

Enabling corporate plastics disclosure

Building a corporate accountability
system for plastic pollution



Table of contents

Acronyms and abbreviations	2
Executive summary	3
Introduction	5
1. A global corporate accountability system.....	7
1.1 The plastic pollution crisis	7
1.2 Ambition, action and accountability	8
1.3 Integrating the accountability system into the ILBI	10
2. Accounting	11
2.1 Measuring plastic leakage	11
2.2 Disclosing data to improve plastic footprint assessments	18
2.3 Measuring circularity beyond plastic leakage	20
3. Reporting and disclosure	22
3.1 Plastic pollution: impact and financial materiality	22
3.2 A diverse reporting and disclosure landscape.....	24
3.3 Converging on a standardized framework under the ILBI.....	28
4. Policy asks for the ILBI.....	29
4.1 Clear and standardized disclosure requirements	29
4.2 Aggregation mechanism tracking corporate progress	30
4.3 Building on the proposed options for INC-2.....	30
Endnotes	33

Acronyms and abbreviations

BCGPT	Business Coalition for a Global Plastics Treaty
BRS	Basel, Rotterdam and Stockholm Conventions
CSRD	Corporate Sustainability Reporting Directive
CTI	Circular Transition Indicators
EA	Environmental Action
EFRAG	European Financial Reporting Advisory Group
EPR	extended producer responsibility
ESG	environmental, social and governance
ESRS	European Sustainability Reporting Standards
EU	European Union
GRI	Global Reporting Initiative
HAC	High Ambition Coalition to End Plastic Pollution
ILBI	International Legally Binding Instrument (to end plastic pollution), also known as the Global Plastics Agreement and the UN Treaty on plastic pollution
INC	Intergovernmental Negotiating Committee
INC-2	2 nd meeting of the INC
INC-3	3 rd meeting of the INC
ISSB	International Sustainability Standards Board
MPW	mismanaged plastic waste
Mt	million tonnes
MWI	Mismanaged Waste Index
NAP	national action plan
PET	polyethylene terephthalate
PFN	Plastic Footprint Network
PRO	producer responsibility organization
SASB	Sustainability Accounting Standards Board
SBT	science-based targets
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goal
SEC	US Securities and Exchange Commission
SPHERE	Sustainability in Packaging Holistic Evaluation for Decision-Making
SUP	single-use plastic
UN	United Nations
UNEA	United Nations Environment Assembly
UNEP	United Nations Environment Programme
WaW	What a Waste (World Bank)
WBCSD	World Business Council for Sustainable Development

Executive summary

Plastic pollution is an important and growing challenge: the production of plastic is forecast to triple by 2030, as is plastic waste.¹ The current life cycle for plastics is far from circular, with only 33 million tonnes (Mt), or 9% of plastic waste created, going through recycling. A shocking 22 Mt of plastics leaked into the environment in 2019, 6.1 Mt of which reached rivers, lakes and the ocean.² Plastic leakage to the ocean is set to triple by 2040.³

In 2022, WBCSD published [Enabling Corporate Plastics Disclosure: opening the debate for the adoption of universal metrics](#) to review the plastic-related metrics companies were using to measure and report progress against plastic pollution and open the debate on the harmonization of plastic-related metrics for disclosure purposes. The interviews used as the basis for the analysis showed that the number of reporting frameworks and initiatives is growing, demanding increased attention that detracts time and resources from action implementation. The fact that reporting requirements often have different definitions, metrics and methods aggravates the burden.

This second paper clarifies the metrics that companies should use for plastic pollution accounting purposes, with a deep look into the measurement of plastic leakage and mismanagement (plastic footprint). This paper also embeds these metrics into a comprehensive corporate accountability system for plastic pollution that could help companies comply with the future International Legally Binding Instrument (ILBI) to end plastic pollution currently being negotiated by UN member states.

Such an accountability system would make it easier for governments, investors, civil society, suppliers and consumers to assess the credibility of corporate commitments and actions to end plastic pollution and transition to a circular economy for plastics. It would also provide a platform for leading companies to confidently show their progress on the agreed ILBI targets to end plastic pollution.

This accountability system consists of four phases that frame the journey for companies to end plastic pollution and transition to a circular economy for plastics:

1. Set an **ambition** for the transition to comply with the ILBI/science-based targets;
2. Translate the target into a plastic pollution **action** plan for implementation at the company level;
3. Derive accurate plastic pollution reduction **accounting** metrics (in line with agreed treaty goals) over time through an accounting mechanism for plastic pollution;
4. Disclose the metrics externally through a global baseline reporting framework for **accountability (reporting and disclosure)**.

As part of this accountability system, accounting is a key step for companies to:

- Understand the **metrics** companies should use to set their baseline and take action to end plastic pollution, including plastic footprinting to measure the plastic leakage occurring in their value chain and caused by their operations. Measuring leakage will inform the interventions needed for the plastic pollution caused by their business operation to drastically fall; determining circularity will help companies reduce resource use and minimize waste.
- Understand the **data** needed to compute these metrics. Tackling the waste mismanagement issue requires the disclosure of some data to enable the participation of actors throughout the value chain. For example, companies could increase the level of precision of country-based waste management data by accessing data points on polymer production levels (volumes, types of polymers,

source of material), recycling capabilities and country-based plastic waste generation.

Companies are increasingly under pressure to report on progress on plastic pollution and their mitigation strategies while facing multiple reporting and disclosure initiatives with diverse purposes and scopes for the metrics. As confidence in data robustness and methodologies grows, reporting and disclosure should also include the fate of the plastic waste created.

To avoid an increasing reporting burden on companies, the ILBI provides the opportunity to develop a standardized framework for reporting and disclosure on plastic pollution that would allow companies to focus corporate time, energy and resources to compete on performance and not on methodologies.

The ILBI could embed the corporate accountability system for plastic pollution directly to strengthen the credibility of commitments and progress on compliance that companies make to end plastic pollution and transition to a circular economy for plastics. As such, a Corporate Accountability Council for Plastic Pollution could have the task of increasing coordination between different actors to align disclosure standards and their application and work with policymakers to ensure the adoption of consistent and robust standards for plastic pollution accounting across geographies.

The approach for monitoring and disclosure could build on SDG 12.6 (Encourage companies to adopt sustainable practices and sustainability reporting) as well as [target 15 of the Kunming-Montreal Global Biodiversity Framework](#).

Our policy asks for the ILBI are to include provisions to support the **development of a robust accountability system with globally harmonized disclosure obligations and reporting standards**, enhance the transparency of public and private sector actors and monitor their progress and compliance.

More specifically, we ask for:

- **A provision to reflect an aggregation mechanism tracking corporate progress** on commitments to plastic pollution reduction and how this progress might contribute to fulfilling new global plastic pollution reduction targets or national plastic waste reduction plans set by governments.
- **A provision to set up a Corporate Accountability Council for Plastic Pollution.**

Introduction

Setting the scene with a first paper in November 2022

WBCSD published the [Enabling Corporate Plastics Disclosure: opening the debate for the adoption of universal metrics](#) paper in November 2022 to understand the plastic-related metrics companies are using and open the debate on the harmonization of plastic-related metrics for disclosure purposes. The goal was to initiate the development of a global corporate accountability framework that will track corporate progress on targets (adjacent to or integrated into country-level reporting).

This first paper called for greater disclosure on the fate of the plastic waste created in terms of the volume collected, recycled, adequately disposed of (landfill/incineration), improperly disposed of (dumpsites/unsanitary landfills) and uncollected.

The focus of this second version

This second paper embeds the “disclosure metrics” into the larger frame of a global corporate accountability system for plastic pollution (Figure 2). It clarifies what data is needed from each stakeholder in the plastics value chain to enable the assessment of a corporate plastic footprint (Table 1). This paper also elaborates further on the opportunities for accounting, reporting and disclosure frameworks and harmonization linked to the International Legally Binding Instrument to end plastic pollution (ILBI), also known as the Global Plastics Agreement and the UN Treaty on plastic pollution.

The scope of the next version (for the Intergovernmental Negotiating Committee – INC-3)

An additional paper at the end of 2023, for INC-3, will support companies navigating the corporate accountability system for plastic pollution (Figure 2). This forthcoming paper will complete the current paper by adding the following elements:

A comprehensive approach to circularity

The focus of this second white paper is mainly on the footprint of plastic at the end of its life as it directly links to plastic that ends up in the environment. However, we recognize the importance for companies to implement circularity solutions across the entire plastic life cycle, starting with strategies to reduce and reuse materials – and using relevant metrics for accounting, reporting and disclosure. To that end, we briefly cover the measurement of inflows (weight and materials composition) in companies’ circularity measurement (section [2.3 Measuring circularity beyond plastic leakage](#)) and we will elaborate on this in our next report to define in a more comprehensive manner common disclosure and reporting standards following plastics life cycle (including production and sourcing of circular inflows).

Circularity embedded into environmental sustainability considerations

Circularity is a key priority in ending plastic pollution but it should be embedded into a broader environmental sustainability approach to products that includes principles such as packaging/product efficiency, circularity, impact on climate change and biodiversity loss, the absence of harmful substances and waste mismanagement. Companies need to consider the trade-offs between these environmental impacts when designing their products/packaging. See Box 1.

Box 1: SPHERE, the packaging sustainability framework

WBCSD published the [SPHERE framework](#) in 2022 and will release the implementation guide in 2023.

