Proposal from the Africa Group, Chile, the Cook Islands, Dominica, Ecuador, the Federated States of Micronesia, Grenada, Nauru and Panama on Means of Implementation

Executive Summary

❖ A dedicated Multilateral Fund should be the principal international vehicle for providing support to developing countries for implementing their treaty obligations.

❖ This support should include direct financial support for implementation as well as robust support for capacity building and technology transfer.

❖ The Multilateral Fund should provide this support on a grant basis both for enabling activities and for the incremental costs of compliance.

❖ The Multilateral Fund should function under the guidance and authority of the Conference of the Parties.

❖ The Multilateral Fund should be administered by an Executive Committee consisting of an equal number of representatives of donor and recipient countries.

❖ The Multilateral Fund should be replenished on a regular basis to ensure that financial support is adequate, new, stable, predictable and timely.

❖ Additional and complementary financial support may be necessary, including, for example, for specialized project finance or additional remediation activities.

Means of Implementation

Ending plastic pollution worldwide will require robust support to developing countries, including provision of means of implementation for control measures and related activities through a dedicated fund, as well as additional support from other complementary sources.

A financial mechanism that includes a dedicated fund should provide the principal international vehicle for supporting finance, technology transfer and development, capacity building, and technical assistance to countries that need such support to effectively implement the new instrument. This mechanism should promote and facilitate the provision of adequate, accessible, new, stable, predictable and timely financial assistance on a grant basis for both enabling activities and for agreed incremental costs of compliance. In addition, access to concessional finance should also be made available for other costs, either directly under the dedicated Multilateral Fund or via other multilateral financial institutions, avoiding duplication and ensuring complementarity and coherence.
Financial Mechanism (including a dedicated Multilateral Fund)

The plastics instrument should establish a financial mechanism that includes:

A dedicated Multilateral Fund—to provide the necessary financial resources to eligible countries in order to meet their commitments under the instrument. The Multilateral Fund should be the principal international vehicle for providing financial assistance to recipient countries, on a grant basis, for enabling activities, and for the incremental costs of compliance, taking into consideration the special circumstances of Small Island Developing States and Least Developed Countries.

The Conference of the Parties may also consider the possibility of establishing or utilizing additional funds, as part of the financial mechanism, to support the implementation of control measures and/or to finance rehabilitation and ecological restoration of specific ecosystems.

Enabling activities may include:

- Institutional strengthening, namely support for plastics officers similar to the ozone officers under the Montreal Protocol;
- Policy development and implementation, such as preparation of country programmes or national plans;
- Education and awareness raising;
- Capacity-building and training, in coordination with other relevant initiatives;
- Technology Transfer;
- Reporting and monitoring; and
- Pilot and demonstration projects.

Incremental costs of compliance include those costs related to control measures, such as incremental capital and operating costs, subject to cost guidelines.

Explicit reference to “enabling activities” and “incremental costs of compliance” should be included in the instrument’s article on the financial aspects, and an indicative list of such activities and costs should be developed as part of the instrument’s overall negotiated package to be adopted at the first session of the Conference of the Parties.

Governance of the Mechanism and its Multilateral Fund

The Multilateral Fund should function under the guidance and authority of the Conference of the Parties and should be accountable thereto. It should be administered by an Executive Committee consisting of an equal number of representatives of donor and recipient countries, reflecting a geographic and gender balance.

The Executive Committee should consider, inter alia,

a. The assessment of the needs of the Parties, in particular developing country Parties;
b. The availability and timely disbursement of funds;
c. The transparency of decision-making and management processes concerning fundraising and allocations;
d. The accountability of the recipient developing country Parties with respect to the agreed use of funds.

The Executive Committee should be supported by a Secretariat of professional staff responsible for managing the day-to-day operation of the fund. The Secretariat should be supported by the Fund and should report to the Executive Committee. The work of the Secretariat should include, inter alia: developing plans and budgets, reviewing project applications, organizing meetings, disbursing financing, and overseeing implementation.

The Conference of the Parties shall consider the reports and recommendations of the Executive Committee and take appropriate action.

The Conference of the Parties shall, in addition, undertake a periodic review of the financial mechanism to assess the adequacy, effectiveness and accessibility of financial resources, including for the delivery of capacity building and technology transfer and development to or in developing country Parties.

**Regular, Periodical Replenishment of the Multilateral Fund**

The Multilateral Fund shall be replenished on a regular basis, e.g. triennially or quadrennially, through contributions that are measurable, reportable and verifiable. Contributions should be based on a scale of assessment with bilateral cooperation counting up to a certain percentage. Donor countries would replenish the Multilateral Fund as agreed by the Conference of Parties, based at least in part upon needs assessments undertaken by a subsidiary body established under the instrument. The subsidiary body would report directly to the Conference of the Parties needs assessments for supporting recipient countries in meeting their core obligations and control measures during the upcoming replenishment period.

**Additional and Complementary Means of Implementation**

In addition to core financial assistance provided by the Multilateral Fund, countries may require additional support or means of implementation for any costs not supported by the Multilateral Fund. This support could be on a grant or concessional basis, as appropriate.

Such financial assistance would complement, but would not be a substitute for, the financial and technical assistance provided under the Multilateral Fund. Further avenues for additional means of implementation should also be promoted within national programmes or national plans. This complementary support could include the use of existing funds, extended producer responsibility schemes, specialized sectoral arrangements and/or newly established polluters' fees or levies.