

Plastic pollution fee – core features

- Proposed by Ghana (INC 2) ⇒ in Draft Zero & revised Draft Zero
- **Small fee** to help **all developing countries** to finance treaty implementation gap, and address pollution costs: (i) waste management, (ii) circular transition, (iii) legacy plastic, (iv) just transition, (v) health impact. Critical to:
 - *Close financing gap: costs otherwise not financed*
 - *Virtually end plastic pollution*
- **Complements** other sources of finance (ODA, EPRs, other private)
- Fee is **financing instrument**, not a control measure
- **No negative impact** on the price of plastic products

THE PROBLEM

Significant financing gap (after EPR, private finance, ODA) to end plastic pollution in developing countries (2026-2040)

- 1. Waste management infrastructure:** US\$ 175-250 BN
- 2. Transformation to circular economy:** US\$ 55-80 BN
- 3. Just transition:** US \$25-45 BN
- 4. Legacy plastic waste:** US\$ 60-75 BN
- 5. Human health:** \$US25-50 BN

= **TOTAL US\$350-500 BN cumulative (\$25-35 BN per year)**

THE SOLUTION: PLASTIC POLLUTION FEE

1. **A small Fee** (\$60-90 per tonne) on polymers (<1% on finished goods)
2. **Collected by national governments** (NOT by global entity)
3. **Polluter pays principle** with a level playing field
4. **Burden-sharing** across supply chain (Fee + EPR)
5. **Complements** other sources of fundings (e.g., public, EPR)
6. **Revenue: retained & redistributed** shares
 1. Portion retained by country of production
 2. Remainder to international mechanism to support developing countries
7. **Free riding** by non-parties precluded

A small Fee would close financing gap

benefits for producing developing countries

Revenue generated for producing developing countries:

1. Retained share **plus**
2. Redistributed share

➤ Developing countries are net-recipients

Revenue creates win-win

Environmental impact: fund pollution costs

Economic impact: assist industry transition to sustainable plastics economy

- ✓ Support transition to sustainable production & alternatives
- ✓ Create opportunities in waste management industry & circular economy
- ✓ Key to access to developed markets (e.g., EU)

