



Friends World Committee for Consultation
World Office

Proposed response template on written submissions prior to INC-3 (part b)

Potential Areas Identified by the Contact Groups

At its second session, the intergovernmental negotiating committee (INC) requested the secretariat to invite written submissions on:

- Any potential areas for intersessional work compiled by the co-facilitators of the two contact groups¹, to inform the work of INC-3.

The template below was prepared by the secretariat, in consultation with the Chair, and is meant as a guide to assist Members and Observers in preparing their written submissions.

All written submissions must be sent to unep-incplastic.secretariat@un.org. The submissions received will be made available on the INC webpage.

Please note that not all fields in the template need to be answered in the submission.

Deadline for submissions:

- I. By **15 August 2023** for written submissions from **observer** organizations.
- II. By **15 September 2023** for written submissions from **Members** of the Committee.

¹ Contact Group 1 focused on Section A: Objective(s). Section B: Substantive Obligations; Contact Group 2 focused on Sections C: Means of Implementation. D: Implementation measures. E: Additional matters as contained in part II of the Annex to document UNEP/PP/INC.2/4.

TEMPLATE FOR SUBMISSIONS

| | |
|---|---|
| Name of country (for Members of the committee) | |
| Name of organization (for observers to the committee) | Friends World Committee for Consultation (FWCC) |
| Contact person and contact information for the submission | <p>Eva Morales eva.morales@circularadvisors.org</p> <p>Alessandro Sanches Pereira perei@i17.org</p> <p>Andrés Naranjo anaranjo@quno.ch</p> |
| Date of submission | 15th August 2023 |

Input on the potential areas of intersessional work to inform the work of INC-3 (following the lists compiled by the co-facilitators of the two contact groups)

Potential areas for intersessional work

The list of potential areas for possible intersessional work compiled by the co-facilitators of the two contact groups at INC-2 is set out below. Members and observers may wish to provide input on one or more of these areas.

Contact group 1:

1. Information on definitions of, e.g. plastics, microplastics, circularity
2. Information on criteria, also considering different applications and sectoral requirements, including:
 - a. Chemical substances of concern in plastics,
 - b. Problematic and avoidable plastic polymers and products and related applications
 - c. Design e.g. for circularity, reuse
 - d. Substitutes and alternatives to plastic polymers and products
3. Potential substances of concern in plastics, problematic and avoidable plastic polymers and products
4. Potential sources of release of microplastics (applications and sectors).

(Please note: A longer list is included in the co-facilitators report on discussions in contact group 1². Submissions may also include input on any of the items in that longer list, such as, amongst others, the

² The report can be accessed here: <https://wedocs.unep.org/bitstream/handle/20.500.11822/42621/CG1.pdf>.

development of criteria to prioritise problematic and avoidable plastics; the development of targets for the reduction, reuse and repair of problematic and avoidable plastic products; or the guidelines on EPR)

Contact Group 2:

1. To consider the potential role, responsibilities and composition of a science and technical body [to support negotiation and/or implementation of the agreement]
2. To consider potential scope of and guidance for National Action Plans [including optional and/or suggested elements]
3. To identify current provisions within existing MEAs [and other instruments] on cooperation and coordination that could be considered
4. To consider how other MEAs provide for monitoring, and suggest best practice
5. To consider options to define 'technology transfer on mutually agreed terms
6. To further consider how a potential financing mechanism could work [including a new standalone mechanism, a hybrid mechanism, or an existing mechanism]
7. To identify options to mobilise and align private and innovative finance (including in relation to matters at 24(e) and the proposed Global Plastic Pollution Fee (GPPF))
8. To map current funding and finance available [to address plastic pollution] and determine the need for financial support for each Member
9. To identify capacity building and training needs for each Member.

Inputs relating to potential areas for intersessional work. Please identify clearly which area your input relates to:

Information on criteria, also considering different applications and sectoral requirements, including

a. Design for circularity, reuse

As an integral component of FWCC's and QUNO's commitment to global initiatives to eradicate plastic pollution, we endeavour to contribute with our input to support the development of a comprehensive and efficient international treaty. Our inputs for INC3 and the international binding instrument ('the instrument') aim to provide information on the criteria, considering different applications and sectoral requirements for circularity design, such as reuse and refill. This criterion seeks to inform the discussions to end the plastic crisis and uphold the fundamental human rights principles to ensure a 'just transition'. Our objective is to offer insightful perspectives that will shape the specific requirements of this vital instrument, specifically addressing circularity, thereby playing a pivotal role in the global fight against plastic pollution.

The criteria should be adapted to emerging economies' unique challenges and opportunities, being inclusive and safeguarding vulnerable regions.

Key messages

1. Emphasis on creating reuse models economically advantageous for everyone in the supply chain, from producers to consumers, and tailored to developing nations' specific needs and capacities.
2. By incentivising the elimination of unnecessary plastics and promoting reuse and refill models, we can pinpoint and possibly eliminate where leakage occurs in the supply chain, considering the particular contexts of developing countries for a just transition.

Introduction

The global production of plastic packaging accounts for 141 million tonnes annually, constituting 40%^[1] of total plastic production, yet only 14% of this is collected for recycling.^[2] Furthermore, in 2019, plastics generated 1.8 million tonnes of greenhouse gas emissions (GHG).^[3] The urgency of this issue is underscored by projections that annual global production will continue rising over the coming decades. These statistics demand immediate national interventions and cohesive international plans. Tackling the complex issue of plastic packaging pollution necessitates a comprehensive approach that emphasises environmental leakage reduction, reuse, and prevention. Moreover, this challenge presents a unique economic opportunity, turning a global problem into a potential sustainable growth and innovation avenue.

