

2017/SOM1/CD/016

Agenda Item: 4A

VWG on Marine Debris 2017 Workplan

Purpose: Consideration
Submitted by: United States (VWG Co-Chair)



18th Chemical Dialogue Nha Trang, Viet Nam 19 February 2017

APEC Virtual Working Group on Marine Debris 2017 Work Plan

The APEC Virtual Working Group ("VWG") on Marine Debris was formed in 2014 by the Chemical Dialogue ("Dialogue") in collaboration with the Oceans and Fisheries Working Group ("OFWG") to promote innovative solutions to the issue of marine debris with a particular focus on innovations in land-based solid waste management to prevent debris from ever entering the ocean. It is estimated that 80 percent of marine debris originates on land with over half the material coming from five rapidly developing Asia-Pacific economies where production and consumption of plastics is outpacing local waste management capacity¹.

The terms of reference identified six objectives for the VWG: (1) promote plastics recycling; (2) pilot innovative technologies; (3) advance education and information sharing; (4) build on existing public-private partnerships; (5) share existing and develop new best practices; and (6) create partnerships, including with other regional organizations as appropriate.

Progress to Date:

The VWG has made significant progress in creating a more enabling environment for waste management infrastructure investment. A subset of the accomplishments is listed below:

- 1. <u>Pilot projects to design economically sustainable waste management infrastructure</u>: the VWG has supported an initiative to identify pilot cities to demonstrate the feasibility of a range of interventions to address marine litter in APEC cities. The lessons from these projects in the Philippines and Indonesia helped to inform the subsequent landscape analysis and a set of policy and practice recommendations.
- 2. Addressing definitional challenges: the VWG has contributed to the discussions on facilitating trade and investment in sustainable materials management solutions by evaluating how APEC economies define key terms (household waste, recyclable material, natural resource, biomass etc.) assessing the extent to which these definitions impede trade and investment in Sustainable Materials Management (SMM) solutions, and presenting recommendations on how economies can address trade barriers in this area and provide best policy practice guidance.
- 3. <u>Developing a body of evidence</u>: the Trash Free Seas Alliance, an alliance uniting industry, science and conservation leaders has developed a body of evidence² aimed at quantifying the problem and identifying the highest impact interventions to reduce marine litter in our oceans. Subsequent analysis³ focused on rapidly developing economies in the Asia Pacific and developed recommendations for improving waste management in regions where ocean plastic inputs are currently largest.

¹ J. R. Jambeck, R. Geyer, C. Wilcox, T. R. Siegler, M. Perryman, A. Andrady, R. Narayan, and K. L. Law, "Plastic waste inputs from land into the ocean," *Science*, 2015, Volume 347, Number 6223.

² Stemming the Tide: Land-based strategies for a plastic-free ocean

³ The Next Wave: Investment Strategies for Plastic Free Seas

- 4. <u>High-Level Meeting</u>: the VWG contributed to a high-level meeting in Tokyo to bring together government ministries, multilateral development banks, bilateral aid agencies, private investors, industry brands and resin producers, treatment technology providers and others to build political will and develop an investment coalition to support waste management entrepreneurs.
- 5. Overcoming financing barriers: the VWG contributed to the development of a set of policy and practice recommendations⁴ aimed at overcoming barriers to financing waste management systems and reducing marine litter that were endorsed by APEC Ministers in 2016.

Instructions from Ministers and Leaders

The VWG's work has been guided by a work plan established in 2015. The work plan is meant as a living document to be revised regularly to reflect ongoing work and developing priorities. In 2016 APEC Ministers and Leaders provided additional instructions regarding the issue of marine litter.

In 2016 APEC Ministers stated:

Recognizing the health and environmental concerns created by the large and rapidly increasing amount of plastic litter in the ocean from land-based sources and an insufficient waste management system which is not attracting the attention of investors, we endorse the Policy and Practice Recommendations of the APEC High-Level Meeting on Overcoming Barriers to Financing Waste management Systems to Prevent Marine Litter in the Asia Pacific Region.

In 2016 APEC Leaders stated (emphasis added):

We welcome progress and look forward to continue exploring infrastructure financing including through mobilizing private sector resources and public-private partnerships (PPP). We encourage further work to pursue the quality improvement of investment opportunities. We are committed to enhancing the synergy and cooperation among various infrastructure connectivity programs in the region, and welcome the Collaboration Action Plan between APEC Member Economies and the Global Infrastructure Hub. We recognize the lack of effective solid waste management infrastructure imposes great socio-economic and environmental costs, and we encourage further work on this topic.

To address the request by APEC Leaders the following work streams are proposed:

1. <u>Implementation of the APEC Policy and Practice Recommendations:</u> The APEC Policy and Practice Recommendations set out guidance for establishing the political, economic, and legal/regulatory conditions to incentivize investment in waste management solutions in APEC economies. The recommendations include: setting waste management targets at the municipal and economy-wide levels; developing and measuring waste management performance indicators; streamlining and clarifying government responsibilities with regard to waste management; developing innovative funding

⁴ Overcoming Barriers to Financing Waste Management Systems and Reducing Marine Litter: APEC Policy and Practice Recommendations

models; developing recycling incentives; and enforcing strong environmental standards among others. The VWG will work with member economies to advance implementation of these recommendations.

