



Department
for Environment
Food & Rural Affairs

Project Title
Global Plastic Action Partnership (GPAP)

Full Business Case (FBC)

Version No: 2
Date: 6/1/2026

Version Control

Draft versions are marked v0.1, v0.2, v0.3 and Final versions are marked e.g., v1.0, v2.0, v3.0

This document has been through the following revisions:

Version Control

Issue No:	Author:	Issue Date:	Changes Made
0.1		1 October 2025	
0.2		11 November 2025	
0.3		5 December 2025	
0.4		12 December 2025	
1		5 January 2026	
2		22 January 2026	
3		6 February 2026	

Related Documents

This document needs to be read in conjunction with the annexes listed in Section 7.

Reviewer's List

This document has been reviewed by:

Name	Role (s)	Date
		12/12/25
		12/12/25
		12/12/25
		29/12/25
		4/12/25
		05/01/25
		19/01/25

Document Sign Off

The role of the Senior Responsible Owner (SRO) is to ensure the delivery of a programme or project within an agreed budget and timeframe and as such should have authority to direct those involved in delivering the work. The SRO is responsible for delivery of benefits and is ultimately accountable. They must agree and verify the information and options put forward in this document.

This document has been signed off by the following:

Version	Role	Name	Approve	Date
2			Y	02/02/26

2			Y	30/01/26
1			Y	28/11/25
2			Y	19/01/26
2			Y	30/01/26
2			Y	01/02/26
2			Y	05/02/26
3			Y	13/02/26

Contents

1. EXECUTIVE SUMMARY	4
2. THE STRATEGIC DIMENSION	7
2.1. STRATEGIC CONTEXT	7
2.2. CASE FOR CHANGE	10
2.3. THEORY OF CHANGE	13
2.4. GENDER EQUALITY, DISABILITY AND SOCIAL INCLUSION (GEDSI) AND PUBLIC SECTOR EQUALITY DUTY (PSED)	17
2.5. ODA ELIGIBILITY, GEOGRAPHIES AND ICF	19
3. THE ECONOMIC DIMENSION	22
3.1 INTRODUCTION	22
3.2 LONG LIST APPRAISAL	23
3.3 APPRAISAL METHODOLOGY	25
3.4 OPTION ASSUMPTIONS	27
3.5 COST-BENEFIT ANALYSIS (QUANTITATIVE RESULTS)	29
3.6 SENSITIVITY AND SCENARIO ANALYSIS	31
3.7 VALUE FOR MONEY ASSESSMENT USING THE 5E's	33
3.8 LIMITATIONS OF THE ANALYSIS	36
3.9 OVERALL VALUE FOR MONEY ASSESSMENT	36
4. THE COMMERCIAL DIMENSION	37
4.1. INTRODUCTION	37
4.2. PROCUREMENT (COMMERCIAL) STRATEGY	37
4.3. CONTRACTUAL TERMS & RISK ALLOCATION	38
4.4. PROCUREMENT ROUTE AND TIMESCALES	39
4.5. COMMERCIAL RESOURCE	39
4.6. VALUE FOR MONEY	39
4.7. FRAUD RISK ASSESSMENT	40
4.8. SUBSIDY CONTROL ASSURANCE	40
4.9. COMMERCIAL GOVERNANCE AND APPROVALS	41
5. THE FINANCIAL DIMENSION	41
5.1. FINANCIAL SUMMARY	41
5.2. HEADLINE COST	42
5.3. FUNDING SOURCES	42
5.4. IMPACT ON RESOURCE BUDGETS AND BALANCE SHEET	43
5.5. RESOURCING AND HEADCOUNT	43

¹ This Full Business Case was delegated for approval by Investment Committee to the Official Development Assistance Board and responsible Deputy Director.

5.6. OVERALL AFFORDABILITY.....	44
5.7. ACCOUNTING OFFICER ASSESSMENT	44
6. THE MANAGEMENT DIMENSION.....	44
6.1. PROJECT MANAGEMENT	44
6.2. COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT	49
6.3. CHANGE MANAGEMENT.....	50
6.4. BENEFITS REALISATION	50
6.5. RISK, ASSUMPTION, ISSUES AND DEPENDENCY MANAGEMENT.....	51
6.6. CONTRACT MANAGEMENT.....	56
6.7. ASSURANCE AND APPROVALS.....	56
6.8. EVALUATION PLAN AND LESSONS LEARNED	56
6.9. EQUALITY IMPACT ASSESSMENT	57
6.10. TRANSPARENCY.....	58
7. ANNEXES	58

1. Executive Summary

1.1 Strategic Fit and Strategic Objectives

This revised Full Business Case (FBC) seeks approval to invest an additional £5 million in the Global Plastic Action Partnership (GPAP), bringing the Whole Life Cost (WLC) to £29 million since 2018. GPAP is the World Economic Forum’s flagship plastic pollution initiative, convening public and private stakeholders to drive policy reform and unlock investment. It is the UK’s main ODA investment lever on the issue of plastic pollution. UK support has enabled GPAP to become the largest multistakeholder plastic pollution partnership, active in 25 countries across Asia, Africa, and Latin America. To date, it has influenced over 47 national policies and action plans and catalysed more than £2.6 billion in investment.

The UK’s investment in GPAP leverages partnerships to mobilise finance, reform policy, and strengthen evidence for the circular economy transition. The approach reflects the Government’s new approach to international development, defined by prioritising systems change, an investment mindset, and partnership approaches. The programme reinforces UK leadership on plastic pollution during the Global Plastic Pollution Treaty negotiations.

The preferred option proposes a strategic exit that shifts future funding responsibility to other bilateral donors and private sector partners, prioritising the establishment of locally led funding mechanisms, while securing and scaling the benefits delivered to date.

The investment has four objectives:

1. Support GPAP to strengthen the sustainability of their work so far, shifting away from dependence on public ODA finance at the global level towards building localised, sustainable financing models for the NPAP partnerships led by and for stakeholders within partner countries.
2. Support the process to agree and implement the Global Plastic Pollution Treaty by convening and consensus building, sharing best practices, and supporting codesign of implementation approaches.
3. Contribute to creating the enabling conditions for a just plastics circular economy transition in GPAP countries, that will be characterised by (1) increased investment in waste management and upstream circular solutions, (2) robust evidence and tools for effective policy development, implementation, and analysis.
4. Reduce poverty and increase gender equality in NPAP countries by taking a multidimensional approach through (1) demand-led financial, technical and capacity

support for informal sector organisations and MSMEs; (2) ensuring informal sector and MSME perspectives are included in policy development, delivery and decision making; (3) ensuring support provided for achieving all these objectives empowers women, girls, disabled people and other marginalised groups, in line with UK ICF GEDSI guidance and the programme's ambition to be GEDSI transformative.

In the short term, the outcomes of the intervention are: national planning will strengthen, public-private trust will improve, inclusive participation in decision-making will increase and understanding of GEDSI barriers will improve. In the longer term, countries will implement stronger policies and awareness campaigns, scale investment, improve waste management infrastructure, and enhance working conditions for the informal sector. These changes will deliver social and environmental benefits from an accelerated circular economy transition, driving green and equitable growth. Better-funded recycling and upstream solutions will reduce plastic leakage and virgin plastic production. Communities will benefit from cleaner environments and reduced exposure to pollutants, while informal workers will gain safer conditions, fairer pay, and social protections.

The intervention is needed now to maintain momentum on the Global Plastics Treaty and address the widening finance gap for circular economy solutions. Recent evidence shows the severity of plastic pollution and its systemic impacts on poverty, health, and climate globally (Pew 2025; OECD 2025).

1.2 Cost and Status of Funding

Following an initial £3.5 million investment, Defra approved a £12.5 million business case in 2021, later increased to £20.5 million through a 2022 addendum that expanded focus on gender equality, disability, social inclusion (GEDSI), and poverty reduction via informal waste sector engagement. **The total cost of budgeted project activities under this FBC is up to £5 million.** This total brings the whole life cost (WLC) of Defra's investment in GPAP to a maximum of £29 million, from 2018 to March 2028. Funding for the project is drawn from Defra's ODA allocation delegated by FCDO following the Spending Review 2025 settlement. All project costs are 100% ODA eligible and 100% RDEL and all spending will fall within the Spending Review 2025 period. The 2026/27 to 2028/29 resource costs to Defra are estimated at £375,000, already accounted for within Defra's ODA-funded staffing budget. The project will be cofinanced with other donors as set out below, with a number of other funding streams currently under negotiation. The budget may be reduced, particularly in the second year, subject to the availability of funding from other donors.

Table 1.2: Annualised Funding Profile

Annualised funding profile (£m)	26/27	27/28	28/29	Total 26/27-28/29
Defra Funding	£3,500,000	£1,500,000	-	£5,000,000

TOTAL	£5,470,000	£4,160,000	£1,110,000	£ 10,940,000

1.3 Options

Nine options were assessed against strategic fit, value for money, ability to address market failures, and contribution to poverty reduction and GEDSI objectives. Two were shortlisted: Option 1 (Managed Exit), a one-year £2.5 million exit, and Option 2 (Supportive Exit), a two-year extension for up to £5 million. Economic appraisal shows Option 2 delivers significantly higher benefits (NPV £104.4m, BCR 22.5) compared to Option 1 (NPV £29.7m, BCR 12.9), making Option 2 the preferred choice for securing long-term impact and value for money.

1.4 Predicted savings and benefits

The preferred option delivers two main monetised benefits: avoided plastic pollution and job creation. Over the 10-year appraisal period, Option 2 generates total net discounted benefits of £109.3m (£107m from avoided pollution and £2.3m from income gains). By 2035, the extension is forecast to achieve an annual impact of 108 kilotonnes of mismanaged plastic prevented and 750 net jobs created, attributed to Defra. Beyond these, the programme generates significant non-monetised benefits: improved health and community wellbeing through cleaner environments, strengthened policy and regulatory frameworks, increased investment flows, and enhanced equity by formalising informal waste work and empowering marginalised groups. Collectively, these benefits support poverty reduction, gender equality, and climate goals, delivering systemic change well beyond the UK's direct investment.

The economic case demonstrates that further investment offers high value for money because the programme has already established the enabling conditions for delivery. Core governance structures, analytical tools and stakeholder networks are operational, meaning that additional funding can be directed to implementation activities rather than initial design. This significantly reduces marginal costs while maintaining the capacity to generate high marginal benefits. The preferred option therefore represents an efficient use of public funds, leveraging existing institutional capacity to accelerate progress toward sustainability and systemic impact.

1.5 Timescales and dependencies

The extension runs for two years (April 2026–March 2028) with a planned UK exit by March 2028. Year one focuses on completing all country roadmaps and strengthening NPAP governance; year two prioritises mobilising finance and transitioning partnerships to locally led funding models. A third, unbudgeted year allows for handover and maintaining UK influence on the GPAP steering board during Global Plastic Pollution Treaty implementation. Dependencies include progress on the Global Treaty and the availability of co-financing from other donors and private sector partners.

1.6 Evaluation plan

The programme is undertaking an independent evaluation at the time of writing. If the results of this evaluation raises significant concerns about value for money, this will provide a decision point for Defra to withdraw from the extension. Subsequent evaluation activities will take place at the end of the two year exit, to assess sustainability and preparation for exit. Defra will work with GPAP and other donors to explore further

evaluation activities after the UK exits, which the UK would monitor from its ongoing role on the GPAP steering board to assess the long-term impact and VfM of the investment to date.

1.7 Dates of next planned assurance

The Programme Integrated Assurance and Approvals Plan (IAAP) is attached in Annex B. The programme is **medium risk** as assessed through the Risk Potential Assessment, Annex A.

2. The Strategic Dimension

2.1. Strategic Context

GPAP brings together governments, businesses and civil society to tackle plastic pollution and increase investment in waste management and the circular economy transition in ODA-eligible countries. GPAP’s intended impact is to improve the environment in partner countries by catalysing the circular economy transition for plastics while improving the livelihoods of people involved in the waste sector or impacted by plastic pollution. This is achieved principally through (1) the creation of public-private stakeholder collaboration platforms called National Plastic Action Partnerships (NPAPs), (2) delivering plastic waste baseline assessments and systems-change roadmaps to inform evidence-based decision making and (3) targeted training and assistance for informal waste sector workers. NPAPs are independent and inclusive stakeholder coordination groups that convene parties across the plastics value chain, including policymakers, consumer goods businesses, non-governmental organisations, waste sector representatives, chemical companies and plastics producers. GPAP is the UK Government’s main ODA investment dedicated to the issue of plastic pollution.

This business case comes at a transition point that prioritises securing the long-term impact of the UK’s considerable investment to date, while scaling down our contribution. In July 2024, the GPAP steering board, made up of the four lead donors and other key partners, agreed an expanded time horizon to 2030. Following this, in January 2025, GPAP hit its target to launch 25 NPAPs by 2025. GPAP’s workplan to 2030 focuses on firmly establishing all 25 partnerships and ensuring their long-term financial sustainability. Defra is proposing a 2-year extension to our grant to support finishing this work, with a third unbudgeted year to maintain UK influence and enable a smooth transition to other donors supporting the programme at both the global and national levels.

Tables 2.1a and 2.1b

Year	2021/22	2022/23	2023/24	2024/25
Overall Output Score	A	B	B	A
Risk Rating	Medium	Medium	Medium	Medium

2018-2021	2021 FBC	2021 uplift	2022 FBC Addendum	2025 FBC core spend	Whole Life Cost
£3.5m	£12.5m	£1.5m	£6.5m	£5m	£29m

The problem

Plastic pollution is compounding global climate change and nature loss and is a threat to human health and wellbeing, particularly in developing countries (UN 2020; Landrigan et al. 2023; OECD 2022). Without action, mismanaged plastic waste is expected to more than double between 2025 and 2040, equivalent to dumping nearly a garbage truck worth of plastic waste every second (Pew 2025). Sub-Saharan Africa is predicted to have the highest proportion of mismanaged waste of any region by 2040 (OECD 2024). Primary plastic production is estimated to grow by 52%, twice as fast as waste management capacity (Pew 2025). These increases will disproportionately impact the Global South due to severe disparities in waste management, recycling infrastructure, and investment in the circular economy (OECD 2024; Tearfund 2023).