Environmental and Socioeconomic Objectives

There lies a profound responsibility to harmonise our developmental aspirations with the imperative to protect our planet in the nexus between environmental conservation and socioeconomic advancement. With the expanding footprint of plastics, both ecological and societal facets of our lives are influenced. By melding innovative approaches, setting bold benchmarks, and identifying economic opportunities within the environmental realm requires synergy between environmental stewardship and broader goals of societal progress and well-being.

- **Reduce consumption of single-use plastics:** By promoting reuse and refill business models. By encouraging the reuse of packaging, there is potential to contribute to a 30% reduction in overall plastic consumption by 2040.^[4] This approach not only minimises waste but also provides an incentive for industries to reduce plastic production, aligning economic interests with environmental goals.
- **Reduce waste:** A broader commitment to reduce and substitute plastics by 47% is essential to achieving an 80% reduction by 2040.^[5] This target requires enhancing waste management practices and investing in infrastructure and technology to minimise waste.
- **Elimination of plastic leakage:** Decrease plastic leakage to the environment to near-zero levels by 2060. This includes reducing the annual leakage of plastics into aquatic environments by 98% compared to the baseline and improving recycling rates by 60% by 2060. Interventions across the entire lifecycle of plastics, from production to disposal, will be necessary to achieve these goals.^[6]
- **Economic Opportunities:** The transition to reusable packaging business models presents a unique opportunity for first movers in the supply chain. By converting 20% of plastic packaging to reuse models, manufacturers and distributors can reduce production costs, minimise waste disposal expenses, and enhance their brand image as environmentally responsible entities. This strategic shift fosters job creation across the value chain and promotes economic growth, particularly in emerging economies. By aligning environmental sustainability with economic incentives, the transition to reusable packaging can drive positive change on multiple levels.^[7]

Leakage across the value chain

Tackling the challenge of plastic leakage into our ecosystems involves systematically exploring the various stages through which plastics enter and move into the environment. The Plastic Leak Project (PLP) has thoroughly analysed these stages into five categories: Loss, Transfer, Initial Release, Redistribution, and Final Release. Each category delineates a specific phase in the life cycle of plastics, covering various processes and pathways contributing to plastic pollution (see Figure 1).

Loss: the unintentional detachment or separation of plastic materials from products during manufacturing, utilisation, weathering, or accidental spillage. This includes but is not limited to the production, transportation, use, maintenance, or recycling of products containing plastics and the mismanagement of littered plastic packaging during transport.

Transfer: wastewater (e.g., laundering of synthetic textiles), road runoff (e.g., tire abrasion), air (e.g., microplastics released from synthetic fabrics), uncollected waste (e.g., littered waste, fly tipping), poorly managed waste (e.g., non-sanitary landfill, illegal dumping) and the direct pathway (e.g., macroplastic waste dumped in rivers, fishing nets lost at sea).

The initial release refers to the primary environmental mediums to which plastics are discharged, including

- **Terrestrial Environment:** Such as plastic deposited on buildings or trees.
 - **Ocean:** Representing plastic released into oceans.
 - **Freshwater:** Including initial release into rivers or lakes.
 - **Soil:** Such as, but not limited to, plastic released into the soil
- Redistribution: Redistribution shall encompass the transfer of plastics from one compartment to another, including transport in freshwater bodies or wind dispersion.

Redistribution: Redistribution refers to the transfer of plastics from one compartment to another, including, but not limited to, transport in freshwater bodies or wind dispersion.

Final Release: Final release refers to the ultimate destination of plastics, including, but not limited to, plastic products and packaging that find their way into the environment due to waste mismanagement. The final release may occur in various compartments such as the ocean, freshwater, soil, or other terrestrial environments.^[8]

Understanding leakage across the value chain provides a solid foundation for specific and transformative interventions to eliminate plastic pollution. Building on this knowledge, the following design guidelines for circular business models are proposed to govern the implementation of reusable and refillable packaging systems across primary, secondary, and tertiary systems.

