Draft OECD Declaration on a Resilient and Healthy Environment for All

WE, THE MINISTERS AND REPRESENTATIVES of Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom, the United States, and the European Union, met at the OECD headquarters in Paris on 30-31 March 2022 in the context of the meeting of the Environment Policy Committee (EPOC) at Ministerial level under the overarching theme of "Ensuring a Resilient and Healthy Environment for All", with Luxembourg and the United States as Co-Chairs, to discuss accelerated action on climate change to keep the limit of 1.5°C temperature increase within reach, halting and reversing biodiversity loss in this critical decade, aligning financial flows with environmental and climate goals, and addressing global plastic pollution, among others.

WE CONDEMN Russia's unprovoked large scale aggression against Ukraine in the strongest possible terms as a clear violation of international law and a serious threat to the rules-based international order, in line with the OECD Statement on 24 February 2022. We stand in solidarity with the people and the democratically elected government of Ukraine. We also recall the decision of the OECD Council of 8 March 2022 to immediately suspend the participation of the Russian Federation and Belarus in OECD bodies. We highlight the need to address the severe damage of the war to environmental sustainability, including the possible effects of nuclear and chemical hazards and the importance of action in line with environmental, climate and biodiversity goals.

WE RECOGNISE with utmost concern the recent reports of the Intergovernmental Panel on Climate Change (IPCC), including its 6th Assessment Report, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), and the International Resource Panel (IRP), as well as the need for the international community to use the evidence provided within them to take strong, urgent and transformative action to address climate change, halt and reverse biodiversity loss, prevent pollution, ensure the sound management of chemicals and waste, use resources more efficiently, and address land degradation and ocean deterioration, ensuring these issues are central in our COVID-19 recovery strategies.

WE RECALL the <u>OECD 60th Vision Statement</u> which provides that the OECD will support countries in their transition towards net-zero greenhouse gas emissions, and the <u>2021 OECD Ministerial Council Statement</u> in which Ministers urged ambitious efforts by all to make this a decade of action on climate change and reaffirmed their shared endeavour to protect our environment.

WE WELCOME and are committed to urgently implement the Glasgow Climate Pact adopted at the 2021 Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP26), and welcome the holding of the Fifteenth meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD COP15) Part I. We look forward to an ambitious and effective post-2020 Global Biodiversity Framework in CBD COP15 Part II and a successful and ambitious UNFCCC COP27 in Sharm el-Sheikh.

WE RESTATE our commitment to the goals and objectives of the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), the Paris Agreement, the UNFCCC,

the CBD and other relevant multilateral environmental agreements to which we are party. We also recall international efforts to address the interconnected environmental challenges of climate change, biodiversity loss, and pollution, among others.¹

WE WELCOME the role of the OECD as a global pathfinder, which supports all countries by developing evidence-based analysis that recognises the interconnected nature of the world's complex environmental problems and helps generate, transformative and innovative policies and standards to build stronger, sustainable, net-zero, resilient, and inclusive economies, including for the poorest, vulnerable communities and underserved areas. We welcome, in particular, the OECD work on:

- Climate change mitigation and adaptation including initiatives to leverage the OECD's
 impact through horizontal work on climate and economic resilience, and on specific topics
 such as strengthening adaptation-mitigation linkages for a net-zero greenhouse gas
 transition, and climate-resilient future, and work on activities relevant to averting,
 minimising and addressing losses and damages associated with climate impacts.
- Sustainable and climate finance, green budgeting, green taxation, sustainable development, environmental justice, biodiversity and nature-based solutions², the ocean, sustainable land management, sound chemicals management, plastic, air, water and soil pollution, sustainable materials management and circular economy.

WE REAFFIRM, on the 50th anniversary of its Environment Policy Committee, the OECD's leading role as a standard-setter in developing environmentally effective and economically efficient responses to pressing environmental, climate change and biodiversity crises.

WE REITERATE our commitment for leadership on the environment, climate, biodiversity, and the sound management of chemicals and that we need a whole-of-government approach to address these urgent challenges.