Plastic pollution imposes significant social costs in developed and developing countries alike, with annual losses in marine and terrestrial ecosystem services estimated at US\$0.5–2.5 trillion (Beaumont, 2019). These costs are driven by the health, environmental and climate impacts created across the plastics value chain (Duke University, 2025). These costs extend beyond environmental degradation to direct economic disruption: for example, the Philippines closed Boracay Island for six months in 2018 due to waste management failures, impacting local businesses and over 2 million tourists (Agnelli & Tortora, 2022). Similarly, cleaning plastic litter from Aldabra Atoll in the Seychelles cost the country US\$4.7 million (Burt et al., 2020).

Pollution is deeply linked to multidimensional poverty, through its impacts on health, livelihoods, nature and climate, which means that ODA is an appropriate lever to address this issue.

Strategic Drivers

This programme supports Defra's work to tackle global biodiversity loss, including contributing to delivery of the Kunming-Montreal Global Biodiversity Framework and Defra's Environmental Improvement Plan 2025. With global aid spending undergoing its sharpest contraction in decades, it is essential that the UK prioritises value for money by leveraging strategic partnerships and maximising additionality through a consolidated multilateral offer to developing countries (Chatham House, 2025). This means encouraging scaled nature-positive investment from all sources, reforming systems, and delivering measurable poverty reduction - aligned with the UK's vision for "a world free of poverty on a liveable planet."

The main strategic drivers for the UK extending its investment in GPAP are:

- 1. To provide proof of concept of a coordinated, inclusive approach to stakeholder coordination, implementation and finance linked to the Global Plastics Treaty negotiations**

GPAP supports countries to engage with the Global Plastic Pollution Treaty process through national technical consultations and public-private dialogue and is positioning itself as the frontrunner in national planning approaches for implementation. At each negotiation

session, GPAP convenes member countries in impartial fora to build consensus across parties with different ambition levels.

GPAP and WEF co-chair the Finance Coordinating Group (FCG) with partners such as the World Bank, OECD, UNEP FI, and the Circulate Initiative. The FCG focuses on mobilising funding for treaty implementation, including catalysing support beyond ODA. This aligns with Defra's goal to deploy public finance as part of a streamlined multilateral offer, in order to de-risk and unlock private sector investment. GPAP serves as a proof point for countries that public-private collaboration can strengthen policy making and increase investor confidence.²

The investment further advances UK priorities under related multilateral agreements, including the Basel-Stockholm-Rotterdam Conventions, the Convention on Biological Diversity, UNEA, Ramsar, and the Global Framework on Chemicals.

2. Championing sustainable and inclusive growth in the international transition to a circular plastics economy

Plastic pollution is a growing pressure on food security, biodiversity, and ecosystem health, both in the UK and globally. Addressing it also presents a major opportunity for economic transformation and green growth. Defra is leading the shift to a circular economy across government and internationally, including through the Circular Economy Taskforce and the upcoming Circular Economy Growth Plan.

This transition offers significant domestic and global growth potential. Internationally, redesigning the plastics system could create 8.6 million jobs and new business opportunities (Pew, 2025), with the waste and resources sector expanding at twice the rate of the global economy (Chateau & Mavroeidi, 2020). Systemiq (2024) estimates plastics-sector employment could rise by 70% to 12 million jobs by 2040, though benefits may concentrate in developed countries without scaled concessional finance for emerging markets. National roadmaps illustrate these gains: Nigeria projects 97,000 new jobs, while Costa Rica anticipates 17,000 jobs and over \$170 million in government savings.

3. To ensure a sustainable exit that delivers long term impact and VFM as Defra shifts to delivery models suited to the UK's new approach to development set out by the Development Minister in July 2025

Extending UK support now enables a managed transition - sharing financial responsibility with other donors, reducing the UK footprint, and prioritising long-term sustainability of GPAP partnerships. It responds to the four shifts in approach as follows:

Donor to investor

GPAP moves beyond traditional aid by convening governments, investors, Micro, Small and Medium Enterprises (MSMEs), multilaterals, and civil society to unlock growth, jobs, and trade opportunities through the circular economy transition. It provides evidence and tools that build investor confidence and catalyse innovative finance. In Indonesia, the NPAP's finance working group has developed investment pipelines for waste infrastructure

² Members across GPAP's network have committed over £2.6bn to wider plastic pollution activities in NPAP countries, and around £1m in diversified funding directly on NPAP convening activities.

and upstream innovation, attracting private and multilateral finance and showcasing how UK support can leverage significant external resources. Public and private stakeholders see the value this convening brings and are supporting the partnership, either financially or in-kind.

Service delivery to systems support

GPAP supports policy and finance reforms that mobilise domestic resources and attract investment. For example, in Ecuador, the NPAP facilitated a coalition of businesses and government to work on Extended Producer Responsibility (EPR) - a revenue-raising policy that exemplifies systemic change and creates conditions for sustainable financing of waste services. This was funded by the private sector, demonstrating the additionality delivered by the UK's investment.

Grants to expertise

The NPAPs act as a one-stop shop for knowledge and coordination in partner countries, coordinating between public institutions, civil society and businesses

GPAP has brought UK thought leadership into national planning discussions for the Plastics Treaty, for example, launching a new working group with Portsmouth University's Global Plastics Policy Centre and UK based NGO Common Seas, alongside others. GPAP is working with the Global Environment Facility's (GEF) Plastic Reboot programme, which is providing funding to implement the actions and priorities identified by the roadmaps. This demonstrates how GPAP is streamlining the multilateral offer and increasing delivery confidence for other multilateral investors.

From international intervention to local provision. GPAP aims to build local capacity through collaboration, not concentrate expertise in one actor or sector. This collaborative model ensures that knowledge, data, and tools are locally owned and tailored to local priorities, enabling countries to sustain progress beyond programme exit. In Ghana, for example, the NPAP convenes actors across the plastics value chain, linking global finance with community-led initiatives such as the ASASE Foundation, which supports women-led recycling enterprises. By connecting these grassroots efforts to broader investment and policy frameworks, GPAP demonstrates how local provision can be scaled through partnerships.

2.2. Case for Change

Current Arrangements

GPAP is HMG's only ODA programme targeted specifically at plastic pollution. Other initiatives in Defra's portfolio that provide project level or individual components on plastic waste and circular economy include Defra's contribution to World Bank ProBlue (£37.5 million) Global Fund for Coral Reefs (GFCR, £40.25 million) and the Environmental Pollution Programme (EPP, £9m). Up until 25/26, Defra funded Championing Inclusivity in Plastic Pollution (CHIPP, £3.8 million), which supported UNEP's Tide Turners Plastic Challenge and the UK's contribution to the INC Secretariat, and the Ocean Country Partnership Programme (OCP, £59.2 million), a bilateral marine technical assistance programme closing in March 2026, which has provided science and capacity building support to partner governments on tackling marine plastic pollution. The FCDO-funds two ODA programmes that fund significant activities aimed at reducing plastic pollution, though in neither case is it the primary programme objective. The Sustainable Manufacturing and Environmental Pollution (SMEP, £24 million) programme, delivering up to November 2026,

addresses plastic pollution by supporting cleaner production and material substitution in manufacturing across sub-Saharan Africa and South Asia, and supporting plastic pollution focused research. The Sustainable Blue Economies programme (SBE, £27 million), delivering up to March 2028, supports the Common Seas initiative (£1.08 million) which partners with Small Island Developing States to co-develop national plastic pollution strategies. While the status of plastic pollution programming in FCDO is currently uncertain, Defra will work with FCDO to ensure synergy with any new or continuing projects.

Future Needs

According to UNEP (2023), the global financing gap to tackle plastic pollution is estimated at \$500 billion per year through 2040, and OECD (2024) estimates that global investment needs for plastic waste management are USD 2.1 trillion between 2020 and 2040, with the largest investment gap in developing economies. These needs include investments across the transition to a circular plastics economy, including waste management and recycling, and upstream solutions like reducing the volume of packaging, developing plastic alternatives and scaling re-use systems. The global increase in circular economy investment masks a significant gap between flows to developed versus developing countries due to the higher risk associated with high costs of capital, less developed infrastructure, limited markets for recycled feedstock and other factors (Circulate Initiative 2023). Between 2018 and 2023, an estimated 89% of private finance that aims to mitigate plastic pollution was spent in North America and Europe, with only 0.09% in Africa (OECD 2024; Circulate Initiative 2023). There is also a significant disparity in investment in downstream (85%) over upstream (15%) measures, meaning efforts to reduce the volume of waste produced remain significantly under-funded.

Investment Objectives

By the end of 2027/28, the programme aims to:

- Support GPAP to strengthen the sustainability of their work so far, shifting away from dependence on public ODA finance at the global level towards building localised, sustainable financing models for the NPAP partnerships led by and for stakeholders within partner countries. This will be measured by the number of partnerships reaching GPAP's 'sustain' phase, and the volume of finance leveraged at the national level.
- Support the process to agree and implement the Global Plastic Pollution Treaty by convening and consensus building, sharing best practices, and supporting codesign of implementation approaches. More broadly, support the global evidence base and sharing of best practice on upstream and downstream plastic pollution interventions, particularly in relation to increased investment and green growth.
- Contribute to creating the enabling conditions for a just plastics circular economy transition in GPAP countries, that will be characterised by (1) increased investment in waste management and upstream circular solutions, (2) robust evidence and tools for effective policy development, implementation, and analysis. This will be measured through the value of investment catalysed and policies, plans and strategies supported, and ultimately mismanaged waste avoided.
- Reduce poverty and increase gender equality in NPAP countries by taking a multidimensional approach through (1) demand-led financial, technical and capacity support for informal sector organisations and MSMEs; (2) ensuring informal sector

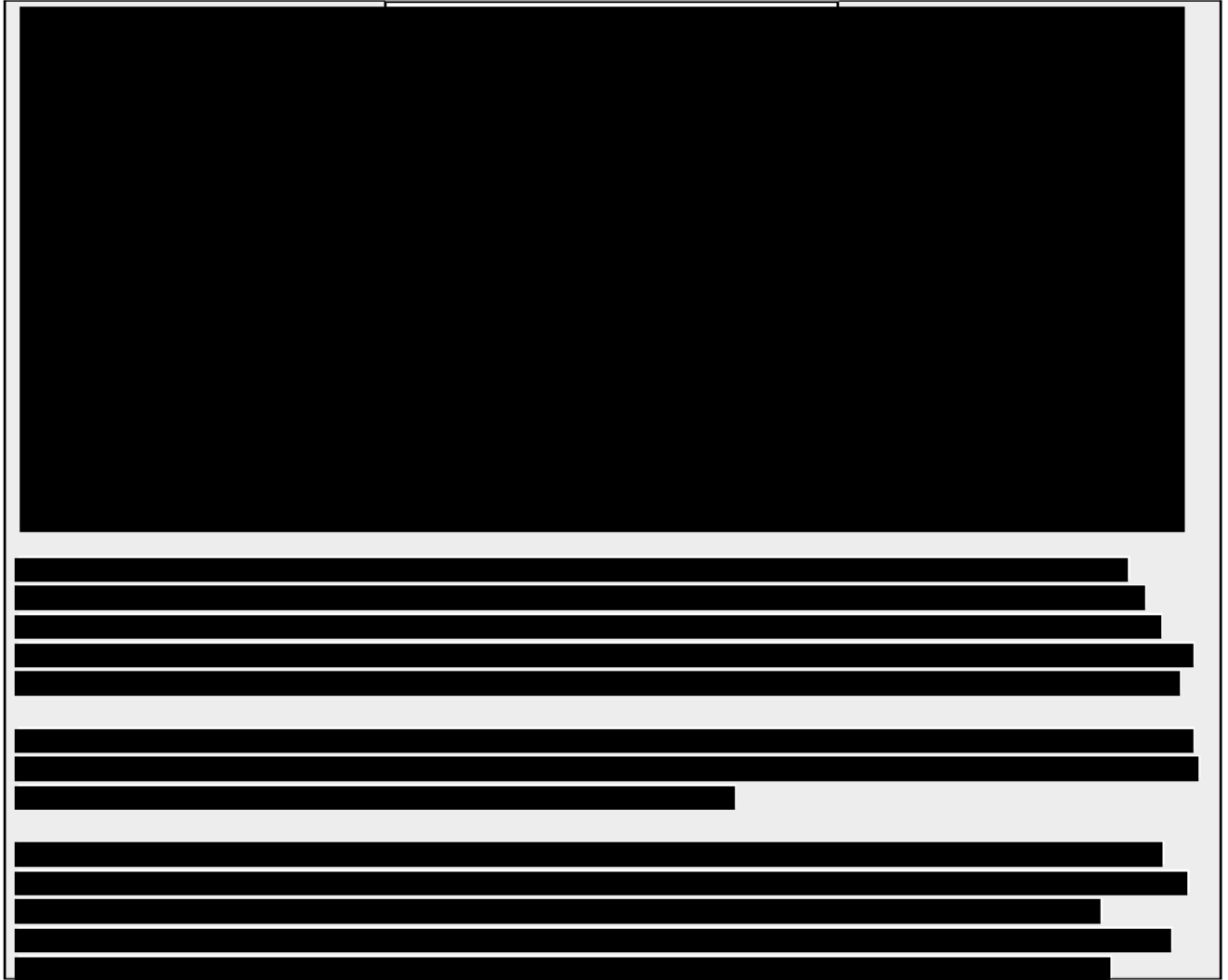
and MSME perspectives are included in policy development, delivery and decision making; (3) ensuring support provided for achieving all these objectives empowers women, girls, disabled people and other marginalised groups, in line with UK ICF GEDSI guidance and the programme's ambition to be GEDSI transformative. This will be measured by the programme's GEDSI status and the number of partnerships with GEDSI analyses.

