

WTO Dialogue on Plastic Pollution (DPP)

Statement by the Forum on Trade, Environment, & the SDGs (TESS)

DPP Pre-Plenary Meeting

13 June 2024

Thank you for the opportunity to intervene this morning.

TESS welcomes the ongoing engagement by DPP coordinators and members in taking forward discussions on substantive elements of trade-related cooperation to address plastic pollution in pursuit of concrete outcomes. The emphasis on sustaining momentum and deepening discussions is well reflected in the rich array of topics to be covered in today's pre-plenary.

A key consideration for future DPP meetings would be to further narrow the scope of topics to be covered, with a focus on encouraging DPP members and stakeholders to address specific questions that would help chart opportunities, options, and ways forward on potential concrete and actionable specific outcomes that could be pursued collectively by DPP members.

Intervention in the Workstream on Cross-Cutting Issues

On cross-cutting issues, TESS welcomes the update on the results of INC-4 by the INC Secretariat as well as briefings by the WCO, World Bank, and UNITAR on trade-related elements of their work. As we have heard today, their initiatives—ranging from global rules to address plastic pollution to HS reform and the creation of inventories of material flows and plastic content of traded goods—can also serve to strengthen transparency on plastic trade flows and guide the design of specific trade-related policies and domestic, regional, and global action to tackle plastic pollution. In addition, lessons and experiences on the design and implementation of trade-related elements in capacity building on the ground are vital for informing wider aid for trade initiatives in this space. On the INC process, TESS is encouraged by discussions at INC-4, where a number of INC member states highlighted the work of the DPP, including by explicitly referencing the DPP ministerial statement and their engagement in the DPP, while also highlighting the spirit of cooperation on trade found among the DPP's diverse membership. In short, we are pleased that the value and uniqueness of the DPP was recognized, including the role it can play in supporting countries to reaching concrete and pragmatic outcomes with a broad diversity of members.

TESS would like to highlight that at INC-4, it organized a side event on "Cooperation on Trade and the INC", which sought to highlight for INC delegates insights from the WTO DPP and national experiences. The event reviewed opportunities for cooperation on trade and plastic pollution, sharing insights from the work of the DPP, including recent developments such as the MC13 ministerial statement, lessons about compatibility of multilateral environmental agreements and WTO rules, and national experiences on trade and plastic pollution that can inform and support the work of the INC.

Intervention in the Workstream on Reduction to Tackle Plastic Pollution

On reduction, we welcome the <u>informal report</u> by the WTO Secretariat on the "Definition of Single-Use Plastic Products in Trade-Related Plastics Measures (TrPMs) Found in the DPP Survey" and the ongoing collaboration between the WTO and WCO secretariats to better identify a range of problematic plastics including single-use products within the HS nomenclature.

The analysis in the informal report has revealed that there is significant diversity in definitions as well as considerable variability in the general criteria used by countries to identify the targeted single-use products. This is also a finding of a recent TESS recent policy brief on "Options for Trade-Related Cooperation on Problematic and Avoidable Plastics: Building on Existing Experiences with Single-Use Plastics," which was presented at the DPP pre-plenary meeting on 12 April 2024. The WTO Secretariat's informal report in its analysis of various approaches based on lifespan and "number of uses" also reveals the overlap between single-use products and "short-lived" products and the fact that there is no common quantitative benchmark for short-lived products.

These findings underscore the need for a coordinated approach to defining and categorizing single-use products and short-lived and other problematic and avoidable products. It also highlights the value of initiatives like WTO's TrPMs survey whose findings regarding diverse country specific practices could inform efforts to pursue a coordinated or harmonized approach to definitions and categorizations of single-use plastic products in the context of the global plastics treaty negotiations.

We continue to encourage DPP members to work with their environment and customs counterparts to seize the opportunity provided by the ongoing discussions in the context of HS 2028 reforms. A coordinated approach to definitions and categorization and related criteria, in particular based on physical attributes, would greatly improve the prospects of HS classification reform at the WCO to improve the visibility of single-use products and other problematic and avoidable plastic products at the HS six-digit level. Over the longer term, the INC process may generate such definitions, but we are encouraged by the WTO report that there is sufficient convergence and understanding of particular single-use products that there is potential to act on several categories of potential reforms without waiting for a multilaterally agreed definition on single-use products; if indeed it ever emerges from the INC process.

In our <u>policy brief</u> on problematic and avoidable plastics, TESS has identified a number of specific options for trade-related action and cooperation to eliminate and reduce single-use products. These include measures that aim to: (i) eliminate and phase out unnecessary and problematic single-use products, such as those for which there is clear evidence of harms to the environment and human health; and ii) restrict and/or reduce the import and export of unnecessary single-use products. A key part of such options will be to support reuse and substitution, including through alternative business models that use less plastics and through use of environmentally sustainable and effective non-plastic substitutes. A key consideration would be to acknowledge and address single-use products as one part of reduction efforts aimed at a broader universe of problematic and avoidable plastic products that would also include products with harmful chemicals and additives, products that generate microplastics, products that are non-recyclable or those that hinder recycling, and short-lived plastic products.

