



AFRICA GROUP PROPOSAL:

FINANCING SAICM BEYOND 2020 through The Integrated Approach To The Sustainable Financing Of Sound Management Of Chemicals And Wastes (UNEP/GC.27/7)

By:

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On behalf of the Africa Group

**Technical briefing on financial considerations
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Table 2

References to industry involvement in the main SAICM policy instruments adopted in 2006 at the first session of the International Conference on Chemicals Management

SAICM policy instrument	Text relevant to industry involvement
Dubai Declaration on International Chemicals Management	<ul style="list-style-type: none">● The private sector has made considerable efforts to promote chemical safety through voluntary programmes and initiatives such as product stewardship and the chemicals industry's Responsible Care programme (para. 4).● We will continue to mobilize national and international financing from public and private sources for the lifecycle management of chemicals (para. 16).● We will engage actively in partnerships between Governments, the private sector and civil society, including strengthening participation in the implementation of the Strategic Approach by small and medium-sized enterprises and the informal sector (para. 19).● We stress the responsibility of industry to make available to stakeholders such data and information on health and environmental effects of chemicals as are needed safely to use chemicals and the products made from them (para. 20).

Why SAICM Could Not Meet Its 2020 Objective?

AS IDENTIFIED IN THE REPORT OF INDEPENDENT EVALUATION
OF THE STRATEGIC APPROACH FROM 2006–2015



Lack of a robust funding mechanism for SAICM, the SAICM Quick Start Programme (QSP) was dedicated to enable developing countries to build their capacity for SMC, though it was successful, it was significantly limited due to insufficient funding, hence many countries could not benefit from the programme during its 10 years operational period



Few governments applied economic instruments to fully internalize the externalities generated by chemicals production, use and disposal



Many countries, especially developing countries and countries with economy in transition, developed their SAICM comprehensive National Implementation Plans (NIPs) but could not implement them to achieve the 2020 goal primarily due to lack of funding



No progress in implementing the industry involvement pillar of the Integrated approach to the sustainable financing of sound management of chemicals and wastes (UNEP/GC.27/7).



INTEGRATED APPROACH TO FINANCE THE SMCWs

SAICM 1

Mainstreaming

Government budgets through sectoral ministries (including managing the burden of diseases), academic and research institutions

Industry Involvement

Responsible Care programme

External Dedicated Financing

GEF
Special Programme (2015)

Inputs = Insignificant Financial Resources for the Implementation of SMCWs

ENABLERS

Rio Declaration on Environment and Development, Chapter 19 of Agenda 21, International Labour Organization Conventions No. 170 Safety in the Use of Chemicals at Work and No. 174 on the Prevention of Major Industrial Accidents.

The Integrated Approach To The Sustainable Financing Of Sound Management Of Chemicals And Wastes (UNEP/GC.27/7) & recently endorsed again at UNEA-5.

FACT: The 3 pillars are mutually reinforcing and are all important for the long-term and sustainable financing of the sound management of chemicals and waste.

PROPOSAL

1. Full implementation of the Industry Involvement pillar of the Integrated Approach through a coordinated cost recovery rate on basic chemicals at a global level through a levy of **0.05%** of their annual revenue that is about **\$2.3 trillion**, according to the American Chemistry Council (ACC), equates to **\$1.15 billion annually** — which is more than the total annual assistance **currently** flowing to the chemicals cluster from the **GEF (US\$131 million) and Special Programme (US\$4,7 million) combined**.
2. **International Fund; contributions from donor countries and managed by its own Governing Board.**

INTEGRATED APPROACH TO FINANCING THE SOUND MANAGEMENT OF SAICM 2 CHEMICALS AND WASTE

Mainstreaming

Government budgets through sectoral ministries (including managing the burden of diseases), academic and research institutions.

Industry Involvement

0.05% levy from annual turnover into an International Trust Fund managed by its own Governing Board.

External Dedicated Financing

GEF
International Fund; contributions from donor countries; managed by its own Governing Board.

INPUTS = ADEQUATE FINANCIAL RESOURCES FOR SAICM POST 2020 FOR THE SOUND MANAGEMENT OF CHEMICALS AND WASTES.

*Base chemical manufacturers contribute to the sustainability of and innovation in the chemical industry through a rate of 0.05% levy from their annual turnover for the sound management of chemicals and wastes beyond 2020. These contributions in an established International Trust Fund managed by its own the Governing Board.



MAINSTREAMING

Government budgets through sectoral ministries (including managing the burden of diseases; waste management, etc), academic and research institutions.

African governments are currently paying for the negative effects that we are not responsible for in the first place, through, for example, significant and still not adequate health and remediation of polluted areas budget allocations, financing law enforcement, and border controls, to name a few.

All these allocations are from the meagre funds we would have deployed for poverty alleviation, education, and other developmental objectives



INDUSTRY INVOLVEMENT

Proposal for an international coordinated levy (0.05% from annual turnover) into an International Trust Fund managed by its own Governing Board, and will generate adequate revenue per year to fund the implementation of the SAICM post 2020 instrument.



EXTERNAL DEDICATED FUNDING



INTERNATIONAL FUND managed by its own Governing Board.



GEF - Chemicals and Waste Focal Area



The Africa Group, kindly invites all SAICM stakeholders to support this proposal on the Sustainable Funding of the SAICM Post-2020.



The Africa Group remains open to further discussions on this proposal and is committed to working towards a sustainable solution.



**THANK YOU FOR YOUR
KIND ATTENTION!!!**

