



Progress on the Global Plastics Treaty: Updates from the 4th International Negotiating Committee Session

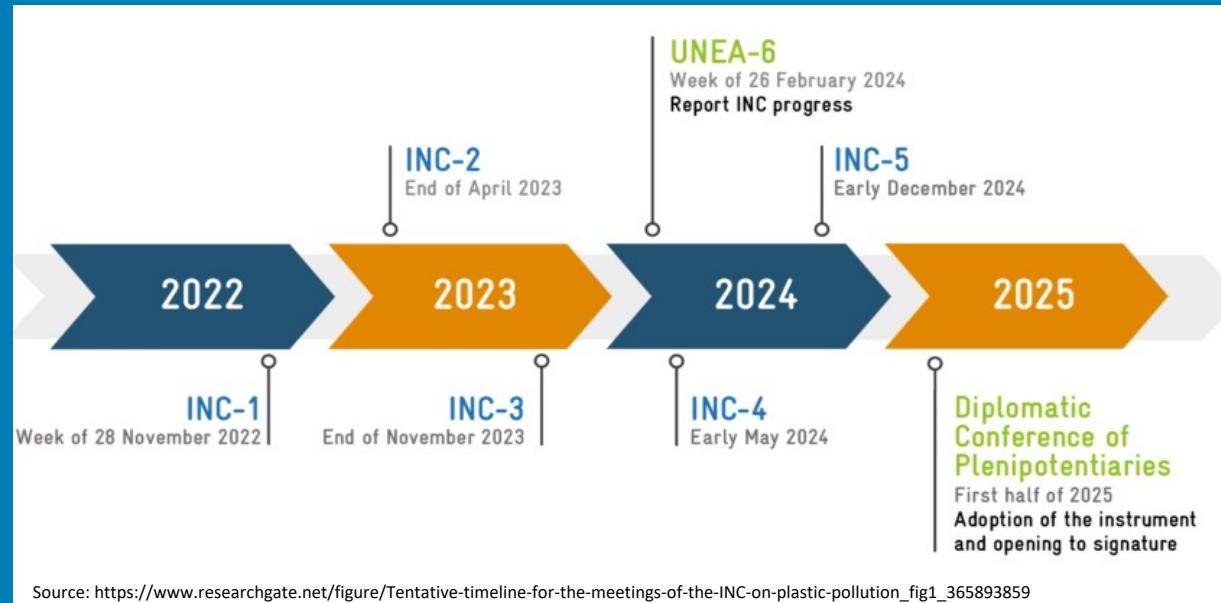
Roger Joseph (Rocky) Guzman
International Governance, Legal and
Policy Specialist (Consultant)



The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.

Overview and Timeline

- UNEA Resolution 5/14 entitled “End plastic pollution: Towards an international legally binding instrument”



- INC-4 Ottawa, Canada: Over 2500 participants joined, representing governments, academia, civil society organizations, private sector entities, UN entities, and international organizations
- INC-5 Busan, Republic of Korea: November 25 to December 1, 2024

Specific Issues in Focus: Core Obligations and Control Measures

Preliminary Provisions

- Whether stand-alone articles on principles, objectives, and scope.

Scope

- Scope is defined by UNEA resolution 5/14.
- Fully define the scope of the ILBI.
- Like Minded Group: scope limited to downstream waste management.

Primary Plastic Polymers

- Deletion of provision, argument that it goes beyond the scope of UNEA resolution 5/14.

Chemicals and Polymers of Concern

- Globally binding provisions through annex lists.
- Complete deletion.

Problematic and Avoidable Plastic Products

- Global mandate which may include a ban, phase down or phase out measures.
- Need for intersessional work before INC-5 to establish criteria.

Specific Issues in Focus: Core Obligations and Control Measures

Product design,
composition and
performance

- Mandatory versus voluntary product design measures.

Extended
Producer
Responsibility

- Voluntary EPR schemes.
- Accountability mechanisms and global EPR schemes.
- EPR to consider national circumstances and capabilities.
- Deletion of EPR provisions.