The SPHERE framework allows companies to assess the environmental impact of their packaging holistically and compare the trade-offs associated with different packaging options for a broad range of impacts: drivers of climate change, packaging efficiency, circularity, end-of-life, harmful substances and drivers of biodiversity loss.

A just transition (equity)

The accountability system needs to integrate a just transition – recognizing the significant contribution made by workers in informal and cooperative settings to the collecting, sorting and recycling of plastics in many countries. A just transition to an environmentally sustainable economy can contribute to the goals of decent work for all, social inclusion and the eradication of poverty. Governments and businesses must act urgently to create a world where everyone’s dignity and rights are respected, basic needs are met, and equal opportunities are available for all.⁴

1. A global corporate accountability system

1.1 The plastic pollution crisis

In its *Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options* published in 2022, the Organisation for Economic Co-operation and Development (OECD) paints a dire picture for the planet if plastic production and consumption and the treatment of plastic waste continue as usual:⁵

- Production is set to triple – from more than 400 million metric tonnes (Mt) in 2019 to more than 1,200 Mt in 2060;
- Plastic waste will also expand three-fold – from an estimated 353 Mt per year in 2019 to 1,014 Mt per year in 2060.

Beyond just the pure quantities and the problems its management and mismanagement pose, “plastic production is associated with the use of chemical additives, many of which are of concern for human and environmental health, including those listed as hazardous under the Stockholm Convention and in national legislation,” says the United Nations Environment Programme.⁶

As shown in Figure 1, the current life cycle for plastics is far from circular. Stakeholders recycled only 33 Mt, or 9%, of the 353 Mt of plastic waste created in 2019. Because of this lack of circularity, that same year, 22 Mt of plastics leaked into the environment, 6.1 Mt of which reached rivers, lakes and the ocean.⁷ Experts estimate plastic leakage into the ocean will triple by 2040.⁸

The global movement to tackle plastic pollution led to a historic moment in March 2022 when United Nations (UN) Member States adopted Resolution 5/14 – “End plastic pollution: Towards an international legally binding instrument” – at the UN Environment Assembly (UNEA). This resolution establishes an Intergovernmental Negotiating Committee (INC) to conclude the negotiations on a global plastic pollution instrument by the end of 2024.

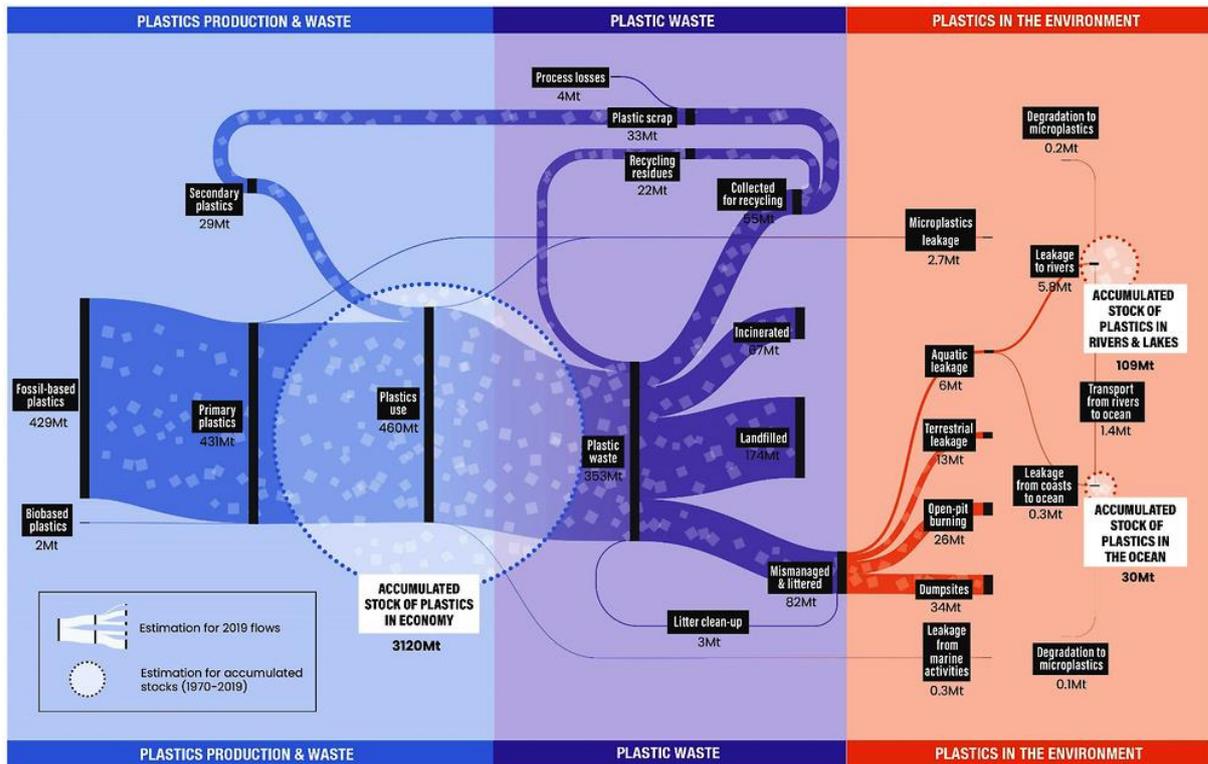


Figure 1: Only 33 Mt – or 9% of the 353 Mt of plastic waste – was recycled in 2019
 Source: Organisation for Economic Co-operation and Development (OECD) (2022)⁹

1.2 Ambition, action and accountability

A corporate accountability system for plastic pollution (Figure 2) is useful in framing the journey for companies to end plastic pollution and transition to a circular economy for plastics – especially in the context of the ILBI. However, as companies may be at different steps in the process, they can join at any step in the framework. For example, they may be more purpose-driven and set their ambition before knowing how to do the accounting. Therefore, the framework we propose here does not have a strict chronological order.

The phases of the global corporate accountability system

Ambition: Set an ambition for the transition to comply with the ILBI/science-based targets. This will require the development of a Science Based Targets initiative (SBTi) equivalent for the plastic pollution agenda, likely involving a range of targets, timeframes and metrics appropriate for different business and industry sectors and in line with meeting the new treaty’s goals, core obligations and control measures.

Action: Translate the targets into a plastic pollution transition plan for implementation at the company level. It should break the (often long-term) pollution reduction target down into intermediate (for example) three-year reduction targets, including the capital expenditure (capex) and R&D investment to deploy to deliver these targets (investments in promoting more circular value chains, for example, can help drive innovation).

Accounting: Derive accurate plastic pollution reduction accounting metrics (in line with agreed treaty goals) over time through an accounting mechanism for plastic pollution that is

equivalent to the *Greenhouse Gas Protocol* for carbon emissions. The equivalent of end-to-end value chain “scope 3” type accounting for plastic pollution reduction across corporate value chains should also complement this. Such accounting metrics would help companies establish baselines and develop informed mitigation plans, which ensures that companies, investors, policymakers and consumers can base their decisions on the best real-time information.

Reporting and disclosure: Disclose the metrics externally through a global baseline reporting framework to ensure the company recognizes to what extent it is responsible for the plastic pollution created and is recognized for its circularity efforts – and for measuring and disclosing it. This is perhaps something that the International Sustainability Standards Board (ISSB) could in time consider as part of its emerging nature-related indicator set. This will allow financial markets to assess and compare the plastic pollution reduction progress of every company. Additional disclosure of agreed corporate plastic pollution metrics through other platforms – such as CDP (new in 2023) or the Global Reporting Initiative (GRI) framework – will allow the same ability for all other stakeholders to assess the company’s plastic waste reduction process.

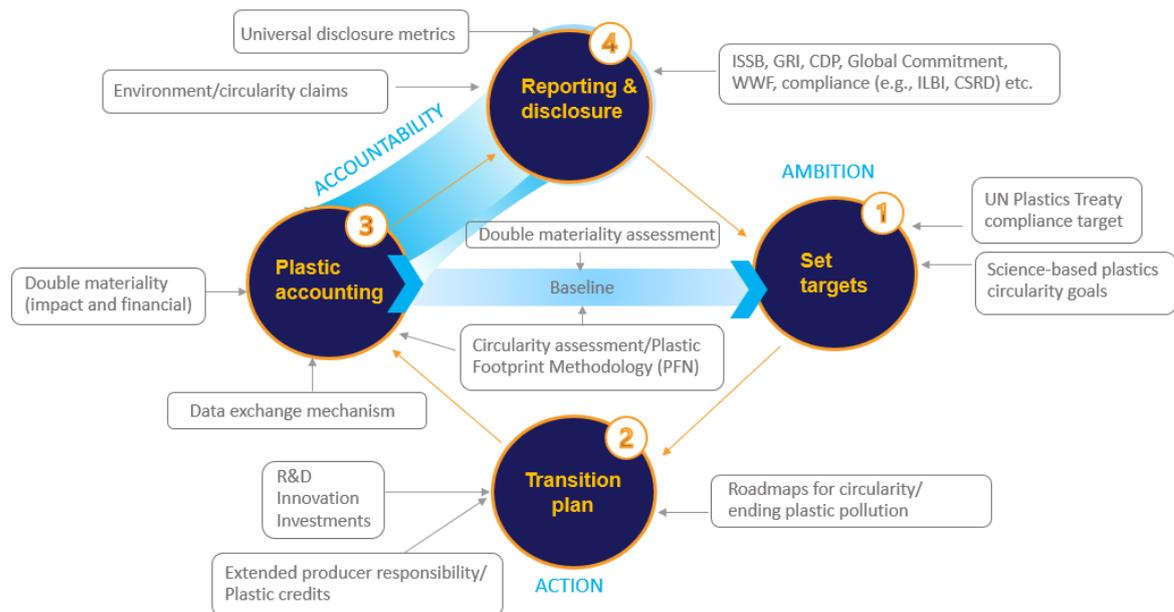


Figure 2: The corporate accountability system for plastic pollution

Note: Scope and boundaries

Companies will need to identify the *system in focus* to begin with for this accountability system, meaning the organizational or inter-organizational levels, product level and geographical areas (national, regional, global levels), with the goal to aggregate progress at the company level.

