

Advancing global chemicals and waste management in chemical intensive economic sectors and value chains

A multi-stakeholder workshop in support of the intersessional process for the Strategic Approach and sound management of chemicals and waste beyond 2020 ("Beyond 2020")

Organized by the IOMC and hosted by OECD in Paris, 18-19 January 2023

Workshop highlights and key outcomes (17/2/2023)

Key messages

- To achieve the sound management of chemicals and waste globally, enhanced action and engagement of stakeholders in economic industry sectors and value chains in the <u>intersessional process</u> on the Strategic Approach and the sound management of chemicals and waste beyond 2020 is essential.
- Sector and value chain strategies promoted through draft <u>target D6</u> have the potential to stimulate action within and across sectors, in companies, groups of companies, and through associations.
- A global programme under "Beyond 2020" focusing on economic sectors can enhance stakeholder engagement, knowledge-sharing, identify action, and monitor progress against targets and indicators.
- Guiding principles can provide a reference to inform sound sector and value chain strategies. Guidance should cover enabling measures government, industry, and civil society may take in furthering action.
- Chemical footprint assessments and performance reviews help to measure industry performance, foster performance improvement, and guide investors. Existing initiatives could be scaled-up and opportunities for alignment be explored.
- "Beyond 2020" can advance international standards and guidelines that promote a high level of ambition. By taking stock of and promote existing standards, review standards for chemicals and waste considerations, and encourage development of new standards.
- Mobilizing adequate, predictable and innovative financing is key to support chemicals and waste management in economic sectors and value chains and foster a transformation to green and sustainable chemistry.
- Multi-stakeholder engagement and partnerships at the global, regional, national and local level can be an essential driver to further implementation and transformation.
- Stakeholders are encouraged to propose specific text on economic sectors and value chains action for consideration in the further development of the <u>Intersessional Process Co-chairs' Single Consolidated Document</u> to be discussed at <u>IP4.2</u> from 27 February 3 March 2023 in Nairobi.

The IOMC encourages stakeholders to engage in international discussions on advancing chemicals and waste management in economic sectors and value chains. If would you like to be kept informed, please register your interest here. Stakeholders already on the mailing list do not need to register.



Кеу	messages	. 1
1	Introduction and overview	. 2
2	Workshop highlights and key insights	.4
3	Workshop follow-up and next steps	. 8

1 Introduction and overview

More than 180 stakeholders from around the world convened face-to-face in Paris and online from 18-19 January 2023 in a global workshop organized by the <u>IOMC</u> to discuss opportunities and challenges to accelerate and scale-up sound management of chemical and waste in chemical intensive economic industry sectors and values chains. Stakeholders originated from government, civil society, international organizations, academia and industry, representing economic sectors and actors including the following (in alphabetical order): agriculture, buildings and construction, chemical distributors, chemical industry, electronics, finance, health care, tanneries, textiles, retailers and waste management. The workshop brought together many stakeholders who were new to the SAICM process, including those working within and alongside industry. Further efforts are needed by all stakeholder to enlarge the community.

Workshop outcomes will feed into the next meeting of the intersessional process considering the Strategic Approach and the sound management of chemicals and waste beyond 2020 (<u>IP 4.2</u>, 27 February – 3 March 2023, Nairobi, Kenya) and the <u>Fifth International Conference on Chemicals</u> <u>Management</u> (25 – 29 September 2023 in Bonn, Germany). The Strategic Approach to International Chemicals Management (SAICM) is a global policy framework adopted in 2006 to promote chemical safety around the world role. It provides a unique forum for governments, civil society and industry stakeholders to participate and contribute as equal stakeholders. ICCM5 will be a major global Conference which is expected to adopt a future global chemicals and waste management framework "Beyond 2020".

Over two days, participants shared knowledge on a wide range of industry-related initiatives, discussed guiding principles to support industry sector strategies and action, and explored elements of a possible global programme to enhance economic sector engagement and action under the future global chemicals and waste management framework: "Beyond 2020". Participants also recognized the importance of including specific targets on industry sector engagement, strategies and action in the global results framework currently being negotiated, as featured in the annex of the <u>IP Co-Chairs single consolidated document</u>, issued in January 2023.

Background

The second edition of the Global Chemicals Outlook (<u>GCO-II, UNEP 2019</u>) stated that the continued release of hazardous chemicals from industrial production processes, product use, and unsound disposal approaches is causing significant concern for human health and environment. As a contribution to address these challenges, a draft target was proposed at the fourth meeting of the intersessional process in Bucharest in 2022 (IP 4.1) which encourages chemical intensive economic



sectors to develop "sustainable chemical and waste management strategies...which identify priority chemicals of concern [as well as] standards and measures to reduce chemical input and footprint along the value chains". Several other draft targets proposed at IP4.1 also address industry and finance stakeholders directly (see Annex).