Toward a Resilient and Healthy Environment for All

WE ARE COMMITTED to developing and implementing effective and ambitious environmental and climate strategies aimed at achieving net-zero greenhouse gas emissions by 2050, including through accelerated action in this critical decade with a view to keeping the limit of 1.5°C temperature increase within reach. We continue to urge all countries, especially major emitters, whose 2030 targets in Nationally Determined Contributions (NDCs) are not yet aligned with these goals, to revisit and strengthen them by COP27. We also underscore the need to pursue collective action towards the achievement of the Paris Agreement goal to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

WE COMMIT to strengthen our efforts to align our COVID-19 recovery plans with environmental and climate goals to build a green, inclusive and resilient recovery for all, taking into consideration approaches for preventing and reducing future pandemic risks and building climate-resilient health systems.

² Actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits (<u>UNEP/EA5/L9/REV.1</u>).

¹ The position of the Republic of Turkey in this regard is reflected in the Statement of the Chair of the 2022 Environment Ministerial Meeting.

WE ALSO COMMIT to scale up climate adaptation and risk management measures; to enhance sustainable land management and restoration; to strengthen action to halt and reverse biodiversity loss by championing the adoption and implementation of an ambitious and effective post-2020 Global Biodiversity Framework; to prevent and address pollution, in particular plastic pollution; to achieve the sound management of chemicals and waste; to increase resource efficiency and circular economy approaches; and to pursue alignment of public and private investment with our environmental goals.

WE INVITE the OECD, through EPOC, to support our efforts and continue to ensure that the OECD remains a leading player in the critical decade of climate and biodiversity action by:

- 1. Expanding the development of tools and approaches to encourage, monitor and analyse subnational, national, regional and international policies and finance flows to mitigate and adapt to climate change, as appropriate, including:
 - a. Strengthening its assessment of the efficiency of policy approaches for climate change mitigation, including carbon pricing, regulations and other relevant policy instruments, and building on existing initiatives, including the Horizontal Project on Climate and Economic Resilience and looking forward to the further development of its International Programme for Action on Climate (IPAC), and
 - b. Improving the coverage, quality, consistency and co-ordination of data, metrics and indicators to monitor climate change mitigation and adaptation action, where necessary, and further increasing awareness and knowledge on policies that can trigger the transformational change needed to achieve net-zero greenhouse gas emissions goals.
- 2. Supporting resource efficiency and circular economy efforts, recognising the link between resource and materials use, climate change and broader environmental challenges.
- 3. Developing new approaches and analysis to support international efforts to halt and reverse biodiversity loss, including on aligning financial flows with biodiversity goals, and policy interventions to scale up positive incentives (i.e. economic instruments) and reform harmful incentives for biodiversity and environmental degradation.
- 4. In collaboration with other relevant OECD committees, and through Member-led processes, examining environmentally harmful support, and providing evidence-based analysis to support reform, as appropriate.
- 5. Developing analysis and guidance based on best practices to support scaling up sustainable finance, in co-operation with relevant committees.
- 6. Supporting work, in collaboration with the Chemicals and Biotechnology Committee, on international efforts on strengthening sound chemicals management, including economic instruments.
- 7. Sharing with and beyond OECD membership the data and best practices emerging from OECD work, and supporting OECD Members and partner countries and regions towards meeting global, regional and national environmental and climate goals.
- 8. Deepening engagement with non-governmental organisations, civil society and the private sector, including through Business at OECD (BIAC) and the Trade Union Advisory Committee (TUAC), as well as youth, women, indigenous peoples, vulnerable communities and underserved areas, and other stakeholder groups in supporting policies for sustainable development and the net-zero greenhouse gas, nature-positive transition.

WE INVITE the OECD, through EPOC, in co-operation with other relevant OECD committees, to reinforce the OECD's work on environment by:

