


The Role of Trade Measures in the Future Instrument: Challenges and Opportunities

To Reduce *and* Remove Plastic Pollution

Important Observations

- China's ban on plastic feedstock imports in 2018 was the "shock" the world needed in order to focus on plastic pollution, due to unmanageable and non-enforceable imports.
- The Basel Amendments for Plastic, effective from 2021, were adopted to expand the controls on certain *difficult-to-recycle, hazardous* plastic waste material. Not to stop trade of legitimate material.

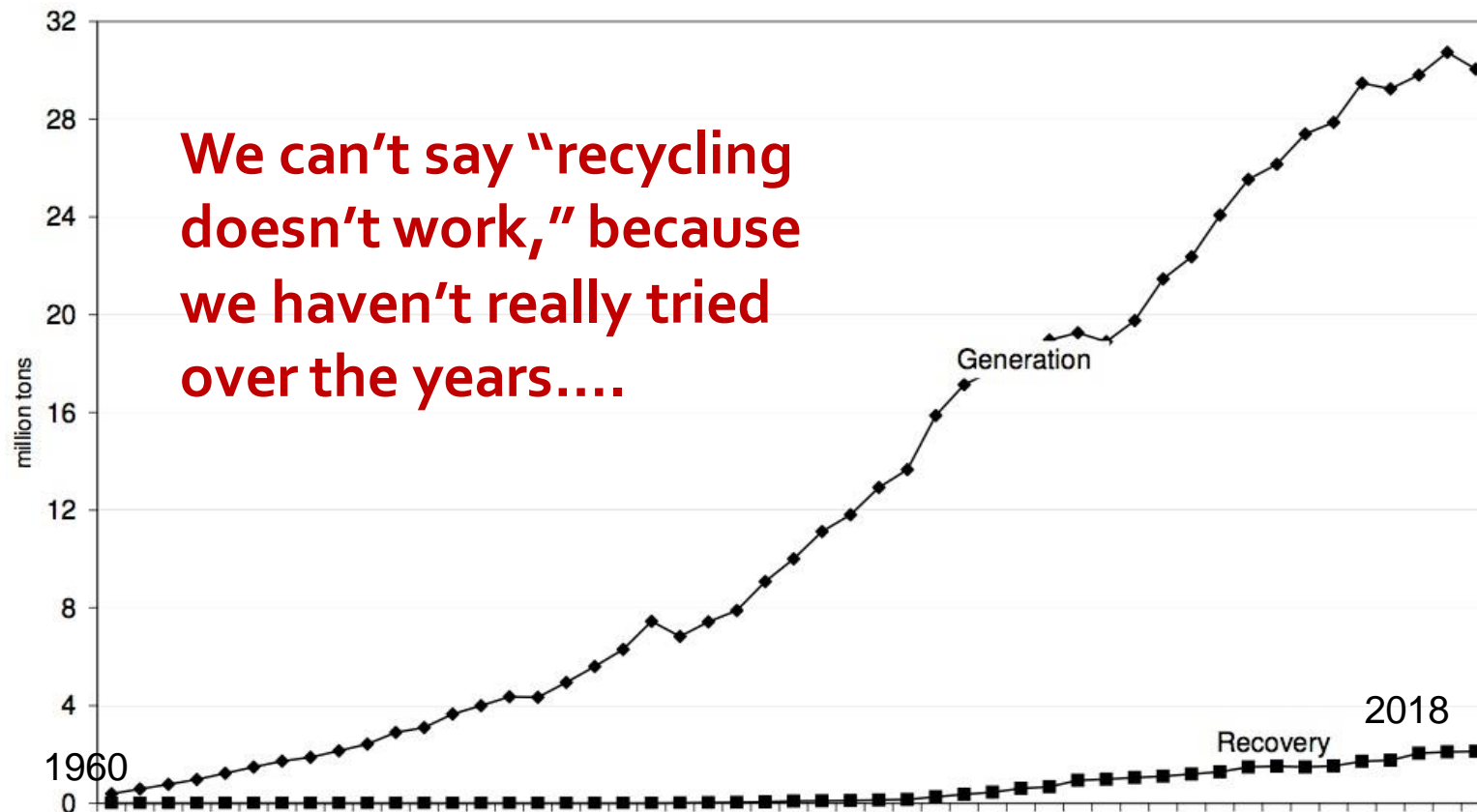
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- **Basel succeeded to set the right precedent for the reduction of “waste,” but the unintended consequence was the closure of borders for a large quantities of legitimately tradable which needs to move as well – because lack of standardization, understanding, confusion in the interpretations of the Amendment.**
 - **If brands and economies want quality recycled content at scale, and the world wants less pollution, then plastic feedstock for recycling needs to be able to move from sources to processors, cross-border in a qualified manner, like any other commodity.**

