



Turning Policy into Practice: What to Expect from the Global Plastics Treaty

PREPARED BY EURASIA GROUP
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Contents

Introduction	3
Chemicals of concern	6
Finance for waste management	8
Finance for treaty implementation	9
Product design	10
Conclusion	12

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Introduction

Toward a “Paris climate agreement” for plastics?

Following a decision by the UN Environment Assembly in March 2022, **175 countries—including the US and China—agreed to draft a global and legally binding treaty to end plastics pollution, akin to the Paris climate agreement.** The goal is to adopt the global plastics treaty (GPT) by the end of 2024. The decision to move forward with the negotiations was made despite the war in Ukraine, underscoring policymakers’ commitment to this agenda. If a deal is reached, it could be a game-changer for at least three reasons.

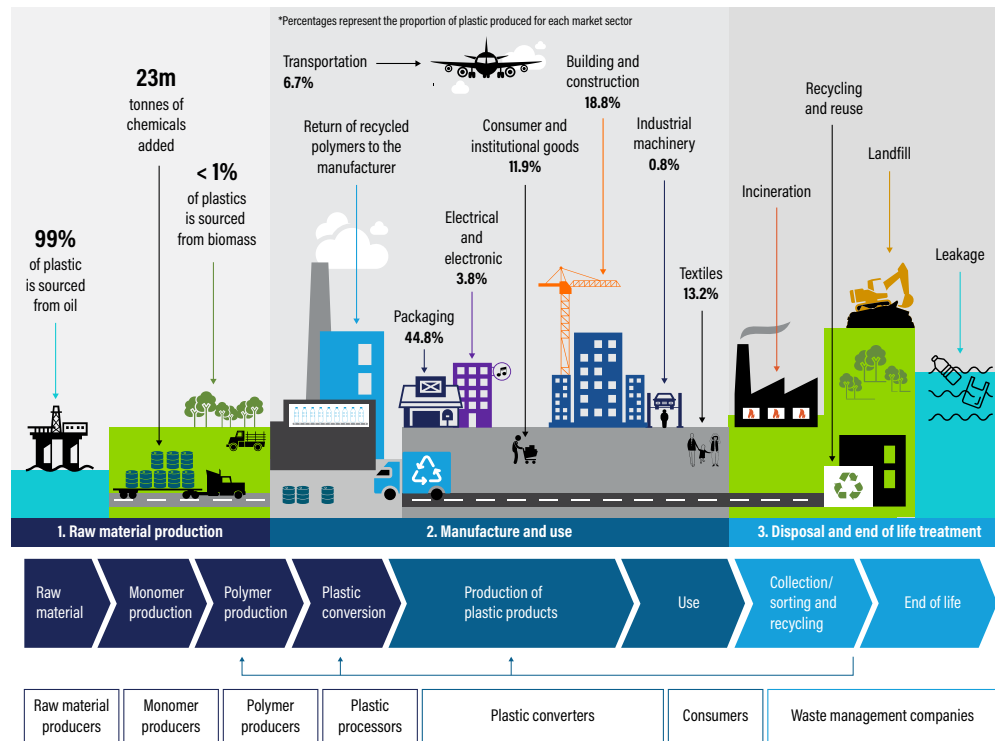
- First, **the timeline to finalize the agreement is highly ambitious**—only two years compared to the typical five to seven years for international treaties—and will likely prompt other deals if complied with. This could make the GPT the most valuable tool for advancing the circular economy agenda to date. Voluntary and national efforts have historically failed to address the escalating crisis, with global plastics pollution expected to triple by 2040.
- Second, **previous global agreements on environmental issues, such as the UN agreements on climate change and biodiversity, have tended to be much broader in scope.** If the GPT successfully establishes a level playing field for users and producers through a widely adopted treaty, it could serve as a model for tackling other specific environmental challenges via new treaties in other areas such as chemical pollution or construction materials.
- Third, **the private sector is expected to play a much more prominent role in the final plastics agreement than in the Paris climate agreement (which resulted from the 2015 UN climate summit, or COP21) or the Kunming-Montreal biodiversity agreement (COP15 in 2021).**
 - On the one hand, this will heighten corporate risk and make the Intergovernmental Negotiating Committee (INC) process much more relevant for industry leaders. For instance, a finalized GPT is likely to include language on corporate disclosures on plastics, potentially harmonized globally. Over time, these disclosures may encompass risks, opportunities, dependencies, and impacts related to plastics, using standardized frameworks to establish common definitions, taxonomies, targets, and metrics.
 - On the other hand, **the private sector focus will also expand opportunities, from investments in recycling technologies to innovations in product design. The GPT could foster the creation of new subindustries, much like the Paris climate agreement encouraged the growth of the renewable energy sector.**

