**ICC Business Priorities for conclusion of an effective International Legally Binding Instrument To End Plastic Pollution**

**Introduction**

The International Chamber of Commerce (ICC), as institutional representative of 45 million companies of all sizes and sectors, in 170 countries, remains resolutely and squarely behind global efforts to secure an ambitious, workable, effective and inclusive agreement by the end of 2024 - one that rallies all actors of society, including the business community, in the collective charge to end plastic pollution.

We stand at a critical juncture in the process with only one negotiating session left to conclude an agreement. Whilst some progress was made at [INC-4](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.unep.org%2Finc-plastic-pollution%2Fsession-4&data=05%7C02%7CMariaClara.FRANCA%40iccwbo.org%7Cdd4c15b2dec344ebdc8708dc759f7427%7Cc541a3c6520b49ce82202228ac7c3626%7C0%7C0%7C638514574912100208%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=PygeeageVkjiozNoEgcLdyBoMUuaK0414wUpggszKMg%3D&reserved=0), much work still remains to be done to conclude an agreement by the end of the year. The intersessional work will be essential to build common ground on critical path issues and set the conditions for success at [INC-5](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.unep.org%2Finc-plastic-pollution%2Fsession-5&data=05%7C02%7CMariaClara.FRANCA%40iccwbo.org%7Cdd4c15b2dec344ebdc8708dc759f7427%7Cc541a3c6520b49ce82202228ac7c3626%7C0%7C0%7C638514574912131556%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=RokVoWUsG5YRJizLcjp7Jz1SjCsW74XWVYxWqAiSoy0%3D&reserved=0). The first in-person experts group meeting scheduled to take place in Bangkok from 24-28 August, will be a key milestone on the road to Busan for INC-5.

In this regard, ICC, on behalf of the global business community, would like to outline some key priorities for an effective agreement, for consideration by Member States as they deliberate on the key elements of the future treaty.

**Business priorities for an effective global plastics treaty**

ICC highlights the following specific key priorities which we believe should be reflected in the future instrument, which are informed and guided by the mandate of UNEA Resolution 5/14. These priorities are considered as core elements that could form the basis of the agreement established at INC-5, which could be further strengthened over time. These priorities reflect perspectives from member companies and experts from sectors across the plastics value chain, as well as from across jurisdictions in the five global regions.

**1. Focus on addressing [problematic and avoidable] plastic applications/products**

*UNEA Resolution 5/14, Paragraph 3 (e)*

*“To promote national action plans to work towards the prevention, reduction and*

*elimination of plastic pollution, and to support regional and international cooperation”*

* The provisions of the treaty should **address as a priority, plastic products and applications, including single-use plastics,** with a high risk of leakage to the environment that hamper an effective circular economy for plastics, taking into account local contexts. Any measures must be underpinned by **evidence-based criteria** with an application-based approach, taking into account local contexts and consideration of life-cycle assessments.
* Plastic products and applications with a high risk leak of leakage to the environment, including short-lived and single-use plastics, should be prioritized for elimination, should it not be possible to implement circular practices.

**2. Engrain circular approaches at the heart of the instrument**

*UNEA Resolution 5/14, Paragraph 3 (b)*

*“To promote sustainable production and consumption of plastics through, among other things, product design and environmentally sound waste management, including through resource efficiency and circular economy approaches”*

*UNEA Resolution 5/14, Main section*

*“Underlining the importance of promoting sustainable design of products and materials so that they can be reused, remanufactured or recycled and therefore retained in the economy for as long as possible, along with the resources they are made of, and of minimizing the generation of waste, which can significantly contribute to sustainable production and consumption of plastics”*

With broad support for circular approaches, there is a clear opportunity to align on mechanisms that **enhance circularity** across the entire plastics lifecycle. Key priorities should include **harmonized principles and standards for product design, reduction, reuse/refill, and repair**, as well as effective financing of waste management infrastructure, which can include well-designed  **Extended Producer Responsibility (EPR) schemes**, at the national or sub-national level, that take into account different national and subnational priorities. Developing and expanding access **to waste management infrastructure** will also be crucial, with a particular focus on supporting **developing countries**.

Precisely, for an effective and workable treaty provisions should focus on:

* **Product Design**

Global design standards that can be applied at a national level will be key to ensuring plastics can be reused and recycled.[[1]](#footnote-2)

* Providing **harmonised principles, standards and definitions for reuse, repair** and  **recycling** can help strengthen global coordination, ensure mutual understanding and interoperability, and accelerate the transition to a more circular economy for plastic.
* The treaty could provide guidance on **sustainability-by-design approaches** that enable innovations in product delivery and packaging formats to reduce waste and increase recyclability and recoverability.
* **Leveraging the work of international standards setting bodies** will be helpful to ensure greater coherence and complementarity, in particular with respect to identification of relevant sector or product-specific requirements and design standards.
* **Reuse/refill**

All design for circularity and reuse/refill obligations should be sector specific, and consider the unique challenges and solutions found in each sector.