Workshop objectives

To help advance international discussion on the above developments, the IOMC - a joint programme of FAO, ILO, UNDP, UNEP, UNIDO, UNITAR, WHO, the World Bank and the OECD - invited interested stakeholders to a global multi-stakeholder workshop hosted by the OECD, in Paris, 18 and 19 January 2023. UNITAR supported the organization and OECD hosted the workshop. Specific objectives of the workshop included to:

- take stock of and discuss draft targets addressing industry in the negotiations on the Strategic Approach and sound management of chemicals and waste beyond 2020 ("Beyond 2020")
- share knowledge on good practices and enabling action by industry, government and civil society to advance chemicals and waste management throughout the life cycle and value chains
- develop guiding principles to inform sustainable chemicals and waste strategies in chemical intensive economic sectors and value chains
- explore opportunities to operationalize the draft target on development of "sustainable chemical and waste management strategies" in chemical intensive economic sectors and value chains
- identify action and mobilize commitment of stakeholders in economic sectors and value chains in advance of ICCM5

Scene-setting reflections

Following Jorge Ocaña's (UNITAR) welcome remarks, Anita Breyer (ICCM5 President), Judith Torres and Kay Williams (Intersessional Process Co-chairs), and Gabi Eigenmann (Chair of the IOMC) provided strategic insights on the Strategic Approach and the intersessional process which emphasized the importance and timing of the workshop in the lead up to the upcoming IP 4.2. The statements underlined the opportunity of the workshop to listen and obtain a better understanding of how downstream industry sectors can effectively engage in the Beyond 2020 process. Participants were encouraged to consider relevant "Beyond 2020" targets and elements of a possible programmes on this topic. Specific proposals would need to be developed as a follow-up to the workshop with a view to amend/populate relevant sections in the co-chairs compilation document. The IOMC indicated an interest to consider submitting a CRP document for IP 4.2, taking into account the outcomes of the workshop.

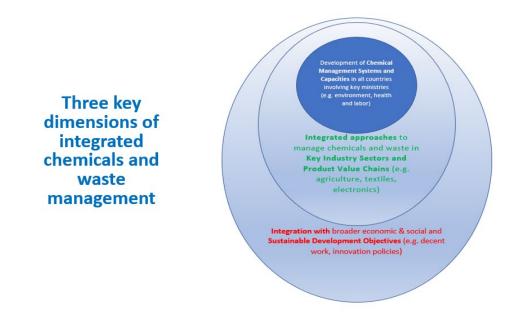
The scene setting statements were complemented by Bob Diedrich, OECD (on behalf of IOMC) who introduced the IOMC's work on integrated chemicals and waste management; Servet Goren, CEFIC/ICCA, who emphasized the importance of putting in place basic chemicals management systems in all countries; David Santillo, Greenpeace, who referred to the importance of public campaigns to foster industry action; and Frank Michel, ZDHC, who highlighted important global work undertaken in the textile sector which could be relevant for other chemical intensive sectors facing challenges.



2 Workshop highlights and key insights

Over two days, participants took part in constructive and forward-looking discussions and developed suggestions to strengthen economic sector engagement and action under Beyond 2020. The following section summarizes key insights and messages that emerged from the workshop. The discussions took into account and further developed in particular the 2nd dimension of integrated chemicals and waste management presented by the IOMC in an <u>INF document at IP4</u>. The three dimensions of integrated chemical and waste management include:

- 1. Develop basic chemicals management systems and capacities in all countries that engage and address key sectors
- 2. Integrated approaches to manage chemicals and waste in key industry sectors and value chains
- 3. Integrate chemicals management with broader sustainable development activities



It is essential that economic sector stakeholders scale up action and engage in "Beyond 2020"

- To help achieve the sound management of waste globally, scaled-up action in chemical intensive economic industry sectors, and their engagement in international chemicals and waste management beyond 2020 is essential. Industry is part of the "solution", but greater engagement is needed.
- The draft targets under negotiation presented in the co-chairs compilation document which address industry, as well as stakeholders working with industry (e.g. financial actors) provide a valuable reference point. Further work is needed to put in place modalities for implementation and mobilizing stakeholder commitment.



