

# Toward a Global Plastic treaty:

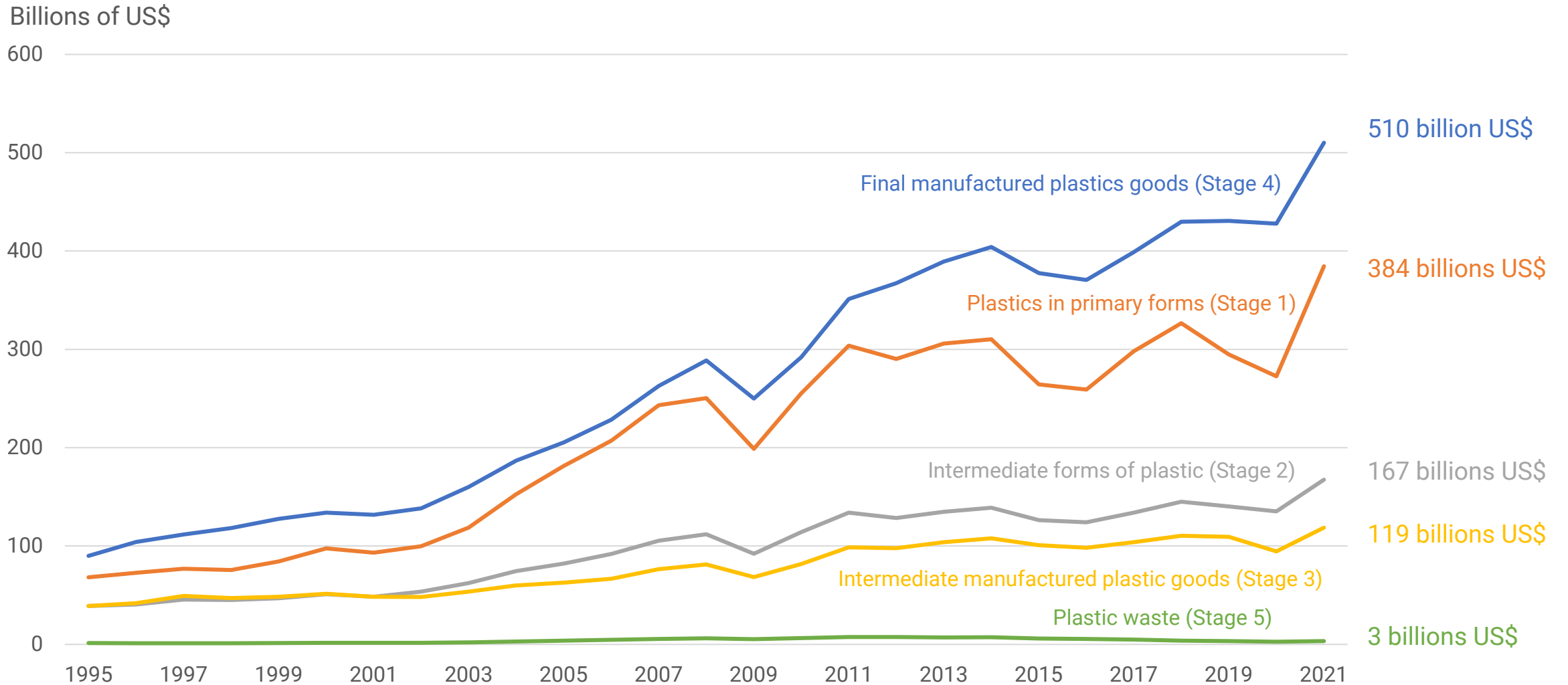
Global trends in plastics trade, control measures and new opportunities for material substitutes

