UPDATE ON UN ROADMAP FOR A NEW GLOBAL PLASTICS TREATY

To Our Clients and Friends:

On 2 March 2022, Heads of State, Environment Ministers, and representatives from 175 countries endorsed a resolution at the United Nations Environment Assembly ("UNEA-5") in Nairobi to negotiate an international legally binding agreement to “end plastic pollution” by the end of 2024 (the “UNEA Resolution”).[1] The UNEA Resolution, *End Plastic Pollution: Towards an Internationally Legally Binding Instrument*, is the culmination of several years of negotiations and advocacy by governments, international organizations, and the private sector,[2] which pledges to address the full lifecycle of plastic—including its production, design, and disposal.[3] Its adoption has been described as “a cure” for “plastic pollution,”[4] and “the most significant environmental multilateral deal since the Paris Accord [on Climate Change].”[5] As discussed below, the ultimate treaty could have major repercussions on how plastics are regulated and used around the world with material implications for business.

I. Background

Over the last 5-10 years, national, local, and regional governments and international organizations have adopted a growing number of action plans and instruments to address plastic pollution and its interlinkages with biodiversity, climate change, health, and social issues. At the national level, many countries have moved to limit or ban single-use plastics.[6] There has also been a surge of interest in this issue at the multilateral level, including:

- UN Environment’s Global Partnership on Marine Litter (2012);[7]
- UN Environment Assembly Resolutions on Marine Litter and Microplastics (2014-);[8]
- G7 Action Plan to Combat Marine Litter (2015),
- G20 Action Plan on Marine Litter (2017),[9]
- Ocean Plastics Charter (2018),[10]
- G20 Osaka Blue Ocean Vision and Implementation Framework (2019),[12]
• Association of Southeast Asian Nations ("ASEAN") Framework of Action on Marine Debris and the Bangkok Declaration on Combating Marine Debris (2019),[13]
• ASEAN Regional Action Plan for Combating Marine Debris in the ASEAN Member States (2021–25),[14]
• Asia-Pacific Economic Cooperation ("APEC") Roadmap on Marine Debris (2019),[15]
• Caribbean Community ("CARICOM") St. Johns Declaration to Address Plastic Pollution in Caribbean Sea (2019),[16]
• Alliance of Small Island States ("AOSIS") Leaders Declaration (2021), and
• The Ministerial Conference on Marine Litter and Plastic Pollution (2021).[17]

Although ubiquitous, plastics are currently not subject to any single international treaty regime. For example, the 2018 amendments to the Basel Convention meant that, for the first time, transboundary shipments of plastic scrap and waste would be regulated, leading to new export and import requirements for many companies, including U.S. businesses.[18] However, this did not address the majority of plastic products. In addition, the proliferation of local, national, and regional initiatives has given rise to often differing and incompatible rules, imposing greater costs on the regulated industry.

For these reasons, a new international “Plastics Treaty”—focused on plastics as the central issue rather than as an incident to other subject areas—increasingly came to be seen as a key step in regulating global plastic production, use, and disposal, and has been advocated by many businesses looking for harmonized regulatory standards, predictable national targets, and common metrics to make their short- and long-term operational and investment decisions.[19]

II. The Roadmap for a New “Plastics Treaty”

As described below, the UNEA Resolution[20] provides substantive guidance on its key provisions and sets out the procedural roadmap for the new treaty:

A. Substantive Roadmap

The UNEA Resolution also includes a number of provisions that will provide the likely contours of the new Plastics Treaty:

• First, contrary to widespread expectations, the UNEA Resolution is not limited to marine plastics or marine debris; it also covers “other environments,” including land-based sources.

• Second, it not only seeks to limit or reduce plastic pollution, but aims at “the long-term elimination of plastic pollution, in marine and other environments.”[21]

• Third, it adopts a “full lifecycle” of plastic, covering all aspects of its production, use, and disposal.[22]
• Fourth, it aims to foster coordination among existing international environmental treaties to “prevent plastic pollution and its related risks to human health and adverse effects on human well-being and the environment.”[23]

• Fifth, it seeks to address all aspects of the “sustainable production and consumption of plastics,” including improved waste management, greater resource efficiency and the adoption of “circular economy” approaches.[24]

• Sixth, it underlines the importance of sustainable design so that products and materials “can be reused, remanufactured or recycled and therefore retained in the economy for as long as possible along with the resources they are made of, as well as minimizing the generation of waste.”[25] This provision targets, in particular, single-use plastics.

• Seventh, it notes specifically the need to regulate “microplastics” (i.e., the miniscule plastic fragments that are created by the breakdown of plastics over time or are intentionally manufactured into some products, such as cosmetics).[26]

• Finally, it envisages a role for “all stakeholders, including the private sector,” in achieving the treaty objectives.[27]

B. Procedural Roadmap

The UNEA Resolution is but the first step in the treaty process, which is typical for the negotiation of multilateral environmental treaties. It established an Intergovernmental Negotiating Committee (the “Committee”) that will begin its work during the second half of 2022, with the aim of completing a draft treaty by the end of 2024.[28] The Committee will be working on the draft text, and attempt to resolve big divisions over how ambitious the treaty should be. By the end of the year, the UN Environment Programme (“UNEP”) will also convene a stakeholder forum in conjunction with the first session of the Committee to share knowledge and best practices in different parts of the world. When the Committee has completed its work on the draft text, UNEP will hold a diplomatic conference to formally adopt and open the new treaty for signature.[29]

