



HOW THE UN'S PLASTIC WASTE TREATY WILL TRANSFORM THE PLASTICS INDUSTRY



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The UN Environment Assembly (UNEA) adopts a resolution to create a legally binding treaty to end plastic pollution.

AGENDA

01 | Introduction

02 | What happened at INC-5?

03 | Outlook

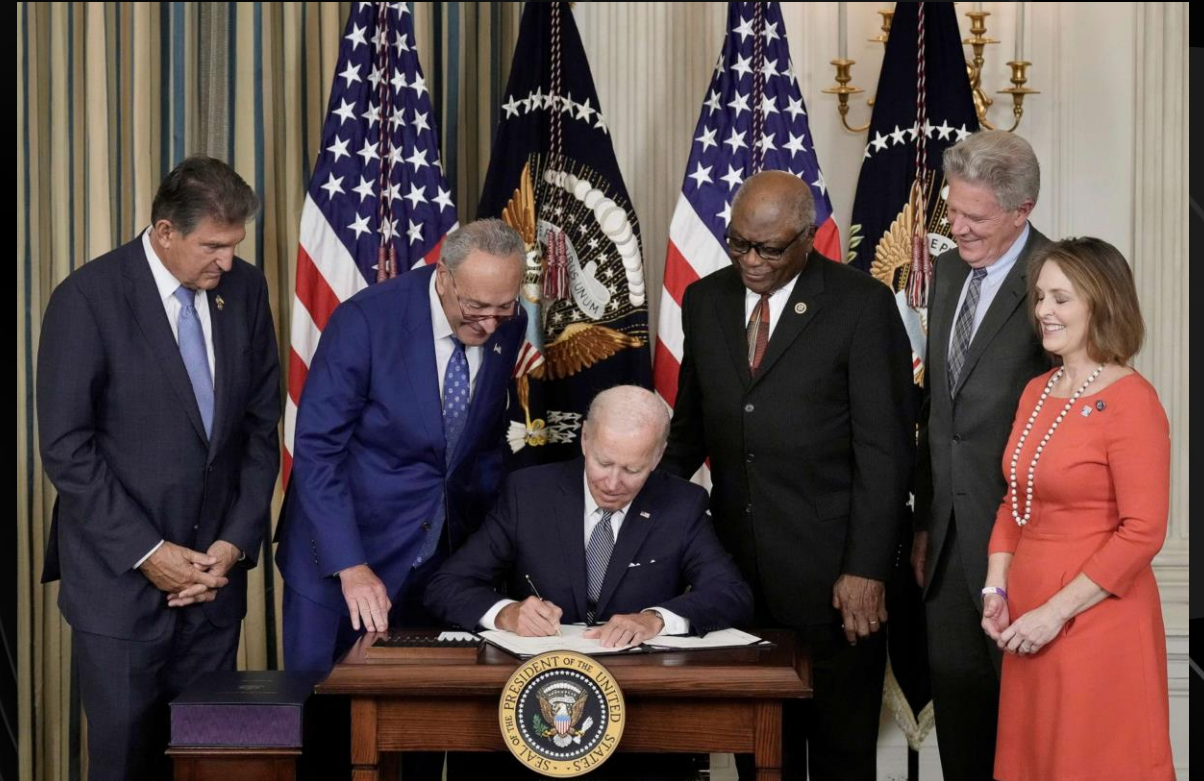
WHERE ARE WE TODAY?



2022 WAS A HIGH WATER MARK FOR GOVERNMENT SUSTAINABILITY



Six months prior: COP26 and the Glasgow accords



Six months later: The Inflation Reduction Act is signed into law

2024: VIBE SHIFT

WORLD NEWS

The 'super year' of elections has been super bad for incumbents as voters punish them in droves

LAST UPDATED: JULY 02, 2024

Green hydrogen at EUR 14/kg – a harsh reality check for the hydrogen economy



THE BIDEN ADMIN HAS MOVED CLOSER TO THE HIGH AMBITION COALITION

Biden admin backs plastics production caps for UN treaty

By Ellie Borst | 08/15/2024 01:17 PM EDT

JULY 19, 2024

FACT SHEET: Biden-Harris Administration Releases New Strategy to Tackle Plastic Pollution, Takes Action to Reduce Single-Use Plastics in Federal Operations

