



Global Plastics Treaty and the 4th International Negotiating Committee Session: Implications for Financing and Investment

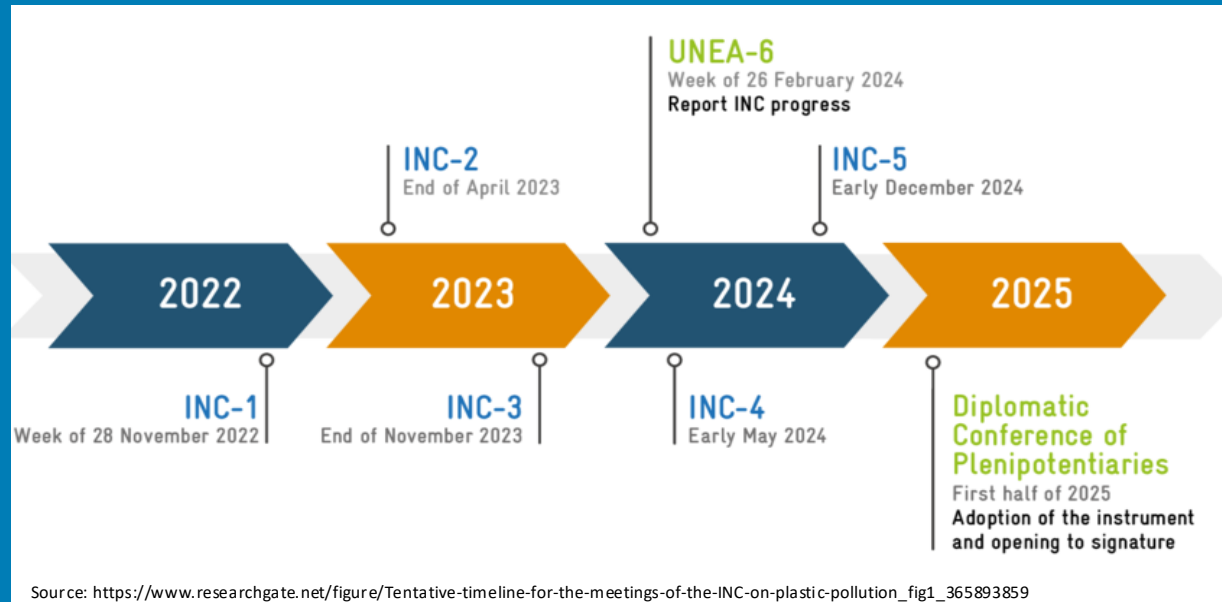
Roger Joseph (Rocky) Guzman
International Governance, Legal and Policy Specialist (Consultant)



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Overview and Timeline

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



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



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

- Standalone or 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 to each country.
- Guidelines/ list of content.

Implementation and Compliance

- Facilitative, non-adversarial, and non-punitive mechanism that respects national sovereignty, and considers national capacities and 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 addressing funding gaps
- E.g World Bank's \$100 million Plastic Waste Reduction-Linked Bond
 - 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, shared across the supply chain. (Minderoo)
- Polarizing discussions among states
- Issues include sovereignty concerns, double taxation/ levying, conflicts with EPR frameworks.

Multilateral Fund

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

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 Busan negotiations.
 - **Proposal for primary plastic polymers was not considered** for intersessional work
 - Exclusion of key elements in the upstream lifecycle of plastics 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.

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 an intersessional period meeting (24-28 August in Bangkok, Thailand)



THANK YOU

Contact at:
rjguzman.consultant@adb.org

