



UNOFFICIAL ROOM DOCUMENT¹

**INFORMAL DIALOGUE ON PLASTICS POLLUTION AND ENVIRONMENTALLY SUSTAINABLE
PLASTICS TRADE**

WORKSTREAMS MEETING HELD ON 18 MARCH 2022

Aide Memoire by the Facilitators²

1. The first of four workstreams meetings of the Informal Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade (IDP) planned for 2022 was held on 18 March 2021. The session titled "Starting the Conversation - the IDP in 2022" was co-chaired by IDP workstreams facilitators – the United Kingdom, the Philippines, and Colombia. The session was held in hybrid format through Zoom and brought over 100 participants online and about 30 in person.

2. The session was organized as a workshop focused on technical presentations from invited stakeholders from international organizations, civil society, academia and the private sector. As had been informed prior to the meeting, the floor was opened for interventions and reactions by other stakeholders, but not delegations.

1 INTRODUCTORY REMARKS BY COORDINATORS

3. Australia welcomed participants and informed that the IDP Ministerial Statement WT/MIN(21)/8/Rev.2, launched in December 2021, was currently supported by 70 WTO Members and welcomed Angola, Bolivia and the Maldives who had recently joined as co-sponsors. The IDP had also agreed on a work plan to structure its efforts in 2022 towards implementing the Ministerial Statement. The workstreams session marked the first step in this direction and preceded a plenary meeting scheduled for 30 March. Both IDP's work plan and Ministerial Statement recognised the need to collaborate closely with a broad list of stakeholders, including international organizations, civil society, NGOs, private sector, and academia.

4. Ecuador briefly introduced the three workstreams set up by the work plan and their respective facilitators: Workstream on cross-cutting issues (facilitated by Fiji, the UK and China) looked at capacity building and technical assistance, fostering international cooperation on transparency and data, and collaboration with international institutions; Workstream on promoting trade to tackle plastic pollution (facilitated by Australia and the Philippines) looked at environmentally sustainable waste management technologies, environmentally sustainable and effective substitutes and alternatives, reused and recycled plastics, including by incentivizing increased reuse and recycling of plastics and technologies for environmentally sustainable and effective substitutes and alternatives; and Workstream on circularity and reduction to tackle plastic pollution (facilitated by Colombia and Ecuador) looked at how trade-related cooperation could help to support efforts to

¹ Documents issued in the RD series are not official WTO documents. They usually appear in their language of submission and will not be translated systematically into the working languages of the WTO. They are intended for use in WTO meeting rooms and are attributed an unofficial symbol for archiving purposes only.

² This aide memoire is being shared to provide delegations with a brief overview of the discussions and assist them in reporting back to their capitals as well as to the IDP plenary meeting. It provides a non-exhaustive, illustrative review of the issues addressed by Members at the meeting.

reduce unnecessary or harmful plastics and plastic products, including single-use plastics and plastic packaging associated with international trade, and sharing experiences of effective approaches to move towards more circular resource-efficient and environmentally sustainable plastics trade.

5. China shared its views on the work of the Workstream on cross-cutting issues by underscoring the importance of trade-related capacity building and technical assistance (TA) to support least developed countries (LDCs) and small island developing states (SIDS). The WTO and the IDP were a global platform seeking to address transboundary challenges through trade. Therefore, IDP was of relevance to all the present Members and invited stakeholders and could demonstrate WTO's relevance in addressing pressing contemporary global challenges.

