

**Open-ended Working Group of the International Conference
on Chemicals Management**

Third meeting

Montevideo, 2–4 April 2019

Agenda item 4 (e)

**Progress towards the achievement of the 2020
overall objective of the sound management of
chemicals: financing of the Strategic Approach**

**Submission by the African Group, the Latin American and Caribbean
Group, Azerbaijan, Cambodia, Indonesia, the Islamic Republic of Iran,
Oman, Thailand and Tuvalu on financial considerations**

Note by the secretariat

The annex to the present note contains a submission by the African Group, the Latin American and Caribbean Group, Cambodia, Indonesia, the Islamic Republic of Iran, Oman, Thailand and Tuvalu. It is reproduced as received by the secretariat, without formal editing.

Annex

Financial considerations

1. Integrated approach to financing

40. Stakeholders shall take steps to implement an integrated approach to financing the sound management of chemicals and waste, including, in particular, making tangible progress with respect to the following three components:

(a) Mainstreaming

41. Encourage governments, in a position to do so, to promote and further increase mainstreaming sound chemicals management and related wastes in national budgets and sector policies. For developing countries and countries with economies in transition, the mainstreaming of their national chemicals and waste priorities into the development planning processes for funding as part of official development assistance will increase their access to significant funding for national priorities in relation to chemicals and waste.

(b) Private-sector involvement

42. Private-sector entities throughout their investment and value chain should increase their contributions to the implementation of the sound management of chemicals and waste, in order to 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 and contaminated sites remediation. In addition, private sector entities should increase their contributions through a range of approaches and partnerships. The private sector shall comply with extended producer responsibility.

43. [The financial sector is asked to develop guidance for investing in companies that have chemicals management schemes in place, for example, the development of loan criteria for sustainable banking.]

44. Call on the secretariat to prepare a report in preparation of IP3 and IP4 of all examples of successful mechanisms for cost recovery and implementation of polluters pay principle for the financing of risk management and risk reduction activities at national level.

(c) Dedicated external financing

45. It is recognized that gaps in the sound management of chemicals and wastes are growing exponentially between developed and developing countries, and that the need to continue taking concerted action is accentuated by the insufficient technical and financial support available.

46. The extent to which developing countries, particularly least developed countries and small island developing states, and countries with economies in transition can make progress achieving the post-2020 goals depends, in part, on the availability of financial resources provided by the private and bilateral sectors, multilateral and global agencies or donors.

47. All stakeholders are encouraged to 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 should provide support to developing countries, in the form of grants, guarantees and loans.

48. The private sector (eg. through agreed levies), governments in a position to do so, development banks, philanthropic entities, venture capital, and all other stakeholders, should make financial and in-kind contributions to the International Fund for the Sound Management of Chemical and Waste.

49. Donors should 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.