project Manager and if possible and appropriate, two representatives from the beneficiary countries will review and contribute inputs to key steps in this evaluation such as the inception report, the TOR and draft final report. More specifically, ERG members will be expected to:

- Review the draft evaluation report and provide substantive feedback, including coordinating feedback from other sections, units and offices from headquarters and from the field to ensure accuracy, quality and completeness;
- Participate in the validation meeting of the final evaluation report;
- Play a key role in disseminating the findings of the evaluation and implementation of the management response, in coordination with their evaluation units as appropriate.

The ERG commits to submitting substantive comments and additional supporting evidence on a timely basis. Comments will be invited on a 'non-objection' basis (no response=agree) so that the process is not delayed for an unnecessarily long time.

VII. Evaluation schedule¹⁹

30 September ToR finalized 11 October Evaluator selected

1 December Contract signed, evaluator starts the desk review

1 January Evaluator submits inception report including survey design

16 January Launch of data gathering

6 February 2025 Stakeholder interviews start
8 March Evaluator submits draft report
7 April Evaluator submits final report

VII. Resources

The resources available for this evaluation are USD 21,960 (all inclusive). Payment will be made upon satisfactory delivery of work.

The Programme Management Unit (PMU) will manage the evaluation and will be involved in the following steps: Selection of the evaluator; Preparation and clearance of the Terms of Reference; Provision of guidance to the Project Manager and to the evaluator as needed on the evaluation design and methodology; Clearance of the final report after quality assurance of the draft report.

The Project Managers at different stages of the project, Ariel Ivanier and Roksolana Shelest, in consultation with the Director of the Economic and Trade Division, will be involved in the following steps: Provide all documentation needed for desk review, contact details, support and guidance to the evaluation consultant as needed throughout the timeline of the evaluation; Advise the evaluator on the recipients for the questionnaire and for follow-up interviews; Process and manage the consultancy contract of the evaluator, along the key milestones agreed with PMU.

VIII. Intended use / Next steps

The evaluation will be consistent with the ECE Evaluation Policy. The results of the evaluation will be used in the planning and implementation of future projects of the division in support of the 2030 Agenda.

Following the issuance of the final report, the Project Manager, in consultation with the of the Economic and Trade Division, will develop a management response for addressing the recommendations made by the evaluator. The final evaluation report, the management response

¹⁹ Final timetable to be agreed following engagement of the evaluator

and the progress on implementation of recommendations will be publicly available on the ECE website and in the UNDA website.

IX. Criteria for the evaluation

The evaluator should have:

- An advanced university degree or equivalent background in relevant disciplines, with specialized training in areas such as evaluation, project management and urban planning.
- Specialized training in areas such as evaluation, project management, economy, advanced statistical research and analysis.
- Knowledge of and experience in working on trade and circular economy.
- Relevant professional experience in design and management of evaluation processes with multiple stakeholders, survey design and implementation, project planning, monitoring and management, gender mainstreaming and human-rights due diligence.
- Demonstrated methodological knowledge of evaluations, including quantitative and qualitative data collection and analysis for end-of-cycle project evaluations.
- Fluency in written and spoken English. Knowledge of Russian would be desirable.

Evaluators should declare any conflict of interest to UNECE before embarking on an evaluation project, and at any point where such conflict occurs.

Annex 2: Documents reviewed

- 1. UNECE (2022). Reporting on implementation of Circular Economy (ECE/EX/2022/4). United Nations Economic Commission for Europe. https://unece.org/sites/default/files/2022-01/Item%207%20ECE_EX_2022_4_Reporting%20on%20%20implementation%20of%20CE%20ECE69.pdf
- 2. **UNECE** (2021). Accelerating the transition towards a Circular Economy in the UNECE region. Annual Progress Report 2021. United Nations Economic Commission for Europe, Geneva.
- 3. **UNECE** (2022). *Accelerating the transition towards a Circular Economy in the UNECE region*. Annual Progress Report 2022. United Nations Economic Commission for Europe, Geneva.
- 4. UNECE (2023). Accelerating the transition towards a Circular Economy in the UNECE region. Annual Progress Report 2023. United Nations Economic Commission for Europe, Geneva.
- 5. UNECE (2022). Strengthening the capacity of governments to accelerate transition to the circular economy for sustainable and inclusive growth within the UNECE region. Project Document. United Nations Economic Commission for Europe.
- 6. **UNECE** (2021). *Project Document: N2124 Accelerating the transition towards a Circular Economy in the ECE region*. Thirteenth Tranche of the Development Account. United Nations Economic Commission for Europe.
- 7. **ICAI** (2016). *The UK's aid contribution to tackling tax avoidance and evasion*. Independent Commission for Aid Impact (ICAI), London. http://icai.independent.gov.uk/wp-content/uploads/ICAI-Review-UK-aids-contribution-to-tackling-tax-avoidance-and-evasion.pdf
- 8. **Balkan Tender Watch** (2024). *Comparative Report on Public Procurement in the Western Balkans 2024*. Balkan Tender Watch, Skopje.
- 9. **UNECE** (n.d.). *E/ECE/1494*. [E_ECE_1494_e_Final.pdf].