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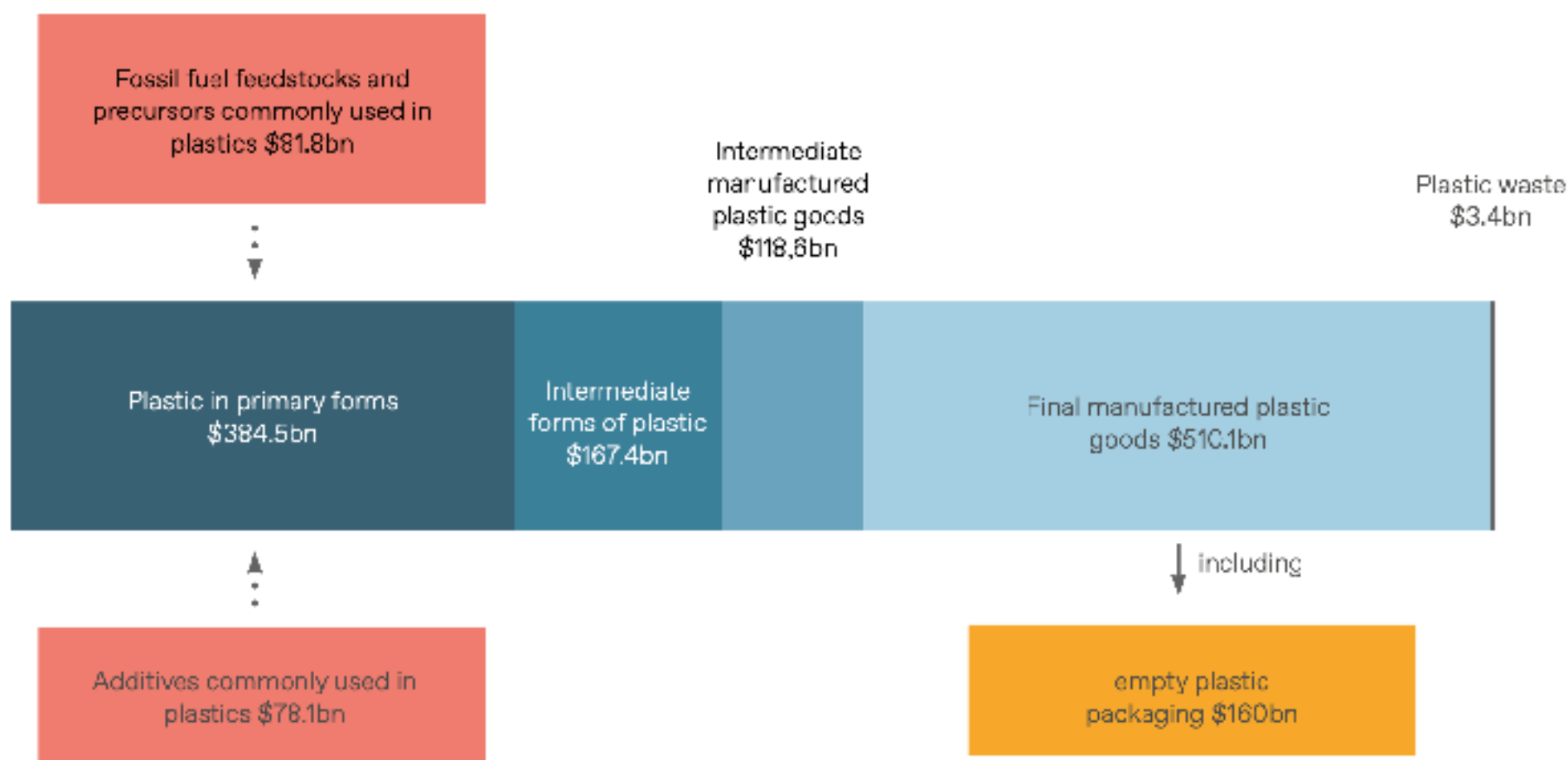
Trade, Environment, Climate Change and Sustainable Development Branch,

United Nations Conference on Trade and Development

Why we need a treaty. **Trade in plastics** is a big and growing business; virtually no countries are untouched; 75% of plastics becomes waste.



