

28/02/2023

### **Integrated approach to financing**

1. **ALT 1** [The implementation of the integrated approach to financing for the sound management of chemicals and waste is important for the implementation of the instrument, which was designed and agreed as a long-term contribution beyond 2020, in particular in developing countries and countries with economies in transition. It [continues to be essential] **(Del)** [contributes] **(Add)** to the achievement to the 2030 agenda and contribute to reducing the widening gap in national capacities in addressing the sound management of chemicals and waste through financial and technical support. Multi sectoral support for and participation in all three components of this integrated approach should be promoted and encouraged in national, regional and at international levels]
2. A clearinghouse mechanism [should] [could] be established [under the Secretariat of (the agreement)] [by stakeholders] to provide information on resource mobilization and possible sources of financing for the sound management of chemicals and waste [for other stakeholders.]
3. [All stakeholders agree to establish 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.] **(del) (keep)**
4. All three components of the integrated approach to financing, i.e. mainstreaming, private sector involvement and dedicated external finance, are equally important and mutually reinforcing.
5. Stakeholders should take steps to implement the 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**

6. Governments should implement actions [in accordance with their national laws, regulations and/or] **(add)** policy priorities] **(keep) (del)** to promote further mainstreaming of the sound management of chemicals and waste in national development plans, domestic budgets and relevant sector policies [including] **(add) (del)** [to facilitate access to funding for national priorities in relation to chemicals and waste] **(add) (del)** [in particular for developing countries] **(add) (del)** [and countries with economies in transition.] **(add) (del)**

[For [countries in need] **(del)** [developing countries and countries with economies in transition] **(keep)**, the mainstreaming of [their national] [sound management of] chemicals and waste [management] [priorities] into [the] [their] development planning processes [and in national development or sustainable development plans] for funding [as part of official development assistance] [should become a priority that] [may] [will] [should] increase their access to funding for national priorities in relation to chemicals and waste.] **(del) (keep)**

**ALT 6** [For developing countries and countries with economies in transition, the mainstreaming of their national chemicals and wastes priorities into the development planning processes for official development assistance funding will increase their access to significant funding for national chemicals and wastes priorities.] **(keep) (del)**

7. [Developed] **(add) (del)** [[Countries] **(keep)** [Governments] **(keep)** [Governments of developed countries] **(add) (del)** should strive to mainstream the sound management of chemicals and waste into their development [aid] [assistance programmes and] priorities.] [They should also promote the mainstreaming in activities and programmes of international organisations they are members of, including the provision of appropriate budget and human resources needed for

strengthening cooperation and coordination amongst stakeholders.]

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8. International, regional and national financial institutions and their governing bodies, as well as private sector and investors are strongly encouraged to also expressly integrate sound management of chemicals and waste activities in the scope of activities they fund.

#### B. Private-sector involvement

9. The private sector throughout the value chain should increase [its efforts to internalize costs, as well as increase] **(del)** its and financial [and non-financial] **(del)** **(keep)** contributions to the implementation of the sound management of chemicals and waste in order to avoid, or where not possible, mitigate their impacts on the [health, human rights, and the environment] **(Alt)** [environment, [human rights] **(add)** **(del)** and on [human] **(add)** health], [by covering the costs attached to their impacts] **(add)** [and is [strongly encouraged to be] **(add)** held liable for contributing to pollution.] **(del)** [especially in developing countries and countries with economies in transition.] **(add)** **(del)**

[These contributions [(eg. through agreed levies)] **(del)** **(keep)** should seek to finance [further reduction in the [risk] **(add)** [use] **(del)** of harmful [andhazardous] **(del)** chemicals in the value chain], [[among others, [data generation and data sharing,] 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] **(del)** and contaminated sites remediation [by the responsible party when is clear]] **(del)**]. **(keep)** **(del)**

10. Governments should, [according to their national circumstances] **(keep)**, further [facilitate] [operationalize] [facilitate the operationalizing] the private sector component of the integrated approach [through actions, legislation, and appropriate economic instruments], [[including [through clarifying] the [respective] responsibilities of industry and national administration; [levies and taxes]; **(del)** [the provision of incentives for the sound management of chemicals and waste]; and the promotion of measures by industry [to internalise costs]**(del)**] to further implement [the precautionary [principle][approach] **(alt)**,] **(keep)** [the polluter pays [principle] [approach]]**(del)****(keep)** [and approaches such as] extended producer responsibility.] **(del)****(keep)**

**ALT10** [Governments should in legislation define the responsibilities of the public and private sectors and enforce and monitor compliance as well as ensure cost recovery measures at the national level to fund the administrative process of providing and maintaining systems for governing the marketing of chemicals at the national level, to further implement the precautionary and the polluter pays principle.]

11. [[The private sector] **(keep)** [should]**(keep)** [[[In line with the three components of the integrated approach to financing,]**(del)** [private sector] [while going beyond its legal obligations] to commit]**(del)** [to support] [supporting]] the Beyond 2020 objectives and targets of sound management of chemicals and waste by providing] [provide]**(del)** [investment and in-kind]**(del)** [financial and non-financial] **(del)** contributions,] **(del)** including to implement the GHS globally and [through fees paid to support domestic chemicals [and waste] management schemes,] **(del)** [including enforcement,] **(del)** data generation, data sharing, partnerships, and capacity building.

[Private sector to further advance the sound management of chemicals and waste through [in-kind]**(del)** commitments to innovation, training, safety and sustainability initiatives as well as

compliance with chemical [and waste] regulatory requirements [[and] [including relevant elements of] occupational safety and health] in jurisdictions around the globe.]] **(del)**

**ALT 12** [The private sector should support the Beyond 2020 objectives and targets of sound management of chemicals and waste by providing contributions, including enforcement of the GHS globally, data generation, data sharing, partnerships, and capacity building. Private sector to further advance the sound management of chemicals and waste through commitments to innovation, training, safety and sustainability initiatives as well as compliance with chemical and waste regulatory requirements and including relevant elements of occupational safety and health in jurisdictions around the globe.]

12. Invites the [public and private]**(add)** financial sector [and the multilateral development banks]**(add)(del)** to develop policies, and guidance [within its own sector]**(add)** and recommendations [in their operation]**(add)** for investments to minimize economic risks associated with unsound chemicals [and waste] **(del)** management, with the goal to facilitate investment flows towards safer chemicals [and waste]**(del)** management [[projects]**(del)(keep)** [in order to reduce risk of chemicals and chemical footprint [and their externalities]**(del)(del)** along the whole value chain], including through the development of sustainability-centered loan and sustainable financing criteria for the financial sector engaged with companies [and projects]**(del)(keep)** in the chemicals value chain and waste sector.

### C. Dedicated external financing

13. [Stakeholders should [seek to]**(add)(del)** [strive to]**(add)(del)** [commit to]**(add)(del)** [secure funds] [to]**(del)(keep)** [by] **(keep)(del)** [[further]**(del)(keep)** [strengthen]**(keep)(del)** [strengthening]**(del)(keep)** the component of dedicated external financing] [for all stakeholders] **(del)**, including from development assistance [and] innovative donor sources, which can be facilitated by mainstreaming [the sound management of chemicals and waste] at the national level.] **(Keep)**