 > BRIEFING ROOM > STATEMENTS AND RELEASES

CORPORATES ARE SPLIT

BUSINESS COALITION FOR A GLOBAL PLASTICS TREATY

About our ambition in the treaty

- 1) **REDUCTION** of plastic production and use through a circular economy approach
- 2) **CIRCULATION** of all plastic items that cannot be eliminated:
- 3) **PREVENTION** and **REMEDICATION** of remaining, hard-to-abate micro- and macro-plastic leakage into the environment:



PEPSICO





We were very far from a final agreement!

“ ”

ARTICLE 6 – SUPPLY

I am not proposing text for this article. I propose that INC-5 agrees on text that includes a process [to develop information needed]..

– Non-paper 3 of the chair of the committee



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DID WE GET AN AGREEMENT?

Divided over whether to stop making plastic, U.N. treaty talks collapse

Delegates from more than 170 countries huddled for a week of marathon negotiations but came up short on delivering a deal.

PRODUCTION CAPS ARE THE FAULT LINE

“The Conference of the Parties shall, at its first session, adopt in an annex a global target to reduce the production of primary plastic polymers to sustainable levels.”

– Article Six proposal by Panama

Text Proposal

Cross-regional submission by Panama on behalf of Angola, Antigua and Barbuda, Australia, Bangladesh, Benin, Botswana, Burkina Faso, Burundi, Cabo Verde, Cameroon, Canada, Central African Republic, Chad, Chile, Colombia, Comoros, Congo, Cote d'Ivoire, Ecuador, Equatorial Guinea, Eswatini, Ethiopia, European Union and its 27 Member States (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Democratic Republic of the Congo, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden), Gabon, Gambia, Georgia, Ghana, Guinea, Guinea-Bissau, Iceland, Israel, Lesotho, Liberia, Madagascar, Malawi, Maldives, Mali, Mauritania, Mauritius, Mexico, Moldova, Monaco, Mozambique, Namibia, New Zealand, Niger, Nigeria, Norway, Philippines, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, South Sudan, Sudan, Switzerland, Togo, Ukraine, United Kingdom and Zambia.

ARTICLE 6 Sustainable Production

1. The Conference of the Parties shall, at its first session, adopt in an annex a global target to reduce the production of primary plastic polymers to sustainable levels.
2. Each Party shall take measures across the full lifecycle of plastics to achieve the global target referred to in paragraph 1.
3. Each Party shall report statistical data on its production, imports and exports of primary plastic polymers and the measures taken to achieve the global target referred to in paragraph 1.
4. The Conference of the Parties shall, at its first session, adopt the format, timing, methodologies and guidance for the implementation of this Article.
5. The Conference of the Parties shall, every five years, based on a scientific and economic assessment by a subsidiary body, review progress in the implementation of this Article and, as appropriate, update the global target referred to in paragraph 1.

“ ”

The momentum is with this coalition [supporting plastic caps], even if the challenges are still daunting.

– Juan Carlos Monterrey Gomez, lead negotiator for Panama



“ ”

The problem is the pollution, not the plastics.

– Abdulrahman Al Gwaiz, negotiator for Saudi Arabia



CHEMICALS OF CONCERN ARE DIVISIVE

*“Each party shall...prohibit or reduce the manufacture, import or export, reduce or manage, reduce, or prohibit, as appropriate, plastic products that meet any of the following criteria: a. are **highly likely to be littered or to enter the environment...**”*

– EU proposal for Article 3

VS.

*“**Each party should identify at the national level** problematic plastic products based on national circumstances and capabilities...”*

– Russia

THE EU PUSHES FOR AN ARTICLE ON EPR

“In order to help Parties implementing EPR* schemes, the future international instrument on plastic pollution should also foresee that guidelines should be developed by the Governing Body...”

