VIRTUAL WORKING GROUP ON FINANCIAL CONSIDERATIONS

SET OF QUESTIONS FOR ELECTRONIC FEEDBACK

TOPICS: INTEGRATED APPROACH TO FINANCING THE SOUND MANAGEMENT OF CHEMICALS AND WASTE AND CAPACITY BUILDING

Note: Please submit your responses/feedback to the questions below to the SAICM Secretariat at saicm.chemicals@un.org, with a copy to eduardo.calderapetit@un.org on or before Friday, 13 November 2020. You may use this word document to submit your inputs. Indicate your name and organization.

a) General overview

(i) Views on the establishment of a clearing house mechanism to track development aid and other possible sources for the sound management of chemicals and waste;

Norway is interested to hear of lessons learned from CBD and other instruments that have had a CHM. A mechanism could track available financing and other capacity building sources and bring these to the attention of potential recipients.

(ii) Views on the establishment of an arrangement, process or subsidiary structure comprising of finance and other relevant experts to keep sound management of chemicals and waste, capacity building, technology, finance and other resource mobilization sources and initiatives under review;

Norway is flexible on the establishment of an arrangement to advise stakeholders on how to improve the sound management of chemicals and waste, in line with the integrated approach, and to keep these developments under review, as appropriate. The arrangement could track available financing sources, but most notably offer advice on how to implement the polluter pays principle through mainstreaming and industry involvement.

(iii) Additional views on text SAICM/IP.4/2, page 14, paragraphs 1 - 3.

Please see below in track changes.

1. The implementation of the integrated approach to financing for the sound management of chemicals and waste, which was designed and agreed as a long term contribution beyond 2020, continues to be essential [to achieve the goals and targets of the 2030 Agenda for Sustainable Development] [and to bridge the widening gaps in the capacity to address sound management of chemicals and waste between developed and developing countries]. [it is recognized that the sound management of chemicals and waste is necessary for countries, and [may] require[s] technical and financial support] in line with the integrated approach.

2. [A clearinghouse mechanism should be established under the secretariat of (the agreement) to publicly track development aid for the sound management of chemicals and waste] [and adopts the terms of reference for the arrangement, annexed to the present resolution, to be funded by voluntary contributions.]

b) Mainstreaming

(i) What concrete mechanisms and actions could achieve mainstreaming for the sound management of chemicals and waste at the national level;

(ii) Views on text SAICM/IP.4/2, page 15, paragraphs 6 - 7.
Norway understands mainstreaming as a set of governmental actions and measures to ensure the implementation of a holistic management of chemicals and waste, whether they are already taken or must be taken in the future. Actions and measures may, inter alia, include the development of a legal framework, development of control mechanisms such as an inspection authority, development of statistics, of funding schemes etc.

By governmental we mean that measures and actions can be initiated/suggested by different stakeholders, but that they ultimately will be developed and implemented through governmental actions.

By underlining that mainstreaming is about governmental actions and measures, we think that we can differentiate "mainstreaming" from "private sector involvement", which we see as useful in further development of the compilation text SAICM/IP.4/2. An example can be extended producer responsibility schemes: to include this as a management instrument in legal frameworks will be an action of mainstreaming, and to comply with the scheme would be an involvement from the private sector.

Another example can be that the implementation of the polluter-pays principle in national/regional chemical management will be a part of the mainstreaming component, and a private sector involvement component will be to ensure to have the financial contributions to comply with the principle.

c) Private sector involvement

(i) Gather views on how private sector involvement would support implementation of the sound management of chemicals and waste.

By following the comment above, private sector involvement could include a communication channel where the private sector could suggest actions and measures for mainstreaming. It could further include compliance with the extended producer responsibility principle. This approach would mean a change in paragraph 9 of SAICM/IP.4/2, see below.

9. [The private sector [shall] [should] [comply with] [implement] extended producer responsibility.] Governments should also implement actions to further encourage industry involvement in the integrated approach, including the development of legislation on the responsibilities of industry and national administration; the provision of incentives for the sound management of chemicals and waste; and the promotion of measures by industry to internalise costs [using economic instruments to recover and shift costs to private from public sector] [including the polluter pays approach] [as per the polluter pays principle].

Extended producer responsibility schemes, where the core is responsibility for products produced once they are waste, may consist of many things; communication, capacity building, fees etc., and we consider that several of the measures listed in paragraphs 8-10 can be a part of such a scheme, or can be done without such a scheme. We therefore suggest a slight change of order of, and changes to, the paragraphs, see suggestion below in track changes:

8. [The private sector [shall] [should] [comply with] [implement] extended producer responsibility where such arrangements exist.] Governments should also implement actions to further encourage industry involvement in the integrated approach, including the development of legislation on the responsibilities of industry and national administration; the provision of incentives for the sound management of chemicals and waste; and the promotion of measures by industry to internalise costs [using economic instruments to recover and shift costs to private from public sector] [including the polluter pays approach] [as per the polluter pays principle].
economic instruments to recover and shift costs to private from public sector] [including the polluter pays approach] [as per the polluter pays principle].