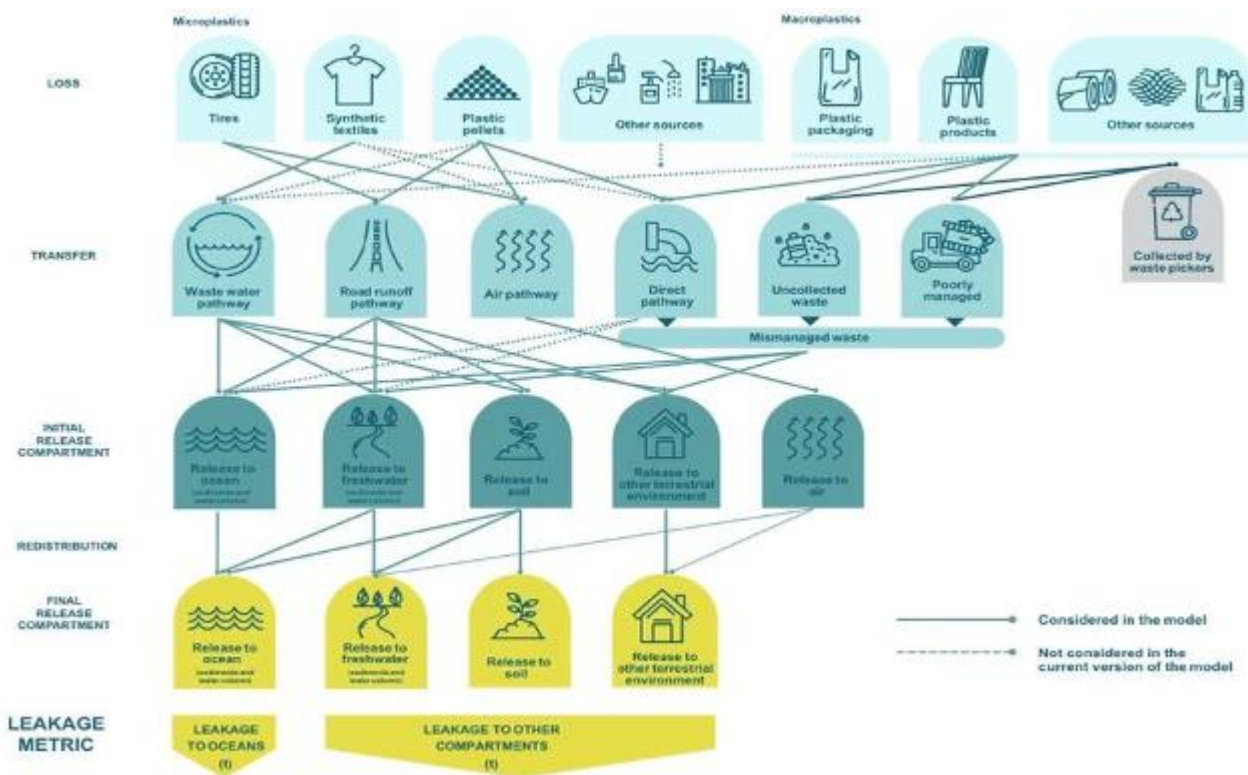


Figure 1: Pathways contributing to plastic pollution.
Source: Plastic Leak Project (PLP)

Circular Business Models

Adopting circular business models in plastic packaging reflect a commitment to the waste hierarchy's reduction, reuse, and recycling principles. These models promote a regenerative approach, encouraging a shift from single-use plastics to reusable and refillable alternatives. Circular models play a vital role in waste minimisation and reducing new plastic production by creating packaging designed for multiple uses, cleaning, refilling, and reusing. To attain a holistic view of circular business models in plastic packaging, it is essential to delve into the following distinct levels, each playing a specific role in the packaging process:

- **Primary packaging systems** encompass the immediate containment or protection of the product. This is the first layer of packaging that directly encases the goods.
- **Secondary Packaging Systems:** Secondary packaging systems are designed to group primary packages for efficient transportation, storage, or display.
- **Tertiary Packaging Systems:** Tertiary packaging systems focus on the additional containment required for bulk handling, warehouse storage, and transport shipping.

Building on the principles of circularity for plastics, the Ellen MacArthur Foundation outlines four innovative business models with a focus on packaging solutions in business-to-consumer (B2C) applications for the transition of single-use products to reusable items through either customer ownership of packaging for reuse or refill or subscription models and take back programmes.^[9] These business models are defined as follows:

- **Refill at Home:** Users utilise a reusable container they refill at home. The refills may be delivered directly to their doorstep (e.g., through a subscription service) or purchased at retail. The responsibility for maintaining and cleaning the main packaging rests with the users, who retain ownership of the container.
- **Refill on the Go:** Users refill their reusable packaging at a designated dispensing location away from home, such as in a store. Like the "Refill at Home" model, users retain ownership of the reusable packaging and are responsible for its cleaning.
- **Return from Home:** Users engage in a subscription-based delivery and collection service that enables them to send back empty packaging from households. A business entity or service provider then assumes the responsibility for cleaning and redistributing the packaging.
- **Return on the Go:** Users acquire a product housed in a reusable container and return the packaging at a store or designated drop-off location after use. The cleaning and redistribution of the packaging are either handled at the return location or taken care of by a business entity or service provider.

The transition from single-use plastics to reusable and refillable solutions presents a viable and sustainable pathway to reduce plastic consumption and production by 30% by 2040. These models demonstrate the potential for a circular economy approach to plastics, emphasising customer engagement, responsibility, and collaboration across the supply chain.

Design for circularity and reuse or clear steps for a plastic pollution-free future

When discussing building new models for a more sustainable future, the following essential move is to set clear guidelines for designing plastic products that can be easily reused and recycled. Think of it like a game plan for a greener planet. Here is what we need to focus on:

- *Methods for Cleaning Up:* We need detailed plans for dealing with the plastic trash already littering our environment.
- *Say No to Unnecessary Plastics:* We should have a strict rule that stops the making and selling of plastics we do not need, especially the throwaway kind, like some packaging materials.
- *Full-Circle Thinking:* From the moment a plastic product is made to the moment it's thrown away, recycled, or reused, we should consider minimising harm and waste.
- *Find the Leaks:* Just like you'd fix a leaky faucet, we need to find out where plastic waste is sneaking into the environment during its manufacturing, selling, using, and throwing away phases.
- *Clear Plans for Reuse:* We need solid plans that encourage systems where we can refill and reuse plastics, just like how some stores let you refill a bottle instead of buying a new one. This idea fits well with established ways of thinking about waste – first, avoid it; if you cannot, reuse it before recycling it.

In the modern age, plastic has become synonymous with convenience. This incredible material has revolutionised industries and improved our quality of life with its durability and versatility. However, its pervasive presence has also led to significant environmental concerns, particularly regarding waste management and its impact on marine ecosystems. As we stand on the precipice of a global ecological crisis, the need to transition from a linear economy — where we produce, consume, and discard — to a more circular one, emphasising reuse and recyclability, is becoming more pressing. Central to this paradigm shift is a comprehensive set of recommendations designed to drive the circular design of plastic products. These vital guidelines aim to redefine our relationship with plastics.

