

Contact Group 3 - Article 11

Status of work as of 09 August 2025 (22.00)

1. The text below reflects the status of work of Contact Group 3 on Article 11, as of 09 August 2025.
2. The Contact Group convened from 17:30 to 22:00 and began textual negotiations on Article 11 using the Co-Chairs' prepared text. The Co-Chairs invited Members to identify important concepts they considered missing from the text. These concepts were introduced in the Contact Group and added in brackets to the draft Co-Chairs' text. The focus of the session remained on Article 11.
3. The approach at this stage was intended to capture and reflect missing concepts rather than make alternative wording changes. Paragraph-by-paragraph editing will take place once these concepts have been integrated into the text. The text with all insertions is presented below.
4. At the end of the session, the Contact Group mandated the Co-chairs to produce a new iteration of paragraphs 1 to 7 of Article 11, based on the efforts of the Group in the evening session. The new iteration of the text would be shared with the Members via the portal on Sunday afternoon.
5. The Contact Group also agreed to hold an informal discussion on the options for the financial mechanism currently reflected in paragraph 9 of the text (options 1–4). The aim of this informal was to examine each option in turn, on a scenario basis, and to discuss what provisions, operational arrangements, governance structures, and review processes would apply if that option were selected.

ARTICLE 11

FINANCIAL [RESOURCES AND] MECHANISM

Implementation tied to financial resources

1. The extent to which [developing country-] Parties will effectively implement their obligations under this Convention will depend on the availability and accessibility of adequate [, additional] and timely financial resources and [the fulfilment of obligations] commitments of developed country Parties [and Parties with economies in transition] under this instrument related to the provision of financial resources,][while ensuring transparency and avoiding double counting] capacity-building, technical assistance that leads to sustained capacity building, technology transfer and international cooperation.¹ [The national plans of developing country parties in contribution to the achievement of the objective of this instrument shall be incumbent upon the extent of support provided by developed country parties.]

Parties undertake to provide resources for national activities

2. Each Party shall provide, within its capabilities, resources for those national activities that are intended to achieve the objectives of this Convention, taking into account national policies, priorities, plans, and programmes.
3. Such resources may include domestic funding through relevant policies, [, primary plastic polymer fees, extended producers responsibility schemes,] development strategies and national budgets, and bilateral and multilateral funding, as well as private sector investment and contributions.

Special Considerations

¹ Some members suggest paragraph 1 switched with paragraph 2.

4. The provision of support in line with the obligations set out in this Convention should take into account the specific needs and circumstances of developing country Parties ~~], countries with economies in transition],~~ in particular those with significant capacity constraints, such as LDCs and SIDS ~~], Parties with economies in transition-], LLDCs] [, archipelagic states] [and Parties with economies in transition,] [middle income countries][and Parties with ecological and geographical challenges that impose disproportionate impact on states].²~~

4 bis. [The provision of support in line with the obligations set out in this convention shall ensure efficient and effective access to finance for developing country parties, in particular for LDCs and SIDS.]

Sources of finance

5. [Developed country Parties][Parties with capacity to do so] **[and with high levels of plastic products production or polymer production]** shall [provide] [take the lead in **[mobilizing] [providing]] [based on a burden sharing agreement]** financial resources to support [developing country Parties] [Parties most in need]³ [developing country Parties most in need], in particular LDCs and SIDS] **], Parties with economies in transition]** in fulfilling their obligations under this Convention. Contributions from other sources, including multilateral organizations, agencies and funds, are encouraged to support implementation of this Convention. This support shall be grant-based and concessional in nature and consistent with **[developing country Parties' needs, income levels, plastic production and consumption circumstances, priorities, development requirements and their plans for curbing pollution along the full lifecycle of plastics] [developing country Parties needs, income levels, plastic production and consumption circumstances, priorities, development requirements and their plans for curbing pollution along the full cycle of plastics]** ~~the national needs, circumstances, priorities~~ **], development requirements]** and plans of [recipient Parties].

5 bis. [Developed country Parties shall provide and mobilize financial support to developing country Parties and country Parties with economies in transition to cover the full costs of implementing measures under this legal instrument, including to cover any loss in revenues resulting from implementing this instrument, in light of developed country Parties' historical responsibility for plastic pollution and the principle of common but differentiated responsibilities and respective capabilities.]