- 1. Updating OECD standards on the environment and considering the possible development of new standards, mindful of avoiding duplication, including, *inter alia*, on climate change, biodiversity, deforestation, land degradation, plastics, chemicals, sustainable supply chains, transport and environmental compliance assurance.
- Developing a comprehensive new <u>Environmental Outlook</u> to be delivered by the next EPOC Ministerial meeting or in 2026 at the latest, to explore the interlinkages between environmental and socio-economic issues of the net-zero greenhouse gas, nature-positive transition.
- 3. Deepening analysis of the distributional effects of national environmental policies, considering social and gender dimensions, and national approaches to environmental justice, with a goal of improving equality and equity, fairness, inclusiveness, citizens' awareness and their meaningful engagement.
- 4. Developing OECD work on the twin challenges and opportunities of digital transformation and the net-zero greenhouse gas, nature-positive transition.
- 5. Strengthening OECD work on trade and environment.
- Developing enhanced quantitative analytical capacity, using state-of-the-art scientific data, to support work on climate, biodiversity, water, resource efficiency, circular economy and chemicals, taking into account the needs of women, youth, indigenous peoples and vulnerable and underserved groups.
- 7. Setting up a global observatory on financing water, as a knowledge sharing platform for data, analyses, tools and best practices that contribute to accelerating financing to support the implementation of the OECD Recommendation on water [OECD/LEGAL/0434], noting that the scope, functions, outcomes and other related issues of the global observatory on financing water are to be undertaken by EPOC and the Working Party on Biodiversity, Water and Ecosystems.
- 8. Developing work on environmental aspects of effective ocean management, in particular enhancing protection, conservation and restoration of marine and coastal biodiversity, and addressing pollution, especially marine plastic litter.

Combating Plastic Pollution

WE WELCOME the resolution recently adopted by the United Nations Environment Assembly (UNEA-5) in Nairobi entitled "End plastic pollution: Towards an international legally binding instrument" that requests to convene an intergovernmental negotiation committee, with the ambition of completing its work by the end of 2024, to develop an international legally binding instrument on plastic pollution, including in the marine environment.

WE NOTE with appreciation the key findings from the OECD's *Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options,* and the recent work on the design of sustainable plastics from a chemical perspective.

WE LOOK FORWARD TO the OECD's *Global Plastics Outlook: Projections and Policy Scenarios to 2060,* to be launched at the 2022 OECD Ministerial Council Meeting (MCM).

WE ACKNOWLEDGE the many international, regional and domestic efforts, decisions and processes, aimed at addressing the plastic pollution challenge, in other fora. These include, *inter alia*, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention) and its Plastic Waste Amendments, the Osaka Blue Ocean Vision, the United Nations Environment Assembly (UNEA), the World Trade Organisation (WTO), and the

International Maritime Organization (IMO). We highlight the opportunities for cooperation and the importance of complementarity of these efforts.

WE RECOGNISE that effectively combating plastic pollution requires a comprehensive and coordinated approach at sub-national, national, regional and global levels, through circular economy approaches across the full life-cycle of plastics, including sustainable production and consumption.

WE COMMIT to:

- Develop comprehensive and coherent life-cycle approaches to tackle plastic pollution including in the marine environment, and promote co-operation with relevant initiatives internationally, where appropriate.
- 2. Strive to announce at the 2022 OECD MCM national-level visions, actions, or plans, that could include:
 - a. strengthening domestic policies and fostering international cooperation, working towards the prevention, reduction and elimination of all plastic pollution in the environment;
 - encouraging the sustainable design of plastic products that are reusable, repairable, recyclable or, where viable alternatives do not exist, recoverable and, where feasible, do not contain substances that are harmful to human health and the environment;
 - c. promoting sustainable production and consumption, and circularity of plastics, stimulating research, technological and social innovation in materials science, finance, business models and behavioural change among citizens;
 - d. enhancing financing and circularity including, as appropriate, by strengthening extended producer responsibility;
 - e. enhancing plastic waste prevention, environmentally sound waste management and clean-up activities.
- Promote robust engagement in the intergovernmental negotiating committee to develop an internationally legally binding instrument on plastic pollution with the ambition of completing negotiations by the end of 2024.

WE INVITE the OECD, through EPOC, to consider the possible development of an OECD Recommendation on plastics addressing gaps in information and good practices, taking into account the findings of the Global Plastics Outlook, and avoiding duplication and overlap with discussions in other international fora.

WE ALSO INVITE the OECD, through EPOC, to support the objectives of the upcoming intergovernmental negotiating committee mandated to develop an international legally binding instrument on plastic pollution, with relevant analytical work building on the *Global Plastics Outlook*, including region-specific analysis, with a focus on the most affected regions, including Southeast Asia, as well as analysis on plastics, including single-use plastics, reviewing existing metrics, and enhancing the development and use of economic instruments to address plastic pollution through a full lifecycle approach.