Summary of the preferred option

Since 2018, GPAP has grown from a 3-country pilot initiative into the world's largest multi-stakeholder initiative tackling plastic pollution, supporting 25 NPAPs across Latin America, Asia, and Africa. In 15 countries, GPAP has delivered plastic pollution baseline analyses and, in 14, co-developed action roadmaps with governments, private sector, civil society, and informal sector actors. These roadmaps model business-as-usual versus high-ambition scenarios linked to the baselines, to help stakeholders prioritise decisions across the plastics value chain. GPAP has also run annual grant schemes linking NPAP enabling work to locally led projects in the informal waste economy. At a global level, GPAP convenes leaders connected to the Global Plastic Pollution Treaty negotiations, fostering ambition and collaboration. By 2023/24, members across GPAP's network committed £2.37 billion to plastic pollution initiatives, with £551 million attributed to the UK's £16 million investment in that period, based on proportional funding and confidence adjustments.

A two year sustainable exit extension, with a third un-budgeted transition year, will deliver completed baseline analyses and roadmaps for all countries, leverage more public and private finance to secure longevity of the partnerships and expand GPAP's role as a global convener, leveraging NPAP networks for South-South learning, best practice sharing, and maintain momentum in Treaty negotiations and subsequent implementation. The approach will prioritise driving local ownership of the partnerships as GPAP's global secretariat takes on a lighter touch role.





2.3. Theory of change

Plastic pollution presents a complex and systemic challenge, underpinned by multiple market failures and structural barriers. The low cost of virgin plastics and widespread availability of single-use products (SUPs) have entrenched unsustainable consumption patterns globally. In many developing countries the high perceived risk and low bankability of waste management investments have resulted in chronic underinvestment from both public and private sectors. This is compounded by infrastructure deficits, fragmented regulatory environments, and misalignment between national and international policy frameworks. The critical role played by the informal waste sector remains under-supported, poorly integrated into formal systems, and excluded from policy and investment decisions.

Given the scale and complexity of the issue, a single UK ODA programme cannot deliver transformational change in isolation. Instead, UK investment must work through partnerships and coalitions capable of driving systemic reform through improved policies and regulation, increased investment, and strengthened evidence. The strategic intent of investing in GPAP is to leverage UK funding to mobilise additional resources, shift financial flows toward the Global South, and create the enabling conditions for long-term social and environmental impacts. The full theory of change and accompanying narrative are available in annexes H and I respectively.

Overarching Principles

Inclusive design and participatory approach

GPAP's work will be underpinned by a commitment to inclusive design and participatory engagement. NPAPs will convene diverse actors to ensure that solutions are context-specific, socially equitable, and locally owned. Although not primarily a biodiversity programme, the programme will consider and reflect the UK Government's principles for inclusive, gender-responsive, locally-led biodiversity action.

Strong Monitoring, Evaluation and Learning systems

Robust monitoring, evaluation and learning (MEL) systems will be embedded across all workstreams to ensure accountability, adaptive management, and evidence-informed decision making. The indicator framework, designed to measure progress against the TOC, is set out in the management case.

Inputs and outputs

GPAP's work is divided under three broad pillars, all of which will be co-financed across donors. These include:

- (1) *NPAPs workstream*, which will ensure all 25 of GPAP's national partnerships deliver an action roadmap, support the creation and work of NPAP working groups and taskforces, and support NPAPs to transition away from direct GPAP grant funding and establishing longer term financing arrangements.
- (2) *Global and regional convening workstream*, which will build a global community of practice anchored in NPAP countries and expanded to include donor governments, informal sector organisations, private sector actors, civil society, financial institutions, and multilaterals.
- (3) *informal economy and local transition workstream*, which will support organisations implementing plastic pollution solutions. The scheme will prioritise the informal waste sector and waste sector MSMEs.

Outcomes

We expect the programme outputs to result in the following outcomes in the shorter term:

- National planning strengthened, public-private sector trust and inclusive participation in decision-making improve, measured by the number of national policies, plans or strategies influenced.
- The Private sector identify opportunities for green growth and are more active in driving, innovating and investing in circular plastics and waste management solutions, measured by investments committed by GPAP network members.
- Understanding of GEDSI context and barriers improved, measured through GEDSI analyses published and qualitative reporting.

And in the longer term:

- Strengthened policy and regulatory environment; inclusive policies and awareness campaigns are implemented
- Investment in plastic circular economy increases, project funding is scaled
- Access to and quality of waste management improved
- Working conditions for the informal sector improve
- Global and regional alignment and collaboration improve

Case Study 2.3: Leveraging finance at all levels

Increasing sustainable investment in plastic pollution solutions is embedded in the programme's work at the national, regional and global levels:

At the **national level**, GPAP supports finance task forces – multistakeholder platforms uniting government, business, civil society and financiers – to develop national financing roadmaps. These evidence-based roadmaps identify investment needs, map existing financial flows and outline the policy, regulatory and financial actions needed to mobilize capital across the plastics value chain. Over the past year, GPAP has worked actively with stakeholders in Viet Nam, Mexico City, Pakistan and Nigeria to prepare these countries to attract and deploy capital effectively.

Regionally, GPAP collaborates with partners such as the Inter-American Development Bank (IDB) and the Asian Development Bank (ADB) to connect financiers and governments, promote knowledge-sharing, encourage a shared investment taxonomy and align portfolios with regional priorities. In April 2025, GPAP and the UNEP Finance Initiative (UNEP-FI) convened a session bringing together North American banks and investors to better understand portfolio risks related to plastic pollution. In May, in partnership with the IDB, GPAP brought together key finance leaders from across Latin America and the Caribbean at the World Circular Economy Forum in São Paulo to align on taxonomy and investment approaches for the region.

At the **global level**, GPAP continued to lead the Financing Coordination Group (FCG), supported by the Organisation for Economic Co-operation and Development (OECD), UNEP-FI, the World Bank and the Circulate Initiative, to drive knowledge sharing, capacity-building and coordination throughout the financing ecosystem while aligning with the global plastics treaty process. The group has conducted a webinar series, engaging 529 participants from 93 countries. It also held finance days during the First Part of the Fifth Session of the Intergovernmental Negotiating Committee to develop an international legally binding instrument on plastic pollution (INC-5.1) in Busan, and the Second Part of the Fifth Session of the same body (INC-5.2) in Geneva, each with more than 100 participants. Through these activities, the group has advanced understanding of outcome-based financing, funding gaps and enabling environments for investment to inform key actors and promote scalable investment strategies.

Impacts

The project is expected to deliver economic, environmental and social impacts that will be measured through the programme logframe.

Economic benefits: Accelerated circular transition and green, equitable growth

If investment increases and inclusively designed policies are effectively implemented, this will stimulate green, equitable growth and accelerate the circular economy transition, increasing resource security and the resilience of supply chains.

Environmental benefits: leakage/mismanaged waste reduced

If public and private investment improves access to and quality of recycling and waste management infrastructure, plastic leakage into the environment will decline. If upstream solutions such as reuse are better funded and supported by regulation, they will become more competitive, reducing the volume of virgin plastic produced and mismanaged waste over time. This will be measured in the logframe by the volume of mismanaged plastic waste avoided, either through up-, mid- or down-stream solutions.

Social benefits: quality of life improved, poverty reduced (direct and indirect)

Indirect: Improved access to waste management services will enhance community wellbeing - through cleaner environments, reduced exposure to pollutants, and time savings for those disproportionately burdened by household waste management, often women.

Direct: The programme will improve quality of life for informal workers via safer working conditions, access to credit, financial independence, fairer pay, stable employment, and social protections.

Assumptions

These assumptions are linked to the dependencies discussed in the next section. Further assumptions are set out in the TOC narrative.

- At the global level, ambition to address plastic pollution in GPAP countries will be sustained.
- GPAP is sufficiently prepared to adapt to the outcome of the process to agree a Global Plastic Pollution Treaty, whether or not a treaty is agreed.
- Stakeholders with diverse interests will engage constructively in dialogue. Convening will lead to greater policy alignment and foster trust.
- GPAP/WEF will be able to adapt to changes in the geopolitical environment globally and nationally to deliver on objectives.
- Sufficient resources will be available to deliver GPAP outputs, supported by co-financing from public donors and private sector partners.
- Concessional finance and technical assistance mechanisms will be available to countries to support infrastructure investment and capacity building.
- With the right incentives in place, producers, consumers, and businesses will adopt more sustainable behaviours.

Dependencies

Global Plastic Pollution Treaty

While not a necessary condition for impact in NPAP countries, a strong treaty addressing the full lifecycle of plastics would catalyse progress across multiple outcomes. We expect it would unlock financing for capacity building and technical assistance, establish reporting frameworks, and send signals to shift public and private investment toward circular solutions.

Private Finance

Achieving circularity and improving waste infrastructure at scale requires significant private investment. Funding is concentrated in the Global North and favour downstream over upstream solutions. While programme inputs (e.g. concessional finance, enabling policy, investor-innovator linkages, and regional alignment) aim to improve investment conditions, progress ultimately depends on private finance institutions shifting their investment patterns.

Other multilaterals

GPAP's effectiveness as an impartial convener depends on the active and coordinated engagement of other multilateral organisations. These actors play a critical role in supporting public sector capacity - particularly in developing countries - through technical assistance, policy guidance, and financing. To maximise impact, it is assumed that multilateral partners will collaborate constructively, avoid duplication, and clarify roles and responsibilities within shared platforms. The UK will take an active role working with WEF and others to streamline the multilateral offer to developing countries to manage this dependency.

Strategic Risks

This section highlights the top strategic and delivery risks. A full discussion of risk appetite and management is set out in the Management Case.

Risk of informal sector exclusion

As investment and formalisation accelerate, there is a risk that informal waste workers are left behind. If NPAPs and project funding do not embed inclusive design and participatory governance, reforms may marginalise these actors who collect an estimated 60% of recycled materials globally (UNEP 2024), and hold vital experience and expertise for the circular economy transition. The programme will mitigate this by maintaining strong GEDSI principles, ringfencing funding for informal sector organisations, and ensuring their representation in NPAP governance and policy processes. Section 2.4 below covers GEDSI in more detail.

Global Plastic Pollution Treaty not agreed or delayed

Failure to agree or implement a treaty could weaken momentum, reduce financing flows, and fragment global coordination. GPAP is mitigating this by positioning the programme as a complementary mechanism regardless of treaty outcome, maintaining engagement with UNEP and member states, and continuing to convene finance and policy dialogues to sustain progress.

Geopolitical instability and local conflict

Political instability or conflict at global, regional, or national levels could disrupt NPAP operations, deter investment, and limit stakeholder engagement. The programme will mitigate this by diversifying partnerships geographically and bolstering support through regional networks, maintaining flexible delivery models, and strengthening country-specific risk monitoring through regional coordinators and UK posts.

Economic downturn and private sector retrenchment

Global or national recessions could reduce private sector appetite for investment in circular economy solutions, slowing progress toward systemic change. The programme will mitigate this by collaborating with other multilateral/ concessional finance mechanisms and strengthening enabling policy frameworks to help de-risk investment.

2.4. Gender Equality, Disability and Social Inclusion (GEDSI) and Public Sector Equality Duty (PSED)

GEDSI Analysis

GPAP is currently assessed GEDSI empowering in Defra's GEDSI ambition framework, and the programme is marked 1 (principal policy objective) on the OECD gender equality policy marker. The programme's approach to GEDSI should be understood in the context of GPAP's role as an enabler and convener, rather than funding direct delivery of interventions, as described in the theory of change. This approach carries benefits and risks for delivering GEDSI outcomes.

- **Risks:** Impacts are often indirect, and pathways to achieving these are dependent on significant assumptions and externalities; implementation is left to actors in countries, except for inclusive participation, which the programme can foster directly.
- **Benefits:** The programme is designed to be an impartial tool to help stakeholders in countries lead change themselves. It provides advice and guidance, and co-created context specific evidence, without dictating an approach. By design, GPAP aims to deliver institutional and societal change by empowering and including others.

GPAP supports countries to produce and publish GEDSI analyses or Social Context Assessments of their plastic value chain. As an extension to an existing programme, we

have not commissioned a new GEDSI analysis to inform this business case. Annex D presents a summary analysis of the programme's evidence and approach that reflects GEDSI analysis findings at the global level, with specific examples drawn from national-level analyses. The GPAP GEDSI Action Plan (Annex E) set outs progress towards the programme's transformative impact, and what this would look like in practice.

Equalities Impact Assessment

The UK will draw on Defra's ODA Equalities Impact Assessment (May 2025) and guidance from Defra Social Development professionals to communicate expectations around inclusive programming. The programme's approach and response to this assessment, including risks and how they will be addressed, are discussed in the next section, and in Annexes D and E. SEAH is discussed in the Management Case, with specific actions set out in Annex F. The programme will continue ring-fenced funding for GEDSI, including strengthening SEAH provisions as set out in the Management Case. Through strategic engagement, the UK will work to ensure that WEF continues to advance equality of opportunity, eliminate discrimination and foster good relations, in line with the Public Sector Equality Duty and the UK's broader international development commitments.

Equality Statement

In the design of the intervention, GPAP has considered the likely effect in reducing gender inequality and whether it may make sustained improvements to the lives of women and girls working in or impacted by the plastics value chain:

Burden and barriers faced: As set out in the GEDSI analysis, GPAP delivers a GEDSI assessment for all countries where it works to strengthen understanding of challenges and barriers faced by marginalised groups in the plastics value chain, in particular women waste workers. If NPAPs produce GEDSI analyses informed by inclusive participation, understanding of barriers facing marginalised groups (e.g. women, youth, disabled people, indigenous communities, undocumented workers) will improve. Barriers to disabled attendance at NPAP events is highlighted in multiple social context assessments.