Resetting and reframing the INC narrative

Realistically, the most ambitious outcome of the GPT would prioritize recyclable and recycled polymers while targeting problematic and unnecessary plastics. Proponents of a treaty covering the full lifecycle of plastics, from production to disposal, have framed efforts aimed at improving end-of-life solutions and scaling up recycling across industries and jurisdictions as less ambitious.



The treaty will likely focus on end of life while HAC members will tackle the supply chain



Source: Principles for Responsible Investment

However, the end-of-life focus remains very ambitious, particularly given that only 9% of plastics are currently recycled. Furthermore, the significant infrastructure investments, enabling policies, and coordination push needed among public and private sector actors to substantially increase recycling rates will require enormous efforts, making any characterization of this effort as “low ambition” unrealistic—especially considering the disparities between the Global North and the Global South.

To this day, waste disposal and treatment, such as the use of controlled landfills or stricter waste management facilities, is primarily centered in high- and upper-middle-income countries. In contrast, lower-income countries tend to rely on open dumping, with 93% of waste being disposed of in this manner in low-income regions compared to only 2% in high-income countries. Moreover, in low-income countries, only 16% of waste consists of recyclable materials, and this trend is expected to worsen as these countries industrialize and their waste generation increases.

To successfully ramp up recycling and waste management efforts, five foundational challenges must be addressed:

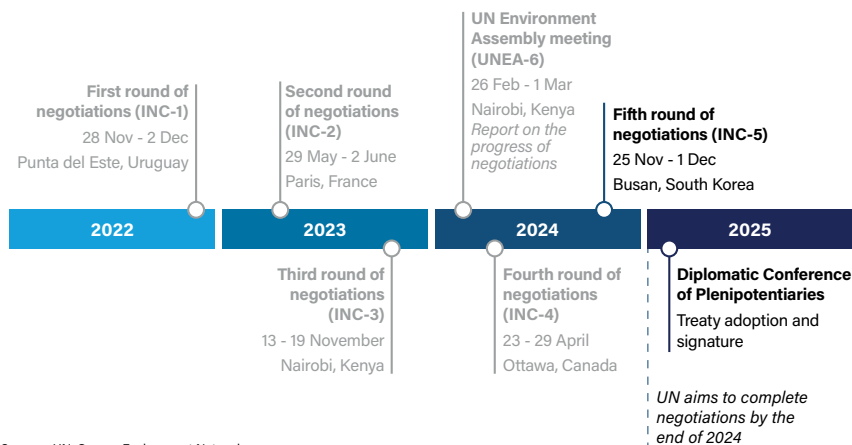
1. **Increasing recyclability** by creating complex systems with high standards while minimizing negative environmental impacts.
2. **Ramping up post-consumer recycled (PCR) content** in products, despite the challenges of inconsistent feed quality and potential performance degradation.
3. **Lessening reliance on conventional feedstocks** by finding alternative materials that maintain product performance.



4. **Mainstreaming circularity efforts** through significant investment in infrastructure (collection, sorting, and recycling) and ensuring a sufficient supply of circular materials for food-grade and sensitive applications.
5. **Reducing greenhouse gas emissions** while addressing growing consumer demand and the fiduciary duty of industries to ensure and spur business growth.