2 SUMMARY OF PRESENTATIONS BY INVITED STAKEHOLDERS

6. Ms. Brenda Koekkoek, Programme Manager, at UNEP provided an update on the 5th UN Environment Assembly (UNEA-5) and the launch of negotiations on a global agreement on plastic pollution.^{3 4} The UNEA-5 adopted a resolution on 2 March 2022 establishing an Intergovernmental Negotiating Committee (INC). The INC would work from the second half of 2022 to 2024 on forging a legally binding global agreement to end plastic pollution addressing the full lifecycle of plastics, including its production, design, and disposal, including in the marine environment. UNEP would convene an ad hoc open-ended working group (OEWG) in May/June 2022 to prepare for the work of the INC. The UNEA-5 resolution gave guidance on what elements the INC should consider, including, *inter alia*, the promotion of sustainable production and consumption of plastics (including product design; environmentally sound waste management and through resource efficiency and circular economy approaches); technical and capacity means of implementation; finance mechanism to support the implementation; dedicated multilateral fund; data, monitoring and reporting; compliance; National Action Plans as well as scientific and socio-economic information and assessment. She underscored that IDP's Ministerial Statement had sent an important political message and called for the continuation of this effort. UNEP urged IDP to reflect on how to further engage in the UNEA negotiating process.

7. Ms. Diana Barrowclough, Senior Economist, Mr. David Jose Vivas Eugui, Legal Officer and Mr Henrique Pacini, Economic Affairs Officer, from the United Nations Conference on Trade and Development (UNCTAD) presented on "Trade flows, plastics substitutes and UNCTAD's TA on plastic pollution (SMEP and the Oceans Forum)."⁵ Trade in plastics accounted for over USD 1 trillion per year and 344 MM tons which were at least 40% more than previous estimates. Trade accounted for a major share of all plastic produced. At the same time, 70% of all plastics produced ended up as waste which was a recognized problem by the IDP Ministerial Statement and by the UNEA 5.2 resolution. Finance was an important part in terms of responding and promoting changes such as substitutes in the plastic sector. UNCTAD investigated financial flows into the petrochemical industries and looked at the importance of global treaties. The findings revealed that the Paris Agreement was helping to contribute to a reduction of finance for petrochemicals, especially in state finance. However, the covid-19 pandemic turned things around very dramatically because of surplus funds. UNCTAD identified potential areas for further research to support the IDP process including: expanding a list and analysis of plastic substitutes, including HS codes and related life-cycle analysis; producing an illustrative list of plastic alternatives; analysing production, trade flows and employment related to plastic substitutes and alternatives; proposing a list of environmental services and policies contributing tackling plastic pollution and identifying financial and industrial policies currently supporting the status quo as well as policies to support the new sustainable changes needed.

8. Dr Shardul Agrawala, Head of Environment and Economy Integration Division of Organisation for Economic Co-operation (OECD) presented the OECD Global Plastic Outlook.⁶ The study was a comprehensive mapping of the lifecycle of plastics globally and gave detailed insights on leakage to land, water and air. It was a novel analysis of the effects of the COVID-19 pandemic and a novel empirical analysis of plastics innovation. It included domestic plastics policy landscape covering 50 countries as well the first quantification of global costs to halt leakage. The research had found

³ All presentations and interventions can be found in the IDP WTO Website: https://www.wto.org/english/tratop_e/ppesp_e/ppesp_e.htm.

⁴ See INF/TE/IDP/RD/16.

⁵ See INF/TE/IDP/RD/25.

⁶ See INF/TE/IDP/RD/17.

that plastics production had more than doubled between 2000 and 2019, soaring to 460 Mt. Global annual plastic waste had also more than doubled from 156 Mt in 2000 to 353 Mt in 2019 and almost two-thirds of it was from applications with lifespans of less than five years. The Global Plastics Outlook had identified four critical levers for “bending the plastic curve” which included bolstering recycled (secondary) plastics markets, technological innovation for more circular plastics value chains, greater international co-operation and more coherent and ambitious domestic policy measures.

9. Ms. Claire Delpeuch, Head of Unit, Fisheries & Aquaculture, OECD presented the Ghost Gear Study.⁷ The report found that trade and trade policy could contribute to addressing the issue of ghost gear. Trade could enable the efficient allocation of end-of-life fishing gear by facilitating the movement of material to markets with a comparative advantage in waste processing while also allowing for efficient production and trade of gear with the best design. Trade policy could in turn facilitate the trade of less harmful plastics and substitutes and dis-incentivize (or even forbid) trade in the most harmful plastics. Information and awareness-raising concerning end-of-life challenges were important, such that issues related to the trade of recyclable components were addressed at the design stage. Furthermore, harmonization or joint development of trade policy, regulation, and product standards could also bolster trade’s role in tackling this issue.