Opportunities and benefits: If insights from GEDSI analyses inform national planning, inclusive policy implementation will be more likely. If GPAP's informal sector grants are inclusively designed and delivered, the experiences of these projects can be shared to further increase understanding of, and solutions to, the barriers facing these groups. GPAP confronts these barriers by prioritising increasing inclusive representation in decision making and increasing the capacity and resources available to women and other marginalised groups impacted by the programme. If private sector funding for downstream projects is scaled and spent equitably, and inclusive national and local waste management policies are implemented, working conditions for informal workers will improve. This includes increased participation in the formal economy with flexible and fair labour rights aligned to international standards, resulting in greater job security, financial independence, fairer pay and benefits, improved health and safety, and expanded opportunities for entrepreneurship. Social context assessments highlight actions to strengthen disability inclusion in NPAP taskforces and decision-making bodies, for example providing accessible meeting venues, materials in braille or easy-read formats, and sign-language interpreters. These actions are publicly available, and the NPAPs should play a role modelling best practice.

Mitigated disbenefits: The programme will mitigate the risk that the informal sector and other marginalised stakeholders are left behind. It will do this by increasing equitable

participation in policy and governance discussion decision-making, and ensuring project design and selection includes and responds to the needs of marginalised groups.

How this is measured and monitored: The programme indicator framework set out in the management case details the integration of GEDSI in MEL. GPAP will report disaggregated data for all people focused indicators (gender, geography, as minimum, and disability, rural/urban and age where available and appropriate). This reporting will be supplemented by case studies and other qualitative data to test assumptions and demonstrate impact more tangibly. Success against this will be evaluated independently, including how well the programme responds to the lessons and recommendations that come out of the 2025/26 evaluation currently ongoing.

2.5. ODA eligibility, Geographies and ICF

ODA eligibility

Only ODA-eligible countries are eligible to receive support from GPAP to establish a partnership under the programme. The previous section set out the programme's approach to tackling gender and other social inequalities. The theory of change section sets out the programme's wider approach to promoting the economic development and welfare of developing countries. This can be summarised as: creating inclusive and impartial stakeholder partnerships that provide the evidence, tools and stakeholder convening to strengthen policy and increase investment linked to the circular plastics economy transition.

Geographic Prioritisation

GPAP currently supports national partnerships in 25 countries across Latin America and the Caribbean, South and Southeast Asia, and Africa:

- LDCs: Angola, Bangladesh, Cambodia, Lao PDR, Senegal, Tanzania, Zambia
- LMICs: Ghana, India, Kenya, Nigeria, Pakistan, Philippines, Vietnam
- UMICs: Colombia, Costa Rica, Dominican Republic, Ecuador, Gabon, Guatemala, Indonesia, Mexico, Panama, Paraguay, Peru

The portion of UK spend on GPAP that is spent directly in country covers grants to NPAP host organisation secretariats, data baselining, roadmaps and other knowledge products. While all partnerships will continue to receive support from GPAP until they establish independent funding models, the selection of countries under the UK grant should be guided by the following principles:

- Must be ODA eligible
- [REDACTED]
- LMICs and LDC partnerships are prioritised

It is important to note that given the UK's significant contribution to GPAP, and continued support for the programme at the global level, the UK will retain engagement and influence in countries across the network, regardless of whether or not Defra funds the partnership's host organisation. This includes countries after they have moved in the 'sustain' phase.

ICF eligibility and Paris Alignment

The programme is aligned with HMG's fossil fuel policy, and partner countries' own climate and biodiversity plans (NDCs, NAPs, NBSAPs) – indeed there are opportunities to support these. The preliminary Climate and Environment risk assessment (CERA) found the programme moderate risk for climate, due to the range of geographies and vulnerability of

some stakeholder groups, and low risk for environment. It is not required to undertake Shadow Carbon Pricing as emission reductions are a secondary rather than primary benefit. Monetisation of emissions is included in the economic appraisal as part of the valuation of avoided mismanaged plastic waste, for example the reduction of open burning.

In March 2025 the GPAP programme team and Defra ODA hub agreed to increase the ICF% for the GPAP programme to 70% to 80%, on the basis of evidence submitted on the relationship between plastic pollution and climate change. This section sets out that case and presents how the programme is aligned to the Paris Agreement. Of the 80%, 100% is classified as mitigation. There is a strong link between plastics and climate mitigation. The OECD estimates that greenhouse gas emissions from the plastics lifecycle in 2019 were estimated to be 1.8 billion tonnes, or 3.4% of the total global emissions (OECD, 2022). By 2040, annual greenhouse gas (GHG) emissions from the global plastic system will increase by 58% to 4.2 gigatons of carbon dioxide equivalents (GtCO₂e) – equivalent to the emissions from one billion gasoline-powered cars (Pew 2025).

GPAP contributes to reducing emissions from this sector by improving the evidence base in partner countries on the pollution-climate link and recommending policies and actions that the private and public sectors can take to reduce emissions across the lifecycle. The two main examples of these are that improvements in waste management will reduce open burning of plastic waste and increases in reuse and recycling will help reduce reliance on primary plastic production. GPAP's roadmaps model these possible CO₂ savings by country, comparing BAU with higher ambition scenarios, and monetisation of emissions savings is included in the appraisal case. For example, the Nigeria Roadmap estimates that if stakeholders can achieve the actions in the plan, emissions from the sector by 2040 will reduce from a BAU 123,200 to 75,500 (KtCO₂e/year), a 39% reduction. As set out in the management case, the programme will explore using this data to report against ICF KPI 6, CO₂ emissions reduced or avoided, in addition to current ICF KPI reporting (see Table 2.5b). While the principal objective of the programme is not climate mitigation, it is a secondary objective with clear causal links embedded in the theory of change, which justifies 80%.

Tables 2.5a, 2.5b

Theme	Marker	Funding %
Climate	1	80%
Mitigation	1	100%
Adaptation	-	0%
Nature	2	100%
Desertification	0	0%

ICF KPI	Cumulative Reported to date (to March 24)
KPI 11: Public Finance Leveraged (£m)	£326,588,295
KPI 12: Private Finance Leveraged (£m)	£35,583,751
TA KPI 1: Countries Supported (#)	15
TA KPI 2.1: Individuals supported (#)	6,615
TA KPI 3: Climate policies improved #	30

The project is expected to have a considerable net-positive sustainability impact. The sustainability impact assessment table is set out in Annex C.

Positives:

- Support the shift to a circular plastics economy will reduce plastic pollution, reduce CO₂ emissions associated with virgin plastic production and waste management, reduce pressure on biodiversity and ecosystems caused by plastic pollution
- Increase investment into other sustainable projects that will improve waste management in local communities, targeting vulnerable groups such as informal sector workers
- Project designed in partnership with country governments, sub-grants designed and selected based on feedback from affected stakeholders
- The project supports the reduction in natural resource use (fossil fuels)
- Monitoring framework that will track the equitable distribution of benefits
- Clear plans in place for SEAH safeguarding and protections against modern slavery, in line with UK ODA operating rules.

Negatives:

- Project delivery will require frequent long distant air travel.

The project investment objectives are specific to delivering social and environmental benefits, with a theory of change and results monitoring framework designed around how these benefits may be realised in practice.

2.6 Benefits and costs summary

Monetised benefits

This business case monetised the value of tonnes of reduced mismanaged plastic waste, alongside the socio-economic benefits of the circular transition, through the number of jobs created. The methodology and values are set out in the appraisal case.

Unmonetised benefits

The programme is expected to deliver the following unmonetised benefits:

- Social benefits including increased quality of life for waste sector workers, measured through income, job stability and access to social and healthcare protections.
- Health benefits of reduced exposure to chemicals, not measured
- Increased participation of marginalised groups, in particular women working across the plastic value chain, measured in qualitative assessments of participation such as inclusion in decision making, access to finance, improved job security and access to opportunities.
- The programme will measure increases in investment in plastic pollution solutions.
- Increase in, or reduced pressure on, ecosystem services, such as flood protection and fish stocks, not measured.

Direct Costs

- Up to £5 million direct project costs to Defra through this financial commitment
- Estimated minimum £5 million project costs carried by other donors
- £375,000 resource cost to Defra

Indirect costs and disbenefits

As with any significant economic transition, the movement towards circularity in plastics, and shift towards reducing overall consumption of plastics, may result in a range of disbenefits, some of which could negatively impact the poorest in society. The risk of disbenefits will be managed as part of the programme's wider approach to risk, and will be assessed in more detail through programme evaluations.

- As recycling increases, health impacts for those working in the sector may worsen due to increased exposure to harmful chemicals and microplastics (SMEP, 2024)
- Some interventions may drive up the cost of virgin plastic products on which individuals and businesses rely for low-cost products, many of which have driven improvements in quality of life (e.g. perishable food; single-use models)
- Businesses with unsustainable practices may lose income if they fail to adjust to changing policy environments
- Improved waste management and reduced plastic litter may limit the work available for informal waste workers and increase competition within the sector.
- The wider systems change GPAP aims to catalyse is likely to incur costs on the public and private sector.

3. The Economic Dimension

3.1 Introduction

This Economic Case presents a Green Book-compliant assessment of Value for Money (VfM) of the proposed extension of the Global Plastic Action Partnership (GPAP). It sets out the rationale for intervention, assesses a range of delivery options, and quantifies the expected economic and social benefits of the shortlisted options. The appraisal focuses on comparing the costs and benefits of a continued UK partnership compared to a baseline scenario where the UK withdraws. Detailed technical assumptions and modelling notes are available in the separate model documentation.

Market Failures and Rationale for Intervention

The rationale for intervention is underpinned by a number of market failures that prevent efficient outcomes and justify public action, as set out below.

- **Negative externalities:** The primary failure is the unpriced negative externality of plastic production and disposal. The market price of virgin polymer reflects only extraction and processing costs, ignoring the downstream costs imposed on society, such as marine ecosystem damage, health burdens from open burning, and degradation of urban infrastructure.
- **Information gaps:** Institutional investors and development finance institutions face significant information gaps. They often lack reliable data on waste feedstock volumes, regulatory stability, particularly in low- and middle-income countries (LMICs), preventing the deployment of capital despite available global funds. These gaps persist in part because such data is a public good creating a free-rider problem and weak incentives for any single investor to bear the upfront cost, as well as potential barriers due to uneven standardisation across markets.
- **Coordination failures:** The waste value chain is fragmented between informal sector workers, municipal governments, and private recyclers. No single actor has

the incentive or capacity to coordinate the systemic shift required to make recycling profitable.

- **Inequality and inclusion:** The plastic recycling sector is reliant on 20 million informal waste pickers, responsible for around 60% of plastic collected for recycling globally, who often lack access to decision-makers and are therefore excluded from key decisions which impact their basic needs and livelihoods. 2 billion people globally do not have access to adequate waste management. Poor people often live closest to mismanaged waste, making them more vulnerable to health impacts.

GPAP addresses these failures by acting as a catalytic convener. By funding the "soft infrastructure" of National Action Roadmaps and governance frameworks, the UK strengthens the enabling policy environment. This mitigates the coordination failure and provides the verified data required to unlock downstream investment from the private sector and Multilateral Development Banks.

3.2 Long List Appraisal

For this appraisal, ten options were identified and assessed against the following critical success factors: strategic alignment, value for money (VfM), ability to address market failures, and contribution to poverty reduction, GEDSI objectives and meeting the ISBF Investment Criteria. The outcome of this assessment is summarised in Table 3.1 below.

Table 3.2 Long list of options

Critical success factor	Strategic fit	VFM	Market failures	GEDSI, poverty, investment criteria	Carried forward?
Option 0 - do nothing					Yes, baseline do nothing
GPAP Extensions					
Option 1 - do minimum (GPAP 2.5m)					Yes, do minimum
Option 2 – GPAP 5m					Yes
Option 3 - GPAP 7.5m					No
Other Options					
					No
					No
					No
					No
					No
					No

Option 0: No further investment (£0 million): Requires no additional expenditure but would stop delivery of activities, reduce UK engagement on international plastic pollution, and limit influence. Retained as the "do nothing" baseline for appraisal.

Options 1-3: GPAP Extension Options

Option 1. Minimum funding for rapid exit from GPAP (1 year, £2.5 million): Provides £2.5 million for a one-year exit by March 2027, completing country roadmaps but reducing secretariat functions and limiting global convening. The short timeframe increases sustainability risks, with less funding available for ringfenced GEDSI workstreams, together leading to more limited distribution of both long and short term benefits. Retained as the "do minimum" scenario.

Option 2. Funding for sustainable exit from GPAP (2 years, up to £5 million): Commits up to £5 million for a sustainable exit strategy. It delivers core activities in all partnership countries, with increased focus on mobilising finance and ensuring self-sufficiency for National Plastic Action Partnerships (NPAPs). Uplift allows for continuation of ringfenced GEDSI activities. Combined with the focus on sustainable exit, this option would deliver a higher proportion of benefits to marginalised stakeholders by funding activities that directly support informal sector workers and ensuring the NPAPs are well supported to transition away from ODA. This option is the minimum option covering GPAP's finance gaps to deliver the sustain phase across all countries, without the UK displacing other donor's investments. This is the recommended option based on the appraisal.

Option 3. Continue medium ambition (3 years, £7.5 million): Maintains funding at £2.5 million/year. While it ensures continuity and reduces risk to GPAP should they fail to secure other donor commitments, it does not support a shift away from ODA reliance, limiting long-term sustainability. Discarded.