* The future instrument will need to guide the development of **coordinated approaches** through necessary **shared infrastructure solutions** and frameworks to **enable harmonisation, cooperation and active participation across value chains**.
* The treaty provisions should create a supportive environment, taking into account **local socio-economic contexts**, for the growth of design for circularity and reuse/refill, such as more consumer education on refill and reuse systems and incentives.[[2]](#footnote-3)
* **Waste management**

Addressing plastic waste in the environment by developing and expanding **access to waste management infrastructure** will be critical, particularly with focus on **developing countries.** The agreement should also outline **actions to address plastics that are not currently managed in an environmentally sound manner at their end of life**.

In this context,

* Strengthening waste management will be an essential element in promoting a circular economy for plastics and creating access to environmentally sound waste management. The future instrument must address existing plastic pollution including measures to remediate plastic pollution in the environment, address legacy waste, as well as potential options for sector/context-specific measures. **Promoting EPR** as a useful tool to enhance and enable recycling infrastructure could also be considered.
* Measures across the plastics value chain are crucial, including **addressing plastic waste and marine litter**, as well as promoting **effective end-of life management** through improved collection, sorting and recycling systems to minimise waste and remediate pollution.
* The future instrument could incorporate **action plans and enabling policies** with **harmonised indicators** for the developing nationally determined collection and recycling targets, as well as goals for reducing plastic waste. Drawing from existing standards and guidelines, such as the Basel Technical Guidelines for the identification of environmentally sound management of plastic waste, will be useful to foster greater harmonization and avoid the risk of duplication.
* Supporting the **efficient use of resources with a technology- and material-neutral approach** to collection, sorting and recycling will also be important to consider. Measures to **increase the demand and use of recycled plastic**, such as public procurement measures, recycled content targets or providing financial incentives to promote the secondary feedstock market should also be considered.
* **Extended producer responsibility (EPR)** systems, if developed and implemented effectively, can be a useful policy tool to improve the efficiency of existing systems.
* In order to be successful, EPR schemes should have a **clearly defined scope** as part of a comprehensive waste policy framework.
* Establishing **key principles** for effective implementation of EPR systems will be helpful. A **harmonised approach across EPR schemes** **applied across geographies** can facilitate the creation of markets for circular, sustainable products, **avoiding undue administrative burden** and barriers for companies.
* While ICC encourages countries to put in place effective EPR schemes at national or sub-national level over time, **ICC notes that there is no “one-size-fits-all" solution**. EPR instruments most appropriate to a specific region/country, should take into consideration market conditions, national capabilities and circumstances for effective design and implementation.
* **Revenues from EPR must be used solely to achieve the stated goals of the EPR system for the products and materials in scope** and have an **appropriate structure** (e.g. transparent, audited) integrating the role of and impact on businesses and including several stakeholders, i.e. local municipalities, businesses, consumers, citizens and households to promote inclusive collaboration.
* It is also important to consider the important role of the informal waste sector. In many markets, waste pickers play an essential role in collecting, sorting and supporting the reuse and recycling of plastic waste. Recognizing these groups, particularly in markets where the informal waste sector is prevalent, would strengthen the treaty's inclusivity and effectiveness.

**3. Promote the role of innovation as a key enabler in achieving the objectives of the instrument**

*UNEA Resolution 5/14, Paragraph 3 (o)*

*“To promote research into and development of sustainable, affordable, innovative and cost-efficient approaches”*

The instrument should be **a key enabler of the development and deployment of breakthrough and existing technologies**. It is important that the future instrument promotes the development of emerging and alternative innovative technological solutions for the reduction and environmentally sound management of plastics through their life cycle, including leaked plastic. ICC underscores the need for governments to set **clear standards** that provide the goalposts against which companies can innovate, for example with respect to product design and performance, or environmentally sound waste management.

ICC also calls for **strengthened provisions recognising the need to support new innovative technologies** to help drive action at all levels across the value chain towards a plastic pollution free economy. This is particularly important as many of these technologies are still at a relatively early stage of development and require supportive enabling frameworks to be deployed at scale. Some relevant elements to provide guidance on the importance and role of innovation to the future treaty are:

* As **the private sector will play a critical role in implementing the instrument’s objectives**, it will be key to adopt **policies and incentives** that enable and encourage additional private sector financing, and to create the right conditions for business to invest and innovate, including in developing countries.
* It will be useful to **strengthen measures to support investment in scalable innovative technologies across the plastics economy;** and **particularly for MSMEs** that will be key drivers for an economy-wide transition to a circular economy for plastics.
* The future instrument should enable implementation of a wide range of solutions to **tackle countries’ respective waste challenges**.

