Elements not discussed at INC-2

WBCSD welcomes the opportunity to make a submission prior to INC-3. We have focused this contribution on the Implementation elements, specifically on embedding a corporate accountability system for plastic pollution in the International Legally Binding Instrument (ILBI) to end plastic pollution.

Additional considerations

Proposed inputs:

Transparency, consistency and accountability are imperative for tracking progress on the goal of ending plastic pollution and protecting the environment and human health.

- The ILBI should include provisions to require the development of a robust accountability system with globally harmonized disclosure obligations and reporting standards, enhance the transparency of public and private sector actors and monitor their progress and compliance.

More specifically, the ILBI could include:

- A provision to require an aggregation mechanism tracking corporate progress on commitments to plastic pollution reduction and how this progress might contribute to fulfilling new global plastic pollution reduction targets or national plastic waste reduction plans set by governments.
- A provision to set up a Corporate Accountability Council for Plastic Pollution.

These elements could be added in the following potential option for element towards an ILBI to end plastic pollution: Implementation measures (D) – Compliance (3): Establishment, in the body of the instrument, of a mechanism consisting of a committee to facilitate implementation and promote compliance with the provisions of the instrument. The governing body can be mandated to develop modalities and procedures for the operation of the mechanism (32 (a)).

The approach for monitoring and disclosure can build on Sustainable Development Goal (SDG) 12.6 (Encourage companies to adopt sustainable practices and sustainability reporting) as well as target 15 of the Kunming-Montreal Global Biodiversity Framework.

Explanatory text:

A corporate accountability system consists of four phases that frame the journey for companies to end plastic pollution and transition to a circular economy for plastics:

1. Set an ambition for the transition to comply with the ILBI/plastics-specific science-based targets;
2. Translate the target into a plastic pollution action plan for implementation at the company level;
3. Derive accurate plastic pollution reduction accounting metrics (in line with agreed treaty goals) over time through an accounting mechanism for plastic pollution;
4. Disclose the metrics externally through a global baseline reporting framework for accountability (reporting and disclosure).

To avoid an increasing reporting burden on companies, the ILBI provides the opportunity to develop a standardized framework for reporting and disclosure on plastic pollution that would allow companies to focus corporate time, energy and resources to compete on performance and not on methodologies.

Such an accountability system would make it easier for governments, investors, civil society, suppliers and consumers to assess the credibility of corporate commitments and actions to end plastic pollution and transition to a circular economy for plastics. It would also provide a platform for leading companies to confidently show their progress on the agreed ILBI targets to end plastic pollution / comply with the ILBI.

The ILBI should include provisions to require the development of a robust accountability system with globally harmonized disclosure obligations and reporting standards, enhance the transparency of public and private sector actors and monitor their progress and compliance. And more specifically:

- **A provision to require an aggregation mechanism tracking corporate progress** on commitments to plastic pollution reduction and how this progress might contribute to fulfilling new global plastic pollution reduction targets or national plastic waste reduction plans set by governments.

  On the disclosure side, it would be important to build on existing efforts such the Ellen McArthur Foundation Global Commitment, WWF’s ReSource: Plastic and CDP to develop a globally aggregated mechanism that adequately tracks corporate progress on the commitments to plastic pollution reduction already made and – importantly – how this corporate progress might contribute to fulfilling new global plastic pollution reduction targets or national plastic waste reduction plans set by governments, both of which will likely emerge from the INC process as key aspects of the new ILBI.

  If there were such a mechanism to (i) track corporate progress on commitments and targets for plastic pollution reduction (ii) independently verify this progress and (iii) link it to the global and national targets for ending plastic pollution related to the ILBI, this could usefully drive ambition and inform society on the progress that the treaty will have in the coming decade. Importantly this can also enable the inclusion of aggregate corporate contributions to any global stock-taking process (at both national and global levels), such that the treaty secretariat can assess how business is contributing to the world's collective progress on reducing plastic waste

- **A provision to set up a Corporate Accountability Council for Plastic Pollution.**

  A corporate Accountability Council for Plastic Pollution would be an informal body with a common secretariat responsible for coordinating and harmonizing the different aspects and organizations active throughout the plastic pollution accountability system, including target-
setting, accounting, reporting and disclosure organizations. It could draw from the various boards that currently provide oversight of different aspects of the circularity/plastics accounting system as well as expertise from the plastics and circularity sectors, with a strong focus on ensuring a seamless and harmonized user experience for businesses and other actors that require its combined services.

A Corporate Accountability Council for Plastic Pollution could also provide coordinated engagement with regulators and policymakers, such as the International Sustainability Standards Board (ISSB), US Securities and Exchange Commission (SEC), European Financial Reporting Advisory Group (EFRAG) and others, to ensure alignment with and harmonization in the application of accounting standards, target-setting and reporting processes across jurisdictions into one global baseline. This would help prevent fragmentation and ensure harmonization in the system.