10. Ms. Kei Ohno-Woodall, Programme Officer, Basel Rotterdam Stockholm (BRS) Conventions Secretariat presented plastic work to implement the BRS Conventions.⁸ In 2019, the Basel Convention Conference of the Parties (CoP) had adopted an amendment relating to plastic waste. The amendment had modified Annexes II, VIII and IX of the Convention to clarify which plastic waste was subject to Prior Informed Consent (PIC) Procedure and to ensure that only recyclable plastics could be traded without such procedure. She noted that about 3377 chemicals were potentially associated with plastics (148 considered most hazardous), some of which were persistent organic pollutants (POPs) listed in the Stockholm Convention for elimination or restriction. Plastics contained five main types of additives (functional, colorants, fillers, reinforcements and NIAS – chemicals which arrived at the products as part of processes or breakdown). A new project was underway in 2022 to map the global governance of substances of concern in plastics and how the new global agreement could support addressing these health concerns. The BRS Secretariat had just submitted a proposal to the World Customs Organization (WCO) for amending some relevant HS codes to facilitate the implementation of the plastic waste amendment. She also presented a number of specific technical assistance programmes the BRS was currently involved in. The BRS Secretariat expressed its readiness to cooperate with the IDP towards addressing plastic pollution and to continue bridging gaps between the trade and environment communities, which included better coordination between delegates covering BRS and WTO topics respectively.

11. Ms. Gael Grooby, Deputy Director of Tariff and Trade Affairs Directorate at the World Customs Organization (WCO) made a presentation on the role of the WCO in enabling the better identification of plastics in the HS and in supporting the implementation of environmental policies by Customs Administrations.⁹ She briefed participants about some challenges related to the HS codes and developing more granular definitions for plastics products. Using the definition of biodegradable plastics as an example, she noted that in the absence of an existing agreed global definition and technical challenges (e.g. would only 100% degradation count? Would only non-industrial composting be acceptable?), any such provision would probably need to include a legally binding Note to define what was meant by biodegradable plastics agreeable to Contracting Parties. She also noted definitions had to be technically verifiable and enforceable at the border, which for plastics would require effective and efficient technologies. For plastics biodegradability it usually involved controlled environments and 28 days to six months. She noted the implications of HS reform – which usually took multiple years - for tax collection and statistical data, noting plastics packaging was one of the largest areas of hidden plastics in the HS. She noted that for the next reform – HS 2027 – there were only a few meetings of the relevant committees left, who should finalise their work by March 2024. Still, she stressed useful changes could be made and that WCO work on plastic was not restricted to the HS. She informed about the Asia-Pacific Plastic Waste Project (APPW) and Statement aimed at strengthening the capacity of selected Customs Administrations to mitigate and appropriately respond to environmental threats in the Asia-Pacific region, with a focus on the

⁷ See INF/TE/IDP/RD/18.

⁸ See INF/TE/IDP/RD/19.

⁹ See INF/TE/IDP/RD/20.

implementation of the Basel Convention, and specifically on matters related to plastic waste and the illegal shipment thereof.