1.3 Integrating the accountability system into the ILBI

The desire of governments, investors, civil society and other key stakeholders to hold large companies accountable regarding their progress in helping to end plastic pollution and transition to a circular economy for plastics will grow as the negotiations on the ILBI take shape. This will create a need to standardize and harmonize current plastic waste and plastic pollution metrics and the impact accounting system for business users. Efforts are already underway with the Plastic Footprint Network (see Box 2).

A provision to develop a robust accountability architecture as part of the treaty outcome document would make it easier for governments, investors, civil society, suppliers and consumers to assess the credibility of commitments and progress on compliance and follow-up actions that companies make to end plastic pollution and transition to a circular economy for plastics.

As with the corporate accountability framework for greenhouse gas emissions reductions, such an accountability architecture would also provide a legitimizing platform for leading companies to confidently show progress against the agreed ILBI targets to end plastic pollution.

Corporate Accountability Council for Plastic Pollution

The INC should work with the international community, including business and standard setters, to initiate a process to strengthen the overall global plastic pollution accountability system shown in Figure 2.

As part of this process, these stakeholders could consider establishing a Corporate Accountability Council for Plastic Pollution instead of a formal global framework for plastic pollution accounting. The council would have the task of increasing coordination between actors to align standards and their application and work with policymakers to ensure the adoption of consistent and robust standards for plastic pollution accounting across geographies.

Such a Corporate Accountability Council for Plastic Pollution would be an informal body with a common secretariat responsible for coordinating and harmonizing the different aspects and organizations active throughout the plastic pollution accountability system, including target-setting, accounting, reporting and disclosure organizations. It could draw from the various boards that currently provide oversight of different aspects of the circularity/plastics accounting system as well as expertise from the plastics and circularity sectors, with a strong focus on ensuring a seamless and harmonized user experience for businesses and other actors that require its combined services.

A Corporate Accountability Council for Plastic Pollution could also provide coordinated engagement with regulators and policymakers, such as the International Sustainability Standards Board (ISSB), US Securities and Exchange Commission (SEC), European Financial Reporting Advisory Group (EFRAG) and others, to ensure alignment with and harmonization in the application of accounting standards, target-setting and reporting processes across jurisdictions into one global baseline. This would help prevent fragmentation and ensure harmonization in the system.

2. Accounting

What gets measured gets managed. This is why accounting is a key element of the global accountability architecture. This step ensures companies establish baselines, develop informed mitigation plans and define ambitions. It also serves their reporting and disclosure needs.

But *what do companies need to measure and what are they accountable for regarding the plastic pollution crisis?* Solving plastic pollution touches upon different issues and these may evolve as the negotiations on the global plastics agreement progress.

2.1 Measuring plastic leakage

A key starting point on the journey to end plastic pollution is to measure the plastic leakage occurring within a company's value chain and caused by its operations. They do this by measuring their plastic footprint.

By carrying out a plastic footprint assessment, companies can inform the interventions they need to make to drastically reduce the plastic pollution caused by their business operations.

Environmental Action (EA) defines **plastic leakage** as the plastic leaving the techno sphere and cumulating in the natural environment (be it soil, air or water, such as rivers or the ocean).



Figure 3: What do companies need to calculate their plastic footprint?
Source: Environmental Action (EA)

Companies require three distinct elements to be able to calculate their plastic footprint, two of which are common to all of them and one that is unique to each company:

- 1) **A plastic footprint methodology**, which provides a structured and systematic approach to assessing the footprint in a comprehensive and consistent manner;
- 2) **Waste management data at the country level**, which feeds the end-of-life model and helps define the fate of a company's products once they are on the market and what happens when they become waste;
- 3) **Company data** collected to feed the model.

The plastic footprint methodology

The plastic footprint methodology provides a structured and systematic approach to assess a company's plastic footprint in a comprehensive and consistent manner.

To date (first quarter 2023), organizations that perform plastic footprint assessments mostly follow two methodologies that are similar in most aspects: the Plastic Leak Project

methodology, developed and published by Environmental Action (EA) and Quantis in 2020, and the ReSource Footprint Tracker, which WWF has embedded in a tool it has developed and operates.

Box 2: Plastic Footprint Network

In late 2022, most plastic footprinting practitioners had united within the Plastic Footprint Network, launched by EA in November 2022, with the collective goal to update and harmonize all plastic footprint methodologies. The network's scientific committee comprises the experts who developed the first methodologies and seasoned practitioners. EA will publish the updated and harmonized plastic footprint methodology in November 2023 to ensure the consistency of the accounting results. Its publication via an online platform will offer a more seamless user journey for the businesses applying it.

Plastic footprint methodologies typically involve the following steps:

1. **Inventory:** The first step is to conduct an inventory of all the plastic materials that an individual or organization uses in daily operations. This includes everything from single-use plastics like water bottles and food packaging to more durable plastics like electronic devices and furniture (see [Company data](#) section below).
2. **Characterization:** Once the inventory is complete, the next step is to characterize the plastic materials based on their composition, volume and lifespan. This information helps to understand the potential environmental impact of the plastic waste generated.
3. **Calculation:** The third step involves using standardized formulas to calculate the total plastic footprint of the individual or organization. This includes the amount of plastic used and the emissions generated during production, transportation and disposal. The end result includes the portion of plastic waste that will end up mismanaged at its end of life and the portion of mismanaged plastic that will eventually leak into waterways.

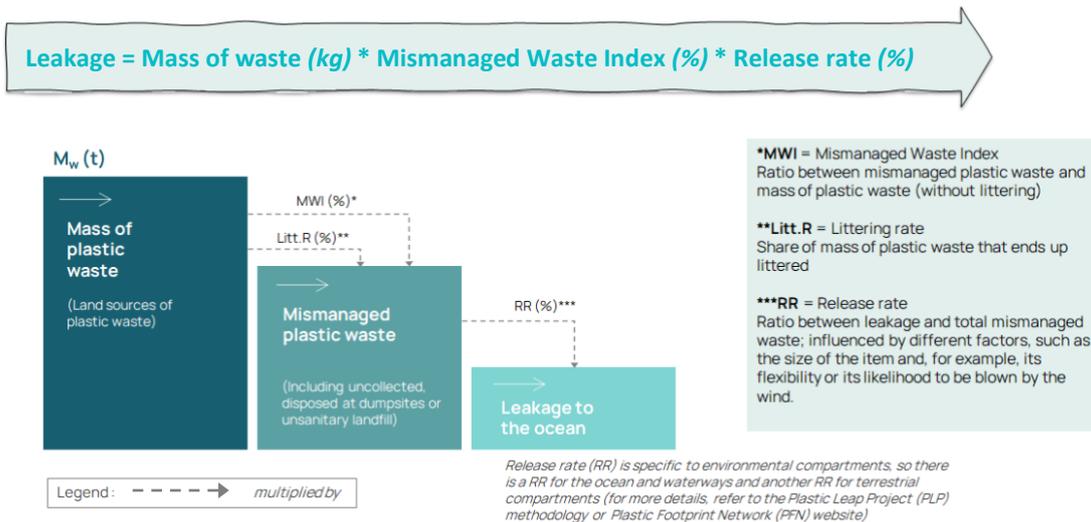


Figure 4: Typical plastic footprint calculation
Source: Plastic Footprint Network – PFN

Company data

Companies need to collect several types of data to assess their plastic footprint, each of which has specific reasons:

1. Types of plastic applications/format and polymers

Identifying the types of plastic materials used, such as their polymer type and format, is important because different types of plastics have different chemical compositions and recycling patterns.

2. Quantities of plastic materials

Estimating the quantities of plastic materials used, either in units or weight, helps determine the magnitude of the plastic waste generated.

3. Sources of plastic materials

Identifying the sources of plastic materials provides insights into a plastic's use and how, where and when it will become waste.

4. Lifespan of plastic materials

Estimating the lifespan of the plastic materials allows for the calculation of when the plastic item will become waste. Short life span (less than one year, which is typical of packaging) and long life span (for example, durable goods and reusable packaging) are typically the two key categories. Degradation and decomposition data will also be needed to identify the total level of environmental impact of different polymers because biodegradable types and conventional oil-based types have different impacts.

5. Usage patterns

Identifying plastic usage patterns can help to determine in which context users employ the plastic materials, such as at home, on the go, in an open environment with risk of direct leakage, assess the likelihood of the product ending up as litter and determine the most likely fate of the product at its disposal (for example, in a home bin with a waste sorting option or in a bin in a public place without a waste sorting option).

6. Location of plastic usage

The market where companies are commercializing plastic materials and where these materials ultimately become waste is a key aspect of assessing the plastic footprint

because it can help identify areas where plastic waste is most likely to end up in the environment. The difference in waste management infrastructure between markets can contribute to different waste mismanagement levels and ultimately to differences in the amount of plastic waste that ends up in the environment. Inadequate waste management infrastructure, such as a lack of collection systems, recycling facilities or landfill sites, can lead to increased waste mismanagement levels, such as littering, illegal dumping or open burning, which can result in plastic waste leaking into the environment.