# Trade Flows Across the Life Cycle of Plastics (2021)



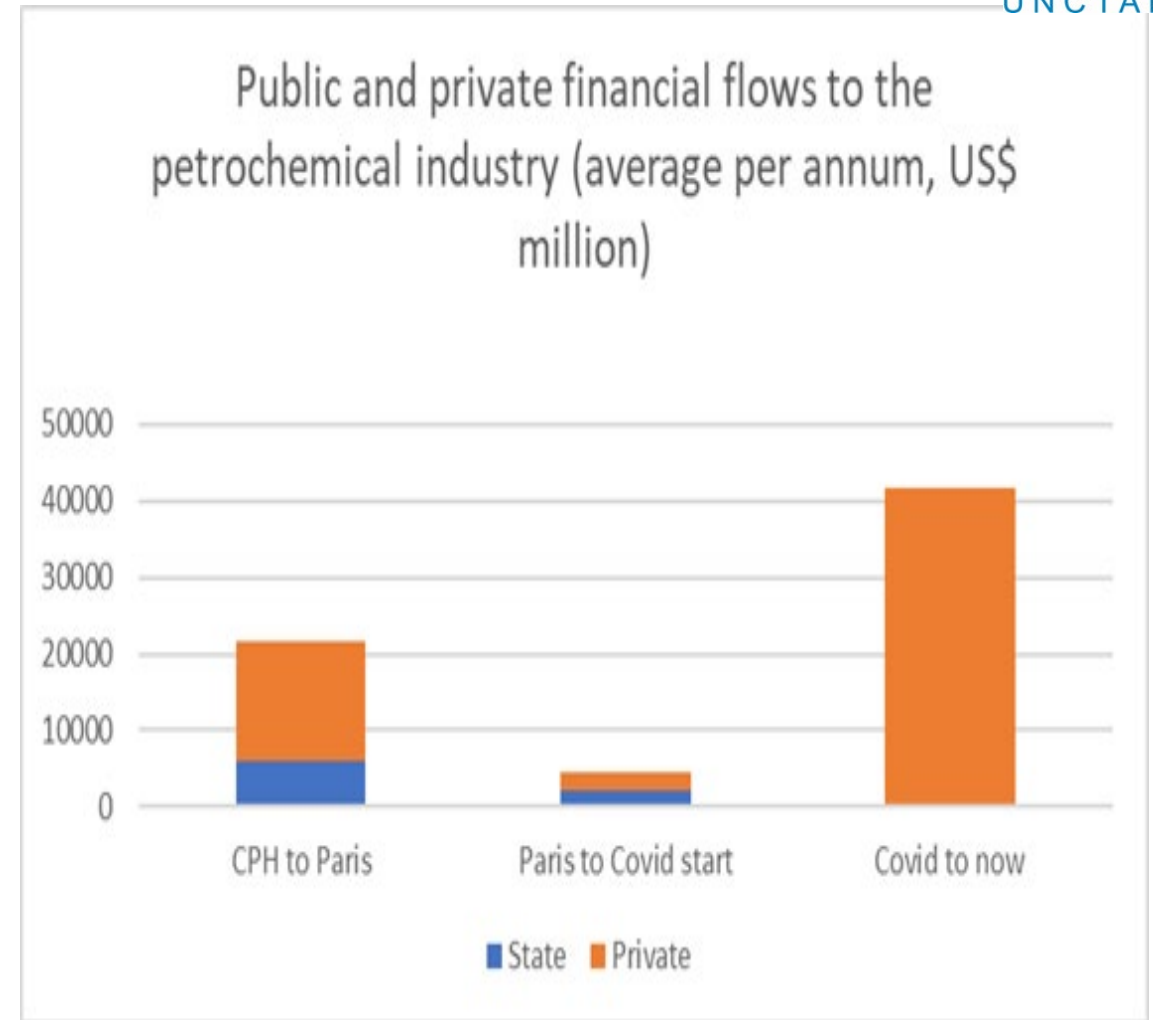
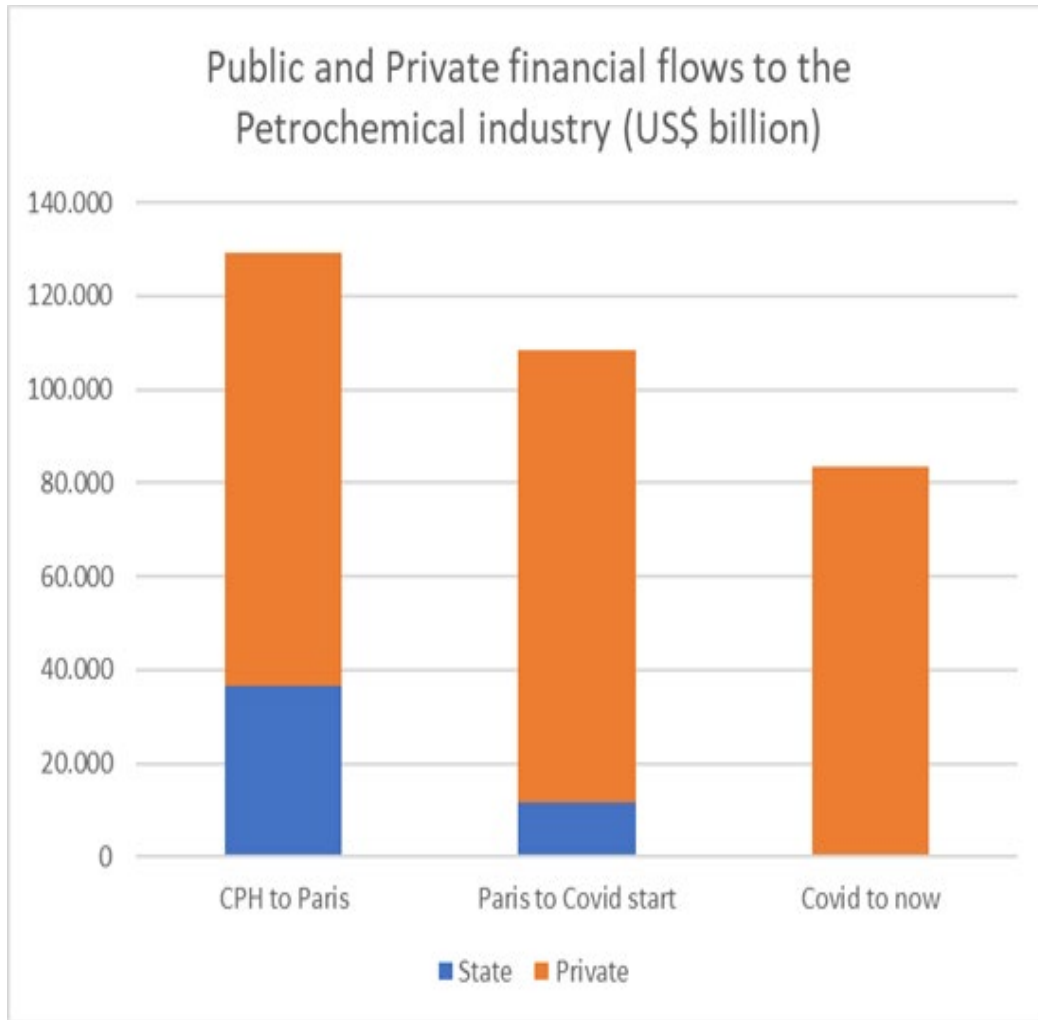
Plastics Trade Database

TESS Forum on Trade, Environment, & the SDGs

(excluding millions of additional tonnes of hidden plastics embedded in products, used in pre-packaged products or for distribution and transportation not revealed by trade statistics)

Note: Feedstocks, precursors, and additives are inputs used in plastic production and processing. The values noted in this figure are for the total amount of trade, recognizing that not all of the trade of all of the products included in those values will be destined for use in plastics. Empty plastic packaging is included in the value for final manufactured plastic goods.

