

Proposal from Chile, the Cook Islands, Ecuador, the Federated States of Micronesia, Rwanda, Senegal and Uganda on Means of Implementation

Means of Implementation

Ending plastic pollution worldwide will require robust support to developing countries, including provision of means of implementation for control measures and related activities through a dedicated fund, as well additional support from other complementary sources.

A financial mechanism that includes a dedicated fund should provide the principal international vehicle for supporting finance, technology transfer and development, capacity building, and technical assistance to countries that need such support to effectively implement the new instrument. This mechanism should promote and facilitate the provision of adequate, accessible, new, stable, predictable and timely financial assistance on a grant basis for both enabling activities and for agreed incremental costs of compliance. In addition, access to concessional finance should also be made available for other costs, either directly under the dedicated multilateral fund or via other multilateral financial institutions, avoiding duplication and ensuring complementarity and coherence.

Financial Mechanism (including a dedicated Multilateral Fund)

The plastics instrument should establish a financial mechanism that includes:

- A dedicated Multilateral Fund—to provide the necessary financial resources to eligible countries in order to meet their commitments under the instrument. The Multilateral Fund should be the principal international vehicle for providing financial assistance to recipient countries, on a grant basis, for enabling activities and for the incremental costs of compliance.

The Conference of the Parties may consider the possibility of establishing additional funds, as part of the financial mechanism, to support the implementation of control measures and/or to finance rehabilitation and ecological restoration of specific ecosystems.

Enabling activities may include:

- Institutional strengthening, namely support for plastics officers similar to the ozone officers under the Montreal Protocol;
- Policy development and implementation, such as preparation of country programmes or national action plans;
- Education and awareness raising;
- Capacity-building and training, in coordination with other relevant initiatives;
- Transfer of technology projects
- Reporting and monitoring; and
- Pilot and demonstration projects.

Incremental costs of compliance include those costs related to control measures, such as incremental capital and operating costs, subject to cost guidelines.

Explicit reference to “enabling activities” and “incremental costs of compliance” should be included in the instrument’s article on the financial aspects, and an indicative list of such activities and costs should be developed as part of the instrument’s overall negotiated package, and should be adopted by the first Conference of the Parties.

Governance of the Mechanism and its Multilateral Fund

The Multilateral Fund should function under the guidance and authority of the Conference of the Parties and should be accountable thereto. It should be administered by an Executive Committee consisting of an equal number of representatives of donor and recipient countries.

The Executive Committee should consider, inter alia,

- (a) The assessment of the needs of the Parties, in particular developing state Parties;
- (b) The availability and timely disbursement of funds;
- (c) The transparency of decision-making and management processes concerning fundraising and allocations;
- (d) The accountability of the recipient developing States Parties with respect to the agreed use of funds.

The Executive Committee should be supported by a Secretariat of professional staff responsible for managing the day-to-day operation of the fund. The Secretariat should be supported by the Fund and should report to the Executive Committee. The work of the Secretariat should include, inter alia: developing plans and budgets, reviewing project applications, organizing meetings, disbursing financing, and overseeing implementation.

The Conference of the Parties shall consider the reports and recommendations of the Executive Committee and take appropriate action.

The Conference of the Parties shall, in addition, undertake a periodic review of the financial mechanism to assess the adequacy, effectiveness and accessibility of financial resources, including for the delivery of capacity building and the technology transfer and development to or in developing state Parties.

Periodical Replenishment of the Multilateral Fund

The Multilateral Fund shall be replenished on a regular basis, e.g. triennially or quadrennially, through contributions that are measurable, reportable and verifiable. Contributions should be based on the United Nations scale of assessment with bilateral cooperation counting up to a certain percentage. Donor countries would replenish the Multilateral Fund as agreed by the Conference of Parties, based at least in part upon needs assessments undertaken by a subsidiary body established under the instrument. The subsidiary body would report directly to the Conference of the Parties needs assessments for

supporting recipient countries in meeting their core obligations and control measures during the upcoming replenishment period.

Additional and Complementary Means of Implementation

In addition to core financial assistance provided by the Multilateral Fund, countries may require additional support or means of implementation, including:

- Financial assistance for other costs not supported by the Multilateral Fund, on a grant or concessional basis, as appropriate, such as from the Global Environment Facility Trust Fund (GEF); and
- Financial assistance for other costs not supported by the Multilateral Fund, on a grant or concessional basis, as appropriate, funded by the private sector via a newly established Trust Fund operating under the authority of the Conference of the Parties.

Such financial assistance would complement, but would not be a substitute for, the financial and technical assistance provided under the Multilateral Fund. Further avenues for additional means of implementation should also be promoted within national programmes or national action plans. These could include extended producer responsibility schemes, taxes or levies.