To promote traded-related measures relevant to single-use plastic products, DPP members could consider: (i) improving transparency and disclosure through notification of non-tariff measures

on imports and exports of single-use products, as well as those affecting substitutes for such products; and (ii) maintaining an evolving list of specific single-use products (such as sachets or other packaging) or categories or groups of single-use products for which WTO members are already taking or considering to take measures (such as products containing harmful additives).

As a starting point, TESS encourages DPP members to prioritize action on specific product types/applications that are well known to be significant contributors to plastic pollution. For instance, at the 16 February 2023 DPP Pre-Plenary meeting, The Pew Charitable Trusts, in their intervention, noted five product types/applications that contribute to 85% of all plastic leaking into the ocean today. These are mono-material films, carrier bags, bottles, and sachets/multilayers (all of which are single-use plastic products), as well as household plastic goods (which are non-essential and can be replaced by suitable reuse, refill, and packageless options, as highlighted in the QUNO report on "Package-Less and Reuse Systems Through Policy Intervention", or with environmentally sound, safe, and effective non-plastic substitutes).

TESS also welcomes consideration of actions that members could take internally to further improve transparency and coordination around trade-related policies for reduction. In particular, we underline the importance of involving ministries of trade as part of inter-agency efforts to reduce plastic pollution more broadly. Creating inventories of domestic trade-related plastics measures with a review of their successes, failures, and lessons learnt in domestic or regional contexts could also provide useful information to policymakers engaged in both the DPP and INC processes.

Intervention in the Workstream on Promoting Trade to Tackle Plastic Pollution

Regarding promoting trade to tackle plastic pollution, TESS would like to highlight a few key options for promoting trade in environmentally sound waste management technologies and services that could be pursued in the DPP. These are drawn from our forthcoming co-publication with QUNO on this topic. Today, I would like to highlight five specific opportunities for cooperation and collective action that we identify in the paper:

- (i) Work to identify environmentally sound and safe plastic waste management technologies and services, including analysis of whether and which of these have associated HS or CPC codes. This work could be conducted in coordination with the WCO and the United Nations Statistical Commission, and could include identification of gaps.
- (ii) Review and analysis of relevant standards on plastic waste management technologies, including through review of any notified to the WTO or discussed in relevant WTO committees, particularly the TBT Committee, as well as expert input from UNEP, the BRS Secretariat, scientific experts, and other stakeholders on the environmental and social impacts of specific plastic waste management technologies.
- (iii) Discussion on tariffs and non-tariff barriers that hinder trade in environmentally sound and safe plastic waste management technologies and services, including drawing on insights from discussion of relevant technologies in the context of discussions in the plastics treaty negotiations and the Basel Convention.
- (iv) Review of the state of play and best practices with regard to environmental regulations relevant to plastic waste management and their implementation, including relevant international provisions, such as Basel Convention technical guidelines, and their implications for trade flows, scale up, and diffusion of environmentally sound and safe plastic waste management technologies.

(v) Analysis of the specific constraints faced by small-island developing states, least developed countries, and small and vulnerable economies in plastics waste management and how trade-related cooperation can help address these challenges.

Notably, efforts to promote diffusion of environmentally sound and safe plastic waste management technologies would benefit from discussions underway in a range of WTO bodies. These include the Council for Trade in Services and the Working Group on Technology Transfer. They also include TESSD discussions where governments have identified the importance of a holistic approach to trade policy cooperation required to boost trade in environmental goods and services. Such a holistic approach would focus on specific environmental challenges and consider the range of tariff and non-tariff barriers at hand as well as the necessary support measures, such as financing. It would also consider the potential for specific trade-related partnerships, including project-based trade partnerships, to achieve particular shared goals.

DPP members could also consider exploring potential synergies on trade-related cooperation around environmentally sound and safe plastic waste management technologies in the context of informal discussions in TESSD or in the Committee on Trade and Environment. Other relevant WTO processes where synergies could be explored include several WTO negotiating groups established under the Trade Negotiations Committee that address some environmental topics, including the Rules Negotiating Group, the Committee on Trade and Environment in special sessions, the Council for Trade in Services in special sessions, and the Committee on Agriculture in special sessions. Trade-related policies and barriers relevant to discussion of technologies also include intellectual property issues that could be explored in the context of the Council for Trade-Related Aspects of Intellectual Property Rights and the Working Group on Trade and Technology Transfer.

Discussions on aid for trade also provide an opportunity for developing countries to identify traderelated needs in regard to environmentally sound and safe plastic waste management technologies and services. Here, our forthcoming paper emphasizes the importance addressing all aspects of the plastics life cycle, including product design and packaging used in exports, which can help reduce the generation of plastic waste associated with traded products. In this regard, technologies relevant to minimize, prevent, and address post-consumer waste and ensure greater circularity in the synthetic textiles sector, which is of vital importance from a trade perspective to developing countries, could also be considered a priority category for discussion and trade-related action.

TESS welcomes ongoing work carried out on environmentally sound, safe, and effective non-plastic substitutes by UN Trade and Development (UNCTAD) as well as various private sector entities and business associations. We look forward to seeing how this work and country-based experiences can inform concrete individual and collective action that DPP members could take.

Thank you again for the opportunity to contribute to these discussions. We look forward to continue supporting DPP delegates and stakeholders as they move forward on concrete and actionable deliverables for MC14.