Options 4-9: Alternatives Considered

Option 4. [REDACTED] to support small grants for technical assistance and treaty-linked capacity building. Although it leverages diplomatic links, it was discarded because the project-based model lacks a framework for systemic change and relies on Secretariat capacity which remains uncertain. Discarded.

Option 5. [REDACTED] (£7.5 million): Allocates funding to a new global blended finance platform designed to unlock capital for national action plans and market solutions. [REDACTED] prioritisation of GEDSI remains uncertain. It was discarded because the [REDACTED] is still in the design phase, and acting as a sole early-stage investor carries disproportionate delivery risk. Discarded.

Option 6. [REDACTED] (£5 million): Allocates funding to join a public-private partnership delivered by [REDACTED] and the [REDACTED] focusing on upstream solutions through grant competitions. It was not taken forward due to its limited geographic scope, weak public sector engagement, and lower emphasis on GEDSI outcomes compared to GPAP. Discarded.

Option 7. [REDACTED] (£0.5-2 million): Provides funding to a UK-based NGO supporting Small Island Developing States (SIDS) with data analysis and national planning. While it offers strong geographic focus, it lacks the scale, systems-level approach, and finance-leveraging mechanisms required for a standalone investment. Discarded.

Option 8. [REDACTED] (£2-5 million): Provides funding to [REDACTED] to support coordination and knowledge sharing. Despite aligning with international policy, evidence of poverty reduction and GEDSI outcomes is limited compared to development-focused options. Discarded.

Option 9. [REDACTED] (£2-5 million): Allocates funding to this [REDACTED] initiative to reduce marine litter from shipping and fisheries through policy reform. It was not taken forward because its narrow sectoral scope fails to address land-based sources (the primary driver of pollution) and offers only modest GEDSI outcomes. Discarded.

3.3 Appraisal Methodology

The appraisal evaluates the shortlisted options against a counterfactual of "No Further Investment" (Option 0). The following sections detail the data sources, valuation approach, and unmonetised impacts.

Data sources and forecasting methodology

The quantitative model uses the country-specific data³ generated by the GPAP National Analysis and Modelling (NAM) tool. This compares two divergent futures for 2040:

1. Business as Usual (BAU): The projected volume of mismanaged waste and pollution if current trends continue without intervention.
2. System Change Scenario (SCS): The projected outcome if circular economy interventions (elimination, reuse, recycling) are fully implemented.

As this is an *ex-ante* assessment, the model projects annual gains by assuming a linear progression from the current baseline toward the ambitious 2040 targets. The benefits are monetised across two main streams: **Plastic Waste Avoided** and **Livelihood Improvements**.

Valuation of Plastic Waste Avoided

Plastic waste avoided is categorised by environmental context: aquatic leakage, open burning, and terrestrial leakage. The table below shows the estimated shadow prices applied to each pollution source. A GNI Adjustment of 0.174 is applied to reflect income differences and willingness to pay in GPAP countries:

Table 3.3 Shadow prices of plastic waste by pollution source

Pollution Source	Estimated cost per tonne (2025 prices, GNI-adjusted)	Methodology
Aquatic	£3,103	Beaumont et al. (2019): Global per-tonne valuation of marine plastic damage, combining quantified losses to fisheries, aquaculture, tourism, shipping, and

- ³ Mature NAM data is used for the nine established partners (e.g., Vietnam, Nigeria), while a "GPAP Average" proxy (derived from mature datasets) is applied to pipeline countries (e.g., Kenya, Bangladesh).

⁴ Using the 0.16 GNI Adjustment Factor from the ProBlue business case

		coastal ecosystem services (e.g., carbon sequestration, nutrient cycling).
Open Burning (PM_{2.5})	£213	Assumes 15 kg of PM _{2.5} emissions per tonne of plastic waste burned, reflecting a plastic-rich waste stream. This value lies between the lower baseline for general municipal waste (8 kg/tonne) and the higher range for pure plastic, valued using Defra's Air Quality Appraisal costs.
Open Burning (CO₂)	<i>Year Specific</i>	Assumes 2.7 tCO ₂ e per tonne of plastic burned (Break Free from Plastic, 2022), monetised using the year-specific DESNZ 2022 Carbon Values for Appraisal.
Terrestrial	£44	Terrestrial and dumpsite waste are grouped due to data gaps and interconnected leakage. The shadow price of mismanaged municipal waste (Mansur et al., 2022) provides a conservative proxy for their social cost in LMICs
Dumpsite	£44	Grouped with terrestrial costs due to porous boundaries between dumpsites and leakage in LMICs.

Valuation of Job Creation

The appraisal values the socio-economic benefit of employment using “Net Jobs Created” figures from each partner country’s National Plastic Action Roadmap. These projections capture the difference between the ‘Business as Usual’ baseline and the ‘System Change Scenario’, accounting for labour market displacement (netting off job losses in traditional sectors against gains in the circular economy). The net increase reflects that circular interventions, such as expanded collection networks, material recovery facilities, and recycling plants, are more labour-intensive than passive disposal methods (e.g., open dumping or burning). To monetise this benefit, the model applies country-specific minimum wage rates to these net additional roles, converted to full-time equivalent annual income.

Current data does not disaggregate job type because this is a new indicator for the logframe and National Plastic Action Roadmaps do not specify whether roles are formal or informal. The analysis assumes job creation includes both formal and informal roles, with most expected to be formal as investment and policy reforms drive sector formalisation. This assumption reflects expectations that improved enabling conditions and financing will support formal employment growth while improving conditions for those remaining in the informal sector (e.g., rights, pay, safety).

The lack of disaggregated data introduces uncertainty. If more jobs remain informal than assumed, monetised benefits based on minimum wage proxies may overstate improvements in job quality. This risk is partly mitigated by the programme’s focus on inclusive policy reforms and GEDSI principles, which aim to improve working conditions across both formal and informal roles.

Attribution

Since the forecasts represent system-wide changes at a national level, a two-step

attribution is applied to ensure benefits are strictly proportionate to the UK's specific intervention:

- **GPAP-to-Results (5%):** The economic model draws on NAM data, which estimates the benefits of full national transitions to a circular economy, driven by government, industry, and civil society. GPAP's role is catalytic, providing the enabling soft infrastructure of governance, coordination, and data rather than funding capital-intensive recycling infrastructure. Claiming 100% of the national-level outcomes would overstate the GPAP's impact; therefore, a 5% attribution rate is assumed. This reflects GPAP's marginal contribution to unlocking systemic change while assigning the remaining 95% of benefits to national policies, private investment, and other actors.
- **Defra-to-GPAP (██████):** The benefits are further adjusted to reflect the UK's specific share of the total GPAP donor pool.

Wider Impacts

In addition to the monetised benefits of avoided plastic waste and job creation, GPAP is expected to deliver wider impacts that are not captured in the economic model. These include:

Unmonetised benefits:

- **Social welfare:** Formalising informal waste work provides safer working conditions, access to social security, and legal recognition (beyond the wage value monetised in the main model).
- **Health security:** Reduced transmission of waterborne and vector-borne diseases linked to stagnant waste.
- **Ecological health:** Avoiding soil contamination maintains agricultural productivity and reduces pressure on ecosystems.
- **Public sector savings:** Reduced fiscal costs from lower expenditure on infrastructure repairs caused by flooding and drainage blockages.
- **Private sector commercial returns:** The economic model captures the societal value of avoided pollution but does not monetise the financial returns from waste management infrastructure. Under the System Change Scenario, increased recovery of materials such as PET and HDPE is expected to generate revenue for private operators through the sale of recycled feedstocks.
- **Soft power and diplomatic influence:** Continued UK engagement through GPAP strengthens the UK's position as a global leader on plastic pollution and circular economy transition. This influence supports UK priorities in multilateral negotiations, including the Global Plastic Pollution Treaty, and enhances the UK's ability to shape international standards and financing mechanisms.

Unmonetised costs:

- **Private sector CAPEX:** Delivering the System Change Scenario will require private investment in waste management infrastructure. These costs are not included in the central economic model due to data limitations: the NAM tool projects physical waste flows rather than financial costs, and comparable infrastructure cost data are not available across the 25 partner countries

3.4 Option Assumptions

Country Maturity and Funding Impact

The NAM modelling establishes the theoretical volume of plastic reduction possible (the System Change Scenario), the realised success depends on the level of investment. Consultation with the programme team confirms that GPAP partnerships follow a non-linear trajectory: they require a critical mass of funding to overcome initial setup before reaching self-sufficiency. To reflect this, the appraisal applies the S-Curve theory of institutional capacity⁵. This framework underpins the option differentiation because the funding option chosen determines the Goal Achievement Rate (GAR) applied to each country in the model, effectively adjusting the theoretical NAM data to reflect the likely implementation reality under different budget constraints. The implications for each option are as follows:

Option 0 (No Further Investment) - Counterfactual

Immediate cessation of funding results in a loss of momentum.

monetised benefits of Option 0 (£277.5 million) represent the baseline; the economic case for Options 1 and 2 relies solely on marginal benefits achieved above this baseline.

Option 1 (Managed Exit)

Funding is scarce. High-potential countries are capped at the Adoption Stage (40%) because the funding envelope cannot support countries to progress fully through GPAP's delivery model.

Option 2 (Supportive Exit)

Strategic bridge financing releases constraints, allowing pipeline countries to move from "Adoption" to the Maturity Stage (100%). This unlocks the increasing returns associated with self-sufficiency.

Table 3.4 below summarises the count of countries/regions assigned to each phase (Early, Adoption, Mature) for each funding option. As shown, Option 0 results in limited progress, with many partnerships (16) remaining at the Early stage. Option 1 enables more countries to move out of the Early stage, but 13 countries remain at the Adoption stage due to funding constraints. Option 2 provides additional investment that allows 18 countries to reach the Maturity stage, increasing the number of countries achieving the full 100% Goal Achievement Rate and maximising the overall programme impact.

Table 3.4 Summary of Countries/Regions Assigned GAR

<i>Maturity Stage</i>	Goal Achievement Rate (GAR)	Option 0 (No Further Investment)	Option 1 (Managed Exit)	Option 2 (Supportive Exit)
<i>Early</i>	20%	16	5	5
<i>Adoption</i>	40%	4	13	2

⁵ The S-curve model of adoption is derived from Rogers, E. M. (2003). *Diffusion of Innovations*. In the context of development economics, the non-linear trajectory of institutional capability—characterised by an initial "implementation dip" before acceleration—is supported by Andrews, M., Pritchett, L., & Woolcock, M. (2017). *Building State Capability: Evidence, Analysis, Action*. Oxford University Press.

Mature	100%	5	7	18
Total (Regions/Countries)		25	25	25

3.5 Cost-Benefit Analysis (Quantitative Results)

This section presents the cost-benefit analysis for the shortlisted options. The modelling reflects costs incurred by Defra and benefits attributed to these costs, based on the programme's catalytic role in enabling system change. It does not include costs borne by other donors or private sector actors, nor does it monetise leveraged finance (although this is estimated). Private investment is critical for achieving the benefits assumed in the System Change Scenario, these costs cannot be estimated and are discussed in the limitations section.

While leveraged finance provides an indication of the overall scale of investment being mobilised, it is not equivalent to private sector capital expenditure, as the current profile reflects both public and private funding (approximately 77% public and 23% private). Leveraged finance also does not represent a pure social cost, these investments are expected to generate commercial returns, fiscal savings, and wider system benefits that are not captured within the cost-benefit analysis.

The appraisal uses a 10-year period (2026–2035) and applies an indicative 10% discount rate, reflecting that costs and benefits may be discounted at a higher rate in developing countries compared to the UK domestic rate of 3.5%. The central scenario results are shown in Table 3.5 below.

Table 3.5 Summary of Cost-Benefit Analysis (Central Scenario)

(Discounted, 2025 Prices)

Metric	Option 1 “Managed Exit”	Option 2: Supportive Exit (Preferred Option)
Net Discounted Benefits	£32.2 million	£109.3 million
<i>Of which</i>		
Avoided Plastic Pollution	£31.8 million	£107 million
Jobs Created	£0.4 million	£2.3 million
Net Discounted Costs	£2.5 million	£4.9 million
Net Present Value (NPV)	£29.7 million	£104.4 million
Benefit-Cost Ratio	12.9	22.5
2035 Annual Plastic Pollution Avoided (Kilotonnes)	32 kt	108 kt

2035 Annual Net Jobs Created	184	750
-------------------------------------	-----	-----

Distributional considerations

- **Job type:** Net jobs comprise both formal and informal roles. Based on programme design and expected formalisation under the System Change Scenario, most new roles are expected to be formal; however, current roadmap data do not specify job type.
- **Equity and inclusion:** Distributional benefits are expected to accrue to lower-income workers engaged in labour-intensive activities (collection, sorting, recycling). The programme's GEDSI approach aims to improve access, safety and protections for women, youth, and disabled workers in both formal and informal roles.
- **Data and reporting:** Disaggregated reporting will be incorporated into the logframe. Where feasible, wage bands and contract type (FTE vs casual) will also be reported.

Option 1: Managed Exit

Option 1 represents a constrained exit with a single upfront financial cost of £2.5 million. Over the 10-year appraisal period, this option generates net discounted benefits of £32.2 million, of which £31.8 million comes from avoided plastic pollution and £0.4 million from jobs created. The Net Present Value (NPV) is £29.7 million, and the Benefit-Cost Ratio (BCR) is 12.9. By 2035, the option achieves 32 kilotonnes of annual plastic pollution avoided and 1846,87 net jobs created.

While all metrics are positive, they reflect a ceiling on impact: the limited funding constrains newer partnerships, capping progress at the adoption phase and preventing the portfolio from scaling fully.