9. Either through an extended producer responsibility scheme or on their own accord, [Private-sector entities throughout the value chain [should] increase their [financial] contributions to the implementation of the sound management of chemicals and waste, in order to [avoid, or where not possible mitigate] [cover the costs of] their impacts on the environment and on health.] [These contributions (eg. through agreed levies) should seek to finance, among others, the identification and communication of hazards, comprehensive risk assessment and the measures for its mitigation, strengthening of all stakeholder’s technical capacity, implementing PRTRs, prevention of exposure, the attention of exposed communities [, compensation for resulting environmental and human harms] and contaminated sites remediation.]

10. [Private-sector entities throughout their investment and [value chain] [supply chain] should increase their contributions to the implementation of the sound management of chemicals and waste through a range of approaches and partnerships. ]

ALT 10 [In line with the three components of the integrated approach to financing, i.e. mainstreaming, private sector involvement and dedicated external finance, private sector to commit to support the SAICM goal of sound management of chemicals and waste by providing investment and in-kind contributions, including through fees paid to support domestic chemicals management schemes, data generation, partnerships, capacity building and global GHS implementation. Private sector to further advance the sound management of chemicals and waste through in-kind commitments to innovation, training, safety and sustainability initiatives as well as compliance with chemical regulatory requirements in jurisdictions around the globe.]

d) Dedicated external financing

(i) How can SAICM inform the GEF replenishment process to increase funding for the sound management of chemicals and waste and what are the priority areas for inclusion in the C&W focal area?

(ii) What concrete actions could support implementation of the beyond 2020 programme of work - for example operationalizing the Overall Orientation Guidance (OOG) - in line with the objectives of the UNEP Special Programme;

Norway is of the opinion that the compilation text should be the basis text for the Beyond 2020 Instrument. The OOG was adopted by SAICM and in our view it would create confusion if we brought the OOG in as separate guiding document for the Beyond 2020 Instrument.

(iii) Views on text SAICM/IP.4/2, page 16, paragraphs 12 - 16.

[Stakeholders should [secure funds] [further strengthen the component of dedicated external financing], including development assistance aid, and from innovative donor sources, as appropriate, which can be facilitated by mainstreaming at the national level]

13. [All stakeholders agree to the establishment of an International Fund to implement the Sound Management of Chemicals and Waste, which should be accessible to all stakeholders [and sectors] and should provide support to developing countries, in the form of grants, guarantees and loans, comprised of financial resources provided by the private sector, governments in a position to do so, development banks, philanthropic entities, venture capital, and all other stakeholders.]

Norway is ready to discuss other means of improving the sound management of chemicals and wastes, including reviewing existing sources of funding. We do not see that another fund is conducive to raising more funding.

14. [All stakeholders agree to initiate the process of implementing the International Fund at ICCMS.]
15. [Donors should [continue to] provide dedicated external financing, including, for example, resources to support the Global Environment Facility and other multilateral, regional and bilateral sources of financing, and to support the effective implementation of the Special Programme to support institutional strengthening at the national level for the implementation of the Basel, Rotterdam and Stockholm conventions, the Minamata Convention and the Strategic Approach to International Chemicals and Waste Management.]

16. [All stakeholders recommend to UNEA that the Special Programme should be reformed to adjust to the multi-stakeholder, multi-sectoral nature and scope of the Strategic Approach.]

The Special Programme already supports SAICM. We do not see the need to reform the Special Programme for this purpose.

e) Capacity building
   (i) What are the concrete mechanisms and actions regarding capacity building across sectors to support the beyond 2020 programme of work (related to all sections above)?

When Norway decided to drastically limit pollution from 1970 and onwards, regulation implementing the polluter pays principle was the essential component of the approach. Asking taxpayers to finance measures or seeking funding from other sources would have represented a value transfer from these sources to shareholders of the polluting industries. It proved possible to maintain employment levels in industry while still reducing pollution.

This view still guides Norway's approach to financing. Support from dedicated external financing should be directed to institutional strengthening to facilitate mainstreaming and private sector involvement, notably through enforcing regulation based on the polluter pays principle.

Background documents:

SAICM/IP.4/2 Compilation of recommendations regarding the Strategic Approach and the sound management of chemicals and waste beyond 2020, for consideration by the fifth session of the International Conference on Chemicals Management

SAICM/IP.4/5 Stakeholder input on the proposed draft ‘capacity building principles’ developed at the third meeting of the intersessional process by the co-chairs of the thematic group on financial considerations