Table 1 summarizes the data needed to assess a corporate plastic footprint, under points 1. Total plastic produced and 2. Total plastic converted or used, data 1.A to 2.J.

			Relative (%)	Absolute (Mt)	Disclosure by			
					Producers	Converters	Brand owners	Waste management
1. Total plastic produced	Polymer type level			x	x			
	Country level			x	x			
	Source	1.A From recycled content	x		x			
		1.B From bio-based feedstock	x		x			
		1.C From fossil feedstock	x		x			
Fate	1.J Biodegradable/compostable	x		x				
2. Total plastic converted or used	Polymer type level			x		x	x	
	Country level			x		x	x	
	Source	2.A From recycled content	x			x	x	
		2.B From bio-based feedstock	x			x	x	
		2.C From fossil feedstock	x			x	x	
	Complexity & recyclability	2.D Mono-material	x			x	x	
		2.E Multi-material	x			x	x	
		2.F Recyclable	x			x	x	
		2.G Non-recyclable	x			x	x	
	Durability	2.H Long life (reusable packaging + products)	x			x	x	
2.I Short life (single use + non-reusable packaging)		x			x	x		
Fate	2.J Biodegradable/compostable	x			x	x		
3. Total waste generated	Polymer type level			x			x	x
	Country level			x			x	x
	Collection	3.K Collected	x	x			x	x
		3.L Uncollected	x	x			x	x
	Properly disposed fate	3.M Recycled	x	x			x	x
		3.N Properly disposed – landfilled	x	x			x	x
		3.O Properly disposed – incinerated	x	x			x	x
	Improperly disposed fate	3.P Improperly disposed – dumpsites	x	x			x	x
3.Q Improperly disposed – unsanitary landfilled		x	x			x	x	
4. Total mismanaged waste	Polymer type level			x			x	x
	Country level		x	x			x	x
5. Total leaked	Polymer type level		Out of scope	Out of scope			x	x
	Country level		Out of scope	Out of scope			x	x

Table 1: Data needed per plastics value chain actor to enable the assessment a corporate plastic footprint

Waste management data at the country level

Waste management data at the country level provides information on how a country manages and treats plastic waste. Its use informs the potential for plastic waste to leak into the environment.

The waste management data for plastic footprinting includes the amount of plastic waste generated, collected and treated in a given country, as well as information on the types of treatment facilities available, such as recycling facilities, landfill sites or incinerators. Such data help estimate the amount of mismanaged plastic waste, which informs the potential for plastic waste to enter the environment through littering, illegal dumping or open burning.

What country-level waste management data are available?

The World Bank's *What a Waste* (WaW) report is a source of broad waste management information. WaW provides data on the amount of municipal waste generated, collected and treated in different regions worldwide, as well as information on the types of treatment facilities available and the level of waste management service coverage. WaW does not specifically focus on plastic waste. Rather, it provides information on global solid waste management, including both organic and inorganic waste streams, as well as municipal, industrial and hazardous waste.

In the past few years, however, due to a growing need to understand the specific details of plastic at the end of its life at polymer, application/format and geographic levels, methodologies to assess waste management at the country level have emerged (see Table 2).

One notable methodology is the *National Guidance for Plastic Pollution Hotspotting and Shaping Action* developed by the United Nations Environment Programme (UNEP).¹⁰

Another is Plastic Environmental Analysis (PLASTEAX),¹¹ which uses the UNEP *National Guidance for Plastic Pollution Hotspotting and Shaping Action* methodology. It is currently the only database providing comparable waste management data at the country level, polymer level and application/format level. PLASTEAX openly publishes generic (all polymer) data while data at the polymer/format/application level require payment. As of Q1 2023, 65 countries were available. This number increases by about 3 countries monthly.

Note that UNEP is leading an effort to harmonize definitions and methodologies.

Table 2: Methodologies for waste management assessment

		BC MFA	BCPoM	Breaking the Plastic Wave	GPAP NAM tool	ISWA Plastic Pollutor Calculator	Minderoo	UNEP & IUCN National Guidance	Pathways	PLASTEAX	Plastic Drawdown	Waste Flow Diagram	UN-Habitat Waste Wise Cities Tool	WWF M&E Framework
Geographical coverage	Global			✓			✓		✓					
	National	✓	✓	✓	✓		✓	✓	✓	✓	✓			
	Municipal/sub-national	✓				✓			✓			✓	✓	✓
Waste breakdown	Municipal waste	✓		✓	✓	✓								
	Industrial waste		✓											
	Packaging		✓	✓	✓									
	Microplastic			✓										
	Product specific		✓	✓	✓	✓	✓	✓	✓	✓	✓			
	Polymer specific		✓				✓	✓	✓	✓				
	Waste other than plastics					✓			✓			✓	✓	
Waste fates	Managed waste (excl. recycling)	✓		✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
	Mismanaged waste (incl. uncollected)	✓		✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
	Recycling	✓		✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
	Leakage to ocean & waterways	✓		✓	✓	✓		✓	✓	✓	✓	✓		
	Leakage to other compartments	✓		✓	✓	✓			✓		✓	✓		
	Leakage impact on human health													
Assessment type	Baseline	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Forecast/scenarios			✓	✓	✓			✓		✓	✓		
	Direct interventions			✓	✓				✓		✓			✓
	Indirect interventions													✓
Technical requirements	Data collection complexity	medium	medium	low	low	high	medium	low	low	low	medium	medium	high	medium
	Waste management knowledge	medium	low	medium	medium	high	low	low	medium	low	high	medium	low	low
	Technical (software) expertise	low	low	high	low	medium	low	medium	medium	high	low	low	low	low

Source: Manzoni et al. (2022)¹²

How to obtain waste management data at the country level

While methodologies differ, the process remains similar. The explanation below is based on the UNEP National Guidance for Plastic Pollution Hotspotting and Shaping Action methodology used by PLASTEAX.

PLASTEAX uses a mass balance calculation, which is a standard approach in the context of material flow analysis. It accounts for the mass of plastic waste at various stages of the waste management process, from its generation to its final disposal.

Waste generation is calculated based on the plastic net input, which is based on production and trade using the following formula:

$$\text{Production} + (\text{Import} - \text{Export}) = \text{Net Input}$$

PLASTEAX calculates the amount of waste based on the net input quantities, taking into account the different product lifetimes.

After calculating the waste generated, PLASTEAX provides an overview of waste management, including recycling, proper management and mismanagement. The mismanaged waste index (MWI) represents the risk of leakage into the environment due to improper disposal, uncollected waste or littering.

Finally, to ensure data harmonization and model robustness, PLASTEAX applies a stress test combining top-down and bottom-up approaches, including a literature review and interviews with local stakeholders.



Figure 5: Material flow at country level to calculate the state of waste management level
Source: Environmental Action (EA) (2022)¹³

The plastic footprint assessment results

Company data and waste management data, computed using the plastic footprint methodology, give the corporate plastic footprint. Table 1 provides all modeled metrics under 3. Total waste generated, cells 3.K to 3.Q.

2.2 Disclosing data to improve plastic footprint assessments

Table 1 and Figure 5 show the data needed from the different value chain actors and inputs to calculate the plastic footprint.

- For plastic producers: volumes of plastic, by polymer type and country, with their source material.
- For converters, brand owners and retailers for their own brands: plastic used and put on the market, including their polymer, format, source, level of complexity and recyclability, as well as durability (long life and short life).

Brand owners and retailers for their own brands may then compute the plastic footprint, which will consist of the fate of products, at polymer, format and country level, in what is collected and uncollected, what is properly disposed of (detailed by incinerated, landfilled, recycled) and improperly disposed of (in dumpsites and unsanitary landfills).

All information will allow for the further computing of the volumes of waste improperly managed, where those are, what types of products they concern. This level of detail for the mismanaged waste will enable the calculation of how much of the mismanaged waste ends up leaking into terrestrial environments and waterways.

How can waste management data granularity and precision at the country level increase?

Tackling the waste mismanagement issue requires the disclosure of some data to enable the participation of actors throughout the value chain – especially to increase the level of precision of country-level waste management data:

- Polymer production levels, such as volumes, types of polymers, source of material (as summarized in data 1.A to 1.C in Table 1)
- Recycling capabilities, by country, recycling technology type, polymer type, end-use of recycled materials.
- Country-based plastic waste generation, which governments or producer responsibility organizations (PROs) could retrieve from member data disclosed or brand owners and retailers could disclose for their own brands.