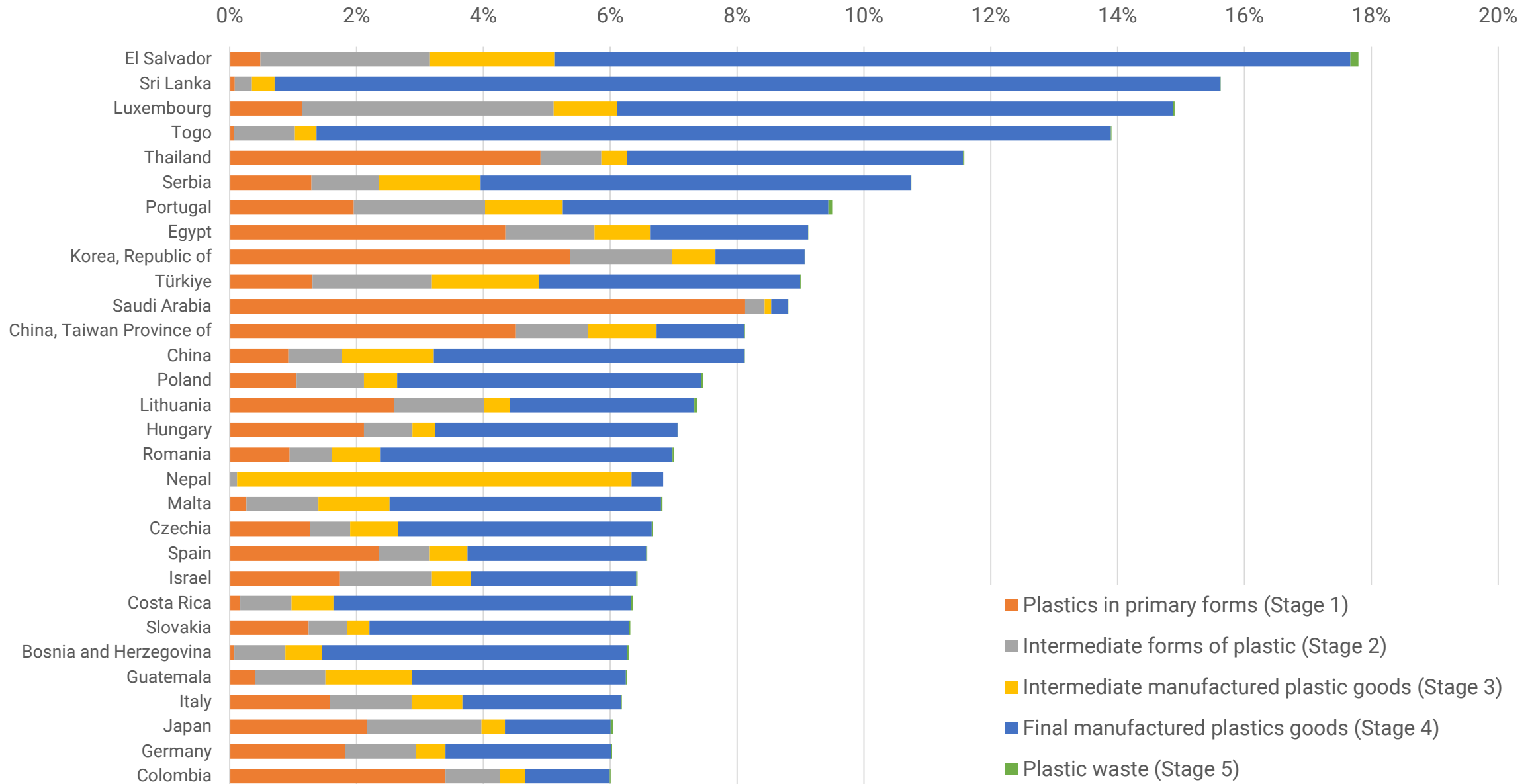
# Set to keep growing? Big money is still going into plastic, despite Greening pledges and seeming positive moments: tracking Copenhagen-Paris-Covid-period finances.