Option 2: Supportive Exit (Preferred Option)

Option 2 provides financing up to £5 million (split as £3.5 million in 2026 and £1.5 million in 2027), resulting in net discounted costs of £4.9 million. This option delivers £109.3 million in net discounted benefits, of which £107 million derives from avoided plastic pollution and £2.3 million from jobs created. The NPV rises to £104.4 million, with a BCR of 22.5. By 2035, annual plastic pollution avoided reaches 108 kilotonnes, and 750 net jobs are created.

Interpretation of Results

The appraisal shows that the scale of investment strongly influences value for money. Option 1 delivers positive outcomes but is constrained by limited funding, which caps progress at the adoption phase and prevents most partnerships from reaching maturity.

Option 2 involves an investment of £5 million compared to £2.5 million under Option 1, but delivers more than three times the benefits, with net discounted benefits of £109.3 million versus £32.2 million. This reflects that additional funding allows the programme to consolidate progress and move more partnerships toward maturity, securing the value for money of prior investment while supporting a managed transition away from UK ODA.

The approach does not achieve full potential across all countries but balances sustaining impact with reducing reliance on UK public finance.

Comparison of distribution of benefits

Both shortlisted options aim to support inclusive systems change, but their distributional effects differ materially. Option 1 (rapid exit, £2.5 million) provides limited scope for targeted GEDSI interventions and only partial support for NPAP sustainability, constraining their ability to influence equitable policy reforms. In contrast, Option 2 (up to £5 million) allocates a higher proportion of resources to NPAP governance and ringfences budget for GEDSI and SEAH activities (see Annex D), including more direct engagement with informal waste workers and other marginalised groups in the plastic value chain. By sustaining partnerships through the “maturity” phase, Option 2 also enhances prospects for long-term poverty reduction by influencing structural reforms—such as Extended Producer Responsibility and inclusive financing mechanisms—that if equitably designed will benefit vulnerable actors in the plastics value chain. While both options deliver positive social outcomes, Option 2 offers a more credible pathway to transformative GEDSI impact.

3.6 Sensitivity and Scenario Analysis

Sensitivity Analysis

To assess the robustness of the preferred option, the economic model was stress-tested using “Low Value” scenarios. These scenarios replace central assumptions with conservative values to test whether the VfM case holds under slower implementation and lower environmental valuations. Table 3.6A shows that Option 2 remains robust under these conditions. When the most sensitive variables are adjusted to the most conservative assumptions, the Benefit-Cost Ratio (BCR) does not fall below 11.2.

Table 3.6A Sensitivity Analysis (*univariate sensitivity – all other variables held at central*)

Variable	Central value	Low value	Option 2 (Preferred Option) w/Low value BCR
GPAP-to-Results Attribution	5.0%	2.5%	11.2
Optimism Bias	50%	75%	11.2
Aquatic	£3,103.37	£564.25	15.8
Open burning (PM2.5)	£212.58	£44.93	20.9
Terrestrial and dumpsite	£43.67	£2.74	22
Goal Progress Rate	6.70% (linear)	3.4%	11.5

Discussion

GPAP-to-Results assumption: The central model assumes GPAP contributes 5% of the forecasted national results in the 'System Change Scenario' from the NAM. This recognises that national outcomes are driven by the wider plastic action ecosystem, which relies on capital-intensive infrastructure deployment (e.g., private sector construction of

reprocessing facilities) and exogenous market dynamics (e.g., global oil prices) rather than policy enablement alone. For modelling and attribution purposes, the 5% assumption is applied. To provide assurance, sensitivity analysis in the 'Low Scenario' reduces this assumption to 2.5%, which results in a BCR of 11.2 (around half of the central BCR of 22.5). This indicates the programme remains viable even if its contribution to wider results is lower than anticipated.

Optimism Bias: An optimism bias of 50% is embedded in the central model to account for the reliance on modelled 'System Change Scenario' targets. To evaluate the resilience of the VfM, the sensitivity analysis increases this bias to 75%. This adjustment effectively halves the net benefits realised in the Central Case, reducing the retained benefits from 50% to 25%. Under this stress test, where only a quarter of the projected gross benefits are claimed, the model yields a BCR of 13.5, demonstrating that the programme delivers very high VfM even if delivery falls significantly short of the modelled targets.

Goal Progress Rate: This measures the velocity of implementation, how quickly partner countries reach their 2040 System Change Scenario target. The sensitivity scenario tests a sluggish environment where implementation speed is halved to 3.4%, resulting in a BCR of 11.5.

Environmental Valuation:

- I. **Aquatic:** The central case uses the mean damage cost of marine plastic (£3,103 GNI-adjusted). In the sensitivity analysis, this is replaced with the "Low" value defined by *Beaumont et al. (2019)*, representing the conservative minimum physical damage. Under this assumption the BCR is 15.8.
- II. **Open Burning:** Reducing the monetised health benefit from £212.58 to a conservative low of £44.93 simulates a scenario with significantly lower human exposure. Under these conditions, the model yields a Benefit-Cost Ratio (BCR) of 20.9
- III. **Terrestrial & Dumping:** The VfM is largely insensitive to land-based plastic costs. Switching the terrestrial cost from £43.67 to the minimum physical damage £2.74 minimally impacts the BCR (dropping only to 22.0). This indicates that the economic case is driven primarily by the high value of preventing marine pollution and the health & environmental benefits of reducing burning of plastic, rather than land-based cleanup savings.

Scenario Analysis

A combined Low Scenario was developed in which key assumptions were jointly replaced with conservative values, the assumptions and results are reported in Table 3.6B below.

Table 3.6B Low Case Scenario

Variable	Central Value	Low Scenario Value
GPAP-to-Results Attribution	5.0%	2.5%
Optimism Bias	50%	75%
Aquatic Valuation	£3,103.37	£564.25
Open Burning (PM2.5)	£212.58	£44.93

Terrestrial & Dumpsite	£43.67	£2.74
Option	Central BCR	Low Scenario BCR
Option 1: Managed Exit	12.9	1.9
Option 2: Supportive Exit	22.5	3.4

Discussion

Under the combined Low Scenario, reflecting cautious assumptions on attribution, delivery risk, and environmental valuations, both options continue to deliver positive economic returns.

Option 1 remains above the breakeven threshold with a BCR **1.9**.

Option 2 maintains a strong economic case with a BCR of **3.4**, demonstrating that the preferred option is more resilient under adverse conditions.

Private sector CAPEX sensitivity

The benefits modelled under the System Change Scenario assume that complementary private sector capital investment in collection, sorting and reprocessing infrastructure will occur. This investment is essential for translating the enabling conditions created by GPAP into the infrastructure and operational changes required to deliver the projected outcomes.

These private sector costs are not included in the CBA because they cannot be estimated at this stage. As a result, private CAPEX is treated as an unmonetised cost. If this investment does not materialise, the benefits assumed in the model would be significantly reduced, and the VfM case could be overstated.

3.7 Value for Money Assessment Using the 5E's

To provide a holistic assessment of Value for Money (VfM), this section appraises the intervention against the **5 Es Framework**: Economy, Efficiency, Effectiveness, Equity, and Cost-Effectiveness.

Economy

The programme minimises input costs by leveraging the World Economic Forum's (WEF) existing platform and institutional reach rather than establishing new, standalone delivery structures. This creates economies of scale regarding secretariat functions and convening logistics. Other key economic drivers include:

- **Avoided capital expenditure:** The programme delivers benefits by funding *enabling* activities (roadmaps, task forces) rather than capital-intensive waste infrastructure. This enables Defra to influence high-value outcomes without bearing the significant capital costs associated with physical asset procurement.
- **Leverage of external resources:** By operating as a convenor, GPAP aligns existing government resources and private sector expertise. The programme has engaged over 2,219 community members, with significant pro-bono participation from the private sector (26%) and civil society (18%).
- **Standardised procurement:** The use of the National Analysis and Modelling (NAM) methodology minimises the need for bespoke consultancy contracts for each

new partnership. This toolkit allows new entrants, like Panama and the Dominican Republic, to deploy detailed baselining without the expense of developing new models from scratch.

Efficiency

The programme supports efficiency by reducing the transaction costs associated with multi-country programming and increasing the speed of replication.

- **Replicability of tools:** The development of the NAM tool represents a one-off fixed cost that generates recurring efficiency gains. This allows rapid rollout in diverse contexts without duplicating foundational research.
- **Standardised task force structure:** A standard "Task Force" model (Policy, Financing, Innovation, Gender, Metrics) in each country supports efficient delivery of outputs by matching relevant experts with minimal friction, whilst imposing minimal administrative burdens on the central secretariat.
- **Addressing coordination challenges:** In complex development contexts, fragmented mandates can slow progress. The NPAP structure operates as a national coordination hub, bringing together diverse ministries alongside private sector and civil society actors into a shared multistakeholder platform. By engaging actors across the full value chain, this centralised forum reduces the likelihood of duplicative efforts and fragmented policy positions, supporting a shared vision and a more coherent approach to regulatory development.

Effectiveness

Effectiveness is reflected in GPAP's ability to influence policy, overcome barriers and mobilise capital.

- **Policy-Driven System Change:** GPAP outputs provide the technical analysis and stakeholder alignment required to inform legislative design and regulatory standards. For example, the partnership supported the development of the African Standard for Recycled Polyethylene Terephthalate (rPET) for Food Contact (DARS 1721:2024). This initiative addressed regional regulatory fragmentation by establishing unified testing and safety requirements, thereby creating the enabling environment necessary to increase investment in recycling infrastructure and facilitate regional trade.
- **Mobilisation of finance:** The enabling environment created by GPAP reduces perceived risk for private investors, directly unlocking capital for circular infrastructure. Partners have mobilised **\$3.34 billion** to date. A primary example is the \$300 million Blue Loan for Indorama Ventures, arranged by the Asian Development Bank (ADB) and IFC. This investment was underpinned by the Indonesia NPAP Financing Roadmap.
- **Global continuity:** By supporting the Global Plastics Treaty negotiations with robust national data, the programme helps align global commitments with national-level data. Simultaneously, the network of 25 NPAPs supports continued implementation regardless of the pace of international diplomacy.

Equity

The transition to a circular economy presents risks to vulnerable groups. GPAP embeds Equity as a core risk-mitigation standard rather than an add-on, evidenced by the allocation of approximately 11% of the 2024/25 Defra grant directly to Gender Equity and Social Inclusion (GESI) focused activities.

- **Just Transition for the Informal Sector:** GPAP prioritises the 20,413 people engaged through the Inclusive Plastic Action Programme. Programmatic data indicates that women comprise 72% of these informal economy beneficiaries, ensuring resources reach those most marginalized. This commitment is operationalised through sub-grants to local partners, such as the [REDACTED] in Nigeria, and integrated into national strategies; for instance, Pakistan's roadmap targets the formalisation of roles in the informal waste sector as part of a broader employment strategy.
- **Gender-Responsive Implementation:** To drive structural change, the programme ensures diverse representation, with women constituting 47% of the NPAP network. Recognizing that women are disproportionately represented in hazardous roles, GPAP mandates gender analysis: seven GESI assessments have been published to date, covering countries such as Nigeria and Indonesia. These assessments influence national policies to include specific safeguards regarding equal pay and health protections.
- **Safeguarding and Transformative Ambition:** The programme is currently assessed as "GEDSI empowering" and is implementing an action plan to achieve "GEDSI transformative" status by March 2026. This includes a prioritised focus on Protection from Sexual Exploitation, Abuse, and Harassment (SEAH) to mitigate social risks within the waste value chain. Programme budget is ringfenced for delivery of the SEAH action plan.

Cost Effectiveness

The appraisal identifies Option 2 (Supportive Exit) as the most cost-effective approach because the additional funding focuses on implementation rather than design and supports the programme's transition to self-sufficiency. The £5 million investment is expected to deliver outcomes aligned with Defra's international priorities:

- **International Nature Strategy:** Supports Defra's outcomes framework and Global Biodiversity Framework Target 7 (Pollution Reduction). Funding the implementation phase of 25 National Plastic Action Partnerships is projected to prevent 108 kilotonnes of annual plastic pollution by 2035.
- **Poverty reduction and economic growth:** By enabling 18 countries to reach the "Maturity" phase, Option 2 is projected to generate £2.3 million in net annual job income through 750 net jobs by 2035.
- **Leveraged finance:** Provides verified data and investment roadmaps to reduce risk for private investors. Option 2 is projected to mobilise £145 million in external finance compared to £72.5 million in option 1, demonstrating a strong multiplier effect.

The programme has already established governance structures, analytical tools and stakeholder networks, allowing additional funding to focus on delivery rather than initial setup. This reduces marginal costs and enables relatively high marginal benefits. The option also promotes long-term sustainability by supporting partnerships to transition toward self-sufficiency, increasing the likelihood that environmental and economic benefits continue beyond UK funding. This represents an efficient use of public funds and reinforces systemic impact.

Option 2 demonstrates strong cost-effectiveness by supporting the programme toward maturity. It leverages the UK's prior investment to deliver a high volume of projected

environmental and social outcomes, facilitating a sustained, systemic shift away from plastic pollution.

3.8 Limitations of the Analysis

The economic modelling demonstrates a strong Benefit-Cost Ratio (BCR), but there are limitations inherent in forecasting complex system changes. In line with HMT Green Book guidance, conservative assumptions have been applied to mitigate risk and optimism bias.

Key limitations include:

- **Private sector capital expenditure:** Delivering the System Change Scenario will require private investment in waste management infrastructure. These costs, and any associated private benefits, are not included in the model due to data limitations. Insufficient private investment could prevent the modelled benefits from being realised creating risks to value for money.
- **Reliance on forecast data:** The analysis uses projections from National Action Roadmaps rather than ex-post evaluation data. This introduces uncertainty regarding the speed of transition from planning to implementation.
- **Attribution challenges:** GPAP is a catalytic intervention, not a direct delivery agent. To reflect this and avoid overstating UK impact, the model applies a strict 5% attribution factor.
- **Unmonetised global benefits:** The model excludes global spillover effects, such as the replication of GPAP tools by non-partner countries and the programme's standard-setting role in international negotiations.
- **Informal sector welfare:** Monetisation uses minimum wage proxies. It does not capture the multidimensional value of formalisation, including improvements in health, safety, and social inclusion.