A successful treaty would establish a clear, measurable, and time-bound overarching goal, with 2040 seen as a realistic target. Providing a time-bound horizon for measurable actions in the transition to a circular plastics economy and improved waste management will help financial

Tight schedule for the UN plastics treaty negotiations



Sources: UN, Geneva Environment Network

actors—such as banks, insurers, investors, and asset managers—align their portfolios with the GPT’s goals, similar to how the Paris agreement provided clarity and certainty for global climate action.




UN treaties, however, are consensus-driven, which often limits their ambition. While they carry a lot of symbolism and offer strong support for environmental NGOs, their immediate impact tends to be less forceful than sweeping environmental regulations such as those from the EU. It is therefore unlikely that the final treaty will surpass the most robust national plastics regulations enacted in places such as India, Canada, the EU, and the UK in recent years. This could result in aligning the Global South with the minimum standards of the Global North, such as tougher action against open burning and illegal dumping.

The final treaty is likely to establish an ongoing framework or institutional architecture, with the evolving idea of holding an annual COP-style event focused specifically on plastics waste and pollution, similar to those for climate change, biodiversity, and desertification.

This report moves away from binary approaches, which have characterized every round of negotiations since the first one (INC-1) in Uruguay in 2022, and instead fosters constructive debates on the specific risks and opportunities related to the GPT across industries and geographies. It focuses on three core areas of the treaty negotiations: chemicals of concern, financing for waste management, and product design.



Road to INC-5: What negotiators have agreed to work on ahead of the final round of talks

 Finance	 Chemicals of concern	 Product design
<ul style="list-style-type: none"> • Creating a financial instrument • Aligning financial flows • Catalyzing finance 	<ul style="list-style-type: none"> • Drafting lists of harmful and avoidable chemicals • Examining lists of criteria • Exploring non-criteria-based approaches 	<ul style="list-style-type: none"> • Focusing on recyclability and reusability • Considering use and application in design

Sources: UNEP, IISD, Eurasia Group

Chemicals of concern

Chemicals of concern in the global treaty

The inclusion of chemicals of concern in the GPT is still under debate and is not yet finalized. According to the UN Environment Programme, more than 13,000 chemicals are involved in plastics and plastics production. Of these chemicals, more than 3,200 monomers, additives, processing aids, and non-intentionally added substances were classed as being of “potential concern.” Although support for their inclusion is growing, and many countries are assuming they will be included, some countries continue to vocally oppose the idea. Likewise, many industry stakeholders argue that including chemicals in the GPT could distract from addressing plastics waste. They argue that the GPT is not the most efficient instrument to manage chemicals and that it should avoid duplicating existing initiatives such as the Global Framework on Chemicals or possibly introducing conflicting requirements.

What is the best approach?

Proponents of including chemicals of concern in the GPT aim to enhance the regulation of chemicals involved in the plastics process, as well as plastic products themselves. This would encompass the chemicals of concern present in the production, sale, distribution, manufacture, use, import, and export phases. However, different proponents approach chemicals of concern from different perspectives: Norway and Rwanda are emphasizing criteria, the EU and Switzerland are advocating for hazard-based lists, and the UK and Thailand are focusing more broadly on problematic and avoidable plastic products.

Despite these differences, the goal of these governments is to create a global standard or body. How this body could complement or potentially conflict with existing national chemical management systems has yet to be considered. Some examples of these systems include the EU’s Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) and the US’s Toxic Substances Control Act. For countries that have yet to implement national chemical management regulations, a new Global Framework on Chemicals (GFC) was negotiated in 2023. One of the objectives within the GFC, designated as Target A1, is that governments adopt, implement, and enforce legal frameworks by 2030.