Source: Barrowclough and Finkill (2021), Banks Bonds and Petrochemicals. Greening the Path from Copenhagen... [https://unctad.org/system/files/official-document/ser-rp-2021d12\\_en.pdf](https://unctad.org/system/files/official-document/ser-rp-2021d12_en.pdf)

# Share of plastics trade in total merchandise exports, 2021

(Only countries where plastics represent more than 6% of global exports)



## CONTROL AND MITIGATION MEASURES ACROSS EACH STAGE OF THE PLASTICS VALUE CHAIN

Control measures applicable to plastics are being discussed as one of the main **tools for a legally binding instrument on plastic pollution**, including in the marine environment. This table summarizes several options, **covering both trade / border measures and internal market measures**, which can be adopted by countries. Control measures can help steer economies away from harmful, problematic, single-use plastics and at the same time help to promote more sustainable material substitutes and alternatives.

### RAW MATERIALS



Hydrocarbons

### UPSTREAM



Polymer pellets

### MIDSTREAM



Products and parts

### DOWNSTREAM



Plastic waste or residues






### RECOVERY



From land or water bodies

		RAW MATERIALS	UPSTREAM	MIDSTREAM	DOWNSTREAM	RECOVERY
TRADE / BORDER MEASURES	<b>TARIFFS</b>	<ul style="list-style-type: none"> <li>Preferential or higher tariffs on certain goods.</li> </ul>	×	×	×	×
	<b>IMPORT BAN (QR)</b>	<ul style="list-style-type: none"> <li>Import ban on imports of single-use plastics causing persistent pollution.</li> </ul>			×	×
	<b>IMPORT QUOTAS (QR)</b>	<ul style="list-style-type: none"> <li>Limitations on imports of single-use plastics.</li> </ul>	×	×	×	×
	<b>IMPORT LICENSES (ILP)</b>	<ul style="list-style-type: none"> <li>Import licenses for recyclable plastic waste;</li> <li>Import licenses for plastic bag components to avoid circumventing.</li> </ul>		×	×	×
	<b>EXPORT BAN</b>	<ul style="list-style-type: none"> <li>Export ban of polymers, products or scrap material to destinations with limited capacity to process end-of-life materials.</li> </ul>		×	×	×
	<b>EXPORT QUOTAS</b>	<ul style="list-style-type: none"> <li>Limits on specific polymer or scrap material exports.</li> </ul>		×		×
	<b>EXPORT LICENSES</b>	<ul style="list-style-type: none"> <li>Adherence to Basel plastic waste amendments / PIC procedure.</li> </ul>				×
	<b>EXPORT TAXES</b>	<ul style="list-style-type: none"> <li>Explicit tax or via state marketing boards.</li> </ul>				×
	<b>TRADE DEFENSE TOOLS</b>	<ul style="list-style-type: none"> <li>AD/CVD applied to plastics;</li> <li>Peace clause so not to apply AD/CVD on material substitutes.</li> </ul>	×	×	×	×

## CONTROL AND MITIGATION MEASURES ACROSS EACH STAGE OF THE PLASTICS VALUE CHAIN

<p>Control measures applicable to plastics are being discussed as one of the main <b>tools for a legally binding instrument on plastic pollution</b>, including in the marine environment. This table summarizes several options, <b>covering both trade / border measures and internal market measures</b>, which can be adopted by countries. Control measures can help steer economies away from harmful, problematic, single-use plastics and at the same time help to promote more sustainable material substitutes and alternatives.</p>		 RAW MATERIALS Hydrocarbons	 UPSTREAM Polymer pellets	 MIDSTREAM Products and parts	 DOWNSTREAM Plastic waste or residues	 RECOVERY From land or water bodies
INTERNAL MARKET MEASURES	<b>MONETARY AND ECONOMIC INSTRUMENTS</b> <ul style="list-style-type: none"> <li>Environmental or chemical taxes applicable to plastics;</li> <li>Packaging and recycling fees;</li> <li>Preferential tax treatment to alternatives/substitutes.</li> </ul>	×	×	×	×	×
	<b>PUBLIC PROCUREMENT</b> <small>-not including public hydrocarbon enterprises-</small> <ul style="list-style-type: none"> <li>Government procurement favouring goods with recycled content;</li> <li>Procurement of plastic depollution services.</li> </ul>			×		×
	<b>SUBSIDIES TO SERVICES</b> <ul style="list-style-type: none"> <li>Direct grants to R&amp;D;</li> <li>Subsidies for recycling or decontamination services imports.</li> </ul>	×	×		×	×
	<b>REMOVAL OF SUBSIDIES TO GOODS</b> <ul style="list-style-type: none"> <li>Removal of subsidies to fossil fuels;</li> <li>Remove subsidies from polymer pellets.</li> </ul>	×	×			
	<b>OPERATION LICENSES</b> <ul style="list-style-type: none"> <li>Authorize operation for polymer production or recycling/recovery services of sufficient quality.</li> </ul>	×	×	×	×	×
	<b>LABELLING (TBT)</b> <ul style="list-style-type: none"> <li>Labelling requirements clearly indicating polymer and recycled content;</li> <li>Proper labelling requirements of recycled plastic scrap trimmings or pellets.</li> </ul>		×	×	×	
	<b>INVESTMENT REGULATIONS</b> <ul style="list-style-type: none"> <li>Authorize operation for polymer production or recycling/recovery services of sufficient quality.</li> </ul>	×	×		×	×
	<b>SERVICES LIBERALIZATION &amp; REGULATION</b> <ul style="list-style-type: none"> <li>Plastics decontamination services liberalization;</li> <li>National plastic waste management frameworks.</li> </ul>					×
	<b>EXTENDED PRODUCER RESPONSIBILITY</b> <ul style="list-style-type: none"> <li>Deposit schemes;</li> <li>Take-back programmes.</li> </ul>				×	
	<b>DESIGN AND QUALITY STANDARDS (TBT)</b> <ul style="list-style-type: none"> <li>Exclusion of any hazardous chemicals;</li> <li>Minimum thickness, reusability, mono-material requirements;</li> <li>Durability.</li> </ul>	×	×	×	×	
	<b>INTERNAL PRODUCTION AND COMMERCIALIZATION BANS OF PLASTIC PRODUCTS</b>			×	×	
	<b>CERTIFICATION AND CONFORMITY ASSESSMENT (SPS/TBT)</b>		×	×		
<b>RECYCLING TARGETS (ADM)</b>				×	×	
<b>MEASURING, MONITORING AND MAPPING OF PLASTIC LITTER (ADM)</b>				×	×	