Annex 3: Lists of stakeholders interviewed

In adherence to the ethical guidelines set forth by the United Nations Evaluation Group (UNEG), this evaluation report intentionally omits the stakeholder list to ensure the confidentiality and anonymity of all respondents.

Although stakeholders participated in the online survey anonymously, and their identities were intentionally not disclosed to the evaluator, revealing the names of interviewees could inadvertently allow readers to establish connections between specific countries mentioned in the report and their respective representatives due to the limited number of participants from each country involved in ETIN. To fully uphold UNEG ethical standards, the evaluator has, therefore, chosen not to disclose the names of the interviewees.

Annex 4: Evaluation matrix

	Evaluation questions/issues	Indicators	Proposed evaluation tools	Data source
	1.1 How relevant were the project's objectives and activities with the identified needs and priorities of UNECE member States?	Evidence that project design responds to specific country and partner institution needs priorities.	Document review; Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
	1.2 To which extent this project allowed UNECE to support its member States in the implementation of the 2030 Agenda for Sustainable Development?	Evidence that the project is likely to contribute to: SDG 3,5,6,7,8,9,11,12,13, and 17.	Document review	Project documentation
1. Relevance	1.3 Cross-cutting issues: To what extent were gender equality, human rights, climate change, disability and other cross-cutting perspectives integrated into the design and implementation of the project?	Evidence that project design responds to cross-cutting perspectives.	Document review Interviews with UNECE staff	Project documentation UNECE staff
2. Coherence	2.1 How coherent was the design and the outcomes of the project and the partnerships developed to fulfil the stated objectives?	Evidence of complementarity of project components	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.

	Evaluation questions/issues	Indicators	Proposed evaluation tools	Data source
	2.2 To what extent was this project coherent with those of other UN entities and international organizations working in the same area, including at country level? Has the coherence changed over the course of the project?	Evidence of complementarity of project activities with partner's strategies, plans, and activities.	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
	3.1 To what degree did the project successfully support the transition towards a circular economy in the beneficiary countries?	Evidence of project contribution to expected accomplishments	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
	3.2 To what extent did the project's activities significantly improve the understanding of opportunities and challenges related to circular economy in the beneficiary countries? Which factors affected the attainment of project results either positively or negatively?	Evidence from focal points concerning improved understanding of opportunities and challenges related to circular economy in the beneficiary countries	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
	3.3 Are there some best practices or successful examples that could be highlighted?	Evidence from project results	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
3. Effectiveness	3.4 Did the project adequately consider and respond to the emerging challenges and risks during its life cycle?	Evidence from project monitoring and results-based management .	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.

	Evaluation questions/issues	Indicators	Proposed evaluation tools	Data source
	3.5 Did the project yield any unexpected results, either positive or negative, including with reference to the cross-cutting evaluation aspects?	Examination of the theory of change and the linkages between project and results	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
	4.1 How efficiently were the resources (financial, human, and technological) allocated and utilized throughout the project's implementation phase?	Financial utilization across years and in aggregate Extent to which the management of the resources of the partnership was based on results, including the existence of an RBM policy Extent to which the project management structures facilitated the implementation, including evidence of actions taken to improve implementation	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
formation in the second	4.2 Were the resources (financial and human) appropriate to the design of the project?	Evidence of resource utilization in comparison with indicator results	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
	4.3 Were the activities implemented most efficiently compared to alternatives? In particular, how do resources' costs and use compare with similar projects?	Possible time and budget extensions and reasons thereof	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.

