



CIEL Intervention on Financing Global Chemicals Management

SAICM Beyond 2020 meeting, March 2018

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I am speaking on behalf of the Center for International Environmental Law, a participating organization in the IPEN network.

Thanks, Madame Co-Chair. I would like to speak to the critical question of financial arrangement for the implementation of SAICM and would first like to welcome the secretariat document as well as highlight a number of elements in this document:

As highlighted in the secretariat paper, there are still very limited national, regional, or global data available for the quantification of financing needs for the sound management of chemicals.

Based on the existing information, we can, however, indicate the following.

The latest GEF funding for chemicals amounts to 554 million, to which about 541 million is dedicated to address the 100+ substances covered by the Montreal Protocol, BRS Conventions, and Minamata Convention, while 13 million is dedicated to SAICM implementation... and the roughly 99,900 remaining substances. These figures should guide us in getting a better understanding of the financing gaps for SAICM implementations.

Obviously, providing the considerable sum needed for SAICM implementation cannot depend uniquely on external international donors. While the secretariat usefully explores valuable new avenues in relation to the synergies between the 2030 agenda and SAICM's agenda, one of the main aspects of the integrated approach, industry involvement, is, as often, largely under explored by the paper.

As clearly established by the Cost of Inaction report from UNDP and UNEP, or latest academic research on the economic impacts of various chemical substances, from lead to EDCs, costs related to chemicals use and management are still very largely borne by societies rather than by economic operators.

For example, following a traditional chemical industry argument, the paper inappropriately states that industry contributes to the financing of the global chemical management by complying with health and environmental regulation or by paying regular taxes. This claim is problematic and inaccurate in that it conflates respecting legal obligations with active participation in the financing of sound management of chemicals

According to the latest figures from the Global Chemical Outlook, The Chemical industry has a global turnover of 4.1 trillion per year. That is a very difficult number to consider, so let me help you realize what this number means. If you imagine that each dollar is a second, for example, 4.1 trillion seconds represent over 130,000 years. An almost imperceptible levy of a tenth of a percent (0.1%) would produce an income of 4.1 billion annually, or more than 300 times the overall amounts dedicated to SAICM implementation by the GEF over 4 years.

A lot has been said about the need to provide adequate financing for the implementation of SAICM and actually eliminating the health and environmental impacts of chemicals and about the respective value of a dedicated SAICM financing instrument, but these discussions are usually made difficult because they are limited to discussing government funding and the understandable reluctance of donor countries to be the only one called upon to fund sound management of chemicals.

As indicated by the SAICM evaluator, until we recognize the uncomfortable truth that we have so far absolutely failed to implement the industry involvement portion of the integrated approach and decide to implement it at the global level, we will continue to collectively fall short of our common objective. Developing countries will continue to be starved of the funds they need to implement their international obligations and the small number of donor countries will continue to feel frustrated that they are the only ones contributing to the financing of the sound management of chemicals. The beyond 2020 discussion is a golden opportunity for us to come together as a community and finally decide to heed our own advice and put our money where our mouth is.