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# The distinction between plastic substitutes and plastic alternatives

Plastics substitutes are natural materials that have similar properties to plastics, while plastic alternatives include bioplastics or biodegradable plastics.

Plastic substitutes	VS	Plastic alternatives
Mineral, plant, marine or animal	ORIGIN	Bioplastics or Biodegradable plastics
Recyclable, reusable, biodegradable, compostable, or erodable	PROPERTIES	Recyclable, biodegradable, or compostable (end of life)
Should have lower environmental impact along their life cycle	IMPACT	Should have lower GHG lifecycle emissions when compared to plastics
Should not be hazardous for human, animal or plant life	SAFETY	Should not be hazardous for human, animal or plant life
<b>Non-plastics</b>		<b>Better plastics</b>

Source: UNCTAD Vivas Eugui & Pacini (2022). UNCTAD, based on presentation on plastic substitutes HS codes, Life-cycle analysis and tariffs considerations. WTO Dialogue on Plastics.





HS Chapter	Description	Number of 6-digit HS Codes
04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, n.e.c.	1
05	Animal originated products; not elsewhere specified or included	3
07	Vegetables and certain roots and tubers; edible	8
08	Fruit and nuts, edible; peel of citrus fruit or melons	2
11	Products of the milling industry; malt; starches; inulin; wheat gluten	3
12	Oil seeds and oleaginous fruits, ..., industrial or medicinal plants; straw and fodder	7
13	Lac; gums, resins and other vegetable saps and extracts	4
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	4
15	Vegetable waxes (other than triglycerides); whether or not refined*	1
17	Sugars and sugar confectionery	2
20	Preparations of vegetables, fruit, nuts or other parts of plants	1
23	Food industries, residues and wastes thereof; prepared animal fodder	4
28	Inorganic chemicals; organic and inorganic compounds of precious metals...	2
29	Organic chemicals	2
32	Glass; glass frit and other glass, in the form of powder, granules or flakes*	1
39	Cellulose; Natural polymers...	5
40	Rubber	4
41	Raw hides and skins (other than furskins) and leather	12
42	Articles of leather,....articles of animal gut (other than silkworm gut)	1
44	<b>Wood and articles of wood; wood charcoal</b>	<b>43</b>
45	Cork and articles of cork	7
46	Manufactures of straw, esparto or other plaiting materials; basketware...	8
47	<b>Pulp of wood or other fibrous cellulosic material; recovered (waste and scrap)...</b>	<b>17</b>
48	<b>Paper and paperboard; articles of paper pulp, of paper or paperboard</b>	<b>31</b>
50	Silk	10
51	<b>Wool, fine or coarse animal hair; horsehair yarn and woven fabric</b>	<b>25</b>
52	Cotton	3
53	<b>Vegetable textile fibers; paper yarn and woven fabrics of paper yarn</b>	<b>19</b>
54	Man-made filaments; strip and the like of man-made textile materials	4
56	Wadding, felt and nonwovens, special yarns; twine, cordage, ropes and cables...	4
57	Carpets and other textile floor coverings	1
63	Textiles, made up articles; sets; worn clothing and worn textile articles; rags	2
67	Feathers and down, prepared; and articles made of feather or of down	1
68	Stone, plaster, cement, asbestos, mica or similar materials; articles thereof	1
69	Ceramic products	4
70	Glass and glassware	9
76	<b>Aluminium and articles thereof</b>	<b>17</b>
94	Furniture,... not elsewhere specified or included	4
95	Toys, games and sports requisites; parts and accessories thereof	4
96	Miscellaneous manufactured articles	1