12. Ms. Carolyn Deere Birkbeck, Director, Forum on Trade, Environment and the SDGs (TESS) and Mahesh Sugathan, Senior Research Fellow, TESS presented on the topic of trade flows transparency¹⁰ and possibilities for Aid for Trade.¹¹ The presentation noted that trade-related cooperation on plastic pollution would require reliable and relevant trade data across the full lifecycle of plastics. Ms. Birkbeck identified some shortcomings of the existing HS classification concerning information needs for tackling plastic pollution, which included (i) insufficient differentiation of primary plastics by polymer type and by feedstock (e.g. fossil fuel feedstocks, bio-based feedstocks, and recycled feedstocks); (ii) insufficient differentiation of POPs and other harmful chemical additives; (iii) gaps in the scope of products that are classified as plastics; (iv) varying detail on the share of plastics embedded in products; (v) inadequate information on the material composition of plastic products and waste, including polymer types and the presence of harmful chemical substances of high environmental and health concern; (vi) failure to capture plastic packaging that is an integral part of other traded products; and (vii) inadequate classifications of plastic waste (including poor alignment with Basel Convention amendments). Next, Mr. Mahesh Sugathan gave initial suggestions for Aid for Trade discussions in the IDP, which included, *inter alia*, integration of priorities related to trade-dimensions of plastic pollution and environmentally sustainable plastics trade in the next work programme of the A4T Initiative; thematic events on plastic pollution in the Aid for Trade Global Review; specific technical assistance and training initiatives by the WTO Secretariat on legislative and regulatory aspects of trade and plastic pollution; and enhanced technical assistance for customs authorities in regard cross-border flows of plastics and plastic waste, including for implementation

13. Mr. Carsten Wachholz, Senior Policy Manager, Ellen MacArthur Foundation spoke about the role of trade policies in the transition to a circular economy for plastics.¹² The new plastics economy was supported by 1000+ organizations and based on a 6-pronged vision: i) elimination of unnecessary or problematic plastic packaging; ii) application of reuse models; iii) 100% of plastic packaging is reusable, recyclable or compostable by design; iv) as well as in practice; v) plastic use if fully decoupled from consumption of finite resources; and vi) plastic packaging is free of hazardous chemicals. The 2021 Global Commitment Report had provided three key findings: virgin plastic use seemed to have peaked for signatories of the commitment; much more focus had to be put on single-use plastics; and voluntary pledges alone would not be enough. His presentation then noted that policymakers should promote circular outcomes by establishing design standards to reflect and stimulate the upstream considerations for a circular economy; shifting market incentives to make the economics work at scale and facilitating the necessary investments; and catalysing collective industry action recognizing that individual circular solutions offered by leading companies will alone not achieve a system change.

14. After the presentations, the floor was opened to three other stakeholders - the International Institute for Sustainable Development (IISD)¹³, the Center for International Environmental Law (CIEL)¹⁴ and the Quaker United Nations Office (QUNO).¹⁵ IISD noted that UNEA 5.2 sent a clear signal encouraging international organizations to join forces around the common goal in the fight against global plastics pollution. There was a substantial role for WTO Members and IDP to play in bringing more clarity about plastics trade and taking necessary measures to impact the international trade flows and shape global markets for the plastic-less future. CIEL informed that it was developing a paper, which it would circulate to all IDP Members and stakeholders, and which aimed to (i) clarify the concept of circular economy and (ii) provide guidance on how - and if - policymakers could apply it to plastics, with the proper precautions and true focus on sustainable outcomes. Finally, QUNO noted the importance of addressing the trade-related capacity building and technical assistance needs of developing members, but also to implement national policy mechanisms that are informed by human rights impact assessments, and involving full participation - throughout the planning, decision-making, and implementation process - of affected sectors and impacted communities,

¹⁰ See INF/TE/IDP/RD/21.

¹¹ See INF/TE/IDP/RD/22.

¹² See INF/TE/IDP/RD/23.

¹³ See INF/TE/IDP/RD/27.

¹⁴ See INF/TE/IDP/RD/24.

¹⁵ See INF/TE/IDP/RD/28.

including gender gaps. QUNO offered its support as a trusted presence at the multi-lateral level to facilitate IDP discussions on difficult issues.

3 NEXT STEPS

15. Facilitators of the workstreams would report the discussions to the first IDP plenary meeting which would take place on 30 March 2022. Three more plenary meetings were tentatively scheduled for the following dates: 25 May, 6 October, and 7 December 2022.