“Agreed upon” notions:

1. Circular Economy – Global or Local in nature?
2. Investment in *waste* management infrastructure and *“capacity”*.....
3. Recycling and recycled content mandates
4. Desire to have a big impact on the “remediation” of plastic pollution which will continue to exist for years to come, even with reduction and reuse plans, yet the focus and explanation of how this will be achieved is hardly being discussed

LARGE GAP BETWEEN GLOBAL CONSUMPTION AND RECYCLING AND *RECOVERY* INFRASTRUCTURE

PLASTICS GENERATION AND RECOVERY



Curb demand

Mandatory reuse systems, bans, standards, phaseouts or taxes on problematic / unnecessary plastics (e.g., single use)

Taxes and regulations applying to all plastics, to discourage primary plastics production

Removal of fossil fuel subsidies

Regulation of hazardous substances

Design for circularity

Extended Producer Responsibility (EPR) with fee modulation

Recycled content standards

Eco-design criteria for reuse of packaging and durables

Eco-design criteria to prevent microplastic leakage during product use

Enhance recycling

Landfill and incineration taxes

EPR for packaging and durables

Deposit-refund schemes (DRS)

Pay-as-you-throw schemes

Close leakage pathways

Set up well-functioning collection systems and treatment infrastructure

Enhance municipal litter management

Address sea-based leakage sources, such as abandoned, lost or discarded fishing gear

Improve end-of-pipe capture (e.g. wastewater treatment)

OECD “Towards Eliminating Plastic Pollution”

“Recycling breakthroughs and the scaling-up of well-functioning int’l markets for plastic feedstock”

Almost 50% of the OECD’s points relate to recycling, which will really only work when countries are linked into the global supply chain.

Trade in Plastic Feedstock

“Guilty Until Proven Innocent”

Zero Draft today.....

10. Trade in listed chemicals, polymers and products, and in plastic waste

1) *Each Party shall not allow transboundary* movement of plastic waste, except for the purpose of its safe and environmentally sound management, with the Prior Informed Consent (PIC) of the importing State, and in a manner consistent with obligations under this *instrument**

Plastic for Recycling vs. “Waste”

The Convention does not apply to materials which are not “waste”

- *Unfortunately, the word “**plastic**” has become synonymous with the word “**waste**,” but this should not be the case, much due to generic interpretations from the press and interest groups*
- *The Convention, however, **does not apply** to trade in materials that are not “**waste**,” although (**mistakenly**) “waste” is defined broadly under the Convention to **include materials that are being moved for purposes of recycling or recovery***

Unintended Consequences = Opportunities

- Borders have effectively been closed for plastic trade (assumed as “waste”) and this is forcing every economy to have their own circular system, yet most lack the resources, and this actually leads to increased illegal dumping and burning
- The Treaty negotiations are one of the **biggest hopes** we all have to modify and improve upon the Basel Amendments intentions, by establishing the agreed upon need to revise and improved some of its definitions, helping to create a truly trusted, standardized global circular economy
- We cannot, however, simply assume that because Basel exists, that it will serve its purpose on fostering legitimate trade. It needs our momentum for creating positive improvements



Insurance Policies on Trade:

- Prior Informed Consent (PIC) from both importing and exporting countries – HS Codes and efficient modes of PIC acceptance for efficiency in approvals
- As Advance Recycling is commercialized and accepted, it could also actually be considered an “insurance” policy on the perceived liability of lesser quality materials, as the industry has the potential to recover and use large volumes of feedstock, helping to meet the projected 6MT annual shortfall in demand of recycled content
- ***Insurance products*** can be placed on actual material quality at the time of shipment, reducing liabilities for concerned economies
- By default, these changes will also require the need of the informal waste sector, spurring significant job opportunities along the way

Takeaways and Opportunities for the Treaty

- Opportunity for Negotiating Economies to push for well defined and **standardized** global circularity, with specific focus on improving and enabling Basel's amendments to spur a new industry around the verification of legitimate plastic feedstock which the world needs to meet potential recycled content use and EPR targets – and text in the draft accordingly
- INC works with Basel in parallel for harmonization, trust and standardization for collaborative participation in the CE
- For economies to empower industry and job creation around **Trusted** recycling (mechanical or advanced), along with the trusted, efficient qualification of Sellers, and Buyers at either end of an international transaction for feedstock.



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