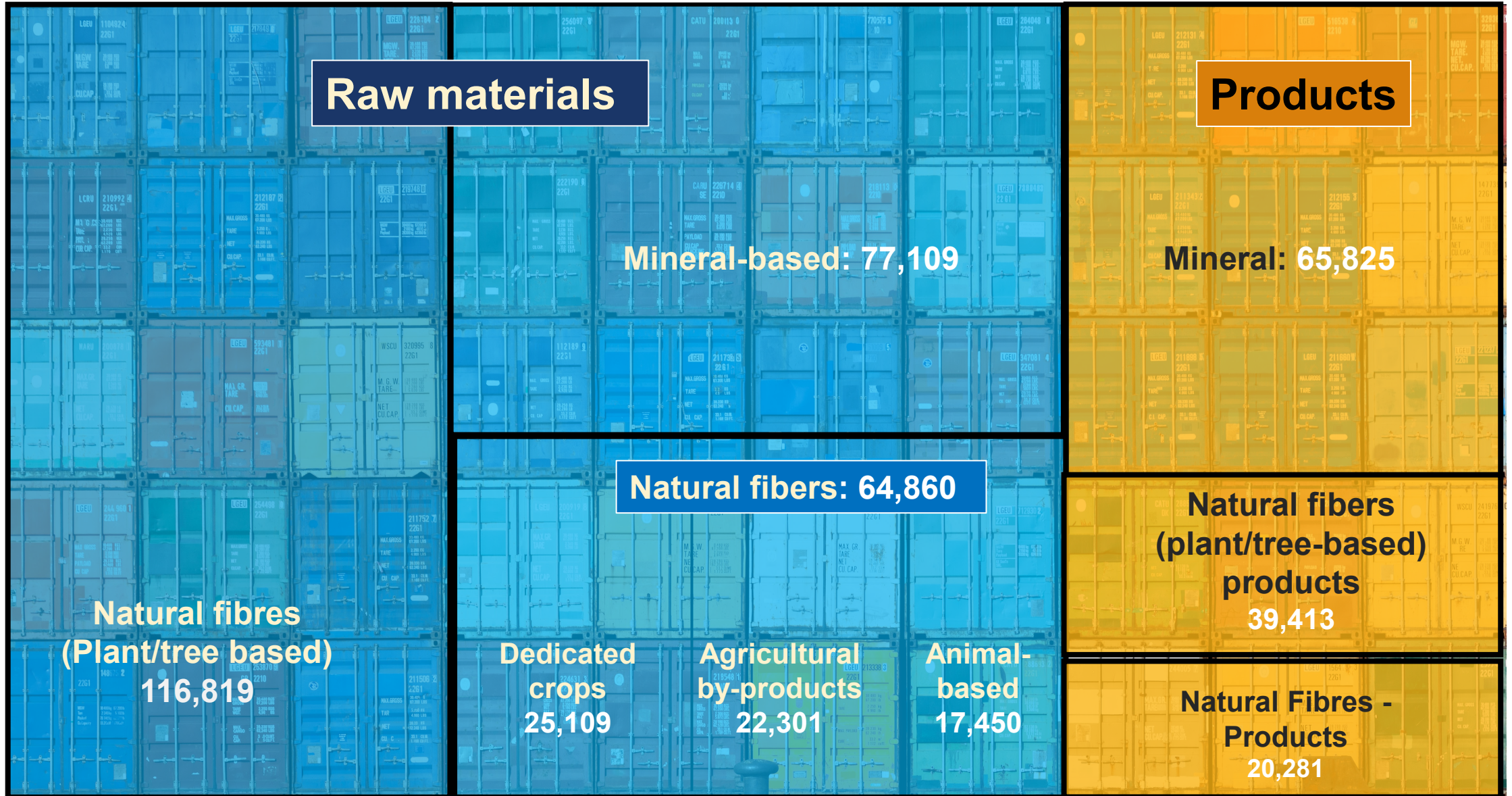
Reducing plastic use is the best way to prevent it becoming waste or hazardous waste. Substitutes can contribute significantly to this aim. A mapping of HS codes of potential plastic substitutes resulted in...

**282 HS** codes identified  
(6-digit)



# Trade value of plastics substitutes

Export represented \$388 billion, approximately 2/3 represents exports of raw materials (\$258 billion)