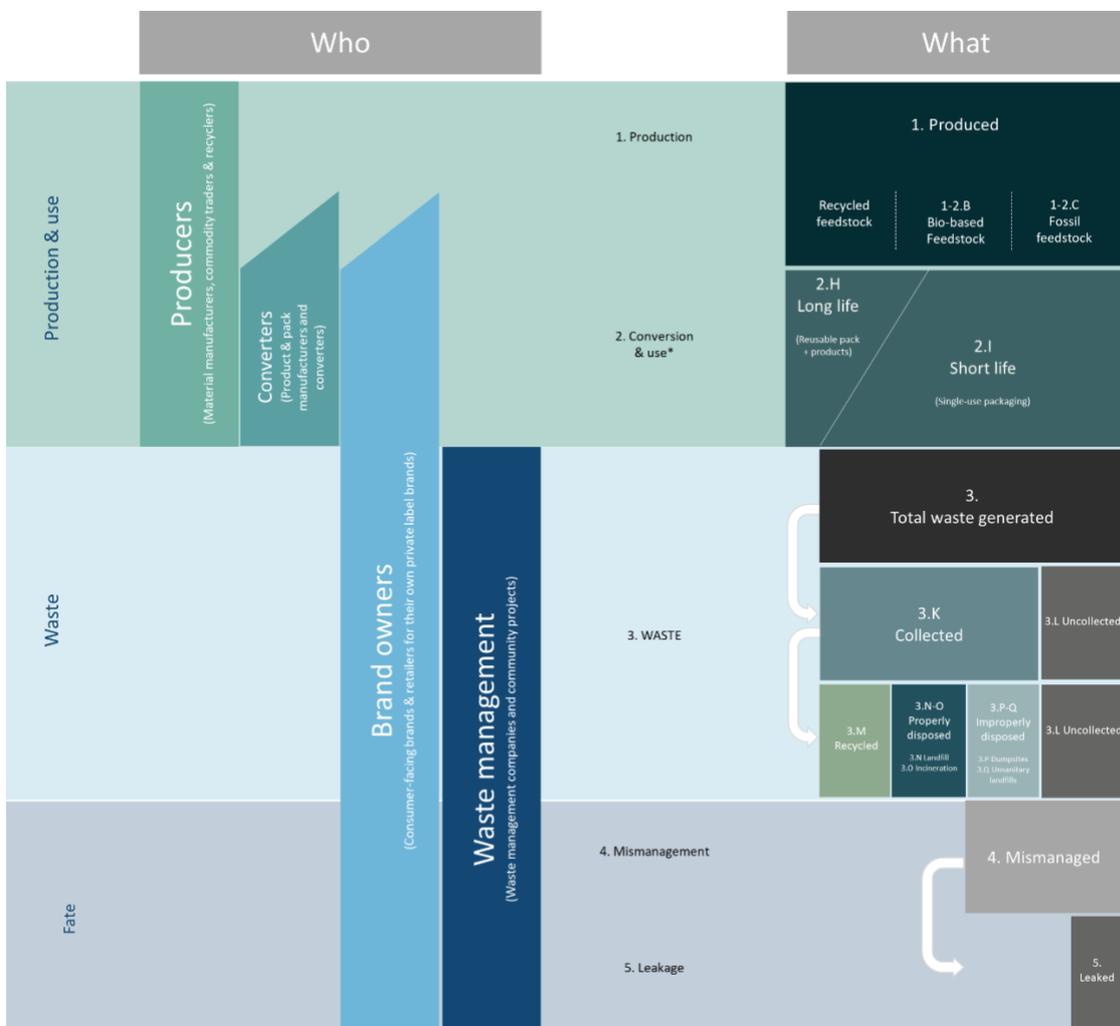


Figure 6: How the data needed cascades down the value chain

The quality of plastic waste management data has improved substantially in recent years through multiple initiatives. Therefore, data scarcity can no longer be an obstacle to action. We expect further step improvements in the quality of the data, making the data disclosure effort timely.

Looking into the future, building on methodologies that already exist and those that are under development and looking at modeling informed by top-down and bottom-up (on-the-ground) scientific models, a clearer and more precise picture of the fate of plastic after its use phase is emerging. The PLASTEAX database, for example, already provides data at the country, polymer and application levels, helping stakeholders understand what is collected, recycled in

practice, incinerated, landfilled, uncollected, disposed of in dumpsites or in unsanitary landfills, and littered.

In the near future, this will go much further than “recycled in practice” or “mismanaged”. It will be precise, up to the level of leakage from littering and from the escape of mismanaged waste based on the format, shape and size of the plastic item, topography of the location, rain patterns, etc. While much remains for the expert community to do to enable an assessment at this level of granularity, it is crucial for the industry to start grasping the critical role it can play in curbing plastic pollution.

In most cases, one or more value chain steps already account for data points 1.A to 2.J in Table 1. A growing number of brand owners are also assessing their plastic footprint and, as such, are already computing data for 3.K to 3.Q. **A majority of WBCSD members interviewed indicated the feasibility and added value of public disclosure on these key metrics.**

We recognize that gaps remain that require solving, such as the intricacies of specific industries or products. Furthermore, adoption is not necessarily straightforward for all value chain actors, such as distributors. In addition, there has been no exploration of how the metrics suggested above will feed into existing systems. We see this as a starting point for further engagement.

2.3 Measuring circularity beyond plastic leakage

UNEA Resolution 5/14 states that the ILBI should include provisions “to promote sustainable production and consumption of plastics through, among other things, product design and environmentally sound waste management, including through resource efficiency and circular economy approaches.”¹⁴

Complementary to measuring their plastic footprint, companies need to maximize their products’ circularity to reduce resource use and minimize waste.

Box 3: What is a circular economy

The circular economy is an economic model that is regenerative by design. The goal is to retain the value of the circulating resources, products, parts and materials by creating a system with innovative business models that allow for renewability, long life, optimal (re)use, refurbishment, remanufacturing, recycling and biodegradation. By applying these principles, organizations can collaborate to design out waste, increase resource productivity and maintain resource use within planetary boundaries.

Note: Design drives the Ellen MacArthur Foundation’s three circular economy principles:

- Eliminate waste and pollution
- Circulate products and materials
- Regenerate natural systems.

Circularity is a function of inflows (materials weight and composition as well as energy inputs in a system) and outflows (material end of life, including the plastic footprint). As such, the circularity index computes the metrics 1.X & 2.X with metrics 3.X in Table 1.

To further calculate the circularity of a product or company requires the source data – recycled source, bio-based, fossil based (data 1.A to 1.C). This will also allow for the calculation of the circularity of a value chain.

Box 4: Circular Transition Indicators

WBCSD Circular Transition Indicators (CTI)¹⁵ allow companies to determine their circular performance and prioritize action. Central to CTI is a self-assessment that determines a company's circular performance. It focuses primarily on the circular and linear mass that flows through the company, in which design, procurement and recovery models are crucial levers to determine how well a company performs. Material flows can include nutrients, compounds, materials, parts, components or even products. CTI is based on material flows through the company.

A company expresses its performance in closing the loop in the % circularity, which is the weighted average between % circular inflow and % circular outflow:

- The % *non-virgin content* and % *renewable content* (sustainably grown bio-based sources) determine the % *circular inflow*.
- The % *recovery potential* (which focuses on design) and the *actual recovery* determine the % *circular outflow*.

As part of a circularity approach, reuse solutions play a key role as reusable packaging and products, designed to be used several times, is required to help reduce total virgin material consumption, emissions and waste generation by keeping resources in circulation.

Box 5: Standardization of reuse measurement and metrics prioritization (plastic packaging)

The World Economic Forum's Consumers Beyond Waste initiative has convened a coalition of leading consumer companies and non-profit organizations since March 2022 to standardize reuse measurement. As companies begin to set industry-first commitments on reuse and amid increasing policy momentum, it is critical to harmonize the way in which progress on reuse is measured, as fragmentation in target-setting approaches across industry sectors and jurisdictions would slow down the widescale adoption of reuse.

The initiative's core coalition has built a framework for standardized reuse measurement and it has prioritized two metrics that allow organizations to measure success on reuse models:

- 1) Share of volume or product units – liters of beverage, kilos of food or liters of personal or home care products (measuring what is reusable in the product portfolio);
- 2) Reuse efficiency – tracking the number of loops a reusable package achieves over its total lifetime.

Initiative members are currently refining the reuse measurement framework and a selection of corporate stakeholders in the community support testing the prioritized metrics in 2023 in real-world settings against their respective reuse and refill activities. At the end of the year, Consumers Beyond Waste will launch a revised version of the reuse measurement framework and testing results, with the intent to integrate the metrics into existing reporting mechanisms such as the Ellen MacArthur Foundation's Global Commitment progress report.

3. Reporting and disclosure

Reporting and disclosure to third parties is the external disclosure of the accounting metrics and is the final phase of the accountability system (Figure 2).

As pressure increases to report and disclose and whereas companies have different platforms to report and disclose, the ILBI provides the opportunity to align on a standardized framework.

“Plastic-related disclosure at scale will be the foundation of transformative action.”

CDP

3.1 Plastic pollution: impact and financial materiality

Growing urgency on and awareness of plastic leakage has increased the pressure on companies to communicate their plastic impact due to reputational pressures, investor assessment, compliance needs and consumer choices. The ILBI will accentuate this need for transparency and accountability, requiring companies to report on progress or on compliance.

Drivers for communicating plastics impact to third parties

Improve reputation

NGOs and consumers are increasingly scrutinizing company actions, holding them accountable for their efforts to manage plastic pollution. This is true for all actors in the plastics value chain. For instance, Break Free From Plastic’s *Branded, five years of holding plastic polluters accountable, brand audit report 2018-2022* identifies the world’s top plastic-polluting corporations.¹⁶ And the Minderoo Foundation ranks polymer producers in its Plastic Waste Makers Index.¹⁷

At the same time, plastic litigation is on the rise: in September 2022, ClientEarth issued legal warnings to a couple of companies in France for inadequately addressing the risks related to the plastic pollution they produce.¹⁸ And California-based nonprofit group As You Sow filed shareholder proposals with 10 consumer products companies and retailers “calling for commitments to absolute cuts in use of plastic packaging”.¹⁹

Respond to investor pressure

On 3 May 2023, 185 investors (with over USD \$10 trillion in assets) issued a statement²⁰ directed at companies in the fast-moving consumer goods and grocery retail sectors to act more swiftly to address the plastics crisis by reducing their dependence on single-use plastic packaging, working to bring production and consumption of plastics within the limits of the planetary boundaries.