- **Ban on unnecessary SUPs (Single Use Plastics):** The ubiquity of single-use plastics in modern life, though convenient, is detrimental to our environment. Instituting bans on items like plastic cutlery in fast food outlets and replacing them with eco-friendly alternatives can make a significant difference.
- **Lifecycle Circularity – LCA (Life Cycle Assessment):** A product's environmental impact should be gauged not just by its use but from its inception to its eventual disposal. While challenging due to factors like measurement variability, this assessment offers the potential for more sustainable production and consumption by highlighting key environmental impacts at each stage.
- **Design Principles:** The design phase is crucial in determining the longevity of a product. By avoiding obsolescence, incorporating modular designs, and using recyclable materials, we can ensure products have longer life spans and reduced environmental footprints. Furthermore, inclusivity in design ensures that products are accessible to a broader demographic, marrying the principles of sustainability and accessibility.
- **Leakage Points Identification and Strategies:** A significant portion of waste can be curbed by identifying and plugging leakage points in the production and distribution chain. Embracing strategies such as the zero-waste approach can dramatically reduce wastage.

- **Reuse and Refill Strategies:** Promoting designs championing reuse, like encouraging consumers to use refillable containers, can play a pivotal role in reducing waste.
- **Consumer Awareness Campaigns:** Behavioural change is paramount. Informative campaigns can illuminate the adverse impacts of plastics, especially single-use ones, and guide consumers towards sustainable choices.
- **Transparency:** In an age where consumers demand information, transparency about product materials and potential hazards is essential. It helps make informed decisions and fosters trust between producers and consumers.
- **Just Transition and Social Inclusion:** Sustainability should not come at the cost of social equity. Training programs for workers in industries affected by the shift away from plastics can ensure a smoother, more inclusive transition.
- **Inclusion of the Informal Sector:** The informal recycling sector often plays a significant role in waste management. We can integrate them effectively into the circular economy by recognising their efforts and providing adequate resources.
- **Incentives for Material Recovery:** Economic incentives, like setting baseline prices for hard-to-recycle materials, can motivate waste pickers and collection agencies, further driving the collection and recycling rates.

The move towards a circular economy, prioritising reuse and recyclability, is not just a choice but a necessity. These guidelines, comprehensive in their scope, aim to foster a future where our relationship with plastic is both sustainable and beneficial for all stakeholders involved.

Application of Standards to design for circularity of reuse business models

Following the principles of environmental stewardship and resource conservation, the instrument shall promote reuse business models. These models, as delineated in the relevant international standards, including but not limited to ISO 14001, ISO 18600 series, BS 8001, and ISO 22000, shall be directed towards the sustainable reuse of plastics across diverse product categories. Recognising the unique characteristics and regulatory requirements of various sectors, the instrument shall adopt tailored approaches that align with the specific nature of the products involved. Such approaches shall be guided by the overarching goal of fostering a sustainable and environmentally responsible economy in conformity with circularity, waste hierarchy and social justice principles. Promoting reuse and refill systems in developing countries requires a tailored approach recognising these contexts' unique challenges and opportunities. This contributes to environmental sustainability and supports local economic development, social inclusion, and community empowerment. It represents a shift from the traditional focus on recycling towards a more sustainable and contextually relevant approach to managing plastics.^[10]

Consideration: In developing countries, where waste management infrastructure may be less robust, reuse models can be particularly effective in reducing plastic leakage. By promoting community-based reuse and recycling initiatives, supporting informal waste pickers, and encouraging local solutions, these models can provide both economic and environmental benefits.

Table 1 provides a comprehensive overview of the interventions across primary, secondary, and tertiary packaging levels. It delineates the specific business models, criteria, and challenges associated with implementing these reuse and refill solutions. Furthermore, the table highlights the alignment with relevant ISO standards. The collective adoption of these strategies can play a pivotal role in achieving global environmental objectives.