Moreover, chemicals of concern are also regulated under several multilateral environmental agreements such as the Minamata Convention, the Montreal Protocol, and the Stockholm Convention. **As such, including these chemicals in the GPT will likely lead to confusion owing to overlapping issues, inconsistencies, and redundancy with existing agreements.** Proponents, however, counter that only a fraction of chemicals of concern are regulated under



these multilateral agreements. They also think the GPT could help address the often-overlooked negative effects of chemicals of concern during recycling processes.

For the most part, the debate revolves around three core topics:

1. Reducing the general use of chemicals of concern;
2. Minimizing human exposure to such chemicals by reducing releases, leakages, transportation, and use, leveraging scientific knowledge; and
3. Enhancing transparency to improve safety, including labeling requirements for importers and exporters of these chemicals.

So far, negotiators have been discussing whether to identify and regulate chemicals of concern in plastics that pose unmanaged risks or have adverse effects on the environment and human health. Yet other crucial components of the debate, such as use and exposure, have been largely overlooked. For instance, Ibuprofen contains five classified hazards, but its use is widely accepted because of its proven benefits.

A risk-based approach is arguably considered more thorough and practical than a hazard-only approach, as it considers actual exposures associated with the hazards when considering regulatory outcomes. Furthermore, important issues such as identifying substitutes for banned chemicals and enforcing chemical regulations globally, especially in developing economies, lack sufficient discussion and attention.

No matter the approach, establishing a list would pose significant risks including those related to implementation, regulation, litigation, reputation, and business operations. Evaluation and enforcement will consume vast resources and pose challenges for developing economies.

Pandora's box

Including chemicals of concern in the treaty could promote harmonization efforts across countries, making scientific comparisons and tracking more straightforward. However, **a notable risk for private sector actors is that the criteria selected for chemicals of concern could be revisited and broadened over time, potentially opening a Pandora's box with ever-expanding expectations for the scope and scale of chemicals of concern.**

Reality check

Chemicals are essential for enhancing the properties of plastics used in various sectors such as construction, autos, and medicine, with flame retardants being particularly critical. Changing any chemical in a formulation can drastically affect performance, making substitutions complex and time-consuming. To manage plastic chemicals safely, a risk-based approach similar to the EU REACH framework is often recommended.

Moreover, **there is a considerable disparity in chemical regulation globally.** Developed regions such as the EU and the US have established robust frameworks, whereas many developing economies lack sufficient management systems, complicating the global implementation of a unified framework for chemicals of concern. This absence of regulations in emerging markets poses a barrier to global safety and environmental protection.

There are concerns about regulations focusing solely on banning chemicals based on hazards without considering exposure levels. Industry practitioners caution against the potential stigmatization and poorly considered substitutions that could arise from global lists of banned chemicals. Instead, they are advocating for chemical management through voluntary frameworks and transparency initiatives. In addition, differentiating between durable and nondurable plastics



is necessary to prevent regulations from unfairly affecting various sectors. It is recommended that industry leaders improve communication regarding chemical leaching, emphasizing the distinction between risks in mismanaged plastics and safe use in well-managed systems.

Broader issues affecting the GPT as a whole also affect the topic of chemicals of concern. For example, there is a consistent problem with the use of language that is not standardized from the perspective of international law, often failing to acknowledge that a treaty cannot directly bind private sector actors. This poses a concern for GPT implementation.

Lastly, there is often a lack of consistency in the use of terminology, which could create significant issues in the final efforts to establish a legally binding agreement. This will need to be addressed as a global matter during the next round of negotiations.

Considering the extensive and technical nature of the pending questions, addressing all of them by the fifth meeting of the INC (INC-5), scheduled to take place from 25 November to 1 December in Busan, will be virtually impossible.

Expectations

The INC process is bringing increased attention to chemicals of concern, and it is expected that more countries will begin regulating them at the national level after a treaty is adopted, particularly in developing economies where such processes are in the early stages. Countries with established chemical regulations, such as Australia, Canada, Turkey, EU members, and South Korea, are likely to strengthen their regulations after the treaty's adoption, with a focus on traceability. This could include establishing and implementing export permit requirements to track the types, volumes, and destinations of chemicals.