In addition, responding to a recent CDP consultation, 81% of responding capital markets and supply chain members said that the information requested by CDP on plastics would be useful to inform financial or procurement decisions.²¹

The Plastic Investor Working Group created by the Principles for Responsible Investment (PRI), a UN-supported network of investors, carried out research that highlights how, “the plastic value chain is complex, touching most (if not all) business sectors globally, exposing investor portfolios to an array of risks.”²² This is why PRI, in collaboration with the Ellen MacArthur Foundation, developed a series of guides – for petrochemicals, manufacturing (of containers and packaging), fast-moving consumer goods and waste management – to equip investors

with the information they need to constructively engage with companies in the plastic packaging value chain on the issue of plastic waste and pollution.²³

Get ahead of regulation

At a global level, the ILBI will set a global target to end plastic pollution. Although the ILBI concerns countries, companies will play a role in achieving the goals – and it will make sense for companies to report progress.

Ahead of INC-2 (29 May to 2 June 2023), UNEP has published the “Potential options for elements towards an ILBI” document based on a request from the INC to capture the proposals contained in Member State submissions to INC-2. The paper references several elements linked to disclosure, such as tracking and disclosure requirements for the types and volumes of plastic polymers, precursors and feedstocks manufactured, imported and exported. We see a trend towards increased transparency along the plastics value chain, which would be a welcome form of support for the corporate accountability system for plastic pollution, in particular for the accounting metrics related to mismanaged waste/leakage. (Note: The options represent choices but do not necessarily correspond to articles of the future instrument. The document aims to facilitate the INC’s work without in any way prejudging what the INC might decide regarding the structure and provisions of the future instrument.)

At the EU level, companies subject to the Corporate Sustainability Reporting Directive (CSRD) will have to report according to European Sustainability Reporting Standards (ESRS) that include disclosure requirements related to pollution (including microplastics), resource use and circular economy.

Also at the EU level, the European Commission published in March 2023 its proposal for a “Green Claims” directive that will require companies to substantiate claims they make about the environmental footprint of their products and services by using standard methods for quantifying them. The aim is to make the claims (like their recyclability or biodegradability) reliable, comparable and verifiable across the EU – reducing “greenwashing”.

Double materiality approach

These drivers for communicating plastics impacts reflect the two (complementary) perspectives on impact and risk assessment that our concept of double materiality acknowledges:

- A stakeholder perspective that focuses on the positive and negative impacts of corporate activities on the environment and by extension society – the value to society perspective (impact materiality);
- A finance-driven view of how these impacts and dependencies affect the (longer term) financial performance of corporations – the value to business perspective (financial materiality).²⁴

Both perspectives are fundamental to understanding a company’s long-term value creation and still need reconciling through the alignment efforts of sustainability standard-setting organizations to ensure that they address double materiality.²⁵

To illustrate this for the plastics topic: while the Ellen MacArthur Foundation, PRI and CDP use metrics based on volume/weight of plastic to provide investors with perspective on a reporting entity’s exposure to plastics, SASB proposes that metrics linked to revenue rather than volume (revenue from products sold for use in the manufacture of single-use plastics) would offer representationally accurate information of financial exposure and be more

decision-useful for the capital markets.²⁶ Each of these is thus focused on either impact or financial materiality, not both. Note: Stewardship of the SASB Standards has now passed from the SASB Standards Board to the International Sustainability Standards Board (ISSB).

3.2 A diverse reporting and disclosure landscape

Companies are already using different reporting and disclosure platforms. We recap below some key lessons learned (see Table 3 based on elements shared in the first white paper).

Reporting and disclosure for different purposes

Reporting against target setting: the Ellen MacArthur Foundation and UNEP's Global Commitment

Specifically on plastic, the dominating reporting system is the Global Commitment from the Ellen MacArthur Foundation and UN Environmental Programme, which unites more than 500 organizations behind a common vision of a circular economy for plastics with ambitious 2025 targets to help realize that common vision. Business signatories to the Global Commitment have pledged to eliminate problematic or unnecessary plastic packaging, move from single use to a reuse model, use 100% reusable, recyclable or compostable plastic packaging by 2025, and reduce the use of virgin or total plastic packaging by 2025 as well as to report progress annually.

Reporting for investors: CDP Plastics Module; SASB

One key development in 2023 is the Plastics Module launched by CDP in collaboration with the Ellen MacArthur Foundation, Minderoo Foundation and the Pew Charitable Trusts. It consists of five to nine unscored questions that cover plastics-related business risks, targets, value chain mapping and raw material content, among other topics. Existing plastics disclosure frameworks inform CDP's Plastics Module, including the Ellen MacArthur Foundation and UN Environment Programme's Global Commitment.

Businesses can also use the SASB standards to better identify, manage and communicate to investors sustainability information that is financially material. In that sense, SASB recommended changes to the SASB Chemicals Industry Standard in 2022 to reflect financial exposure linked to single-use plastics. The changes include adding the *Management of Single-use Plastics* disclosure topic and five new associated metrics to capture risks and opportunities with single-use plastics for the Chemicals Industry Standard. (Note: SASB Standards are now a part of the IFRS Foundation. The IFRS Foundation's International Sustainability Standards Board (ISSB) encourages companies to keep using SASB Standards.)

Reporting for regulatory compliance

The EU European Sustainability Reporting Standards (ESRS) has disclosure requirements for pollution (including microplastics generated or used by the undertaking), resource use and circular economy (its key value chains are plastics, packaging, etc.) with resource inflows and outflows.

Who reports and discloses?

Those companies that are reporting plastic use are the ones in the closest contact with the public. Unlike their brand counterparts who report yearly on target progress, plastic producers focus on self-declared future targets, meaning they mostly pledge volumes of waste that their operations will absorb as feedstock instead of fossil-based feedstock.

CDP asks for information from all companies that use, produce or commercialize plastics, covering their value chain, including waste management, reprocessing and disposal. CDP does not request information specific to companies whose sole activity is plastics waste management, reprocessing and disposal.

Different scopes for the metrics

What companies are currently reporting is heavy on the material inflow (product/packaging raw material content, such as fossil-based content, recycled content, renewable content), and the circularity potential (reusability, recyclability). There is limited reporting on the fate of the waste created, meaning what happens after the use phase: how much is circular (demonstrably recovered), mismanaged or leaked into the environment (see Table 3).

Currently, some companies – mostly brand owners – that are assessing their plastic footprint at end of life (for example, applying the Plastic Leak Project or ReSource) are not disclosing numbers externally but instead use the data to improve current practices through informed plastic footprint mitigation strategies.

While the scope of the CDP Plastics Module (under the CDP Water Security 2023 Questionnaire) initially focuses on material composition and circularity potential, the aim is for the scope of the disclosure to continue to evolve at the pace of the science (methodologies and data) and could potentially include the fate of the waste created.

Section [2.2 Disclosing data to improve plastic footprint assessments](#) shows that tackling the waste mismanagement issue requires the disclosure of some data to enable the participation of actors throughout the value chain. As confidence in data robustness grows, reporting and disclosure should also include outputs to get a clearer picture of mismanaged waste streams and associated opportunities for new circular business development.

Disclosure topics or requirements

As identified in 2020 by the World Economic Forum,²⁷ standards have formalized guidance on corporate reporting for established themes, including climate change and freshwater, for some time. However, equally pressing issues – such as plastic waste – have rapidly risen to prominence in scientific fora and public debate but are (as yet) far less well-represented in formal reporting standards. For this reason, the Forum proposed a new metric on single-use plastics under the solid waste theme in addition to resource circularity (under the resource availability theme) for which it references WBCSD (CTI) and the Ellen McArthur Foundation (Circulytics) metrics.

As part of the Sustainability Accounting Standards Board (SASB) Disclosure topics, there is one on *Packaging Lifecycle Management* (relevant for different sectors such as household and personal products in the consumer goods industry or processed foods in the food and beverage sector). For the Chemicals Industry Standard, SASB has proposed the addition of a disclosure topic for the *Management of Single-use Plastics* and five new associated metrics to capture risks and opportunities with single-use plastics for the Chemicals Industry Standard.

“As strategies for reducing plastic dependency and increasing circularity mature, CDP will review the data that companies are able to provide and collect feedback from our stakeholders on what is most relevant to driving action and informing decision making.”

CDP Technical Note – Plastics disclosure

For CDP, packaging is the most prevalent and problematic form of single-use plastics. In line with the Ellen MacArthur Foundation's Global Commitment, CDP requests metrics about packaging, rather than about single-use items as a specific category of plastics.

The conclusion we draw from this currently diverse reporting and disclosure landscape is that it will be crucial to reconcile them so that all stakeholders can use them efficiently and effectively.