These factors suggest the calculated Net Present Social Value (NPSV) is likely to understate the full value of the intervention. An independent evaluation of GPAP is expected in 2026, which will provide more reliable evidence to inform future economic assessments.

3.9 Overall Value for Money Assessment

Based on the economic appraisal, Option 2 (Supportive Exit) is assessed as Very High Value for Money under the Defra VfM framework. This conclusion is drawn from a cost-benefit analysis comparing Defra's costs with benefits attributed to those costs over a 10-year period. The analysis monetises two benefit streams: avoided plastic pollution and job creation. It uses data from GPAP's National Plastic Action Roadmaps and applies attribution factors to reflect GPAP's catalytic role and the UK's share of total donor funding.

Option 2 involves an investment up to £5 million compared to £2.5 million under Option 1, but it delivers more than three times the benefits. Over the appraisal period, Option 2 achieves a NPV of £104.4 million and a BCR of 22.5, compared to £29.7 million and 12.9 for Option 1. This demonstrates higher marginal returns due to additional funding enabling partnerships to progress from partial adoption toward maturity, unlocking systemic change and sustaining prior investment. At the same time, Option 2 supports a managed transition away from UK ODA, balancing the need to secure long-term impact with reducing reliance on public finance.

4. The Commercial Dimension

4.1. Introduction

The intention is to put in place a grant agreement between Defra and WEF to deliver the additional £5 million investment in GPAP up to the end of March 2029. The justification is based on WEF's effective delivery of previous £24 million UK investment to date, used to establish partnerships across 25 countries and create a global platform supporting inclusive participation of policy-makers, business leaders, researchers, civil society advocates and social entrepreneurs.

Further considerations which support a decision to work directly with WEF include:

- Status as an independent international organisation, without political, partisan or national interests, and with a mandate to engage business, political, academic and other leaders of society to shape global, regional and industry agendas;
- Incorporation as a not-for-profit foundation (and now as an international organisation under Swiss Law);
- Demonstration of good programme VFM to date, set out in the appraisal case;
- Evidence of significant convening power, including capacity to promote dialogue between heads of state, ministers and corporate leaders from the developed and developing world, augmented by a specific strength in convening the private sector;
- Managing the largest public-private partnership globally on plastic pollution, with capacity and connections to deliver activities that fit with Defra's strategic priorities and the programme theory of change across local, national, regional and global contexts.

4.2. Procurement (Commercial) Strategy

The preferred funding route is through a direct award grant. Due consideration has been made to the different funding options as set out in the Government Grants and Alternative Funding Options guidance document. Given the outputs and outcomes of the programme are not of direct benefit to the department, but instead help Defra to meet departmental and international objectives, a commercial procurement was not considered a feasible route. A commercial contract was also discounted since Defra does not wish to purchase goods or services. A grant was therefore determined to be the most appropriate route.

The rationale for a direct award grant can be summarised below:

- No specific services or goods are being purchased by Defra. Instead, Defra seeks to provide funding to WEF to carry out activities that align with Defra's departmental and international objectives.
- Defra will not gain direct benefit as a result of this grant scheme (for example Defra owning intellectual property rights as a result of this project). Instead, the scheme outcomes and impacts are related to our international objectives. However, there will be robust KPIs and performance milestones to measure performance.
- The supplier holds a unique position in the market. On this occasion, competition is likely to result in an inefficient use of funds as no other organisation is operating a multistakeholder plastic pollution partnership at the scale of GPAP, and the value for money of this investment is built on extending and leveraging the benefits achieved

by the UK's previous investment in the programme, as set out in the appraisal case. The WEF have an established and trusted impartial relationship with public and private sector partners that is a necessary condition for the programme to be an effective convener. WEF have a strong track record under the existing agreement and all activities for the new agreement are in line with previous work delivered. The recipient has budgeted for resource to deliver the activities, again in line with previous delivery and Defra have established financial and performance monitoring process in place.

4.3. Contractual terms & risk allocation

Defra's Model Grant Funding Agreement will be used to govern the relationship between WEF and Defra. Based on historical relationships and past Grant Agreements Defra have signed with WEF, we anticipate the inclusion of Special Conditions which will be reviewed and incorporated following review and possible negotiation with WEF. The conditions will be in line with the latest version of the Model Grant Funding Agreement template. There are no personnel implications, and TUPE does not apply to this arrangement with WEF.

The initial Grant funding period will be from April 2026 to March 2027 with two further allowable extensions covering 27/28 and 28/29 respectively. Each extension can be enacted via the Change Control Note process and can be subject to approval of funding, satisfactory evaluation results and approved in line with delegated authorities.

Section 6.1.3 (Project Plan and Deliverables) of the Management Case refers to the delivery partner being permitted to deliver milestones adaptively. GPAP may expense the planned milestones in any order over the delivery year. Payments will be in arrears on a quarterly basis. Changes to the milestones are permitted as long as new or altered milestones deliver the programme objectives and receive SRO approval in writing. If more funding becomes available from other donors, rather than expand the programme, that funding will offset the UK contribution - which Defra would then invest into other ODA programmes. This is part of the approach to sustainable exit and ensuring reliance on the UK contribution reduces over time, and that flexibility with other donor contributions is prioritised. Defra will ask the partner to develop a sustainability plan based on the results of the evaluation, due March 2026. Commercial are content with this approach on the basis a robust performance monitoring regime will be followed, as set out in section 6.1.5.

GPAP follows the Forum's established policies and procedures, which are designed to ensure fair competition, value for money, and robust due diligence in vendor and partner selection. This includes competitive bidding processes, transparent evaluation criteria, and standardized contracting procedures. For all downstream funding agreements, WEF have the follow policies and procedures in place:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

			UK has negotiated a reduction in this share to ensure a greater proportion of funding is spent on activities in ODA-eligible countries directly. WEF's resource costs will be covered across donors, so this change should not impact WEF's capacity or capability to deliver the programme.
Travel and events			Acceptable percentage, WEF must adhere to Defra travel and subsistence policy.
TOTAL			Grant Agreement to include a total cap of on the management fee, salaries and travel costs. The cap includes contingency spend which will be subject to Defra approval.

and falls within the 5-10% benchmark for international grants. A significant reduction in Salary costs has resulted in the overall percentage contribution to WEF for the management fee, salaries and travel costs reduced as shown in the table above. The cap includes contingency spend which will be subject to Defra approval.

4.7. Fraud Risk Assessment

Mitigating actions related to fraud, corruption and other misuse of funds are outlined in the updated, Fraud Risk Assessment at Annex L. Two key commercial risks are highlighted below, with mitigations set out fully in the FRA. Responsibility for the actions will lie with the Defra Programme Manager.

1. Failure to deliver agreed work

Risk: Activities not delivered to agreed specification, causing financial and reputational loss.

Mitigation: Legally binding grant agreement, quarterly reporting, regular monitoring, audits, clawback clauses, and steering board oversight.

Residual Risk: Green – risk remains low, mainly linked to potential falsified evidence at smaller scales.

2. Inflated costs by downstream partners

Risk: Overstated expenses or labour costs, reducing value for money.

Mitigation: Robust financial controls, invoice verification, annual audits, proof-of-purchase checks and clawback provisions.

Residual Risk: Amber – risk persists due to potential collusion or exchange rate masking, though controls significantly reduce likelihood.

4.8. Subsidy Control Assurance

The subsidy control team has confirmed that they do not consider this funding to constitute a subsidy and thus not be in scope of the Trade and Cooperation Agreement or the Northern Ireland Protocol Art 10.

4.9. Commercial Governance and Approvals

Commercial will develop a Direct Award Grant Strategy document which will be subject to the Commercial governance process and approved in line with delegated authorities. An indicative timeline for Commercial approval is set out below, this is subject to Business Case approvals concluding 30th January 2026. Policy has confirmed with the Grants hub that as an extension to an existing programme and given the low value, the business case will not need to go to GSAG.

Table 4.9

Action	Responsible	Target date for completion
Completed PGAF / Prerequisite information listed above	Policy	05/12/2025
Grant Strategy - Complete	Commercial	06/02/2025
EGS Board - Grant Strategy endorsement	Commercial	18/02/2025
Draft Grant Agreement	Commercial	11/03/2025
Grant Agreement – signature	Commercial / Recipient	18/03/2025

5. The Financial Dimension

5.1. Financial summary

The Financial Case establishes that the preferred delivery option, identified in the Economic Case, is affordable, and that the principles of sound financial management of public funds are followed. The total cost of budgeted project activities is £5 million. This total brings the whole life cost (WLC) of Defra's investment in GPAP to £29 million, from 2018 to March 2028. Funding for the project is drawn from Defra's ODA allocation delegated by FCDO following the Spending Review 2025 settlement. All project costs are 100% ODA eligible and 100% RDEL and all spending will fall within the Spending Review 2025 period. Provisions for monitoring costs are set out in the management case.

Table 5.1 Summary of costs

Project Summary (£m)	26/27	27/28
Total costs by case		
Defra Funding		
Defra Resource		
Contributions		
Partnership funding		
Initial project costs	3,500,000	1,500,000
Additional funding request in this case		5,000,000

Stakeholders in partner country governments have been engaged in the design process by GPAP to inform the proposal. In 2025, GPAP conducted a series of regional visits

designed to facilitate future design discussions and ensure that the programme remains demand-driven and aligned with country needs. One example is the ASEAN regional trip GPAP organised in July, which focused on gathering inputs to support GPAP's sustainability strategy. GPAP held over 10 bilateral meetings with government counterparts, businesses, and embassies to deepen our understanding of national priorities and strengthen the business case for future collaboration. The approach to monitoring performance, including spending and risk, including fraud risk, is set out in the management case along with a costed milestone plan.

5.2. Headline Cost

The full summary of costs under the preferred option is presented in the economic case, and the breakdown of supplier administrative and milestone costs is presented in the management case.

Table 5.2 Headline costs by option

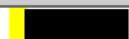
Items	Option 0	Option 1	Option 2 – preferred
Gross Costs	£0	£0	£0
Income	£0	£0	£0
Net Cost	£0	£2.5m	Up to £5m

5.3. Funding sources

Spending will be under the International Development Act 2002, which provides a power for the Secretary of State to 'provide any person or body with development assistance if the minister is satisfied that the provision of the assistance is likely to contribute to a reduction in poverty.'

The programme will adhere to the rules for spending ODA, as it will be provided by an official agency (Defra) and only be used in ODA-eligible countries. Funding will be provided directly to WEF as agreed through the contractual arrangement as set out in the commercial case, and only once Defra has received evidence of activities to be delivered as detailed in terms of reference. A draft costed project plan is set out in the management case. GPAP is a multilateral initiative funded by other public and private donors, generally through grants. GPAP's current funding profile, with sources of funding, is as follows:

Table 5.3 Annualised funding profile

Annualised funding profile (£m)	26/27	27/28	28/29	Total 26/27-28/29
Defra Funding	£3,500,000	£1,500,000	-	£5,000,000
				
				
				

TOTAL	£5,470,000	£4,160,000	£1,110,000	£ 10,940,000

5.4. Impact on resource budgets and balance sheet

The project budget will be entirely RDEL. Defra will accrue expenditure and make payments in arrears as set out in the management case. Expenses will be accrued at the regular intervals and cash dispersed twice annually, paying in arrears. Defra will accrue costs in December of each year to ensure costs accurately contribute to Defra's 80% ODA spend target. Consolidated Budget Guidance (CBG) states that the spend is to be deemed Capital (CDEL) expenditure if the following description and conditions apply:

Capital grants are unrequited transfer payments, which the recipient must use to either: buy capital assets (land, building, machinery etc.); buy stocks; repay debt; acquire long-term financial assets, or financial assets used to generate a long-term return.

However, none of these conditions apply, so 100% of programme spend will be RDEL. The expected timeline of costs is set out below, subject to finalisation in the grant agreement.

Table 5.4 Estimated Quarterly Costs

	Q1 costs	Q2 costs	Q3 costs	Q4 costs	Total
2026/27	1m	1m	£0.75m	£0.75m	£3.5m
2027/28	£0.5m	£0.25m	£0.25m	£0.5m	£1.5m
2028/29	No budget allocated				

The World Economic Forum is registered in Switzerland and conducts the majority of its business in Swiss Francs. The investment will be paid out in British sterling (GBP) and converted into local currency by the delivery partner. Costs will be expensed in arrears and Defra and the World Economic forum will monitor exchange rate fluctuations between GBP and CHF.

5.5. Resourcing and Headcount.

The 2026/27 to 2028/29 resource costs to Defra are estimated at £375,000, already accounted for within Defra's ODA-funded staffing budget, including a 4% inflation adjustment and fixed and variable overheads. The majority falls within the first two years, with lower FTE in 28/29 as there is no planned programme spend, however the UK will continue to monitor the progress of the initiative at a high level through representation on the steering board. The internal resource costs are not additional to existing Defra ODA headcount allocated for under the 2025 Spending Review settlement.

