



Comments on Zero Draft of the Ministerial Declaration for a Potential MC13 Outcome

Dialogue on Plastic Pollution and Environmentally sustainable plastics trade with specific focus on principles, plastic subsidies, labelling and reuse.

26 June 2023

Dear Excellencies,

We thank you for the opportunity to comment on the Zero Draft — Elements for a Potential MC13 Outcome document. We think it provides a very good starting point for an eventual Ministerial Statement. Our feedback aims to enhance the Dialogue on Plastic Pollution, drawing on the state of the literature and recognizing plastic pollution as a social justice concern.

Our comments reflect the Quaker United Nations Office's collective understanding of this issue, emphasizing in particular upstream measures like subsidy reform, and advocating for financial mechanisms to curtail market incentives encouraging plastic use.

Moreover, we propose investigating how to improve the transparency of product labelling and applying the Polluter Pays Principle to plastic products, including through strengthening extended producer responsibility and deposit-return schemes. We emphasise also the importance of adopting and scaling up new delivery (i.e., re-use) systems to address plastic pollution, which has strong linkages with international trade.

We thank you again for this opportunity and look forward to engaging in constructive dialogue on these recommendations.

General comments:

As general comments, we would like to highlight several areas that, we believe, require your attention:

1) Acknowledge the necessity to address the role of subsidies in driving the production and over-consumption of plastics. Facilities involved in the production of fossil-fuel-derived polymers or products made from plastics benefit from concessional public financing, petrochemical feedstocks that are priced below their export or import parity price, and electricity and fossil fuels priced below their full cost. In some WTO members, such facilities also benefit from various sub-national investment incentives, such as tax breaks. Such

government support both reduces the cost of producing plastics, and likely contributes to making plastic products more competitive with alternatives.

2) Provide a holistic perspective on plastic pollution and social justice: While the Zero Draft document acknowledges the environmental and health impacts of plastic pollution, especially in vulnerable economies and Small Island Developing States (SIDS), there is a need to expand this perspective. It is important to emphasize the social implications of plastic pollution by explicitly acknowledging that plastic pollution affects different segments of society differently, based on variables like gender, age, and socio-economic status.

3) Enhance the clarity of the language on waste management: The Zero Draft document, in its current form, leaves room for interpretation with the clause "appropriate to local development circumstances and needs" in the context of waste management. This language could potentially create ambiguities for exporters and importers. Accordingly, we recommend that the document provide more clarity on how the types of plastic that cannot be adequately managed in the importing country should be dealt with. It would be helpful, for example, to provide guidance on whether, how, and under what circumstances, members should be required to take back the plastics they export, either for re-use, recycling, or disposal. Such guidance would contribute to more effective and responsible waste management internationally.

4) Improve transparency through better labelling: The Zero Draft document outlines the need to better categorize and mark plastics traded internationally, so as to ensure efficient tracking and management of plastic waste. Such a marking could be in the form of a machine-readable digital code, indicating the polymer type(s), key additives, and country of manufacture. To make this approach more effective, it would be beneficial to extend this requirement to the manufacturer of the final plastic product (e.g., PET bottle). Mandating the display of key information on every plastic good at the source would greatly aid in the tracking of plastic goods across their life cycle and their management, including plastic waste exported to vulnerable members and waste recovered from marine environments.

5) Emphasize the role of EPR, DRS, and the Polluter Pays Principle: The Zero Draft document recognizes the urgency of efficient waste management and sustainability initiatives but could benefit from a stronger emphasis on the Polluter Pays Principle (PPP), extended producer responsibility (EPR), and deposit-refund systems (DRS). These principles promote producers' accountability for the end-of-life of their products and foster significant contributions to pollution prevention, climate targets achievement, and energy and resource use reduction. Moreover, they also carry potential benefits for small and medium-sized enterprises (SMEs) and local communities.

Tremendous potential can be unlocked by reinforcing the principles of EPR, DRS, and the PPP on a global scale. For instance, recent estimates suggest that scaling up re-use systems in Europe by just 20% in three promising product groups (take-away food and beverages, e-commerce, and household care products) by 2027 would reduce CO₂-equivalent emissions by 1.3 million tonnes, save nearly 2.5 billion cubic metres of water, and use 10 million fewer tonnes of materials annually. If these systems were scaled up 50% by 2030, their corresponding

reductions would be 3.7 million tonnes of CO2-equivalent emissions, 10 billion cubic metres of water, and nearly 23 million tonnes of materials.

Proposed amendments

Considering the points raised in the general comments section, we recommend the following changes and additions to the text of the draft ministerial declaration:

Recommendations based on our General Comment #1:

*Proposed changes for the existing section on **priorities** as follows:*

- “Promote transparency and understanding of trade flows, **[and subsidies,]** across the full life cycle of plastics, including flows of plastics embedded in or associated with internationally traded goods.”

Background: A major gap in understanding of the cross-border movement of plastics is that related to packaging (i.e., not part of the traded goods itself). Examples of such packaging include expanded polystyrene, which is used to protect transported goods from shocks, and plastic film wrappings used to protect the goods or their cardboard containers from water damage. Direct measurement of such international flows is impractical. However, Ministers could propose a project to estimate these flows through statistical sampling. Such a project would require the co-operation of customs authorities and importers, and would likely need to be conducted by several inter-governmental organizations in coordination. But the information obtained from such a study would help complete the international community’s currently incomplete picture of how much plastic crosses international borders.

Background: Achieving the goals of reducing pollution from plastics is undermined as long as subsidies are provided along the plastics value chain. If such subsidies are not ended, the production and consumption of plastics and products made from them will be incentivised. The WTO and the INC process should address the issue of phasing out subsidies relevant to plastics in a coordinated way, starting with an investigation into how the WTO could improve members’ notifications of subsidies to the production and consumption of plastics.