– In-session document by the EU, its Member States, and Chile on the provisions on EPR in the future international instrument on plastic pollution

In-session document by the EU and its Member States and Chile on the provisions on EPR in the future international instrument on plastic pollution

This document, which aims to facilitate discussions at INC5 on the provisions on Extended Producer Responsibility (EPR), contains:

- suggestions for the inclusion of a standalone Article on Extended Producer Responsibility (EPR) in the future international instrument on plastic pollution (such as a new Article 8bis, based on the Chair’s non-paper);
- supporting information relating to these suggestions;
- an annex with an indicative and non-exhaustive list of elements that could be covered in future guidelines to be adopted by the Governing Body (which is presented for information and not for adoption at INC5).

Possible suggestions for a standalone Article on EPR

ARTICLE XY

EXTENDED PRODUCER RESPONSIBILITY

1. Each Party shall ensure that the responsibility of producers of plastic products, as well as of importers placing plastic products on its market, extends to the waste stage of these products. To this end, each Party shall establish national Extended Producer Responsibility schemes, or systems that serve the same purpose as such schemes, for specific sectors or products. These schemes or systems shall aim to ensure the environmentally sound management of plastic waste, incentivize sustainable and circular design of plastic products and increase public awareness on waste prevention and collection of plastic waste. These schemes or systems shall take into account national circumstances, contribute to a just transition and include special consideration for the informal waste management sector, in particular waste pickers.

SUPPORT GROWS FOR PLASTIC FEES

“Such resources may include domestic funding through relevant policies, fiscal measures such as primary plastic polymer fees, extended producer responsibility schemes..”

– Text proposal for Article 11, Submitted by the U.S. on behalf of Australia, Canada, the EU and its 27 Member States, Iceland, Japan, New Zealand, Norway, Switzerland, and the U.K.

Text proposal for Article 11: Financial Resources and Mechanism with incorporation of text from AGN CRP

INC Chair Non-paper 3.0

Submitted by the United States on behalf of Australia, Canada, the European Union and its 27 member states, Iceland, Japan, New Zealand, Norway, Switzerland, and the United Kingdom.

1. Recognizing that the extent to which Parties most in need, particularly Small Island Developing States and Least Developed Countries, will effectively implement their commitments under this Convention will depend on the availability of resources, each Party undertakes to provide resources in respect of those national activities that are intended to implement this Convention, in accordance with its national policies, priorities, plans and programmes. Such resources may include domestic funding through relevant policies, fiscal measures such as primary plastic polymer fees, extended producer responsibility schemes, development strategies and national budgets, and bilateral and multilateral funding, as well as private sector investment and voluntary contributions.
2. In the light of capacity constraints, Parties shall consider the specific needs and special circumstances of least developed countries and small island developing States, in the allocation of financial and technical assistance.
3. Parties with both the financial capacity to do so and with high levels of mismanaged plastic waste, plastic product production, or polymer production shall take the lead in mobilizing financial resources to support Parties most in need, particularly Small Island Developing States and Least Developed Countries, in fulfilling their obligations under this instrument. Contributions from other sources, including, multilateral organizations, agencies, funds as well as the private sector are encouraged to increase their support for the implementation of this instrument.

OTHER ISSUES TAKE A BACKSEAT

Some key issues for sustainable plastic didn't make the cut:

- **Chemical recycling** was highlighted by a few oil-producing countries, but not featured in the Chair's final draft.
- **Biobased plastics** were not mentioned in the Chair's final draft.
- **Design** was discussed more; countries agree in principle that plastic products should be reusable, repairable, and recyclable.