Coordinated efforts may also emerge to enhance technology transfer methodologies from developed to emerging markets, beginning with the setup or refinement of national, regional, and potentially global databases on tracking chemicals of concern.

From a treaty standpoint, efforts to improve the transparency and traceability of chemicals in global supply chains and the lifecycle of plastics is a likely outcome of the GPT, as it would help address the current fragmented regulatory landscape. More technical discussions may also explore establishing digital traceability systems to record the movement of plastics through the circular economy, along with new testing guidelines and waste management regulatory frameworks.

Consequently, following the potential adoption of the GPT, pressure will likely intensify on plastics producers, importers, and exporters throughout the supply chain to disclose and provide more granular information on chemicals of concern.

Aside from intentionally added microplastics, it is unlikely that broad substances such as EPS (expanded polystyrene), PS (polystyrene), or PVDC (polyvinylidene chloride) will be directly listed for a ban in the treaty. Instead, the GPT is more likely to create some form of a committee to develop criteria for potentially identifying and devising such a list.

Finance for waste management

A dealbreaker for the Global South

Finance for waste management remains one of the most contentious elements in the GPT negotiations. Emerging markets have indicated their reluctance to sign the treaty without guaranteed, sustained financial aid, similar to the models of climate finance seen at climate COPs and biodiversity finance at biodiversity COPs.



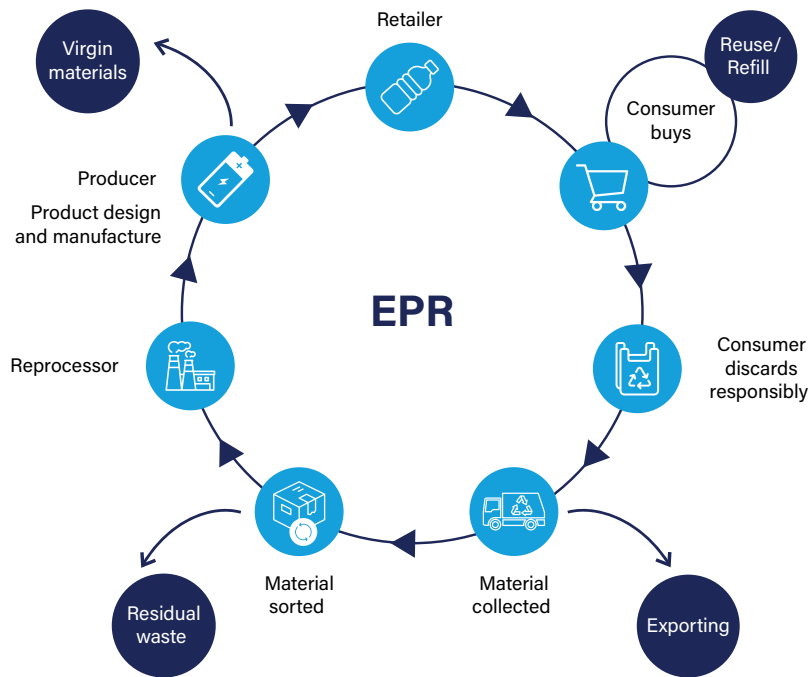
Recent research predicts a significant increase—at least 50%—in mismanaged plastics waste by 2040 compared to 2019 levels globally, encompassing informal dumpsites, open burning, and pollution in land and water. Within the GPT negotiations, many stakeholders and country delegations argue that focusing solely on waste management is too narrow, failing to address the plastics crisis comprehensively, as waste management does not cover the entire lifecycle of plastics. This perception has diminished the attention to financing, infrastructure development, policy adoption, business disruption, and overall efforts needed to improve downstream waste management.

Finance for treaty implementation

The level of ambition in addressing plastics pollution is closely tied to the availability and sources of funding. Countries hold varying views on financing measures to reduce plastic pollution—some advocate for a dedicated, independent financial mechanism for the GPT, while others prefer integrating it into existing frameworks.

