



**Potential options for elements towards an international legally binding instrument to end plastic pollution**

Name of organization (for observers to the committee)	<b>World Business Council for Sustainable Development</b> ( <a href="#">WBCSD</a> )
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WBCSD welcomes the opportunity to make a submission to the INC process on the potential options for elements towards an international legally binding instrument, responding to the call for written submissions issued by the INC secretariat on 9 December 2022.

WBCSD focuses this contribution on the Implementation elements, specifically strengthening corporate accountability to end plastic pollution.

**Implementation elements**

**Strategic Overview**

As discussed in the multistakeholder dialogues in INC-1, there is a need for the INC outcome to include a commitment to strengthen the corporate accountability architecture to help end plastic pollution and transition to a circular economy for plastics.

Mobilization of the private sector and the effective implementation of the international legally binding instrument to end plastic pollution (ILBI) will require globally harmonized disclosure obligations, reporting standards, and disclosure metrics to enhance transparency and monitoring of progress/compliance by public and private sector actors.

The desire from governments, investors, civil society, and other key stakeholders to hold large companies to account regarding their progress on helping to end plastic pollution and transition to a circular economy for plastics will grow as the INC negotiations on the ILBI take shape. This will create a need to radically upgrade and standardize current plastic waste /plastic pollution metrics and the impact accounting system for business users.

At present, there is no globally aggregated mechanism that adequately tracks corporate progress on the commitments to plastic pollution reduction that have already been made, nor – importantly – how this corporate progress might contribute to fulfilling new global plastic

pollution reduction targets or national plastic waste reduction plans set by governments, both of which will likely emerge from the INC process as key aspects of the new ILBI.

If there were such a mechanism to (i) track corporate progress on commitments and targets for plastic pollution reduction (ii) independently verify this progress and (iii) link it to the global and national targets for ending plastic pollution related to the ILBI, this could usefully drive ambition and inform society on the progress that the Treaty will have in the coming decade. Importantly this can also enable inclusion of the aggregate corporate contribution to any global stock-take process, such that the Treaty secretariat can assess how business is contributing to the world's collective progress on reducing plastic waste.

For such an aggregate mechanism to work, however, it will be vital to develop an accountability architecture for ending plastic pollution that can work at the company level -based on a 4-phase process that will deliver accountability for progress toward their targets to end plastic pollution and transition to a circular economy for plastics.

- **Phase 1 – Ambition:** set a transition to compliance/science-based targets. This will require the development of an SBTi equivalent for the plastic pollution agenda, likely involving a range of relevant targets, timeframes and metrics appropriate for different business and industry sectors and in line with meeting the new Treaty's goals, core obligations and control measures.
- **Phase 2 – Action:** the target will need to be translated for implementation at the company level into a plastic pollution transition plan that breaks the (often long term) pollution reduction target down into intermediate (for example) 3-year reduction targets, including the capex and R&D investment that will be deployed to deliver these targets (investments in promoting more circular value chains, for example, can help drive innovation).
- **Phase 3 – Accounting:** the next key step will be to obtain accurate plastic pollution reduction accounting metrics (in line with agreed Treaty goals) over time through the equivalent of a Greenhouse Gas Protocol accounting mechanism for plastic pollution, complemented with the equivalent of end-to-end value chain "Scope 3" type accounting for plastic pollution reduction across corporate value chains. This will be key to ensure that companies, investors, policy makers and consumers can base their decisions on the best real-time information.
- **Phase 4 – Accountability:** the external disclosure of the metrics should be done through a global baseline reporting framework. This is perhaps something that the International Sustainability Standards Board (ISSB) in time can be convinced to consider as part of its emerging nature related indicator set. This will allow the financial markets to assess and compare the plastic pollution reduction progress of every company. Additional disclosure of the corporate plastic pollution metrics through other platforms such as CDP or the Global Reporting Initiative (GRI) framework will allow the same ability for all other stakeholders to assess the company's plastic waste reduction process.