Waste
Management

- Key convergence area
- Waste management measures and targets addressed in an annex
- Global targets for alignment in national plans.

Just Transition

- Inclusion of persons in vulnerable situations
- Recognition of international human rights instruments.

Specific Issues in Focus: Financing and Implementation

Multilateral Fund

- Dedicated, stand-alone, multilateral, and independent fund.
- Hybrid approach with existing funds while working towards a dedicated fund.
- Use of Global Environment Facility (GEF) to avoid further fragmentation.

Plastic Pollution Fee

- Issues of double taxation/ levying.
- Inclusion in EPR as the key modality to operationalize the polluter pays principle.

National Plans

- National action/implementation plans to be based on national circumstances and capabilities.
- Content of the national plans dependent on each country.
- Guidelines/ list of content.

Implementation and Compliance

- Facilitative, non-adversarial, and non-punitive mechanism
- Respects national sovereignty and considers national circumstances.

Key Financing Issues

Innovative Finance

- Outcomes-based financing and alignment with plastic credits and EPR
- Ties payment to achievement of outcomes; can provide upfront capital
- E.g World Bank's \$100 million Plastic Waste Reduction-Linked Bond
 - Verra registered plastic credits as asset class for payment/ independent certifier

Plastic Pollution Fee

- Proposal for a small fee based on the polluter pays principle.
- \$60-\$90 per ton fee on polymers (Minderoo)
- Polarizing discussions among states
- Issues include sovereignty concerns, double taxation/ levying, conflicts with EPR

Multilateral Fund

- Questions on fund establishment, length of time for setting up, governance, contributions, and how to channel resources from EPR
- Montreal Protocol example highlighted

Outcomes and Next Steps

- **Compiled Text:** Basis for negotiations for INC-5
- **Establishment of legal drafting group** to work at INC-5
 - Composed of legal experts designated by Member States
- **Establish two ad hoc intersessional (in between sessions) expert working groups:**
 - Analysis of potential **funding sources** and means that could be mobilized for implementation
 - Including options for the establishment of a financial mechanism, alignment of financial flows, and catalyzing finance.
 - Analysis of **criteria and non-criteria-based approaches**, with regard to plastic products and chemicals of concern in plastic products and product design
 - Focusing on recyclability and reusability of plastic products considering their uses and applications.
- **Organize work of working groups**, including a possible meeting during the intersessional period

Key Takeaways

- **Streamlining and bracketing** on elements where there is no consensus
- Provisional **application of rules of procedure** for differing views to be seen
- The **scope of the instrument** is the key issue of debate.
 - What the “**full lifecycle of plastic**” entails
 - Like Minded Group
 - African Group, High Ambition Coalition and the Pacific Small Island Developing States
 - Most parties are committed to finishing in 2024, but **possibility of compromised ambition**
- **Intersessional work** will be instrumental to inform and provide the context for INC-5
 - **Proposal for primary plastic polymers was not considered** for intersessional work
 - Exclusion of key elements in the upstream lifecycle may forebode potential content
- Some convergence is emerging on **low hanging fruit issues**, such as waste management, need for plastic product design, just transition etc.

ADB's Financing Role

ADB can assist in the **identification, preparation, and implementation** of government and private sector actions and investments

- Supporting a finance system for GPT implementation
- Supporting the development of enabling conditions/ governance frameworks

Building the Next Generation of Investments

- Leveraging ADB's financing facilities
- Attracting private sector investment
- Blue loans toward circular economy
- Enhancing criteria for investments

EXISTING FINANCE FACILITIES

- Blue Southeast Asia Finance Hub
- Blue Pacific Finance Hub
- The ASEAN Catalytic Green Finance Facility
- SME BlueImpact Asia
- Ocean Resilience and Coastal Adaptation Financing Partnership Facility



ADB can **support GPT implementation through financing**, including sovereign and private sector lending, with added co-benefits for climate action



THANK YOU

Contact at:
rjguzman.consultant@adb.org