| System | Product | Business model | Challenge | Intervention criteria | ISO Standard alignment 18603. Requirements for packaging to be considered reusable |
|------------------------------------|---|------------------|--|--|---|
| Primary Packaging Systems | Food and beverage, Household products and personal care products: Beverage bottles, lids, containers, flexible packaging, tubes for toothpaste, films, and wraps. | Reuse and Refill | <p>Health and safety considerations: Meeting strict hygiene requirements. Challenges in hot and humid geographies related to food safety, shelf-life, and quality.</p> <p>Consumer education understanding the difference between reuse or recycle on labelling.</p> <p>Convenience and affordability Lack of consumer incentives for reuse and return. Standardised packaging, packaging return systems/bins, or regional washing facilities</p> | <p>Reusable Container Regulations: Implementation of standards for reusable containers that meet specific durability, safety, and reuse criteria. The container must be made of materials that can withstand repeated use without losing functionality. It must be resistant to temperature changes, moisture, and environmental conditions. If used for food, it must comply with safety regulations, including resistance to contamination. The container must not release harmful substances into its content.</p> <p>Consumer education: Development and implementation of clear and distinct labelling guidelines for reusable and recyclable products. Launch public awareness campaigns and educational programs to inform consumers about the differences between reuse and recycling.</p> <p>Accessibility: Offer reusable packaging products at competitive prices through subsidies or incentives. Expand the availability of reusable products. Integrate reusable options into existing retail and online platforms to enhance accessibility.</p> <p>Consumer Incentive Programs: Creation of legally binding incentives for consumers to return and refill containers, such as deposit-return schemes, through</p> | Reusable Packaging Requirements: Enforce ISO 18603 to set clear criteria for packaging to be considered reusable, including durability standards and guidelines for reusing. |
| Secondary Packaging Systems | Shrink wraps, plastic boxes, plastic display trays, bubble wrap, plastic air pillows, plastic pallet wraps, stretch film, and plastic carrier bags | Reuse and Refill | <p>Incentives for reuse and return: Creating and enforcing a deposit return scheme or reward system that is both effective and fair.</p> <p>Interoperability across different systems and industries</p> | <p>Design Guidelines: Create design guidelines for reusable transport packaging to ensure compatibility across the supply chain to ensure interoperability and compatibility across different systems and industries. Standardised packaging optimised for logistics with flexible ergonomic reusable packaging design to ensure ease of handling, stacking, and transportation.</p> <p>Tracking Systems: Implement tracking systems to monitor the usage and condition of reusable packaging, as well as to streamline the collection, sorting, and processing of reusable packaging.</p> | Reusable Packaging Requirements: Enforce ISO 18603 to set clear criteria for packaging to be considered reusable, including durability standards and guidelines for reusing. |
| Tertiary Packaging Systems | including Stretch Wrap, Pallets, Strapping, Shrink Wrap, Bulk Containers, Drums and Barrels, Crates and Bins, Dunnage Bags, Totes and Intermediate Bulk Containers (IBCs), Bubble Wrap and Air Pillows, Layer Pads and Sheets | Reuse | <p>Cost and system infrastructure for reverse logistics and deposit schemes:</p> | <p>Labelling: Define clear labelling requirements to identify reusable packaging, including information on how to return or clean the packaging</p> <p>Harmonised standards. Align regulations across jurisdictions to facilitate the reuse of containers in cross-border trade.</p> <p>Incentives: Through a deposit return scheme, subscription model, or reward system.</p> <p>Provide subsidies to support the development and implementation of tertiary packaging reuse initiatives, with financial mechanisms, such as EPR, reduce or exempt VAT on reusable secondary and tertiary packaging.</p> | |

Table 1: Comprehensive overview of the interventions across primary, secondary, and tertiary packaging levels.

Strategic Roadmaps and Global Accountability: National Implementation and International Binding Instruments for Sustainable Plastic Management

The interplay of innovative strategies and robust regulatory frameworks is paramount in combatting plastic pollution. While embracing circular design principles is a proactive step, especially within the unique contexts of developing nations, it is equally crucial to have structured oversight to ensure these principles translate to tangible outcomes. The National Implementation Strategies (NIS) serve as guidelines and comprehensive blueprints to enhance the efficacy of reuse business models. Concurrently, introducing an International Legally Binding Instrument (ILBI) is a testament to the global community's commitment to ensuring consistent and transparent efforts across borders. This section delves into the integral roles that NIS and ILBI play in driving the reduction of plastic pollution, emphasising their collective significance in orchestrating a coordinated and accountable approach to sustainable plastic management.

National Implementation Strategies (NIS): Building on the commitment to designing for circularity and understanding the unique context of developing nations, the necessity for National Implementation Strategies (NIS) is evident. These strategies serve as a roadmap to streamline and maximise the effectiveness of reuse business models. For example, NIS can be used to:

- **Promoting Reuse Delivery Systems:** To successfully transition to a circular economy, NIS should pinpoint the most economically viable sectors to promote reusability. It is essential to ensure that such sectors have the potential for reuse and are equipped with the necessary technological and financial tools to foster a reusable environment.
- **Providing Regulatory Support:** Legislative measures should be introduced by NIS to make it more lucrative for every entity in the supply chain to transition towards reusable models. Such legislative undertakings can include tax incentives, grants, and subsidies for companies that adopt and advocate for reusable systems.
- **Raising Public Awareness:** A well-informed public can be a driving force for change. NIS should craft targeted strategies to educate the masses about reuse's economic and environmental merits. This could include community engagement programs, educational campaigns, and collaborations with non-governmental organisations (NGOs) and community leaders.
- **Monitoring and Evaluation:** The cornerstone of an effective NIS is a robust monitoring mechanism. Regular evaluations help gauge the effectiveness of reuse and refill systems and pinpoint areas that may require further attention or improvement.
- **Collaborations and Partnerships:** By promoting symbiotic relationships between government bodies, businesses, NGOs, and academic institutions, NIS can bolster the sharing of innovative technologies and foster the creation of financial frameworks that simplify the initiation and functioning of sustainable reuse systems.
- **Progress Tracking:** Constant oversight ensures that reuse and refill systems meet the intended goals and remain effective. It can help discern successes and highlight any potential disruptions in the supply chain, which can then be promptly addressed.

International Legally Binding Instrument (ILBI): A comprehensive approach to curtailing plastic pollution demands an unwavering commitment to transparency, consistency, and accountability. For meaningful progress, it's imperative to consider the introduction of an International Legally Binding Instrument (ILBI) that solidifies a cohesive accountability mechanism equipped with universally accepted reporting standards.