6. To increase support for the implementation of this Convention, Parties shall encourage regular contributions from other sources, including other Parties, multilateral, regional, and bilateral channels, as well as private sector entities.

6 bis. [Market rate loans, export credits, and any other non-concessional financial instruments shall not constitute financial support under this instrument.]

7. Parties shall aim to align financial flows with the Convention's objectives, promote an enabling environment for private finance and take measures to catalyse private investment including through public-private partnerships and other innovative financing mechanisms as appropriate.

7 bis. [Parties should also encourage public-private financing partnerships, with the aim of generating complementary and additional financial flows towards the achievement of the objective of the agreement.]

7 ter. [The abilities of Parties to effectively implement their activities under this instrument also depends on a supportive and open international economic system that would lead to economic growth, eradication of poverty and sustainable development in all Parties, thus enabling them to better address plastic pollution. Measures taken to address plastic pollution, including unilateral ones, shall not constitute a means of arbitrary or unjustifiable discrimination or disguised restriction on international trade. Parties shall refrain from imposing unilateral trade measures in relation to plastic pollution recognizing their adverse impact on economic development.]

² This text is without prejudice to cross cutting discussions on special considerations.

³ Co-Chairs note that many Members have raised concern with the term 'Parties most in need', however, given divergent views expressed about contributing and beneficiary Parties, text options retain the options presented in the Chair's text of 1 December 2025 for further discussion by Members.

~~7 quaterquater.a~~ [Parties shall phase down financial flows from all domestic and international public private sources, towards activities~~etieis~~ that result in emisio~~n~~emissions and releases to the environment from plastic products across the lifecycle, including ~~microplasties~~microplastics.]

~~7 quinquiens.ein~~ [Parties shall increase financial flows from all the domestic and international, public and private sources, towards ~~activieis~~activities that prevent or reduce emissions and releases to the environment from plastic products across the lifecycle.]

Establishment of a Financial Mechanism, and its purpose

~~7.8.~~ A mechanism for the provision of adequate, accessible, new, predictable, timely and additional financial resources under this Convention is hereby established. The mechanism shall ensure efficient access and support through simplified approval procedures.

9. The mechanism shall comprise:

9 alt. [The operations of the mechanism shall be entrusted to the following international entities:]

Option 1:

- a. A new dedicated independent multilateral fund established under this Convention.

Option 2:

- b. Designation of the Global Environment Facility (GEF) Trust Fund as the financial mechanism.

Option 2 bis. :

[a. Designation of the Global Environment Facility (GEF) Trust Fund as the financial mechanism.

b. Aa public-private partnership financing network to interface with the partnership referred to in para 7bis.]

Option 3:

- c. A hybrid arrangement consisting of the GEF Trust Fund, and a new dedicated multilateral fund established under this Convention. [with distinct functions for each entity, as defined by the COP.]

Option 4:

- d. A hybrid arrangement, whereby the Global Environment Facility serves as the interim financial mechanism until [date to be agreed], after which a new dedicated independent multilateral fund established under this Convention shall assume the functions of the financial mechanism. [A legally binding sunset clause phasing out the GEF is included.]

(...) And any other fund as may be designated or established by the Conference of the Parties⁴.

9 bis. [In recognizing the need to compensate both economic and social losses resulting from the implementation of provisions of this instrument in developing countries, a compensation fund is hereby established. It shall function under the financial mechanism established under paragraph 8.]

9 ter. [A remediation fund may use for remediation activities such as clean up degraded area, waste management, just transition and circular economy initiatives.]

Activities to be supported

~~9.10.~~ The Mechanism shall provide financial resources on a grant or concessional basis to⁵ meet the agreed incremental costs in support of implementation of this Convention, including for:

- a. [Enabling activities [including technical and technological support;]]

⁴ Other funds proposed by members have included a remediation fund; a compensation fund.

⁵ Members have submitted that the Mechanism could support a wide variety of activities, including relevant programming for populations most vulnerable to the adverse effects of plastic pollution; to cover loss in revenues resulting from implementing the Convention, and others.