III. Expectations of Global Divergence and Implications for Economy and Business

The new Plastics Treaty, if ultimately adopted, could have significant implications for the global economy and individual businesses. The final Plastics Treaty will not spell an end for the use of plastics. Indeed, the UNEA Resolution recognized “the important role of plastics for society.”[30] However, the treaty, depending on its provisions, may lead to a sharp increase in compliance costs not only for the regulated industry and plastics manufacturers, but also for companies across the value chain, including consumer-facing companies.[31]

The treaty itself will likely not include detailed prescriptions: the UNEA delegates opted to model the Plastics Treaty on the 2015 Paris Agreement on Climate Change (the “Paris Agreement”), which, as a “bottom-up” treaty, relies on nationally-set commitments to attain the treaty’s objectives. Under the Paris Agreement, countries can set their own binding targets using a range of policies. Here too, we can
expect that the final Plastics Treaty will allow individual States to adopt their own rules and regulations, in line with their national circumstances and capabilities, which will be reported and updated in national action plans.[32]

As a consequence, the final Plastics Treaty will likely eschew adopting a single approach and will allow the Contracting States to apply a range of approaches—from voluntary to binding rules.[33] In terms of voluntary rules, many businesses already have in place targets for plastics through voluntary initiatives, such as the Global Commitment[34] and the Plastics Pact Network,[35] ReSource: Plastic,[36] and the World Economic Forum’s Global Plastic Action Partnership,[37] while some financial institutions are developing responsible investment practices that support a circular economy for plastics.[38] But there is also a wide spectrum of binding rules, ranging from caps on plastic production, targets to increase waste collection and recycling, to commitments to phase out single-use plastics entirely or restrict manufacturing or design of plastic packaging, that could be imposed in implementation of the treaty.[39] Finally, the treaty may provide a greater incentive for Governments to shift the cost of recycling or waste disposal to the manufacturers or, in the case of some developing countries, to the importers. This too could impact long-term investment decisions and regulatory compliance for businesses across the value chain.

We can therefore expect to see considerable variation and stringency of rules across jurisdictions in terms of new regulatory measures aimed at curbing plastic pollution,[40] with the final rules being set by individual States. Management of organizations will face the challenge trying to map out the implications for their business and business models—which for some industries and sectors are likely to be significant—while the final rules and their implementation at national level are still being crystallized. In this regard, especially given the short treaty negotiation timetable, it will be important that individual businesses, management, and boards start tracking these unfolding developments at all levels of government and think proactively about these issues and how they will likely impact their operations, investment decisions, and compliance.


[5] See id. (quoting Inger Andersen, Executive Director of UN Environment).


[20] UNEA Resolution, pmbl. (noting “with concern” that “the high and rapidly increasing levels of plastic pollution represent a serious environmental problem at a global scale, negatively impacting the environmental, social and economic dimensions of sustainable development.”).


[22] *Id.* ¶ 3.

[24] "Id. ¶ 3(b).
[25] "Id. pmbl.
[26] "Id. pmbl.
[27] "Id. ¶ 3(l).
[28] "UNEA Resolution, ¶ 1.
[29] "See UN Env’t, supra note 3.
[30] "Id. pmbl.
[33] "Id. pmbl. (“underlining that there is no single approach”). See also id. ¶¶ 3, 4, 15.
[38] "See Business Call, supra note 2.
[40] "UNEA Resolution, pmbl., ¶¶ 3 & 4.
Gibson Dunn’s lawyers are available to assist in addressing any questions you may have regarding these developments. Please contact the Gibson Dunn lawyer with whom you usually work, any member of the firm’s Environmental, Social and Governance (ESG), Transnational Litigation, or International Arbitration practice groups, or the following authors:

Perlette M. Jura – Los Angeles (+1 213-229-7121, pjura@gibsondunn.com)
Susy Bullock – London (+44 (0) 20 7071 4283, sbullock@gibsondunn.com)
Selina S. Sagayam – London (+44 (0) 20 7071 4263, ssagayam@gibsondunn.com)
Maria L. Banda – Washington, D.C. (+1 202-887-3678, mbanda@gibsondunn.com)

Please also feel free to contact the following practice group leaders:

**Environmental, Social and Governance (ESG) Group:**
Susy Bullock – London (+44 (0) 20 7071 4283, sbullock@gibsondunn.com)
Elizabeth Ising – Washington, D.C. (+1 202-955-8287, eising@gibsondunn.com)
Perlette M. Jura – Los Angeles (+1 213-229-7121, pjura@gibsondunn.com)
Ronald Kirk – Dallas (+1 214-698-3295, rkirk@gibsondunn.com)
Michael K. Murphy – Washington, D.C. (+1 202-955-8238, mmurphy@gibsondunn.com)
Selina S. Sagayam – London (+44 (0) 20 7071 4263, ssagayam@gibsondunn.com)

**Transnational Litigation Group:**
Susy Bullock – London (+44 (0) 20 7071 4283, sbullock@gibsondunn.com)
Perlette Michèle Jura – Los Angeles (+1 213-229-7121, pjura@gibsondunn.com)
Andrea E. Neuman – New York (+1 212-351-3883, aneuman@gibsondunn.com)
William E. Thomson – Los Angeles (+1 213-229-7891, wthomson@gibsondunn.com)

**International Arbitration Group:**
Cyrus Benson – London (+44 (0) 20 7071 4239, cbenson@gibsondunn.com)
Penny Madden QC – London (+44 (0) 20 7071 4226, pmadden@gibsondunn.com)

© 2022 Gibson, Dunn & Crutcher LLP

Attorney Advertising: The enclosed materials have been prepared for general informational purposes only and are not intended as legal advice.