Recommendations based on our General Comment #2

Under the "Preamble" section, the existing clause begins with "Acknowledging the impact that plastic pollution has on the environment ..." could be revised to better address social-justice aspects:

Revised text:

- "Acknowledging the complex impact of plastic pollution, which extends beyond environmental harm—including marine, terrestrial, and airborne ecosystems—to encompass socio-economic and gender-specific implications, particularly for vulnerable economies and Small Island Developing States (SIDS);
- "Recognizing the differential burdens borne by marginalized communities, women, children, and the economically disadvantaged, and underscoring the necessity for solutions that redress these disparities."

We recommend that a new bullet point be added under "Highlight priorities on which members agree to cooperate as a next step" section to capture social-justice and human-rights perspectives more comprehensively:

New bullet point:

- "Promote trade-related policies that address the social impacts of plastic pollution. This could include measures to protect marginalized and low-income communities more exposed to plastic waste, gender-responsive policies for women in waste-management roles, child protection in waste-collection areas, and job creation in the formal waste-management sector."

Recommendations based on our General Comment #3

In the section "Highlight priorities on which members agree to cooperate as a next step", the clause that commences with "Promote trade in goods and services, including access to transfer, and uptake of technologies, for environmentally sound waste management..." could be further detailed:

Revised text:

- "Promote trade in, and improved access to, goods and services necessary for environmentally sound waste management (collecting, sorting, recycling) and clean-up. In the interests of transparency and better decision-making, the specific types of plastic waste, their recyclability, and the capacity of the importing member to manage them should be clearly identified and documented in all transactions."

Recommendations based on our General Comment #4

In the "Highlight priorities on which members agree to cooperate as a next step" section, we recommend that the bullet point beginning with "Promote transparency and understanding of trade flows..." could include more detail:

Revised bullet point:

- "Promote transparency and understanding of trade flows across the full life cycle of plastics, including flows of plastics embedded in or associated with internationally traded goods. "

Furthermore, new bullet points could be added in the same section:

- "Encourage an internationally recognized standardizing body or bodies to develop and implement a more comprehensive classification system for plastic waste types. The aim of such a classification system should be to facilitate better understanding of the handling, treatment, and disposal requirements of various types of plastic waste, and improve its traceability.
- Encourage members to implement labelling or stamping systems in line with such internationally recognized standards. These should clearly indicate, at a minimum, the polymer type(s), major additives used, and country of manufacture of plastic goods, which would allow for the efficient sorting, recycling, or safe disposal methods based on the respective capabilities of members."

Recommendations based on our General Comment #5

In the "Highlight priorities on which members agree to cooperate as a next step" section, the following additions and revisions are proposed:

Revised text:

- "Promote the principles of extended producer responsibility (EPR) whereby manufacturers contribute financially to the proper end-of-life management of the products they put on the market, including waste-prevention and re-use initiatives."

Additional Bullet Point:

- "Encourages members to implement deposit-refund systems (DRS) as a supplementary tool to EPR to increase collection rates, reduce littering, and incentivize re-use systems. By providing consumers with incentives to return products, DRS facilitates the necessary physical movement of plastic waste between consumers and producers, promoting an effective EPR policy."

In the "Guidance for future work" section, we suggest the following additions:

New bullet points:

- "Commit to further exploration of EPR and DRS systems, seeking to improve and expand upon these initiatives to effectively combat plastic pollution and promote circularity based on the hierarchical waste management principles."

- “Explore how an internationally agreed system of taxes on plastics could be developed and applied that is consistent with WTO principles.”
- "Establish clear definitions and parameters for the scope of EPR and DRS within the context of other environmental and trade-related policies to avoid potential “double coverage” or unintended substitution effects. Policies should consider specifying scope based on product groups to avoid possible substitution effects."

For further clarity, and to strength the level of ambition, we recommend the following changes and additions to the text of the draft ministerial declaration:

- *First bullet on page 1:* “The close cooperation between the Dialogue and the World Customs Organization (WCO), including through our 2022 Communication to the WCO to improve transparency and data of trade flows across the **[full]** life cycle of plastics ...”
- “Promote trade-related cooperation to effectively implement the disciplines, in accordance with the legal instrument adopted in **[the Intergovernmental Negotiating Committee (INC) to develop an international legally binding instrument on plastic pollution, including in the marine environment]**, including those relating to trade in unnecessary or harmful plastics and plastic products.”
- “Promote trade-related cooperation to effectively implement the disciplines, in accordance with the legal instrument adopted **[by]** (replace “in”) the INC, relating to trade in primary plastics, additives, plastics products, items and wastes.”
- “**[Identify and reduce barriers to]** (replace “Promote”) trade in goods and services that contribute to ending plastic pollution and results in safe circularity, including trade in environmentally sustainable and effective non-plastic substitutes, alternatives and re-use systems, with a focus on those of importance to developing and least developed members, including SIDS, and opportunities for MSMEs.”
- “**[Identify and reduce barriers to]** (replace “Promote”) trade in goods and services, including **[those that inhibit the]** access to (remove “transfer”)and **[the]** uptake of technologies, for environmentally sound waste management (collecting, sorting, recycling) and clean up, appropriate to local development circumstances and needs.”
- “Encourage efforts **[or]** (replace “/”) commitments by a range of co-sponsors to foster and implement collective actions in this respect and welcome those individual and collective efforts already announced.”

Sincerely,

Andres Naranjo,
Programme Associate,
Sustainable and Just Economic Systems

Ronald Steenblik,
Senior Technical Advisor,
Sustainable and Just Economic Systems