Initiative	Disclosure purpose	Sectors/value chain asked to disclose	Disclosure topics	Metrics				
				Material inflow		Material outflow		
				Weight	Composition	Design for recovery	Actual recovery	Mismanaged Leakage
Voluntary								
<i>Disclosure against target setting</i>								
The Global Commitment (Ellen McArthur Foundation/ UNEP)	Signatories report progress on the plastic-specific goals for 2025	Packaged goods/packaging companies, retailers, raw material producers; collection, sorting and recycling companies; suppliers to the packaging industry	N/A Plastic packaging as key focus	✓ Packaging categories	✓	✓	✗	✗
ReSource Footprint Tracker (WWF)	Members report progress on plastic waste commitments	Packaging producers and users	N/A	✓ Packaging categories	✓	✓	✓	✓
<i>Information for investors/capital providers</i>								
CDP (plastics module)	Inform investors and purchasers; prepare for regulation	Companies with activities relating to the production, use and commercialization of plastic polymers, goods and packaging, and the provision of services or goods that use plastic packaging	Plastic module	✓	✓	Only for plastic packaging	✗	✗
Compliance with regulatory requirements								
European Sustainability Reporting Standards (ESRS)	Ensure that investors and other stakeholders can assess investment risks arising from sustainability issues	Companies subject to the Corporate Sustainability Reporting Directive (CSRD)	Pollution Resource use and circular economy	✓	✓	✓	✗	✗
Extended producer responsibility (EPR) schemes (producer discloses to PROs)	Calculate the EPR fees	Producers under EPR schemes in a specific market	Packaging	✓	✓	Some markets ✓	Some markets ✓	N/A

Table 3: Examples of reporting and disclosure initiatives

3.3 Converging on a standardized framework under the ILBI

As pointed out in our [Enabling Corporate Plastics Disclosure: opening the debate for the adoption of universal metrics](#) white paper, the companies we interviewed noted that there are too many reporting requirements, demanding increased attention that detracts time and resources from action implementation. The fact that reporting requirements often have different definitions, metrics and methods aggravates the burden.

Harmonizing reporting systems would lessen the redundancy and resource burden for data collection that companies currently experience while responding to multiple reporting needs. Companies should be able to compete on performance and not on methodologies.

This is the opportunity the ILBI provides. As proposed in *Integrating the accountability system into the ILBI*, the establishing of a *Corporate Accountability Council for Plastic Pollution* would strengthen the overall global plastic pollution accountability system shown in Figure 1, in particular to align the plastic pollution accountability system.

An Accountability Council would align stakeholders on a standardized reporting and disclosure framework and would provide guidance on definitions, scope, implementation, compilation and presentation, all of which are intended to constitute suitable criteria for third-party assurance. It could structure its work as follows (inspired by SASB):

- **Sectoral approach** – Ensure each stakeholder of the plastics value chain is responsible for what is under their remit – example: pellet loss for polymer producers
- **Disclosure topics** – Create a minimum set of industry-specific disclosure topics reasonably likely to constitute material information and a brief description of how management or mismanagement of each topic may affect value creation
- **Accounting metrics** – Create a set of quantitative and/or qualitative accounting metrics intended to measure performance on each topic.

Efforts to achieve standardization are underway. As indicated (Box 2), most practitioners of plastic footprinting have united within the Plastic Footprint Network, launched by EA in November 2022, with the collective goal to update and harmonize all plastic footprint methodologies.

The accountability system should also align with current disclosure standards and those under development, such as the Global Reporting Initiative (GRI), International Organization for Standardization (ISO), SASB/ISSB, ESRS and CDP (see Box 6 and Table 3).

Box 6: Standards (relevant for plastics) to consider as part of the Accountability system

GRI

GRI 306: Waste (2020)

GRI 301: Materials (2016)

ISO

ISO 59 004 –Circular Economy –Terminology, Principles and Guidance for implementation that includes ISO 59 020 Circular Economy –Measuring and assessing circularity (under consultation until 17 July 2023)

SASB (now transitioned to the ISSB)

Packaging Lifecycle Management

Management of Single-use Plastics (for the Chemicals Industry)

4. Policy asks for the ILBI

4.1 Clear and standardized disclosure requirements

As we have seen before, transparency, consistency and accountability are imperative for tracking progress on the goal of ending plastic pollution and protecting the environment and human health.

Clear and standardized accountability systems and disclosure requirements will also be critical to unlocking capital and must be integral parts of the treaty. Only then can all stakeholders adequately understand and mitigate the risks, deploy investments and best practices at scale and trade recycled plastics globally.²⁸

As noted by the Business Coalition for a Global Plastics Treaty,²⁹ we consider that the ILBI must include instruments to support the implementation and monitoring of progress at national, regional and global levels, including by:

- Strengthening accountability of governments and businesses, for example through globally harmonized disclosure obligations and reporting standards to enhance the transparency of public and private sector actors and monitor their progress and compliance;
- Improving transparency on plastic flows through harmonized monitoring (including harmonized data on plastic production, usage and waste management), to track progress on the implementation of circular economy solutions;
- Defining common rules on data and information sharing across the value chain as doing so would lessen the redundancy and resource burden for data collection that companies currently experience while responding to multiple reporting needs.

The approach for monitoring and disclosure can build on Sustainable Development Goal (SDG) 12.6 (Encourage companies to adopt sustainable practices and sustainability reporting) as well as target 15 of the Kunming-Montreal Global Biodiversity Framework (see Box 7).

Box 7: Kunming-Montreal Global Biodiversity Framework

TARGET 15

“Take legal, administrative or policy measures to encourage and enable business, and in particular to ensure that large and transnational companies and financial institutions:

- a) Regularly monitor, assess, and transparently disclose their risks, dependencies and impacts on biodiversity, including with requirements for all large as well as transnational companies and financial institutions along their operations, supply and value chains, and portfolios;
- b) Provide information needed to consumers to promote sustainable consumption patterns;
- c) Report on compliance with access and benefit-sharing regulations and measures, as applicable;

in order to progressively reduce negative impacts on biodiversity, increase positive impacts, reduce biodiversity-related risks to business and financial institutions, and promote actions to ensure sustainable patterns of production.”

Source: Convention on Biological Diversity³⁰

4.2 Aggregation mechanism tracking corporate progress

On the disclosure side, efforts mainly focus on target-setting and voluntary commitment platforms such as the Ellen McArthur Foundation Global Commitment, WWF's ReSource: Plastic and CDP. It is important to build on these efforts to develop a globally aggregated mechanism that adequately tracks corporate progress on the commitments to plastic pollution reduction already made and – importantly – how this corporate progress might contribute to fulfilling new global plastic pollution reduction targets or national plastic waste reduction plans set by governments, both of which will likely emerge from the INC process as key aspects of the new ILBI.

If there were such a mechanism to (i) track corporate progress on commitments and targets for plastic pollution reduction (ii) independently verify this progress and (iii) link it to the global and national targets for ending plastic pollution related to the ILBI, this could usefully drive ambition and inform society on the progress that the treaty will have in the coming decade. Importantly this can also enable the inclusion of aggregate corporate contributions to any global stock-taking process (at both national and global levels), such that the treaty secretariat can assess how business is contributing to the world's collective progress on reducing plastic waste.

4.3 Building on the proposed options for INC-2

The corporate accountability system for plastic pollution could build on some of the current options proposed for discussions at INC-2³¹ (see Box 8):

But to complement these options, it should include the addition of the following two provisions to ensure private sector transparency, consistency and accountability:

- **A provision to reflect the aggregation mechanism tracking corporate progress.**
This could be added in the Implementation measures (D) Periodic assessment and monitoring of the progress under (33 (a) (i)) to assess and evaluate collective progress.
- **A provision to set up a Corporate Accountability Council for Plastic Pollution** tasked with the coordination between actors (target setters, standard organizations for accounting/reporting and disclosure) to ensure the adoption of consistent and robust standards for plastic pollution accounting across geographies ([see section 1.3](#)).
This could be added in the Implementation measures (D) – Compliance; or under Implementation measures (D) – Periodic assessment and monitoring of the progress (Options for the related institutional arrangements (33 (c))).

Box 8: Extract of the potential options for elements towards an international legally binding instrument that could support a corporate accountability system for plastic pollution

Implementation measures (D) – National reporting (2)

Options related to the submission of reports:

- **A legally binding obligation to periodically** (every [--] years beginning in year [--]) submit national implementation reports (31. (a) (i));
- The national implementation reports to be submitted **through the secretariat and be made available on the website** (31 (a) (iii));

Options related to the format of reports:

- Core elements of the reporting requirements to be identified in (an) article(s) of the instrument, and the governing body to develop a **common reporting framework for reporting by all parties** (31 (b) (i));

Options related to the scope of reports:

- National implementation reports will address the implementation of the **legally binding obligations and voluntary approaches** under the instrument; and/or provide **detailed quantifiable information on the progress** in the implementation of the NAPs (31. (c) (i)).

Implementation measures (D) – Compliance (3)

- Establishment, in the body of the instrument, of a **mechanism consisting of a committee to facilitate implementation and promote compliance** with the provisions of the instrument. The governing body can be mandated to develop modalities and procedures for the operation of the mechanism (32 (a)).

Implementation measures (D) – Periodic assessment and monitoring of the progress of implementation of the instrument and effectiveness evaluation (4)

Options related to the purpose of periodic assessment and monitoring:

- **To assess and evaluate collective progress** in achieving the objective(s) of the instrument, addressing efforts in relation to the implementation of all its provisions (33 (a) (i)).

Additional matters (E) – Exchange of information (2)

- **Include mandatory disclosure** (of harmonized information on chemical/material composition of plastic products and its intended uses throughout the life cycle) (35 (i))
- **Establish a registry** – The secretariat should establish a central data exchange where information reported by parties could be made available, initiated through the instrument and reflected in NAPs (35 (ii))

Acknowledgements

Authors: Delphine Garin (WBCSD), Sarah Perreard (EA), Irene Hofmeijer (South Pole)

We developed this paper with input from the WBCSD [Plastics and Packaging project](#) members.