Funding for the GPT is likely to come from a multilateral fund. This is where richer countries pay into a fund that is distributed to poorer countries. The US and others made an argument for encouraging private investment through regulation—for example, by requiring recycled content mandates. The focus on financing strengthens the case for better collection and sorting (via extended producer responsibility, or EPR) where governments can pass laws to incentivize private investment. Industry and environmental NGOs have both called for EPR—better collection and sorting, paid for by those placing products on the market.

Extended Producer Responsibility (EPR) schemes will spread following the treaty's adoption



Source: The Food & Drink Federation



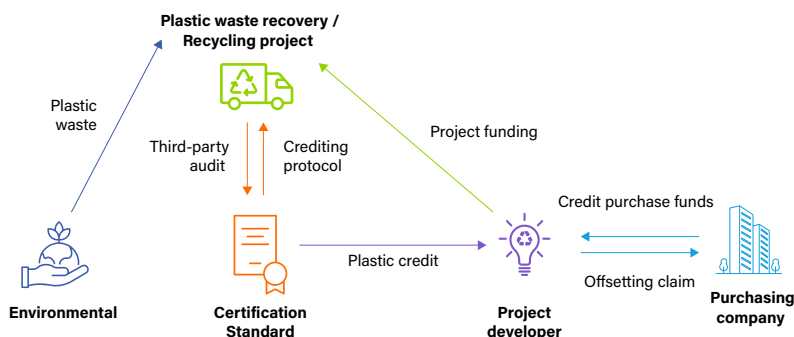
Private finance to the rescue

Developed economies, expected to bear greater financial burdens, will look to the private sector to help mobilize finance to achieve the objectives of a finalized GPT. Delegates will consider blended finance, guarantees, and first-loss positions to get to the finish line. With public resources stretched by inflation and ongoing geopolitical crises, policymakers will likely turn to the private sector to support and shape the financial mechanisms for GPT implementation.

This approach mirrors the one taken at the recent UN biodiversity summit (COP16) in Colombia, where the first-of-its-kind, private sector-focused Cali Fund was established. The fund consists of a voluntary levy of 1% of profits, or 0.1% of revenue, from large multinational companies that use genetic resources in their products, focusing on sectors such as agriculture, pharmaceuticals, and cosmetics. The money raised would support the implementation of the Kunming-Montreal biodiversity agreement, with a focus on developing economies and indigenous communities.

Moreover, **while discussions on the emerging plastics credit market are gaining momentum, clear language is unlikely** to be included in the final treaty. This will not, however, prevent the growth of such markets, and it will help mobilize private finance to potentially mitigate the negative impact of plastics pollution.

Plastics credit: How does it work?



Source: Sustainable plastics

Product design

Alongside funding for waste management and addressing chemicals of concern, **product design has been a primary focus in the negotiations, proving to be less contentious than the first two areas.** The GPT discussions on product design aim to encourage sustainable production and consumption by enhancing the recyclability and reuse of plastics while minimizing unnecessary plastic components in products.

Why product design?

Changes in plastic product design can significantly enhance the global approach to managing plastics waste. With nearly half of plastic packaging being single-use with an average lifespan of just six months, addressing product design at the outset is essential to preventing plastic waste before it is generated. These design interventions occupy a critical “midstream” position in the plastics lifecycle, situated between upstream controls on production and consumption and downstream waste management efforts.

Design interventions can drive and support industry innovation through strategies that focus on reduction, redesign, and reuse. However, discussions about “designing for circularity” often receive less attention than upstream and downstream solutions during negotiations.



By emphasizing product design, negotiators can implement resource-efficient measures that facilitate the use of sustainable alternatives, minimize excessive packaging, and transition to refillable or reusable systems, ultimately improving recycling outcomes.

Furthermore, product design can involve modifications to eliminate toxic additives and compounds, aligning with broader efforts to phase out harmful chemicals from the market.

