

Sustainable Financing for Plastics Management



The chemicals and plastics industry strongly supports the creation of a new global agreement to help prevent leakage of plastic waste into the environment. Such an agreement must include adequate financing for developing countries to develop and implement national action plans and improve waste collection and recycling infrastructure. While it is not the only objective, achieving universal access to waste collection and transitioning from incineration and landfilling toward reduction, re-use, collection, and recycling should be a primary goal of any global agreement on plastic pollution. Other aspects of the agreement, including product design guidance, have a connected role in increasing recovery and re-use of plastics.

Countries will not be able to meet their obligations under a new global agreement without adequate financing, capacity building, and technology transfer. Donor countries, development banks, financial institution, and industry all must play a role in accelerating investments.

Sustainable financing for waste management infrastructure systems to ensure a circular economy for plastics requires numerous elements in a new global agreement, including:

- **Development assistance and capacity building:** Countries need adequate funds for an initial investment in waste management systems and capacity building to implement those systems. A dedicated financing mechanism must be at the core of a new global agreement.
- **Data collection to understand the scope and needs at all government levels:** Research and projects underway through Basel Convention's Partnership on Plastic Waste and other global and regional mechanisms such as the Alliance to End Plastic Waste are exploring best practices for collecting data on plastic waste and waste management needs.
- **Producer Responsibility Systems (or similar schemes):** Once countries understand their waste management needs, systems such as Extended Producer Responsibility (EPR), are a way to create sustainable financing for waste management infrastructure systems. Such schemes must be supported by enabling national or regional policies, for example recycling and recycled content targets to drive market demand for recycled plastic and enable the circular economy.
- **Effective EPR or Product Stewardship schemes should:**
 - be designed for local conditions to ensure solutions meet needs and help build sustainable business models benefitting the local community, including the informal waste sector; (note that systems designed in developed countries may not be effective in developing countries);
 - engage the informal waste picker community, if relevant, as well as the private sector and other stakeholders during the design process;
 - be material neutral to ensure participation across all packaging types and address all materials in the waste stream, not just plastic;
 - include strong legislative or regulatory frameworks to address free-riders;
 - ensure proper oversight and monitoring;
 - work with and empower Producer Responsibility Organizations; and
 - develop a “ring-fenced” program so funding cannot be diverted for other purposes.
- **Public-Private Partnerships:** Mobilizing the expertise and the resources of the private sector to catalyze investment, enhance technological solutions and innovations, and improve efficiencies for management of used plastics. Such partnerships can work with the informal sector and non-governmental organizations.