- **Transparency and Responsibility:** An integral aspect of the ILBI would be establishing a rigorous accountability framework that mandates globally unified disclosure and reporting criteria. Such a system would augment transparency, facilitating a clearer understanding of public and private sector contributions.
- **Benchmarking and Goal Setting:** Regular monitoring would enable countries and corporations to set and reassess targets, ensuring adherence to science-backed strategies tailored to combat plastic pollution effectively.
- **Identifying Challenges and Solutions:** Through consistent evaluation, potential challenges in implementing reuse systems can be discerned. Recognising these challenges is the first step toward finding sustainable solutions.
- **Supporting National Action Plans:** Effective oversight ensures that National Action Plans resonate with countries' developmental context, providing results-oriented strategies that align with their goals.
- **Informing the Corporate Accountability System:** Companies can be held accountable by regular audits that gauge their commitment to sustainability. This not only upholds a global standard but also encourages a culture of competition, where corporations vie for recognition based on their environmental achievements.
- **Providing Input to Global Stock-taking Processes:** A holistic view of global efforts can be ascertained by amalgamating data and insights gathered at both the national and corporate levels. Such aggregated information is pivotal in understanding and quantifying collective strides toward reducing plastic pollution.

These measures and guidelines encapsulate a comprehensive approach toward building a sustainable and circular economic model, which can foster reuse delivery systems. Through collaborations, legislative support, and public awareness initiatives, nations can inch closer to creating an ecosystem where plastic reuse is not just a choice but a norm.

Carbon Border Adjustment Mechanisms (CBAM) for Plastics: Charting a Globally Inclusive Pathway

Extending the Carbon Border Adjustment Mechanism (CBAM) to plastics is a promising avenue for reducing plastic pollution and fostering global decarbonisation. However, crafting this extension requires meticulous attention to detail to ensure a fair transition for developing nations. Aligning the implementation of a CBAM for plastics with WTO principles necessitates a comprehensive and multifaceted strategy. This strategy must be firmly rooted in the principles of non-discrimination, ensuring that all nations are treated equitably in the global effort to minimise the environmental impact of plastics.

The global environmental conundrum, intensified by the widespread usage of plastics, requires solutions that transcend borders. A tentative holistic approach that serves this purpose could be the adaptation of the CBAM for plastics. The initiative begins with a **Life Cycle Analysis (LCA)**. An LCA uncovers hidden environmental repercussions by tracing a plastic bottle's journey, from its creation in a factory in one country to its disposal in a landfill in another. The European Union's push for LCAs in product labelling demonstrates the potential for informed consumer choices based on such analyses.

Centralising the strategy is the process of **Benchmarking Emissions**. Establishing a uniform pollution metric reminiscent – for example – of the European Union's (EU) emission standards or other recognised standards ensures plastic products from all corners of the globe are evaluated against a common benchmark. However, with globalisation reshaping economies, assessing the Plastic Footprint of International Trade is imperative. For

example, a plastic toy manufactured in Vietnam but sold in Canada might have hidden plastic pollution costs associated with its lifecycle. For carbon emissions, policies like California's Carbon Intensity (CI) standards underline the significance of such assessments. Why not consider the same approach for plastics?

A subsequent key measure is the **Border Tax or Adjustment**. This concept, while innovative, aligns seamlessly with the EU's recent initiatives for carbon emissions. Specifically, the EU's CBAM, slated to enter its transitional phase in October 2023, offers a comprehensive blueprint. Under this mechanism, a carbon tax will be imposed on imports of products derived from processes that are not environmentally sustainable or green. The EU's approach to CBAM is not just an environmental imperative but a move towards creating an equitable global economic landscape. Instead of letting disparities between nations' environmental standards create competitive imbalances, the EU's framework aims to ensure that the cost of environmental impacts gets integrated into the prices of goods and services, promoting sustainable production practices. In this globally connected era, the Border Tax or Adjustment underscores a profound truth: environmental issues related to carbon emissions or broader sustainability concerns like plastic pollution do not respect international boundaries. Therefore, collaborative solutions, such as the EU's CBAM, are essential. By implementing this mechanism, the EU is championing a model where every country, irrespective of its economic capacity, shoulders its due share of responsibility in preserving our global ecosystem. This adjustment makes the collective international effort more cohesive, ensuring that nations are unified in combatting environmental challenges.

Driving the circular economy's ethos forward is the **Incentivization of Reuse**. The discourse on mitigating the environmental footprint of plastics has traditionally been tethered to recycling. However, as pivotal as recycling is, there is a growing recognition that a holistic approach necessitates focusing on reuse delivery systems. These innovative strategies move beyond merely converting waste into new materials; they emphasise prolonging the lifecycle of products through systematic reuse and reimagining plastics as persistent and valuable resources. The essence of reuse delivery systems lies in their focus on the extended utility of a product.

Instead of breaking down plastic items after a singular use to create something new, reuse models advocate for the continual use of the product in its original or slightly modified form. Take, for example, the concept of refillable containers or bottles in specific industries. Once emptied, they don't head to a recycling facility but are cleaned and refilled, ready for another cycle of use. This approach reduces the need for new plastics and minimises the amount of waste introduced into landfills and the environment. Transitioning to a reuse model requires a paradigm shift in how we perceive and value plastics. Instead of disposable commodities with a short lifespan, we must start seeing them as durable assets designed for multiple life cycles. This transformative perspective can significantly diminish our environmental impact while offering sustainable solutions. Economically, the benefits of embracing reuse delivery systems are manifold. Reducing the demand for new plastics translates to savings, from raw material extraction to manufacturing.

Furthermore, reuse-centric strategies can catalyse local job opportunities, spanning collection, sanitation, and refilling processes. For these systems to gain traction and achieve scalability, proactive incentivisation by governments and industries becomes paramount. Potential incentives could range from tax reductions for companies adopting and promoting reuse models to funding for research into long-lasting plastic designs to public campaigns that shift consumer preferences towards reusable products. In summary, while recycling has been a commendable stepping stone in managing plastic waste, the future is beckoning us towards reuse delivery systems. By focusing on reusability rather than recycling, we can evolve our relationship with plastics, transforming them from potential environmental hazards into lasting, sustainable components of our daily lives.