Current status of product design within the GPT

During the fifth session of the UN Environment Assembly (UNEA-5) in 2022, when participants adopted the resolution for an international legally binding instrument on plastics pollution, initial references to sustainable design highlighted its importance within the GPT. The resolution emphasized promoting sustainable design to enhance reuse, remanufacturing, and recycling, thereby minimizing waste generation.

Various iterations of the draft treaty text have included substantive sections on product design, although many proposals remain bracketed. Key options being considered are:

- Encouraging countries to adopt measures that enhance the circularity of plastic products through improved design;
- Establishing minimum design and performance criteria for plastics produced within national markets;
- Implementing measures to promote recycling, reuse, and repair, with a focus on achieving harmonized standards and minimum recycling targets;
- Mandating that products contain specific percentages of safe, post-consumer recycled plastic, alongside timeframes for transitioning to recyclable materials; and
- Setting criteria for assessing alternative plastics based on safety, environmental impact, and sustainability.

Benefits of product design rules in the GPT

Implementing product design guidance and support for international standards within the GPT could yield numerous benefits, including:

- **A stable investment environment:** Establishing clear guidance for product design will foster innovation and facilitate changes in plastic packaging.
- **Quick adoption through strong industry support:** Members of the Business Coalition for a Global Plastics Treaty, including organizations such as the Ellen MacArthur Foundation and the World Wildlife Fund, have expressed support for incorporating product design rules.
- **Consistency for companies:** An ambitious treaty that provides mandatory directions for product design would create consistency, enabling economies of scale and advancing efforts to combat plastics pollution. It would level the playing field through common rules that ensure all businesses adhere to the same standards, promoting fairness and accountability.
- **Strengthening midstream interventions:** Product design measures will bolster midstream efforts, enhancing overall plastics management and encouraging efficient resource use.

Considerations and risks related to the inclusion of product design rules in the GPT

Although the potential benefits are substantial, there are important considerations and risks to keep in mind when implementing product design rules. One key factor is infrastructure compatibility; any changes in product design must align with existing downstream infrastructure to be truly effective. Without this compatibility, the efforts might not yield the desired results.

Another consideration is the **potential need for major capital investments**. Transforming plastics manufacturing processes on a large scale could require considerable financial resources. This aspect highlights the importance of planning and securing the necessary funding to support these changes.

In addition, **there will be a crucial need for effective oversight and management**. Implementing changes in product design will require a well-structured approach to guide stakeholders and ensure proper execution. This includes setting up mechanisms for administration and providing clear guidance to facilitate a smooth transition.

Conclusion

The GPT offers a unique chance to tackle a growing environmental and health issue while creating new market opportunities for all stakeholders involved. **If an agreement is reached by early 2025, it will have far-reaching implications for sectors across the plastics value chain.** The UN negotiations will drive countries and trade blocs to develop new plastics regulations on a similar timeline, likely including measures ranging from restrictions to disclosure requirements. The EU, for instance, will continue its role as a global environmental regulatory leader, advancing initiatives such as the Packaging & Waste Directive, the Corporate Sustainability Due Diligence Directive, and the Carbon Border Adjustment Mechanism. **Such policy efforts would spur the development of alternative materials, systems for reuse and refilling, and advances in recycling and broader waste management efforts.**

The global focus on plastics policy after treaty adoption will encourage national and local authorities to proactively enact their own regulations, potentially complicating efforts to create a level playing field for multinational corporations. One immediate impact on companies will be the need to strengthen their plastics strategies and set more ambitious targets. Heightened pressure will also lead to a renewed focus on R&D investment, with companies exploring new technologies to replace problematic plastics and adopting innovative recycling and reuse methods.

Lastly, **a UN agreement on plastics could trigger a ripple effect, leading to international treaties on other environmental issues**, following the fast-tracked adoption process utilized for the GPT. All indications suggest that the GPT will mark a turning point, even if it is not finalized in Busan during the INC-5 negotiations.