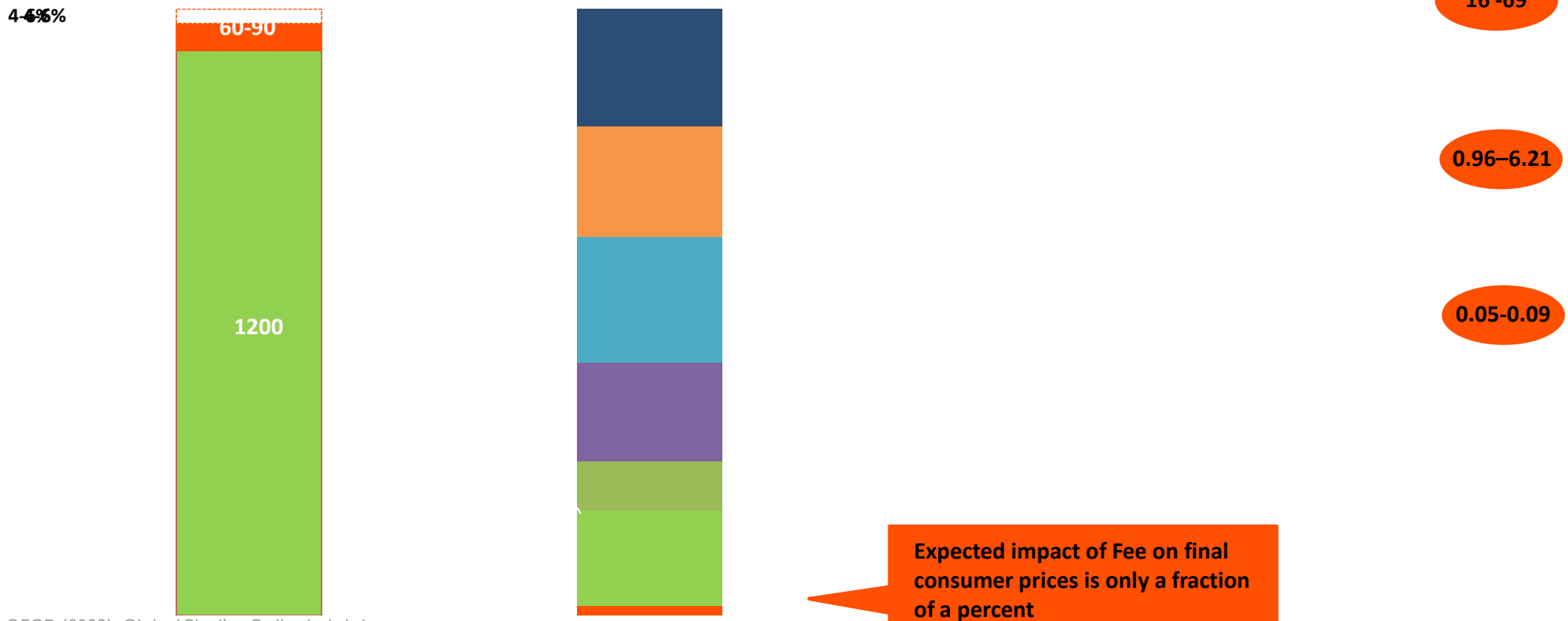
The FEE complements EPR

Who pays?

What for?

- **2 mutually reinforcing mechanisms**
- **Providing complementary sources of finance**
- **No double taxation**

NO adverse social or economic impacts

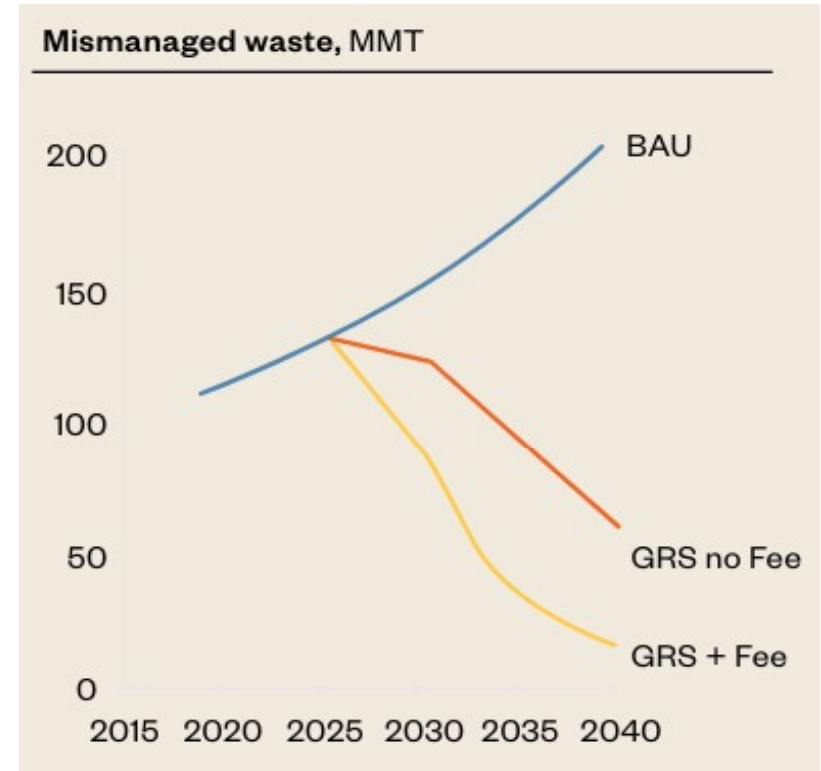


1. OECD (2022), Global Plastics Outlook database
2. The World Bank (2024), World Development Indicators

THE IMPACT OF THE FEE

Only with Fee, will ambitious treaty virtually end plastic pollution

- **Business-as-usual (BAU)**: 200 MMT/y mismanaged waste (+90%)
- **Ambitious treaty, no Fee**: 50 MMT/y mismanaged waste (-50%)
- **Ambitious treaty with Fee**: 10 MMT/year mismanaged waste (-90%)
- GRS: Global Rules Scenario by the Nordic Council of Ministers