Reinvestment of CBAM Revenue becomes the keystone for change. Much like Norway's sovereign wealth fund, which funnels oil revenues into global investments, CBAM revenues can be redirected into ground-breaking sustainability research and infrastructural advancements. Drawing inspiration from Norway's sovereign wealth fund, CBAM revenues for plastics present an analogous opportunity. Rather than just a monetary influx, these

funds can be the lifeblood of sustainability-driven endeavours. At the forefront is the immense potential to steer these revenues into research and innovation.

An ever-growing imperative is to fund exploratory projects that delve into alternative material formulations, advanced recycling methods, or even methodologies for effective microplastic extrication from our oceans. By channelling resources here, we can reimagine the material science landscape and challenge and elevate the present benchmarks of sustainable action. Parallel to this is the compelling case for infrastructural augmentation. CBAM funds could be the backbone for erecting avant-garde recycling centres proficient in curbing plastic pollutants. The vision also extends to creating eco-industrial parks, inviting industries into shared spaces where waste management and recycling function as intertwined, cohesive units.

Recognising the global landscape's economic heterogeneity, allocating a segment of CBAM revenues to buttress developing nations becomes vital. This financial support can be transformative, whether facilitating the genesis of robust plastic waste management mechanisms, nurturing local expertise, or fostering grassroots-level sustainable initiatives. Then there is the societal facet. Changing public perceptions and behaviours towards plastics necessitates impactful awareness drives. By earmarking funds for comprehensive campaigns, we can engender a societal shift, transitioning consumers towards more responsible and informed choices concerning plastic consumption. Amidst this sustainability shift, industries reliant on plastics and their extensive supply chains might encounter transient disruptions. The CBAM revenue could emerge as a beacon, offering transitional support, initiating retraining endeavours, and empowering sectors to pivot towards environmentally benign alternatives without undue economic strain. Yet, the most potent usage of these revenues lies in fostering global synergies. By allocating resources to nurture international partnerships, nations can amalgamate knowledge, best practices, and technological advancements, ensuring a magnified and synchronised impact.

Complementing this blueprint is the **Framework for a Just Transition**. At the heart of our sustainable vision for the future lies the intertwined relationship between environmental and social equity. This dual-pronged approach is encapsulated in the Framework for a Just Transition. By recognising and addressing the unique challenges posed by economic disparities, technological access, and differing operational scales, this framework sets the stage for a holistic transition to a more sustainable future. A vital component of this transition revolves around the unique challenges that entities such as Small and Medium-sized Enterprises (SMEs) face.

Often operating with limited resources and facing different challenges than large-scale enterprises, SMEs require tailored strategies that cater to their specific needs while ensuring they are included in the move toward sustainability. Drawing inspiration from the EU's SME strategy for a sustainable and digital Europe, the approach towards SMEs focuses on providing them with the tools, resources, and support needed to thrive in a green and digital marketplace. This strategy empowers SMEs to adapt to new sustainable practices and ensures their transformation is environmentally and economically beneficial. While the EU's strategy for a sustainable and digital SME landscape has been a prominent touchstone, expanding our view is crucial. Consider, for instance, the commendable efforts in countries like India, where micro, small, and medium enterprises form the backbone of the economy. The Indian government has launched various schemes, such as the Credit Guarantee Fund Scheme for SMEs, which bolsters credit delivery to these enterprises, enabling them to invest in sustainable practices. Similarly, in Kenya, the Jua Kali sector, which refers to informal micro-enterprises, has received governmental support regarding skills development and access to finance, ensuring they are equipped for a greener future. All these initiatives could be used to foster reuse delivery systems.

Yet, the transition towards a sustainable and inclusive future must be carried out in collaboration. It requires international cooperation, shared standards, and a collective vision. This is where harmonised systems come into play. Informed by standards set by globally recognised entities like the World Trade Organization (WTO), these systems offer a standardised approach to sustainability. The advantage of such harmonisation is twofold: first, it ensures that efforts made in one corner of the world are in sync with those in another, and second, it provides a universally accepted benchmark against which progress can be measured. These harmonised systems are not just about universal standards but about creating a level playing field. By adopting shared guidelines and principles,

countries and businesses can ensure their sustainable practices are recognised, valued, and rewarded in the global marketplace. This fosters a sense of unity in purpose, driving collective action towards common goals. In essence, the Framework for a Just Transition, complemented by strategic measures for SMEs and the adoption of harmonised systems, encapsulates a vision for the future that is both sustainable and inclusive. By ensuring that no entity, regardless of its size or location, is left behind, this blueprint paves the way for a global community united in its commitment to a better, greener future.

In sum, as the world grapples with environmental challenges, strategies like CBAM for plastics provide a beacon of hope. Merging collective responsibility with individual action, they herald a future of sustainability that includes all stakeholders.

Conclusion: International Trade Laws, Subsidies, and the Case of Plastic Pollution

The interplay between international trade law, environmental stewardship, and subsidies stands at a critical juncture, especially when considering the global challenge posed by plastic pollution, which is addressed in more detail by another QUNO's contribution. Historically, the evolution of subsidies has intricately woven through the tapestry of international trade regulations, reflecting a continual balancing act of multifaceted considerations.