Sector strategies have the potential to share knowledge globally and stimulate action

- Draft target D6 encourages the development of strategies in chemical intensive economic sectors and reducing chemical footprints along value chains. The target has the potential to engage and stimulate action in a wide range of sectors globally.
- Economic sector and value chain strategies encouraged under Beyond 2020 should have a high level of ambition, while recognizing that sectors and their industries start from different baselines. Innovation and "thinking outside the box" are key elements.
- Sectors discussed at the workshop include, but are not limited to: textiles, building and construction, health services, electronics, and agriculture. Given proximity to consumers and leverage potential, retailers play a particularly important role.
- Further work is needed to obtain a better understanding of the term "chemical intensive" and to identify economic sectors and key stakeholder in respective values chains to engage in Beyond 2020.
- Sector strategies should build on and strengthen existing stakeholder initiatives, such as coalitions of actors already working together. Where these are not in place, efforts should be made to learn lessons from such initiatives and encourage and develop new ones, when appropriate.
- Sector strategies should contain common and cross-cutting elements, such as addressing SAICM's emerging policy issues (e.g. PFASs, lead in paint, HHPs, nano-materials) and chemical and waste obligations under relevant multi-lateral environmental, labour and health agreements.
- Other examples of cross-cutting issues include enhancing transparency and the flow of information along value chains (e.g. through QR codes¹ and product passports), encouraging the use of packaging free of hazardous chemicals, and engaging with SMEs and the informal sector.

Guiding principles provide a valuable reference to inform robust sector strategies

- To support the development of strategies under Beyond 2020 that are robust and ambitious, guiding principles can provide a solid benchmark and stimulate continuous performance improvement.
- The guiding principles should take into account that progress on the sound management of chemicals and waste can be achieved through commitment to continuous performance improvement by individual companies, groups of companies, or associations. Interacting and collaborating with other stakeholders is an important factor in driving such performance forward.
- Adopting an ambitious vision up-front that aims at eliminating or minimizing the use and release of hazardous chemicals in production, products and packaging is important.

¹ Notwithstanding the importance of clearly visible and identifiable product information. Notably, GHS-related information.



- Other guiding principles for performance improvement include, but are not limited, to the following:
 - Adoption of a corporate chemicals and waste policy
 - Identification of priority chemicals of concern targeted for phase out
 - o Commitment to transparency and information disclosure
 - o Compliance with green and sustainable chemistry innovation and solutions
 - Adoption of sustainable supply chain and extended producer responsibility schemes
 - Compliance with international chemicals and waste management agreements
 - Implementing classification and labelling based on the GHS
- Implementing these guiding principles may be facilitated by a road map which establishes milestones for continuous performance improvement.
- Further and more detailed guidance could be prepared to expand and elaborate on the draft guiding principles identified at the workshop.

A global programme can foster knowledge-sharing and action in a range of economic sectors

- A dedicated global programme on "Advancing sound chemicals and waste management in economic sectors and value chains" under Beyond 2020 could create a valuable global structure to engage key stakeholders.
- The programme could include global knowledge-sharing within sectors and across sectors, encourage sector strategy development and action, and help measure progress against relevant global targets and indicators.
- Programme activities could include the preparation of reviews for relevant sectors, and organizing
 global multi-stakeholder sector dialogues/summits to discuss progress, challenges and actions.
 The proposed programme should consider nuances across regions and countries. Furthermore, it
 is essential to take into account specific needs of SMEs.

Beyond 2020 needs to encourage enabling action by diverse stakeholders

- There is an opportunity for Beyond 2020 to acknowledge and share knowledge on existing enabling action by front runners in governments, civil society and industry.
- Policy coherence and harmonization across government sectors and value chains should be encouraged to support effective chemicals and waste management.
- Further guidance, lessons learned, and best practices could be developed to capture these front runner actions by governments, civil society and industry, coupled with dedicated capacity development programmes. The guidance should also identify motivators across different sectors to increase engagement and foster policy coherence.



Chemical footprint and industry reviews can foster performance improvement

- A number of chemical assessment methodologies are being used widely that measure the chemical footprint and performance of specific companies. While some initiatives estimate levels of chemical releases (and their change over time), others focus on corporate governance structures, such as adoption of sustainable supply chain policies or extended producer responsibility schemes.
- In many cases, these initiatives have led to collaborative action to improve the performance of companies and guided investors in making investment decisions.
- Beyond 2020 could encourage knowledge-sharing on these initiatives, promote their scaling-up, and explore opportunities for alignment. It could also consider preparation of a policy analysis to analyze existing chemical assessment and performance methodologies, and identify possible opportunities for synergies, alignment, and global uptake.