Without such an article in the Treaty outcome document to develop a robust accountability architecture, it will be hard for governments, investors, civil society and suppliers /consumers to assess the credibility of commitments and follow up actions that companies make to end plastic pollution and transition to a circular economy for plastics. As with the corporate accountability framework for greenhouse gas emissions reduction, such an accountability architecture will also provide a legitimizing platform for leading companies to show with confidence the progress that they are making against the agreed targets of the ILBI to end plastic pollution.

As co-developers and co-hosts of the Greenhouse Gas Protocol (the de-facto global corporate carbon accounting mechanism) for over 20 years with the World Resources Institute, and as the corporate implementation partners of the TCFD and TNFD and the SBTi and SBTN initiatives, WBCSD is in an excellent position to help the UNEP secretariat and INC parties develop a robust corporate accountability framework to help end plastic pollution. On behalf of the INC, we would be happy to engage with key public, private and civil society/scientific stakeholders to do so and to feed that back into the INC process via the secretariat, perhaps as part of a complementary Action Track initiative.

### **Plastics disclosure metrics**

To help open the debate on plastics disclosure metrics, WBCSD published a white paper ahead of INC-1 entitled [Enabling Corporate Plastics Disclosure - Opening the debate for the adoption of universal metrics](#) developed by Environmental Action (EA), Quantis and South Pole with the aim to:

- Understand the plastic-related metrics that companies are using (for plastic that is put on the market and the fate of the plastic waste created) and for what purposes these metrics are used.
- Initiate the discussion on the harmonization of plastic-related metrics for disclosure purposes – with the goal to develop a global corporate accountability framework that will allow tracking of corporate progress on their targets (adjacent to or integrated into country-level reporting).

This document does not invent new plastics disclosure metrics but proposes rallying around the existing work<sup>1</sup> to converge on a set of universally adopted metrics. A global accountability framework as set out above can integrate these metrics to transparently communicate the environmental externality of plastic pollution and enable concerted action to achieve the objectives of the ILBI.

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<sup>1</sup> Including Ellen MacArthur Foundation Global Commitment; WWF's ReSource platform, Quantis & EA's Plastic Leak Project; WBCSD's Circular Transition Indicators, CDP's plastics disclosure (2023) etc.

With the blessing and support of the INC secretariat and Chair, WBCSD proposes to promote debate and proactive coordination between multiple stakeholders (organizations working in the field of sustainability reporting - including CDP, Ellen MacArthur Foundation's Global Commitment, The Pew Charitable Trusts, Minderoo Foundation, WWF - business, countries) in the area of enabling corporate plastics disclosure, and on the development with multiple stakeholders of a robust corporate plastic pollution accountability framework. WBCSD would also seek a few champion INC members, representing a range of economies, to engage as government partners in the discussion too.

WBCSD proposes to publish progress on this agenda, as updates to this first paper ahead of each of the 4 remaining INCs until the end of 2024 with integrated inputs from different stakeholders that WBCSD would periodically convene to reach a consensus by the end of the negotiations on this proposed global corporate accountability framework to help end plastic pollution.



The secretariat is also encouraged to review a similar [framework](#) presented at Sharm el Sheikh COP27 by WBCSD for strengthening the global corporate *carbon* accountability agenda. This will now be progressed through 2023 by invitation of the COP28 Presidency-designate as a core part of the COP28 corporate climate accountability agenda. Indeed, the win-win opportunities regarding GHG reductions and plastic waste reduction that can be triggered through complementary corporate accounting system design, targets and metrics development across both the climate and plastic pollution agendas through 2023, is something that offers great potential for impact.

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### **About the World Business Council for Sustainable Development (WBCSD)**

WBCSD is the premier global, CEO-led community of over 200 of the world's leading sustainable businesses working collectively to accelerate the system transformations needed for a net zero, nature positive, and more equitable future.

[www.wbcd.org](http://www.wbcd.org)

WBCSD has endorsed the Business Coalition for a Global Plastics Treaty's [Vision Statement](#).

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