In measures addressing international issues, subsidies have often emerged as pivotal instruments. Their inclusion in strategies targeting evolving global concerns, such as plastic pollution, underscores their dynamic utility. Drawing parallels from such precedents, one can envision subsidies' potent role in designing and executing the ILBI to curb plastic pollution. In addition, introducing revenues from the CBAM for plastics could present a novel source of funding that can further amplify the potency of these subsidies. With such financial mechanisms in place, it becomes increasingly feasible to integrate and bolster subsidies within the framework of the ILBI designed to mitigate the threats posed by plastic pollution.

While emphasising the urgency of this matter, the global community has the unique opportunity to architect ILBI provisions in tandem with existing laws and best practices. Crafting these provisions requires both substance and flexibility — substance to ensure the immediate mitigation of impending crises and flexibility to adapt to the relentless march of science and technological innovations. This dynamism will address the current plastics challenges, emergent solutions, and alternative materials that could replace or reduce our reliance on conventional plastics.

The urgency of addressing plastic pollution must be addressed. As the global community unites to delineate the contours of the ILBI, there is a significant chance to harmonise its provisions with established laws and globally recognised best practices. Crafting the ILBI's provisions is a delicate balance of ensuring immediate responses while maintaining the agility to evolve with scientific and technological advancements. The NIS play a crucial role in this context. As the foundational framework that guides individual nations in their battle against plastic pollution, NIS can bridge the global ambitions set by ILBI and the on-the-ground actions. Integrating the foresight of the ILBI with the specificity of NIS ensures that while we address the pressing challenges posed by plastics today, we're also poised to capitalise on emergent solutions and innovations that promise a sustainable future.

Inclusivity remains paramount in these discussions. The ILBI should be crafted with provisions allowing certain permissible subsidies, especially those that encourage green alternatives or bolster developing nations in their pursuit of eco-friendly options. Speaking of developing nations, special and differential treatments in the context of subsidies could provide an equitable framework, ensuring that countries, regardless of their economic status, are vested and involved in this global mission. To mitigate plastic pollution, embracing circular business models and reuse delivery systems emerges as an innovative and sustainable strategy. Moving away from the traditional

linear 'make-use-dispose' paradigm, the circular approach advocates for an eco-friendly cycle where materials are repurposed, reused, and recycled. Integral to this model, reuse delivery systems prioritise the extended utility of products, diminishing the demand for single-use plastics. These systems reduce plastic waste and usher in economic advantages by decreasing reliance on raw materials and creating sustainable business avenues.

Integrating these circular models into frameworks like the ILBI and NIS solidifies global commitment against plastic pollution. Championing such practices at both international and national tiers accentuates the necessity and viability of these models. This is further evidenced by the potential reallocation of subsidies to foster green innovations, which can significantly enhance the reach and impact of circular systems and reuse strategies.

The concept of a Just Transition is central to these endeavours for a sustainable future. This principle asserts that the shift towards environmentally resilient economies and societies should be progressive and inclusive, ensuring that all communities progress equitably irrespective of their developmental stage. Here, the differential challenges faced by nations, especially those still developing, come to the fore, emphasising the need for enabling mechanisms like subsidies and unique treatments. SMEs, often regarded as the economic backbone of any economy, are pivotal in this journey. Their agility, innovation, and community connections make them prime candidates to drive and propagate circular business models. By embedding SMEs within the ILBI and NIS frameworks, we strengthen the economic fabric and magnify ground-level actions, all while ensuring that plastic pollution becomes a challenge of the past.

Furthermore, it is crucial to ensure that the ILBI facilitates technical and financial assistance to those nations that might need it the most. Least-developed and lower-middle-income countries should not be long-suffering from a financial strain in their commitment to combat plastic pollution. This equitable approach is imperative for achieving universal buy-in and ensuring the ILBI's successful implementation. Additionally, governance and enforcement mechanisms under the ILBI need to be robust. Provisions should encompass mechanisms to arbitrate disputes and ensure compliance, fostering a climate of trust and cooperation.

In conclusion, as we move forward, particularly in the context of the forthcoming Zero Draft and subsequent discussions, the role of ILBI, NIS and Circular Models fostering reuse delivery systems must be considered. It must be front and centre, a cornerstone of our collective path forward in our crusade against plastic pollution.

^[1] OECD (2022) Global Plastics Outlook: Policy Scenarios to 2060. Available from https://www.oecd-ilibrary.org/environment/global-plastics-outlook_aa1edf33-en

^[2] World Economic Forum, Ellen MacArthur Foundation and McKinsey & Company, The New Plastics Economy: Rethinking the future of plastics (2016).

^[3] OECD (2023), "Global Plastics Outlook: Greenhouse gas emissions from plastics lifecycle - projections", OECD Environment Statistics (database), <https://doi.org/10.1787/e39547a0-en> (accessed on 11 August 2023).

^[4] The Pew Charitable Trusts and Systemiq. (2020). Breaking the Plastic Wave

^[5] Eonomia (2022): Is Net Zero Enough for the Materials Production Sector?

^[6] OECD Policy Highlights. Cost and financing for a future free from plastic leakage. Available from <https://www.oecd.org/environment/plastics/Policy-Highlights-Cost-and-financing-for-a-future-free-from-plastic-leakage.pdf>

^[7] Ellen MacArthur Foundation, Reuse – rethinking packaging (2019).

^[8] Plastic Leak Project (PLP) Available from <https://quantis.com/report/the-plastic-leak-project-guidelines/>

^[9] Ellen MacArthur Foundation, From single-use to reuse: a Priority for the UN treaty.

^[10] <https://www.bsigroup.com/en-GB/blog/food-industry-blog-news/the-role-of-packaging-and-plastics-in-sustainable-food-production/>