Beyond 2020 has a role to play in advancing international standards and guidelines

- To support sector strategies and implementation, Beyond 2020 could play a role in advancing global standards and guidelines that address various aspects of sound chemicals and waste management.
- Such opportunities include: supporting the uptake of existing standards and guidelines (e.g. in the textile sector); strengthening the chemicals and waste aspects of existing standards and guidelines; and encouraging development of new standards or guidelines (e.g. on green and sustainable chemistry).

Adequate, predictable and innovative financing is key to the success of Beyond 2020

- Mobilizing new, adequate, predictable and innovative financing and investment to advance chemicals and waste management in economic sector and value chains is essential.
- A number of innovative financing schemes exist which specifically address chemicals and waste management in economic sectors and value chains. They are often informed by concerns of financial institutions and investors about the environmental and health risks and impacts associated with chemicals throughout the value chain.
- Relevant financing instruments and initiatives include Extended Producer Responsibility schemes (which charge a small fee to fund enabling action and downstream initiatives), green bonds and guaranteed loans; or dedicated funding mechanisms under national, regional or global agreements.



- Furthermore, investors are starting to use chemical footprint assessments and company performance rankings to inform and shift their investment decisions. Similarly, implementation of environmental and social safeguards standards is used to inform investments.
- Opportunities exist to document these initiatives and explore how to scale them up and foster global implementation under Beyond 2020.
- Given the growing interest of institutional actors and investors, the development of a dedicated initiative under Beyond 2020 to mobilize the finance community and adequate funding along value chains is essential. This could include the establishment of a global dedicated fund.

Multi-stakeholder engagement and partnerships are essential

- While industry actors play a key role in programme implementation, it is important that development and implementation is supported through inclusive multi-stakeholder collaboration and dialogues.
- Furthermore, the establishment of partnerships that are results-based and follow good practices are crucial to support programme implementation.
- To support these processes, it would be valuable to develop guidelines and implement capacity development activities.

3 Workshop follow-up and next steps

During the final session, participants discussed a number of follow-up activities and actions, including the following:

- All workshop participants were encouraged to share the outcomes of the workshop with their networks and encourage stakeholders to engage actively in follow-up activities.
- The IOMC will work with the SAICM Secretariat on organizing a Technical Briefing on workshop outcomes in advance of IP4.2 in Nairobi. Workshop participants are encouraged to attend the Technical Briefing and IP4.2 and make a contribution.
- The IOMC will submit a Conference Room Paper (CRP) for the IP4.2 meeting scheduled from 27 February - 3 March 2023 in Nairobi, taking into account the outcomes of the workshop. It will contain proposed text relevant to economic sectors and value chains for consideration in the negotiations of the Beyond 2020 framework, in particular the <u>IP Co-chairs' Single Consolidated</u> <u>Document</u>. Other stakeholders are also encouraged to propose specific text for consideration at IP 4.2.
- IOMC will consider organizing a stakeholder expert meeting in May/June 2023 to undertake further consultation on guiding principles to support sector and value chain strategies and the elements of a dedicated global Programme for possible consideration at ICCM5.



- Actors working on sustainable finance (e.g. UNEP FI) are encouraged to work with other interested stakeholders to explore innovative financing further to support chemicals and waste management in economic sectors and value chains.
- All participants are encouraged to think through how commitments of decision-makers (e.g. CEOs and Executive Directors) may be mobilized in advance of, and be present at, ICCM5.



Annex 1

Selected references in IP4 Co-chairs Compilation Document

"The involvement of industry and the private sector throughout the value chain needs to be significantly enhanced under this instrument at all levels" (Section D. Enhanced Sectoral and Stakeholder Engagement)

Draft target on industry sector strategies

 Target D6 - By 20xx, sustainable chemical and waste management strategies have been developed and implemented for xy major economic sectors with intense chemical use, which identify priority chemicals of concern, standards and measures to reduce chemical input and footprint along the value chains (e.g. textile, electronic, building, agriculture etc.)

Related draft targets

- Target B2- By 20XX, stakeholders in the value chain ensure that reliable information on chemicals in [materials and] articles is available throughout their life cycle [including at the waste stage], to enable informed decisions and safe management of chemicals in a clean circular economy.
- Target D1 Companies consistently invest in and achieve innovations toward advancing green and sustainable chemistry, cleaner production, and the deployment of life cycle management approaches for chemicals.
- Target D3 By 20xx, companies, including from the investment sector, incorporate strategies and policies to implement the sound management of chemicals [and waste] in their investment approaches and business models and apply internationally- recognized reporting standards.
- Target D8 By xx minimum requirements for third-party/private/nongovernmental standards, labels and certification schemes are defined and reviewed on an ongoing basis, potential for harmonization is explored and adherence increased and applied by private sector and monitored by governments and other stakeholders.