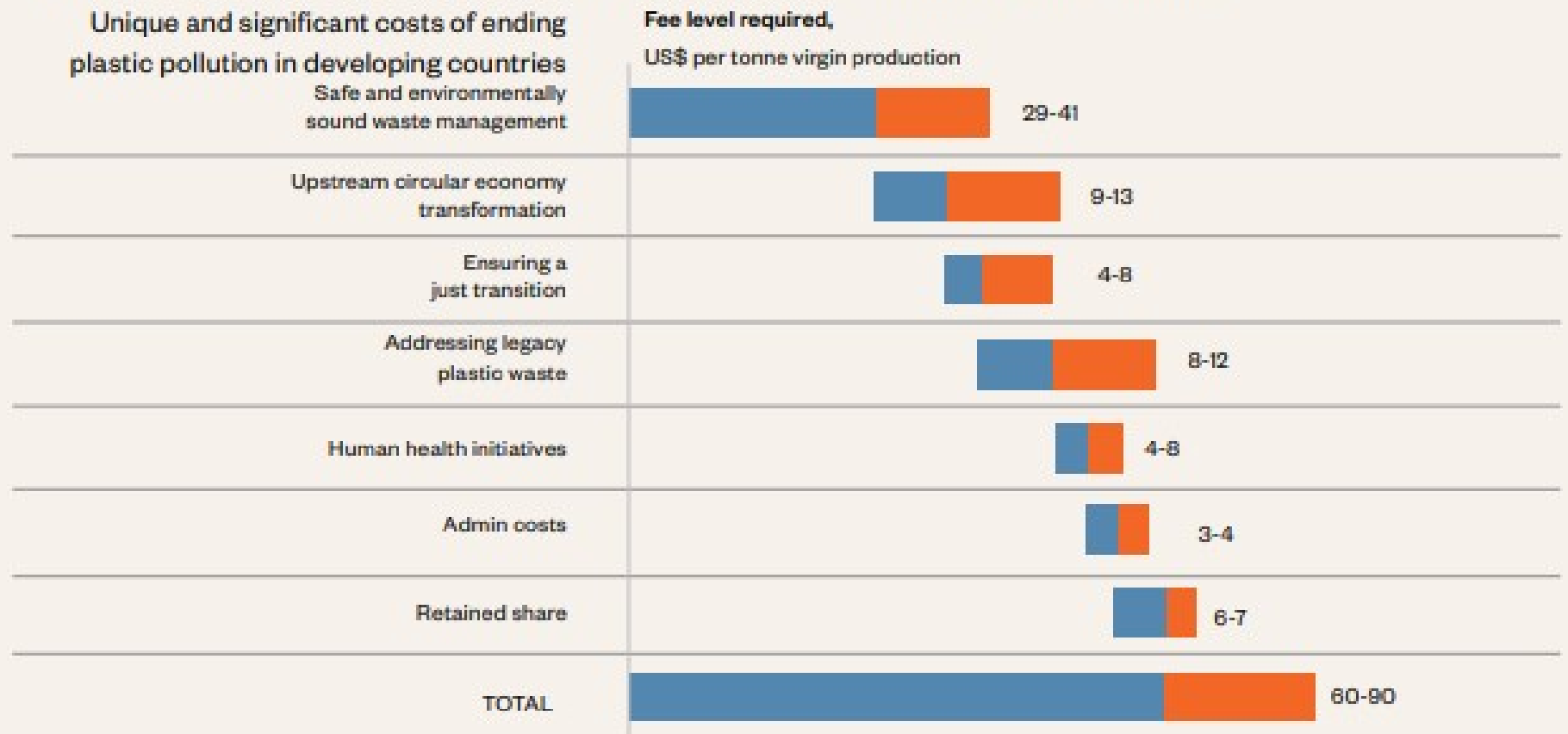


Key Takeaway: the fee is a Win-Win solution

Outsized environmental benefit with no adverse social or economic impacts

FEE LEVEL IS SCALABLE TO NEEDS

Figure 13: Breakdown of the US\$60 to 90 per tonne Fee as a financing instrument





❖ [here](#)