- 2. <u>Address definitional barriers</u>: In 2016 the Committee on Trade and Investment agreed to select Sustainable Materials Management (SMM) as a topic for the 4th APEC Regulatory Cooperation Advancement Mechanism (ARCAM) to promote regulatory coherence and cooperation in areas affecting environmental services and specifically Sustainable Materials Management solutions (e.g., recycling, composting, and waste-to-energy). An APEC-wide survey to collect more information on APEC members' regulatory and/or official definitions for key SMM-related terms was conducted and gaps and divergences in those definitions were identified. In 2017 the VWG will support this effort as it looks to develop a set of possible guidelines to ensure that definitions evolve in a way that promotes trade and investment in SMM solutions and will assist in identifying pilot economies to implement the guidelines.
- 3. <u>Partner with the APEC Finance Ministers Process</u>: In 2016 APEC Leaders called for further work to address the lack to effective solid waste management infrastructure. In response to this request the VWG will look to partner with the APEC Finance Ministers Process and specifically engage with the Asia-Pacific Infrastructure Partnership (APIP) and Asia-Pacific Financial Forum (APFF) to bring together government officials, multilateral development banks, aid agencies, and private sector stakeholders to address investment barriers in individual APEC economies and develop strategies for improving the investment environment.
- 4. <u>Information sharing and expanding stakeholder engagement</u>: The VWG will continue to support information sharing and analytical activities including case studies and economic analyses to support the deployment of innovative waste management systems. As part of this effort the VWG will reach out to other APEC fora and institutions to develop new partnerships and increase stakeholder engagement.
- 5. Convene a high-level meeting to facilitate investment in waste management systems: Subject to available funding a high-level meeting will be convened in 2017. The meeting will seek to advance implementation of the Policy and Practice Recommendations endorsed in 2016 through the development of individual economy action plans based on the Asia Pacific Infrastructure Partnership meetings planned for 2017. Based on this information a waste management infrastructure investment roadmap will be developed that will also present additional information strengthening the economic case for controlling and reducing marine litter. Finally, the meeting will also provide a venue to engage additional stakeholders and accelerate efforts to prioritize and increase funding for waste management projects.

APEC Virtual Working Group on Marine Debris

Background

- Formed in 2014 by the CD and OFWG and co-chaired by the United States (Government) and Philippines (Industry).
- Estimated that 80 percent of marine debris originates on land with over half the material coming from five rapidly developing Asia-Pacific economies.
- Works to promote innovative solutions to the issue of marine debris with particular focus on innovations in land-based solid waste management to prevent debris from ever entering the ocean.
- Marine debris now being addressed in multiple fora including: G7, G20, UN High-Level Meeting, World Ocean Summit, and others.

2016 Progress

- Held workshop on addressing definitional challenges through the ARCAM initiative on Sustainable Materials Management (SMM) solutions.
- Contributed to High-Level Meeting on Urbanization.
- Conducted study to develop recommendations for improving waste management in regions where ocean plastic inputs are currently largest.
- Held High-Level meeting in Tokyo.
- Developed a set of Policy and Practice Recommendations.

Recognition in Annual Ministers' Statement

Marine Debris

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Recognition in APEC Leaders' Statement

We welcome progress and look forward to continue exploring infrastructure financing including through mobilizing private sector resources and public-private partnerships (PPP). We encourage further work to pursue the quality improvement of investment opportunities. We are committed to enhancing the synergy and cooperation among various infrastructure connectivity programs in the region, and welcome the Collaboration Action Plan between APEC Member Economies and the Global Infrastructure Hub. We recognize the lack of effective solid waste management infrastructure imposes great socioeconomic and environmental costs, and we encourage further work on this topic.

Key 2017 Work Plan Items

- Finalize report and recommendations regarding facilitating trade and investment in Sustainable Materials Management Solutions.
- Partner with APEC Finance Ministers Process and develop Asia-Pacific Infrastructure Partnership meetings (APIP) in select economies.
- Expand cross-fora collaboration.
- Convene follow-on high-level meeting.

Facilitate Trade and Investment in Sustainable Materials Management (SMM) Solutions

- Initiative looks to catalog how economies define SMM related terms (municipal solid waste, recyclable material, natural resource, renewable energy, waste to energy etc).
- Survey found divergences in these definitions particularly for "waste" and "renewable energy."
- How these terms are defined can have a significant impact on foreign investment and eligibility for FiTs.
- A report will be tabled in 2017 outlining the findings of the survey and recommendations for how to best define key terms.

Asia-Pacific Infrastructure Partnership

- Finance Ministers Process Initiative established in 2011 (organized by ABAC)
- Regional platform for public-private collaboration in expanding private sector participation in PPP projects
- APIP network includes financial sector firms, industry associations, construction firms, academic and research bodies, multilateral development banks
- APIP meetings will focus on waste management infrastructure in 2017.
- APIP meeting in Jakarta, Indonesia March 14. Looking to do waste management infrastructure related events in Vietnam (TBC) and the Philippines (TBC).

Expand cross-fora collaboration

 A presentation on the importance of waste management for the tourism sector will be provided at the Workshop on Sustainable Tourism on February 23.

High-Level Meeting to Develop Waste Management Infrastructure PPPs

- Follow-up to the High Level Meeting on Addressing Barriers to Financing Waste Management Systems to Prevent Marine Litter.
- Designed to help economies implement the Policy and Practice Recommendations endorsed by APEC Ministers last year.
- Initial focus will be on the economy specific challenges in three APEC economies based on the recently published analysis and outcomes from the planned APIP meetings.
- Lessons from these meetings will be collected to inform waste management infrastructure development across the region.

Requested actions from the CD

 The CD is requested to review the VWG workplan and proposed concept note and provide comments to the APEC Secretariat.

Questions?