# Embedding corporate accountability for the full life cycle of plastic in a future plastics treaty



#### Recommendations

- 1. Businesses and Member States must support the ambitions of the Rwanda-Peru resolution as the best approach to limiting negative impacts of plastic pollution along the entire plastic life cycle.
- 2. Fast-moving consumer goods (FMCG) companies must be held accountable for plastic pollution generated from their products. A future treaty must ensure they play an essential role in reducing it through developing reuse and refill systems of product delivery.

#### **Summary**

The global Break Free From Plastic movement unites more than 2,500 organizations representing millions of supporters from 161 countries around the world, working together along the plastics value chain to build a future free from plastic pollution. The movement stands in full support of the ambitions of the Peru-Rwanda resolution calling on the United Nations Environment Assembly (UNEA) to establish an Intergovernmental Negotiating Committee (INC) to negotiate a new global agreement on the full life cycle of plastics based on a comprehensive approach to prevent and reduce environmental pollution by plastics.







It is critical that fast-moving consumer goods companies or FMCGs, who hold a disproportionate responsibility in creating and perpetuating the plastic pollution crisis, be held accountable for plastic pollution generated from their products. In developing a legally binding global plastics treaty, Member States must ensure that these corporate actors are required to reduce the plastic they generate by developing robust reuse and refill systems to deliver products to customers. A future global agreement must not support or encourage problematic downstream measures such as incineration, chemical recycling, or false solutions such as plastic offsetting and credit schemes.

Civil society, FMCGs, <u>scientists</u> and retail companies are united in the call for a legally binding UN treaty on plastic pollution to create the enabling environment necessary to reduce plastic production at the source<sup>1</sup>. Signatories to the <u>Business Statement for a Legally Binding UN Treaty on Plastic Pollution</u> represent major financial institutions, plastic producers, brand owners, retailers, and waste management companies. Many signatories to the manifesto have been named top global plastic polluters for four years in a row, according to the Break Free From Plastic <u>global brand audit reports</u>.

The signatories to the manifesto acknowledge that the transboundary nature of plastic pollution requires a "holistic, coordinated international response that tackles problems at its source." Companies recognize that continuing to rely on single-use plastics poses an increased reputational risk that erodes businesses' social license to operate<sup>2</sup>. Despite decades-long efforts to place the blame and solutions on individual consumers, companies have acknowledged that broad systemic changes are needed to truly address the plastic pollution crisis - and their ability to meet their own sustainability commitments<sup>3</sup>. A legally binding global plastics treaty can be advantageous to business by harmonizing regulatory standards and developing common definitions to improve compliance risk across markets to reduce operational complexity.<sup>4</sup> It would also create obligations for monitoring and reporting to improve knowledge in an otherwise opaque environment.

### Enabling reuse to reduce plastic

The business manifesto fails to mention the key change that will be essential to reducing plastic use associated with fast moving consumer goods - a shift to standardized and widespread reusable packaging systems. Modeling by the <a href="Pew Trusts">Pew Trusts</a> conservatively estimated







<sup>&</sup>lt;sup>1</sup> https://www.plasticpollutiontreaty.org/unea

<sup>&</sup>lt;sup>2</sup> https://www.plasticpollutiontreaty.org/UN treaty plastic poll report.pdf

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> Ibid.

that projected plastic waste generation can be reduced by 30% by 2040 with reuse and elimination of plastic packaging. Small businesses around the world have been pioneering new reuse systems or updating traditional ones, and now multinational FMCG companies are following. Top global plastic polluter The Coca-Cola Company recently announced a new goal of having 25% of all beverages globally across its portfolio of brands sold in refillable/returnable glass or plastic bottles, or refillable containers, by 2030. This represents a major shift in corporate rhetoric and demonstrates an understanding of the business, environmental and climate benefits of reuse. However, Coca-Cola, along with several other FMCGs, has a track record of failing to meet its own voluntary commitments. To date, corporate voluntary commitments alone have had very little impact. The international community needs a legally binding, multilateral agreement to ensure companies align their business model with scientific recommendations to phase out plastic production and shift towards alternative delivery systems.

Including corporate accountability for plastic pollution in a legally binding global plastics treaty would lay the foundation for moving corporations beyond voluntary commitments by requiring the development and scaling up of robust reuse and refill systems alongside verifiable corporate reporting. This could present a lucrative business opportunity for corporate actors. According to the Ellen MacArthur Foundation's report, Reuse – Rethinking Packaging "converting 20% of plastic packaging into reuse models is a USD 10 billion business opportunity that benefits customers and represents a crucial element in the quest to eliminate plastic waste and pollution." Holding corporations accountable for plastic pollution within the framework of a legally binding global treaty would be a win-win for businesses and the environment.

## Voluntary commitments from business are insufficient

The Ellen MacArthur Foundation's (EMF) Global Commitment, in collaboration with the UN Environment Programme, has outlined a common vision for companies in its <a href="New Plastics">New Plastics</a>
<a href="Economy">Economy</a>
initiative. Despite calling for prioritizing redesign, new delivery models, and reuse, FMCG company signatories to EMF's Global Commitment - in many cases the same ones that have signed onto the business manifesto supporting a UN plastics treaty - have to date made little progress on this essential front. Instead, they have committed to making their plastic packaging "100% reusable, recyclable, or compostable by 2025." The combined metric has allowed companies to focus almost entirely on making products recyclable or compostable (with no guarantee that they will actually be recycled or composted), falling into the easy trap of material substitution over redesign for reuse.

The EMF's Global Commitment New Plastics Economy point #6 is a critical recognition of the toxicity of some plastic types and additives: *All plastic packaging is free of hazardous* 







chemicals, and the health, safety, and rights of all people involved are respected. The business manifesto for a UN treaty, however, is notably silent on the health, safety and rights of people, despite many of the FMCG company signatories also being part of the EMF Global Commitment. The continued extraction of fossil fuels and the chemical additives present in plastics - whether virgin or recycled - pose a serious threat to human health. With an emphasis solely on recycling and a circular economy that doesn't tackle toxicity at source, we run the risk of perpetuating a toxic system that allows business as usual to continue. Furthermore, as plastic contributes to climate change at every step of its life cycle, this cannot align with respecting the health, safety, and rights of all people.

In the enabling environment that an ambitious global plastics treaty would create under the guidelines of the Rwanda-Peru resolution, we challenge the world's biggest FMCG companies to be more ambitious in their commitments and catalyze a shift toward standardized reuse systems.

#breakfreefromplastic is a global movement envisioning a future free from plastic pollution. Since its launch in 2016, more than 11,000 organizations and individual supporters from around the world have joined the movement to demand massive reductions in single-use plastics and to push for lasting solutions to the plastic pollution crisis. BFFP member organizations and individuals share the common values of environmental protection and social justice, and work together through a holistic approach in order to bring about systemic change under the #breakfreefromplastic core pillars. This means tackling plastic pollution across the whole plastics value chain - from extraction to disposal – focusing on prevention rather than cure and providing effective solutions.





