DIALOGUE ON PLASTIC POLLUTION AND ENVIRONMENTALLY SUSTAINABLE PLASTICS TRADE

BACKGROUND INFORMATION FOR PRESS

The Dialogue on Plastic Pollution and Environmentally Sustainable Plastics Trade (DPP) seeks to explore how enhanced cooperation in the WTO could contribute to global, regional and domestic efforts reduce plastics pollution and promote the transition to more environmentally sustainable trade in plastics. The DPP has 78 WTO co-sponsors, representing more than 85% of plastics trade. Coordinators of the initiative are Australia, Barbados, China, Ecuador, Fiji and Morocco.

Launched during the "WTO Trade and Environment Week 2020", hosted around the Fall meeting of the WTO Committee on Trade and Environment, the Dialogue group has sought to identify the linkages between trade and plastic pollution and the potential for trade action to support efforts to address it. Among the illuminating data discussed is:

- Annual trade in plastics accounts for about 5 % of global trade or more than 1.2 trillion
 US dollars in 2020 almost 40% higher than previously estimated, with more "hidden flows"
 of plastics unaccounted for (e.g. plastic embedded in traded goods not classified as plastics);
- It amounts to 369 million metric tonnes of plastic, crossing borders multiple times along plastics' life cycle, from primary form to intermediate and final goods and waste;
- Only 2% of plastics trade is in waste form, with most trade happening upstream;
- WTO Members have already notified more than 220 trade-related measures to address
 plastic pollution from 85 different WTO Members (e.g. bans on non-biodegradable plastic
 bags, straws and cotton buds, import licenses and quotas on plastic wastes), 71% by
 developing members and LDCs.

In December 2021 a <u>Ministerial Statement</u> was adopted, expressing Ministers' shared understandings on the topic and charting their work towards "concrete, pragmatic, and effective outcomes by MC13". Three workstreams were created to carry out the technical work: cross-cutting issues (e.g. transparency, technical assistance); promoting trade to tackle plastic pollution (e.g. waste management technologies, plastic substitutes); and reduction to tackle plastic pollution and circular economy for plastics. The initiative's inclusive approach involved stakeholders from the private sector, civil society, international organizations and academia who support discussions through technical expertise, experience and transparency.

Dialogue Factbox

Coordinators: Australia, Barbados, China, Ecuador, Fiji and Morocco

Co-sponsors: 78 Members, representing around 85% of global plastics trade

Albania; Angola; Australia; Austria; Barbados; Belgium; Bolivia, Plurinational State of; Bulgaria; Cabo Verde; Cambodia; Cameroon; Canada; Central African Republic; Chad; Chile; China; Colombia; Costa Rica; Croatia; Cyprus; Czech Republic; Denmark; Ecuador; Estonia; European Union; Fiji; Finland; France; Gambia; Germany; Greece; Honduras; Hong Kong, China; Hungary; Iceland; Ireland; Italy; Jamaica; Japan; Kazakhstan; Korea, Republic of; Latvia; Lithuania; Luxembourg; Macao, China; Maldives; Malta; Mauritius; Mexico; Mongolia; Morocco; Netherlands; New Zealand; North Macedonia; Norway; Panama; Paraguay; Peru; Philippines; Poland; Portugal; Romania; Russian Federation; Samoa; Saudi Arabia, Kingdom of; Singapore; Slovak Republic; Slovenia; Spain; Suriname; Sweden; Switzerland; Thailand; Tonga; United Kingdom; United States; Uruguay; Vanuatu.

Key documents and resources

Dialogue MC13 Ministerial Statement – WT/MIN(24)/14
Compilations attached to the MC13 Statement – INF/TE/IDP/RD/146/Rev.1
Factual Report of the Trade-Related Plastics Measures (TrPMs) Survey – INF/TE/IDP/W/11
Factual Report of the Aid for Trade (AfT) global review and needs assessment survey – INF/TE/IDP/W/12

Dialogue website: https://www.wto.org/english/tratop_e/ppesp_e/ppesp_e.htm

As a result of this technical work, the Dialogue coordinators prepared a Ministerial Statement ($\frac{WT/MIN(24)/14}{14}$) for the 13th Ministerial Conference (MC13) containing a series of principles and **six actions** to ensure trade is part of the solution to the growing plastic pollution challenge. Each action is related to factual compilations ($\frac{INF/TE/IDP/RD/146/Rev.1}{146/Rev.1}$) attached to the statement providing examples of specific policies already being pursued by WTO Members. The actions include:

- i. **increase transparency of trade flows** of plastics (e.g. of single-use plastics, plastic films and hard-to-recycle plastics) as well as those embedded in traded goods but not captured by trade data (a.k.a. 'hidden flows') examples in the compilations include:
 - breakdown domestic customs classification to facilitate monitoring, evaluation, reporting and regulation of trade in polymers, chemicals, additives and plastics
 - identify customs and related technological solutions and cooperate with the private sector, on standards, product identifiers and other applications.
- ii. **reduce plastics** that are **harmful** to the environment or human health, or **unnecessary** single-use plastics and plastics packaging examples in the compilations include:
 - eco-design and labelling requirements, recycling targets and/or recyclability requirements
 - bans on single-use plastics and other goods
 - import and export licences on plastic wastes
- iii. **promote non-plastic substitutes**, **alternatives**, **services** and **technologies** examples in the compilations include:
 - Support measures, including grants and direct payments, preference in public
 procurement, tax concessions, and non-monetary support to specific non-plastic
 substitutes (e.g. seaweed, bamboo), alternative plastics (e.g. bio-polypropylene, cornbased resins) and services (e.g. re-use/re-fill systems, environmental impact assessments)
- iv. **improve the capacity of developing countries** to use trade as a tool to tackle plastic pollution examples in the compilations include:
 - specific suggestions for the AfT Global Review to help better identify plastic-related projects and needs (e.g. prior categorisation of existing plastic-related programmes; introduction of specific questions; sharing case studies; organizing trainings)
 - specific needs most often identified in the Dialogue: domestic private sector engagement and partnerships; access to technology; civil society engagement; technical assistance on policy implementation

Cooperation with other international processes

Following efforts by the Dialogue and other stakeholders, the World Customs Organization has started discussing how to better identify plastics embedded in traded goods, single-use plastics, and other plastic goods in the context of the ongoing 2027 review of the Harmonized System.

The Dialogue has from the start signalled its supportiveness to the ongoing efforts at the UN to conclude a new internationally binding instrument to tackle plastic pollution. MC13 takes place at the same time as the 6th United Nations Environmental Assembly (UNEA 6), where Environment Ministers will be meeting and, inter alia, taking stock of such negotiations that should be concluded by the end of 2024. The strong political signal (and concrete actions) from Trade Ministers serious about making their contribution towards addressing the growing environmental, health and economic costs of plastics pollution could help provide some momentum to the negotiations. The concrete examples of trade-related actions could also provide inspiration for UN negotiators.

Future of the Dialogue

The MC13 Ministerial Statement calls for further "concrete, pragmatic and effective outcomes" by MC14. Dialogue co-sponsors will devise an updated workplan shortly after MC13 focused on building on and implementing the MC13 Ministerial Statement actions.