- b. Clearinghouse functions;
- c. [Preparation of national reports;]
- d. [Preparation and implementation of national action plans.]
- e. [Compensation for economic and social losses resulting from implementation of provisions of this Convention.]
- d.—

~~10.11.~~ [The Global Environment Facility Trust Fund [and the public-private partnership financing network] will additionally support the catalysing of investment in waste management infrastructure development, plastic waste removal activities, and waste prevention activities, including through blended and grant and non-grant instruments.]

Operation, governance and guidance for the Financial Mechanism⁶

- 12. [For the purposes of this Convention these entities shall function under the authority and guidance of the Conference of the Parties, and be accountable to the Conference of the Parties.] The Conference of the Parties shall provide guidance on policies, programme priorities [and eligibility criteria for access to] and utilization of financial resources.
- 13. The entities entrusted with the operations of the mechanism shall seek to ensure that duplication [and double counting] is avoided, and complementarity and coherence is promoted, taking into account their additionality and complementarity within the broader international financial landscape. [The Conference of the Parties shall provide, at its first session, guidance to the financial mechanism on complementarity and coherence.] [Mechanism fund shall be allocated to activities taking into account the potential plastic pollution reductions of a proposed activity relative to its costs, while also taking into account the specific needs and special circumstances of Parties that are SIDS or LDCs.]

Contributions/Contributors to the Fund/s

- 14. The Mechanism shall seek to leverage resources from all sources for the activities it supports. [[Donor] [Developed] country] Parties shall replenish the multilateral fund [periodically on the basis of the scale of assessment] as agreed by the Conference of Parties.

~~14.14.~~ Alt. [Parties, in particular those with the financial capacity to do so and high levels of [mismanaged plastic waste,] plastic production, or polymer production, are expected to contribute to the Mechanism, on a voluntary basis from their public funding.]

14 ter. [The mechanism shall be so structured as to inter alia enhance private sector engagement in addressing plastic pollution under this instrument including de-risking private sector investment and catalyzing of commercial capital finance in developing countries, particularly LDCs and SIDS.]

Interim arrangements

- 15. [For support of early action and implementation, the Mechanism shall also consist of an interim dedicated fund within an existing financial arrangement.]

Review

- 16. The Conference of the Parties shall periodically review [the effectiveness and adequacy], additionality and avoidance of double counting] of [its guidance to operationalize] both the mechanism and other channels that

⁶ Further details are dependent on aspects of the financial mechanism that are yet to be agreed by the Committee.

provide finance contributing directly or indirectly to the achievement of the objectives and provisions of this Convention and take appropriate measures in that regard [.The conference of the parties shall also discuss how all relevant actors throughout the lifecycle will contribute to the mobilization of financial resources for the implementation of the Convention, including all parties can mobilize new and additional private sector contribution while respecting national fiscal sovereignty.]. The first review shall conclude [x] years after its first session, and subsequent reviews shall conclude every [x] years thereafter. [Such review should consider the broader landscape of existing financial flows including from domestic finance, bilateral, regional, and multilateral entities as well as the private sector.] [The review will be performed in consistency and coordination with article 15 of this instrument related to effectiveness evaluation of the Convention.]

17. The Conference of the Parties shall, as part of the first periodic review of the financial mechanism, adopt objective and transparent criteria for assessing its efficiency and effectiveness, taking into account the evolving needs and priorities of developing country Parties.

17 bis. [The consideration and adoption of any amendments to the obligations under this instrument shall be contingent upon the determination by the conference of the parties, based on the criteria refer to in paragraph 17 above, that the financial mechanism is operating effectively and is adequately supporting developing countries parties in the implementation of the instrument.]

17 ter. [Parties shall undertake a biennial review of the extent to which developed country parties have fulfilled their financial obligations and to assess the full costs required by developing countries parties to implement activities under this instrument, including to cover any loss in revenues resulting from implementing this instrument. The biennial review shall consider qualitative aspects related to access features of the financial mechanism.]

[18. Developed country parties shall communicate indicative, quantitative and qualitative information related to the provision of financial resources to developing country parties.]