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**Walker, there is no path,
the path is made by
walking. ...Although our
achievements so far are
important, they remain
insufficient.**

– INC-5 closing remarks by H.E. Ambassador Luis Vayas Valdivieso, INC Chair



MULTINATIONAL AGREEMENTS FALTER

Trump prepares to withdraw from Paris climate agreement, NYT reports



Stockholm Convention on Persistent Organic Pollutants (POPs)

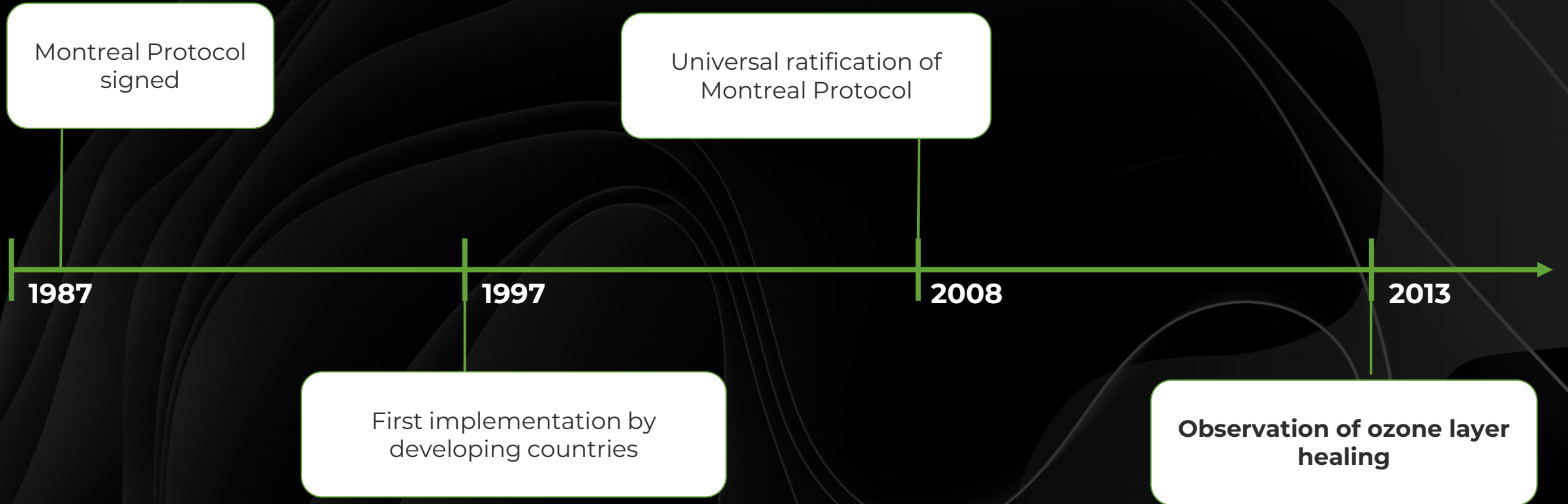
IMPACTS OF A LOW-AMBITION TREATY

More national-level adoption of EPR schemes

Phase out of problematic waste disposal techniques

More harmonized global definitions of waste and recycling

WHEN WILL WE SEE THE IMPACTS?





**Fragmentation of recycling policy is
the most likely outcome**

KEY TAKEAWAYS

1

The whole treaty is at risk.

The combination of procedural stalling, missed deadlines, and growing international backlash against sustainability means no treaty is now a possible outcome.

2

Despite momentum, a low ambition treaty is likely.

The breakdown of the process means that there will be even greater procedural barriers to an ambitious outcome going forward.

3

Fragmentation could worsen if a treaty isn't accepted.

Actors like the U.S., Iran, Russia, and Saudi Arabia could all fail to ratify the treaty, leading to challenges importing and exporting materials.

LUX CLIENT ACTION ITEMS

1

Get active in shaping the treaty.

There's still time to act — groups like the Business Coalition for a Global Plastics Treaty are making an impact on what will make it into the final treaty.

2

Make a plan to develop waste infrastructure in developing economies.

Developing economies will need the most investment to improve their waste infrastructure but are also promising markets in which to deploy new technologies.

3

Build national-level strategies.

Fragmentation means that national-level regulations could look very different. You need a technology strategy that matches national-level regulations.

4

Invest in technology with good regulatory characteristics.

Technologies that need specific laws — like pyrolysis, which needs acceptance of mass balance — will likely be more challenging to scale.



THANK YOU



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