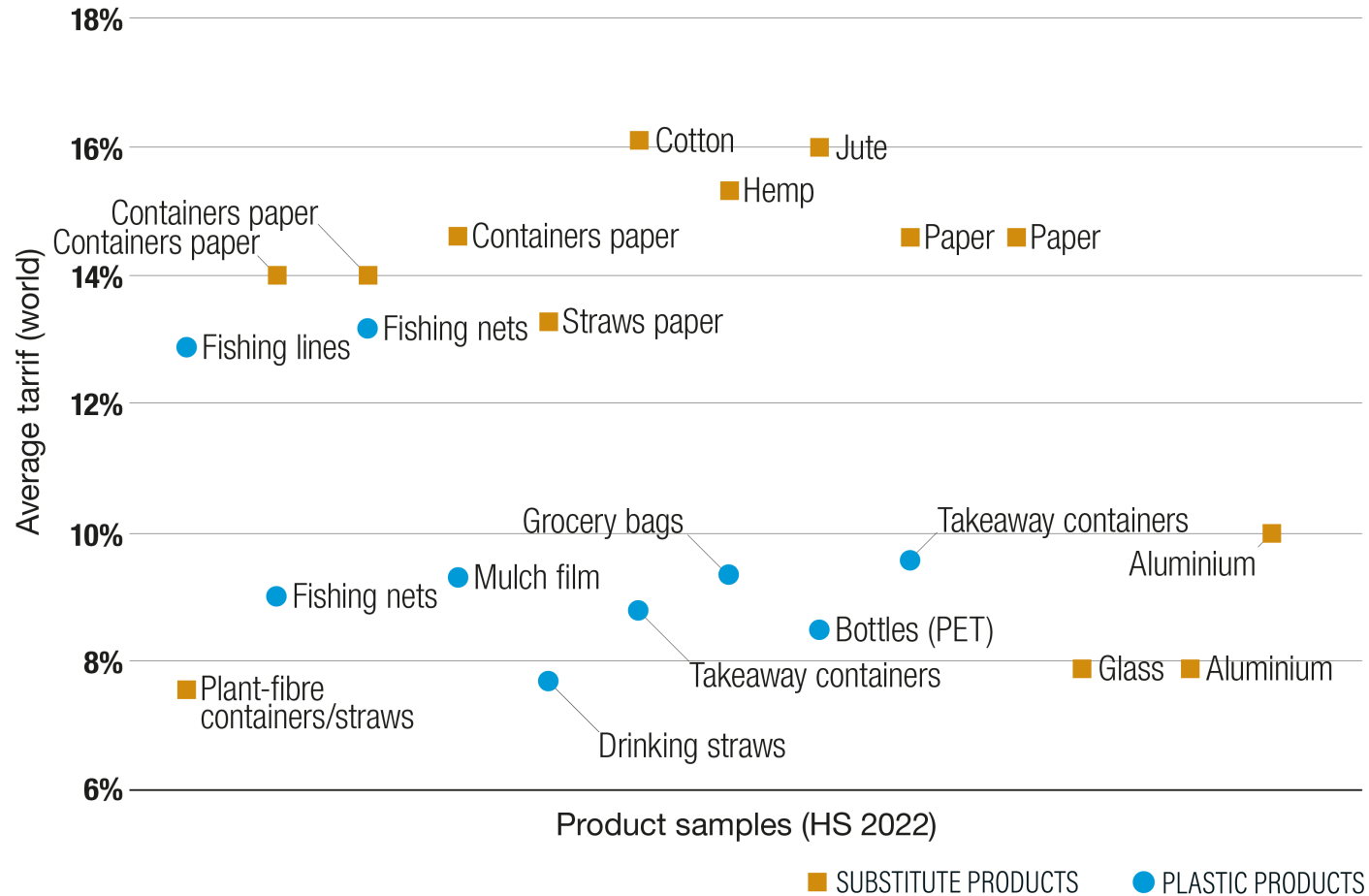




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# Average import tariffs on plastic products vs material substitutes

Substitutes often face higher import tariffs than their plastic equivalents.



Important to promote more policy coherence in tariff schedules vis-à-vis potential control measures and incentives

Source: UNCTAD, based on OEC data 2020 and HS 2022 codes.

Note: Aluminium, paper, container paper and fishing nets are repeated because of different items represented in different HS codes.



# Case Study: Bamboo as an alternative to plastics

***Bamboo can be used to replace a variety of products often made of plastics.***

***Furthermore, the ban on single-use plastics in many countries opens possibilities to use bamboo as their substitute. Increased reliance on bamboo as a plastics substitute may also contribute to tackling marine plastic pollution (UNCTAD 2021).***

***Examples include:***

- ***Roofing sheets – bamboo roofing is quieter in the rain, lightweight, strong and doesn't have any adverse health impacts;***
- ***a single bamboo straw can replace 360 single-use plastic straws, this has the potential to reduce plastic pollution particularly by companies and hotels.***

***Image source: [Commodities at a glance: Special issue on bamboo \(unctad.org\)](https://unctad.org)***



# Plastic trade and sustainable development opportunities

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- We need **global leadership for designing sustainable trade and finance measures that are support INC objectives**
- A **POSITIVE TRADE AND ENVIRONMENT AGENDA** can support this:
- **Trade control measures** that are fair, inclusive and transparent and in line with multilateral trade and environmental agreements
- **Green industrial policies and incentives** to encourage production and trade in **plastics substitutes** and related “sunrise” industries where developing countries are already trying to diversify
- **Green technology transfers**; e.g., open sourcing of plastics-related waste technologies and substitute technologies. Declare these public goods.
- **Sufficient, long-term development finance** available at scale, and on favourable terms - to finance technological, industrial, social and trade aspects under a circular and ocean economy approach
- **Support to LDCs and SIDS especially**, given complexities of international trade and climate finance



# Thank you Merci

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