**4. Establish effective means of implementation for the real economy**

*UNEA resolution 5/14*

*3 (l) To encourage action by all stakeholders, including the private sector, and to promote cooperation at the local, national, regional and global levels;*

*(n) To specify arrangements for capacity-building and technical assistance, technology transfer on mutually agreed terms, and financial assistance, recognizing that the effective implementation of some legal obligations under the instrument will depend on the availability of capacity-building and adequate financial and technical assistance;*

*(p) To address compliance;*

*4. Also decides that the intergovernmental negotiating committee, in its deliberations on the instrument, is to consider the following:*

*(a) Obligations, measures and voluntary approaches in supporting the achievement of the objectives of the instrument;*

*(b) The need for a financial mechanism to support the implementation of the instrument, including the option of a dedicated multilateral fund;*

*(c) Flexibility that some provisions could allow countries discretion in the implementation of their commitments, taking into account their national circumstances;*

The future instrument should set **a clear and effective pathway for businesses to implement
the treaty.** An agreement that takes into account **country-specific circumstances**, priorities and needs**, in particular those of MSMEs**, the lynchpin of the global economy, will be more effective in driving global business action and innovation to end plastic pollution.

In the immediate term, **a mix of complementary measures is required, that will be comprised of mandatory and voluntary elements**, as well as include procedures to adapt these elements over time to help strengthen objectives and targets.

Whilst ICC is fully supportive of ambitious action to end plastic pollution, **ICC reiterates the importance of an instrument that is both effective and implementable for all countries and stakeholders** in driving global action to meet the common objective of the instrument.

* **Financial resources, technology development and transfer and capacity building**
* **Clear financing plans, policies and incentives** that can spur innovation and investment must be at the core of the treaty.
* The future instrument must establish effective means of implementation, particularly regarding **financial resources**, **technology development and transfer**, and **capacity‐building**. This should **draw from existing systems** while considering **local contexts** and the needs and priorities of developing countries. In particular, priority should be given to transforming unmanaged landfills in developing countries, into managed landfills, in order to reduce a significant source of leakage into the environment.[[3]](#footnote-4)
* Given the **limited capacity of MSMEs**, the instrument should incorporate sufficient **flexibility and necessary support**, including phased implementation, access to **sustainable finance**, and dedicated/simplified funding mechanisms, supported by clear communications at national level.
* **Strengthening global public-private partnerships** will be essential to mobilise resources and address the social, economic and environmental dimensions of transitioning to a circular, plastics waste-free economy. This includes reinforcing coherence across diverse funding mechanisms, identifying new and innovative funding sources, enhancing governance and accountability, and aligning all public and private financial flows to incentivise market behaviour and investments in circular and sustainable products.
* The instrument must establish an **effective monitoring and reporting system**, providing **built-in flexibility for developing countries and MSMEs** based on their capacities, including capacity-building to improve reporting over time.
* **A smart mix of legally binding and voluntary elements will be key, considering national actions plans as key mechanisms for effective implementation**
* The future legally binding instrument on plastics should **provide harmonised rules and measures to strengthen global coordination and implementation**. The treaty provisions can help drive harmonisation across countries and support effective implementation by providing common definitions, principles, standards and guidelines, as relevant, for application at national level. This includes coherent policy frameworks that will provide incentives and support action for all businesses.
* A **smart mix of legally binding and voluntary elements** will be important for effective implementation, as well as **national action plans that take into account country-specific circumstances, priorities and needs**.
* The instrument should set a **workable pathway for all actors,** leaving no-one behind in the collective charge to end plastic pollution.
* A **common framework for national action plans** will be key to help countries translate the provisions into clear national targets and action plans, including business’ contributions.
1. E*xisting voluntary industry guidelines, such as the Consumer Goods Forum Golden Design Rules or the Association of Plastics Recycles Design Guidelines could be useful references to consider.* [↑](#footnote-ref-2)
2. *The principles developed by the Ellen MacArthur Foundation (Global Commitments) related to a circular economy for plastics could serve as a useful guide in this regard.*  [↑](#footnote-ref-3)
3. See Pew Breaking the Plastic Wave p.115 “According to World Bank data, only 4 per cent of collected plastic in this income group is managed in a way that it does not leak. Increasing this share to 50 per cent by 2040, largely by replacing dumpsites with managed landfills, can reduce vast amounts of plastic leakage to the ocean.” [↑](#footnote-ref-4)