Disclaimer

This publication has been developed in the name of WBCSD. A wide range of member **companies were consulted in the development of this white paper. This does not mean, however, that every member company or stakeholder agrees with every word.**

About the World Business Council for Sustainable Development (WBCSD)

WBCSD is the premier global, CEO-led community of over 200 of the world's leading sustainable businesses working collectively to accelerate the system transformations needed for a net zero, nature positive, and more equitable future.

We do this by engaging executives and sustainability leaders from business and elsewhere to share practical insights on the obstacles and opportunities we currently face in tackling the integrated climate, nature and inequality sustainability challenge; by co-developing "how-to" CEO-guides from these insights; by providing science-based target guidance including standards and protocols; and by developing tools and platforms to help leading businesses in sustainability drive integrated actions to tackle climate, nature and inequality challenges across sectors and geographical regions.

Our member companies come from all business sectors and all major economies, representing a combined revenue of more than USD \$8.5 trillion and 19 million employees. Our global network of almost 70 national business councils gives our members unparalleled reach across the globe. Since 1995, WBCSD has been uniquely positioned to work with member companies along and across value chains to deliver impactful business solutions to the most challenging sustainability issues.

Together, we are the leading voice of business for sustainability, united by our vision of creating a world in which 9+ billion people are living well, within planetary boundaries, by mid-century.

www.wbcsd.org

Follow us on [Twitter](#) and [LinkedIn](#)

Copyright

Copyright © WBCSD,
May 2023

Endnotes

- ¹ Organisation for Economic Co-operation and Development (OECD) (2022). *Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options*. Retrieved from: <https://www.oecd-ilibrary.org/sites/f9c3a6c4-en/index.html?itemId=/content/component/f9c3a6c4-en>.
- ² Organisation for Economic Co-operation and Development (OECD) (2022). *Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options*. Retrieved from: <https://www.oecd-ilibrary.org/sites/f9c3a6c4-en/index.html?itemId=/content/component/f9c3a6c4-en>.
- ³ Pew Charitable Trusts and SYSTEMIQ (2020). *Breaking the Plastic Wave: A comprehensive assessment of pathways towards stopping ocean plastic pollution*.
- ⁴ The Business Commission to Tackle Inequality (n.d.). Tackling inequality. Retrieved from: <https://tacklinginequality.org/tackling-inequalityhttps://tacklinginequality.org/tackling-inequality>.
- ⁵ Organisation for Economic Co-operation and Development (OECD) (2022). *Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options*. Retrieved from: <https://www.oecd-ilibrary.org/sites/f9c3a6c4-en/index.html?itemId=/content/component/f9c3a6c4-en>.
- ⁶ United Nations Environment (2022). UNEP/PP/INC.1/7. “Plastics science”. Retrieved from: <https://wedocs.unep.org/bitstream/handle/20.500.11822/41166/K2221533%20-%20%20UNEP-PP-INC.1-7%20-%20AMENDED%20ADVANCE%20-%202014.10.2022.pdf>.
- ⁷ Organisation for Economic Co-operation and Development (OECD) (2022). *Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options*. Retrieved from: <https://www.oecd-ilibrary.org/sites/f9c3a6c4-en/index.html?itemId=/content/component/f9c3a6c4-en>.
- ⁸ Pew Charitable Trusts and SYSTEMIQ (2020). *Breaking the Plastic Wave: A comprehensive assessment of pathways towards stopping ocean plastic pollution*.
- ⁹ Organisation for Economic Co-operation and Development (OECD) (2022). *Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options*. Retrieved from: <https://www.oecd-ilibrary.org/sites/f9c3a6c4-en/index.html?itemId=/content/component/f9c3a6c4-en>.
- ¹⁰ United Nations Environment Programme (2020). *National Guidance for Plastic Pollution Hotspotting and Shaping Action*. Retrieved from: <https://plastic hotspotting.lifecycleinitiative.org/>.
- ¹¹ Environmental Action (EA) (2022). Plastic Environmental Analysis (PLASTEAX). Retrieved from: <https://www.plasteax.org/>.
- ¹² Manzoni, C., Paruta, P., Boucher, J. (2022). *Benchmark of Plastic Hotspotting Methodologies*. GIZ – German Agency for International Cooperation.
- ¹³ Environmental Action (EA) (2022). Plastic Environmental Analysis (PLASTEAX). Retrieved from: <https://www.plasteax.org/>.
- ¹⁴ United Nations Environment Programme (UNEP) (2022). UNEA Resolution 5/14 entitled “End plastic pollution: Towards an international legally binding instrument”. Retrieved from: https://www.google.com/url?sa=i&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=0CAIQw7AJahcKEwjQ7La1-bL-AhUAAAAAHQAAAAAQAg&url=https%3A%2F%2Fwedocs.unep.org%2Fbitstream%2Fhandle%2F20.500.11822%2F39812%2FOEWG_PP_1_INF_1_UNEA%2520resolution.pdf&psig=AOvVaw0lWNOMyu1ZiH12N9ioysX&ust=1681890677580696.
- ¹⁵ WBCSD (2022). *Circular Transition Indicators V3.0*. Retrieved from: <https://www.wbcds.org/Programs/Circular-Economy/Metrics-Measurement/Circular-transition-indicators>.
- ¹⁶ Break Free from Plastic (2022). *Branded, five years of holding plastic polluters accountable, brand audit report 2018-2022*. Retrieved from: <https://brandaudit.breakfreefromplastic.org/brand-audit-2022/>.
- ¹⁷ Minderoo Foundation (2021). Plastic Waste Makers Index. Retrieved from: <https://www.minderoo.org/plastic-waste-makers-index/>.
- ¹⁸ ClientEarth (2023). “We're taking Danone to court over plastic pollution”. Retrieved from: <https://www.clientearth.org/latest/latest-updates/news/we-ve-issued-legal-warnings-to-nestle-danone-and-others-over-plastic/>.

-
- ¹⁹ As You Sow (2021). “As You Sow Files Shareholder Proposals With 10 Major Consumer Goods Companies Pressing for Cuts in Use of Plastic Packaging”. Retrieved from: <https://www.asyousow.org/press-releases/2021/1/14/shareholder-proposals-consumer-goods-companies-plastic-packaging>.
- ²⁰ Dutch Association of Investors for Sustainable Development (VBDO) (2023). Investors call for urgent action to reduce plastics from intensive users of plastic packaging. Retrieved from https://www.vbdo.nl/wp-content/uploads/2023/05/EMBARGO_VBDO_Investor-statement-on-plastics_def.pdf.
- ²¹ CDP (n.d.). Plastics. Retrieved from: <https://www.cdp.net/en/plastics>.
- ²² Principles for Responsible Investment (n.d.). “Risks and opportunities along the plastics value chain”. Retrieved from: <https://www.unpri.org/plastics/risks-and-opportunities-along-the-plastics-value-chain/4774.article>.
- ²³ Principles for Responsible Investment (2021). “Engaging on Plastic Packaging”. Retrieved from: <https://www.unpri.org/plastics/engaging-on-plastic-packaging/8137.article>.
- ²⁴ The Capitals Coalition (n.d.). Transparent. Retrieved from: <https://capitalscoalition.org/project/transparent/>.
- ²⁵ WBCSD (2022). Companies, investors and professional accountants add their voices to the call for global alignment between sustainability reporting standard setters and frameworks. Retrieved from: <https://www.wbcsd.org/Overview/News-Insights/General/News/Companies-investors-and-professional-accountants-add-their-voices-to-the-call-for-global-alignment-between-sustainability-reporting-standard-setters-and-frameworks>.
- ²⁶ SASB Standards (2023). Plastics Risks and Opportunities in the Chemicals Industry – Recommended changes to the SASB chemicals industry standard. Retrieved from: <https://www.sasb.org/standards/process/projects/plastics-risks-and-opportunities-in-chemicals-industry/>.
- ²⁷ World Economic Forum (2020). *Measuring Stakeholder Capitalism - Towards Common Metrics and Consistent Reporting of Sustainable Value Creation*. Retrieved from: <https://www.weforum.org/reports/measuring-stakeholder-capitalism-towards-common-metrics-and-consistent-reporting-of-sustainable-value-creation>.
- ²⁸ Back to Blue, an initiative of Economist Impact and The Nippon Foundation (2023). “From risk to reward: investments for a circular plastics economy”. 23 January 2023. Retrieved from: https://backtoblueinitiative.com/from-risk-to-reward-investments-for-a-circular-plastics-economy/?utm_medium=Eloqua&utm_source=email.
- ²⁹ Business Coalition for a Global Plastics Treaty (2023). “Call to Action”. Retrieved from: <https://www.businessforplasticstreaty.org/vision-statement>.
- ³⁰ Convention on Biological Diversity (2022). “COP15: Nations Adopt Four Goals, 23 Targets for 2030 In Landmark UN Biodiversity Agreement”. Retrieved from: <https://www.cbd.int/article/cop15-cbd-press-release-final-19dec2022>.
- ³¹ United Nations Environment Programme (2023). “UNEP/PP/INC.2/4 Potential options for elements towards an international legally binding instrument, based on a comprehensive approach that addresses the full life cycle of plastics as called for by United Nations Environment Assembly resolution 5/14”. Retrieved from: https://wedocs.unep.org/bitstream/handle/20.500.11822/42190/options_INC.pdf?sequence=1&isAllowed=y.

**World Business Council
for Sustainable Development**

Geneva, Amsterdam, Beijing, London, New York City, Singapore

www.wbcsd.org