5. Sustainability	5.1 What measurable improvements were observed in the beneficiary countries (new policies, policy change), following the project's intervention?	Evidence from national policymakers and practitioners that they have initiated/taken actions such as allocating dedicated staff and resources towards further activity and/or knowledge management in terms of UNECE good practices and policy recommendations.	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
	5.2 What measures were implemented to ensure the continued results beyond the project's duration?	Evidence of measures aimed at the continuation of stakeholder engagement, scaling, replication, and/or institutionalization, for example, through linkages with activities and/or a strategy for knowledge management	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project stakeholders.
	5.3 To what extent did the project foster collaboration and partnerships that could sustain efforts for shift towards circular economy beyond the project's conclusion?	Examples of partnerships and cooperation examples	Document review Interviews with UNECE staff, country focal points, and independent experts	Project documentation; Project staff
	5.4 How sustainable were the interventions of the project with respect to gender equality, human rights, climate change, disability, and youth?	Lasting changes concerning the cross-cutting aspects	Document review Interviews with UNECE staff, country focal points, and independent experts	

Annex 5:Circular Economy tools under the purview of ECE intergovernmental bodies serviced by the ECE subprogrammes on Trade (SP6) and Economic Cooperation and Integration (SP4)

Recommendations, guidelines, standards:

- Guidelines on Public-Private Partnerships for the Sustainable Development Goals in Waste-to-Energy Projects for Non-Recyclable Waste: Pathways towards a Circular Economy (ECE/CECI/WP/PPP/2022/3). Available at https://unece.org/sites/default/files/2023-05/ECE_CECI_WP_PPP_2022_03-en.pdf
- Guidelines on promoting Circular Economy in Public-Private Partnerships for the United Nations Sustainable Development Goals (ECE/CECI/WP/PPP/2022/4).
 Available at https://unece.org/sites/default/files/2023-05/ECE CECI WP PPP 2022 04-en.pdf
- Recommendation 46: Enhancing Traceability and Transparency of Sustainable and Circular Value Chains in the Garment and Footwear Sector" (United Nations publication, 2022). Available at https://unece.org/trade/publications/recommendation-no46-enhancing-traceability-and-transparency-sustainable-value
- Code of Good Practice: reducing food loss and ensuring optimum handling of fresh fruit and vegetables along the value chains (United Nations publication, 2024).
 Available at https://unece.org/trade/documents/2024/02/session-documents/code-good-practice-reducing-food-loss-and-ensuring
- Policy Guidance on Innovation-enhancing Procurement. Available athttps://documents.un.org/doc/undoc/gen/g21/070/26/pdf/g2107026.pdf

Networks

- Stakeholder Engagement Platform Circular STEP. Available at https://unece.org/trade/CE-ECTD-circularstep
- UNECE Transformative Innovation Network (ETIN). Available athttps://unece.org/eci/icp/ETIN

Parliamentary documents:

- Integrating circular economy considerations into Studies on Regulatory and Procedural Barriers to Trade (ECE/CTCS/2023/6). Available at https://unece.org/sites/default/files/2023-05/ECE CTCS 2023 06E.pdf
- Accelerating the transition towards a circular economy in the Economic Commission for Europe region: focus on reducing food loss and waste (ECE/CTCS/2024/9). Available at https://unece.org/trade/events/sctcs-2024
- Accelerating the transition towards a circular economy in the Economic Commission for Europe region: focus on harnessing digital solutions (ECE/CTCS/2024/10). Available at https://unece.org/trade/events/sctcs-2024

Publications:

- <u>Harnessing Trade for the Circular Economy</u> (United Nations publication, 2024). Available at https://unece.org/trade/publications/harnessing-trade-circular-economy
- Accelerating the transition towards a Circular Economy in the ECE Region: Improving the Traceability of Products along International Value Chains (United Nations publication, 2024). Available at https://unece.org/trade/publications/policy-paper-accelerating-transition-towards-circular-economy-economic
- Mobilizing Financing for the Circular Economy (United Nations publication, 2024). Available at https://unece.org/sites/default/files/2023-04/CIRCULAR-STEP%20Mobilizing%20Financing-%204.28.2023 0.pdf
- Leveraging Digital Solutions for the Circular Economy (United Nations publication, 2024). Available
 at https://unece.org/sites/default/files/2024-11/Circular Economy Transition Paper Series.pdf

Resources:

- E-learning: Accelerating the transition towards a Circular Economy in the UNECE Region. Available at: https://unece.org/sites/default/files/2021-09/E-learning_Circular_Economy.pdf
- Compendium of guidance resources for micro, small and medium-sized enterprise development (United Nations publication, 2023). Available at: https://unece.org/sites/default/files/2024-01/Harnessing Opportunities Circular Green Economy.pdf