Table 5.5 Estimated Resource Costs

	Ready reckoner	FTE	26/27	27/28	28/29 FTE	2829	Total
G6 ISBF	102,398	0.1	10240	10649	0.01	1108	21997
G7 ISBF - evidence	86,381	0.1	8638	8984	0.0	0	17622
G7 ISBF - SRO	86,381	0.3	25914	26951	0.1	9343	62208
SEO ISBF - PRO	63,936	0.7	44755	46545	0.2	13831	105131
HEO ISBF - evidence	52,780	0.1	5278	5489	0.0	0	10767
HEO ISBF - Regional Coordinators	52,780	0.3	15834	16467	0.0	0	32301
Variable overheads	3,478	1.6	5565	5788	0.3	1166	12519
Fixed overheads	31,620	1.6	50592	52616	0.3	10602	113810
							376355

5.6. Overall affordability

The proposed grant outlined in this FBC to GPAP is recommended to be at £5 million split over FY26/27 and FY27/28. The grant is budgeted for under the marine allocation of Defra's ODA settlement following UK Government Spending Review 2025, and no spending falls outside the SR period. Given the high value for money and strong rationale for continued UK investment, this represents an affordable amount. A fully costed budget for programme activities is set out in the management case. As set out in the schedule above, payments will be made in arrears subject to evidence of activities delivered through financial and narrative reporting ahead of each payment.

5.7. Accounting Officer Assessment

The accounting officer assessment is attached in Annex G.

6. The Management Dimension.

6.1. Project management

Project structure and governance

Management of the GPAP grant in Defra will be underpinned by Defra's ODA Operating Framework and align with FCDO's Programme Operating Framework (ProF). The project will be managed by a programme team in Defra's International Sustainable Blue Finance Division. The project will be managed in line with PRO and SRO responsibilities as set out in the ProF.

GPAP, under the WEF, will be responsible for delivery of the project activities and reporting to Defra as set out in the project Grant Agreement and Grant Management Plan. Defra expects WEF to manage the grant through its existing, well-established internal structures and processes, and WEF will provide Defra with risk, reporting and evaluation materials required to assess performance and results as set out in the grant agreement. GPAP is managed by a director and is governed by a secretariat, which is hosted at the World Economic Forum (WEF). Senior governance in GPAP includes:

- Governing council: A group of chief executives from the public, private and civil society sectors who appoint the members of the steering board and champion GPAP at high-level fora;
- The Global Steering Board: Nominated senior representatives from WEF, key donors and multilateral institutions;
- National Steering boards: senior representatives responsible for oversight of each national partnership, with public and private sector representation.

The PRO will meet with the delivery partner on a monthly basis. These meetings will cover programme forecasting and delivery updates, review of programme risks, international engagements and travel, and GEDSI and SEAH. The ISBF Deputy Director (DD) is the UK representative on the GPAP steering board, which takes place quarterly

Defra's DD for International Marine will attend the steering board as an additional observer given the relevance of the programme to the Global Plastic Pollution Treaty process.

Delivery in partner countries will be supported by ISBF regional coordinators and UK posts where capacity allows. FCDO staff are well positioned to both support and benefit from engagement with GPAP partnerships, including visibility and connecting stakeholders across HMG's priority areas in each country, such as a climate and nature, with the plastics agenda.

Defra will ringfence budget specifically for:

- MEL (6%): £330,000
- Strengthening SEAH provisions (minimum 1%): £55,000, as part of budget allocated to GEDSI activities (£500,000).⁶

The programme grant agreement will set out the full compliance and accountability requirements for GPAP, in line with Defra's model grant funding agreement.

Project roles and responsibilities

The project is manageable within current resourcing arrangements with dedicated PRO responsible for day-to-day management of project, with support from one programme team staff member. The project SRO will be responsible for project overall, and be accountable to ISBF SLT. The programme team will scrutinise and provide continual assurance of GPAP delivery throughout the year. The programme team will receive support from within the ISBF division on finance, strategy and MEL.

Table 6.1a Roles and Responsibilities

Role	Responsibilities
Ministers	The Minister for Nature and Defra Director for International Biodiversity and Climate have oversight of the Department's ODA spending, including notification at the start and closure of the programme, and of the most significant risks and issues on a case-by-case basis. Ministers and the Director will represent the UK contribution at relevant global fora.
ODA Board	The role of Defra's ODA Board is to provide accountability and assurance for Defra's ODA budget and to provide strategic direction

⁶ These are estimates, with final % to be included in the Grant Agreement

	for Defra's ODA spend. The Director General-Chaired Board meets quarterly and consists of Defra Directors responsible for ODA spend, plus Finance, Commercial and the Chief Scientist's Office. FCDO is also represented. The Director for International Biodiversity and Climate attends Defra's ODA Board chaired by the Director General for Environment. The ODA Board approves all investments over £5 million and ensures strategic fit and complementarity with the wider ODA portfolio. The ODA Board's remit is to: • monitor the strategic direction for ODA spend in Defra • monitor the implementation of Defra's ODA strategy and policy priorities • clear Business Cases for ODA spend above £5 million • monitor progress against the results set out in business case • monitor and advising on significant risks to implementation • recommend remedial actions to the SRO if operational or financial performance is off track • ensure ODA rules are met • ensure consistency with X-Whitehall ODA rules
DD ISBF	Overall responsibility for fund level risk and financial propriety. Oversight of strategic alignment of the investment with Defra and HMG priorities.
BPF Programme SRO	Overall responsibility for programme level risk, ODA compliance, financial propriety, and strategy as set out in Defra's ODA operating manual and the FCDO PrOF.
BPF Portfolio Management Meeting (monthly)	6 weekly review meetings including updates, budgets and spend forecast, risks, ODA compliance, resourcing, and forward look.
PRO and programme team	Responsible for the day-to-day management of the GPAP grant as set out in Defra's ODA operating manual and the FCDO PrOF.
Heads and Deputy Heads of Mission	HoM and DHM will be engaged and kept informed of the fund's activities within their countries and engage in key programme milestones in partner countries (programme launches, milestone publications). Officials at post will be included in the national governance structure, including NPAP steering boards and taskforces, where capacity allows. Defra will also seek advice as needed on strategic, political and security issues for the duration of the project, with posts advising where risks/ issues should be escalated.
BPF regional coordinator and posts	The programme team will be supported by ree ISBF regional coordinators, based in Quito, Maputo and Jakarta. Posts and regional coordinators will support GPAPs engagement with public sector stakeholders in countries where the programme delivers, and regional coordinators will hold the relationship for the UK government with downstream delivery partners, including the secretariat hosts for GPAP's National Plastic Action Partnerships.
Commercial	Responsible for ensuring commercial strategies are feasible and deployed responsibly.

Finance	Responsible for financial advice to support the financial propriety of the programme.
BPF MEL advisers	Provide support on project monitoring, evaluation and learning, including supporting work delivered with the independent evaluators.
Lead delivery partner	Responsible for delivery of outputs and meeting requirements as set out in the programme grant agreement
Other delivery partners	Responsible for delivery of activities and reporting as per downstream agreements.
Independent Evaluator (ITAD)	Support on the dissemination and implementation of lessons from the 25/26 independent evaluation. Deliver follow up evaluations as set out in the evaluation plan.

Project Plan, Reporting and Payment Schedule

The indicative activities for project delivery are set out in Annex M. They are subject to change based on the final grant agreement. The programme is 100% RDEL and will not create assets for HMG. Budget numbers are provided by GPAP and converted from Swiss Francs (CHF) to British Pounds (GBP).

Defra and the World Economic Forum (WEF) will agree an annual high-level budget allocation across cost categories. Rather than defining specific grant milestones, this arrangement establishes a framework for adaptive financial management while maintaining rigorous oversight.

- **Quarterly Forecasting:** GPAP will provide quarterly cost forecasts for financial planning purposes only; these forecasts will be indicative and non-binding.
- **Expenses:** Defra will accrue expenditure at the end of each quarter, which will be claimed by WEF in arrears by the end of the subsequent quarter
- **Payment Conditions:** Disbursements will be contingent upon (i) verifiable evidence of costs incurred and (ii) narrative reporting demonstrating how expenditures contribute to programme objectives.
- **80% by December:** while there are no fixed quarterly budgets, GPAP will work towards an 80% spend target by December.

This approach balances flexibility for the delivery partner with Defra's requirements for accountability, transparency, and risk mitigation. By linking payments to documented expenditure and performance reporting, and by accruing costs quarterly, Defra retains assurance that public funds are managed responsibly and aligned with intended outcomes.

Under the grant extension Defra will work with WEF to strengthen reporting. This includes revised templates for narrative and financial reporting, more frequent reporting for accruals with a requirement for evidence for all costs.

Prior to signing the agreement, GPAP will submit the initial annual budget and forecast for Year 1. This establishes the baseline for financial planning. Throughout the financial year, GPAP will provide quarterly submissions that serve two purposes:

- **Accruals for Defra:** based on actual expenditure and updated forecasts for the current quarter.
- **Payment Claims:** based on verified actuals from the previous quarter, accompanied by a quarterly narrative report demonstrating alignment with programme objectives.

Table 6.1b Payment and Accrual Schedule

Timing	Actions
Before Agreement	Submit budget and forecast for Year 1.
Mid-June	Submit actuals and forecast for April–June for accruals. Update annual forecast.
Mid-September	Submit actuals and forecast for July–September for accruals. Submit final actuals for April–June for payment with quarterly report. Update annual forecast.
Mid-December	Submit actuals and forecast for October–December for accruals. Submit final actuals for July–September for payment with quarterly report. Update annual forecast.
Mid-March	Submit actuals and forecast for January–March for accruals. Submit final actuals for October–December for payment with quarterly report. Submit forecast for Year 2.
Mid-June (Year 2)	Submit actuals and forecast for April–June for accruals. Submit final actuals for March–May for payment with annual report and logframe.

Changes to the budget areas are permitted provided they demonstrate delivery of the programme objectives and receive SRO approval in writing, and the overall budget does not increase or decrease. [REDACTED]

The business case final year (28/29) is unbudgeted. The Grant Agreement will therefore run to March 2028, with direct oversight of the programme ending at this point. During the final year, the UK will maintain a supportive relationship with GPAP, including sitting on the steering board, monitoring evaluation activities and sustainability, and championing the initiative in international fora.

Resourcing Plan

The resourcing for project management in Defra is set out above and is costed in the Financial Case. Scrutiny and assurance relating GPAP grant delivery will be carried out by ODA-funded Core Defra staff with dedicated FTE set out above. Accordingly, no additional resourcing plan is required. Between Defra and other donor contributions, the global secretariat for GPAP is fully resourced to deliver activities to March 2028, with support from other donors available to continue activities beyond the lifetime of the UK grant. For the final unbudgeted year to March 2029, programme staff will monitor closing activities and continue the UK's presence in the global steering board.

The activities will be delivered and overseen by GPAP's Global Secretariat, which supports the national partnerships through national and global sub-teams. As GPAP evolves to focus on delivering the final roadmaps and graduating countries to the sustain phase, the team structure will evolve to focus on these objectives. [REDACTED]



Project Performance

The World Economic Forum as the tier one delivery partner will be responsible for delivering activities set out in the project plan. The monitoring and evaluation of all Defra ODA projects is consistent with the requirements of the UK International Development Act 2015, and the programme will be managed according to the rules set out in the Defra ODA operating framework. To enable regular reviews and assurance of delivery performance, the GPAP team will provide the following reporting to Defra:

- Monthly meetings to discuss delivery, assess risks and track forecasted spend against grant milestones
- Financial reports confirming actual expenditure, linked to milestones, ahead of each disbursement
- Annual delivery report, to inform Defra's annual review
- Annual logframe as per Annex J, to inform Defra's annual review
- Annual independently audited financial statement

Performance will be measured primarily through the ODA annual review process, which scores the programme based on whether it misses, hits or exceeds the KPI targets set out in the logframe. If at any of these points, programme performance slips considerably below expectations, Defra will reserve the right to amend, scale down or close the grant by applying clauses in the grant agreement. Key dates for programme reviews include:

- April/May 2026: Findings of the 25/26 impact evaluation
- August 2026: 25/26 Defra Annual Review
- August 2027: 26/27 Defra Annual Review
- November 2028: Programme Closure Review

6.2. Communications and Stakeholder engagement

As a multilateral, multi-donor initiative, GPAP will lead all communications and stakeholder management involved in the project delivery. Defra will amplify and provide additional communications for some milestones, for example advertising competitive grants or celebrating achievements and major milestones. Regular communication between Defra and GPAP will be monthly, through project management meetings, with additional ad hoc communication as needed. No specific communications plan or stakeholder engagement is required for the UK to deliver the GPAP grant.

6.3. Change management

Defra and the World Economic Forum will apply adaptive management throughout GPAP delivery. The approach will include:

- **Evaluation:** Acting on the findings and recommendations of the 2025/26 independent evaluation of GPAP, summarised through a management response and tracked through annual reviews.
- **Sustainability:** A sustainability plan will be developed with clear goals and indicators to guide transition and maintain impact beyond Defra funding, including leveraging other funders at the global and national level.
- **Managing changes to delivery plan and milestones:** Adjustments to the budget (as set out in Section 6.1) will be overseen through established governance, with changes approved at SRO level.
- **Responding to budgetary and fundraising changes:** If GPAP's wider budgetary or fundraising circumstances changes, Defra will adjust its contribution accordingly.
- **Adapting to external context:** The programme will monitor changes in the global context for plastic pollution and adjust priorities or delivery approaches as required.

6.4. Benefits realisation

Summary

Instead of separate benefit realisation plans the Blue Planet Fund embeds the measurement of benefits across the entire MEL process. The pathway to realising benefits is documented in the strategic case and in the Theory of Change (see Strategic Case and Annexes H and I). The economic case identifies the expected benefits and disbenefits, as well as, where possible, quantifying the magnitude of the expected benefits. To measure whether we are on track in the short and medium term, the logframe will provide data on outputs, outcomes and impacts using BPF and ICF KPIs which relate to expected benefits. The data will be reported annually as part of Defra's annual review process.

Logframe and key performance indicators

The project logframe is designed closely on the existing GPAP logframe, with some changes following the updated milestones and theory of change, which build on lessons from previous funding. The following section summarises draft indicators and targets for the logframe that have been designed in line with the theory of change in the strategic case and benefits analysis in the appraisal case. The programme logframe is attached Annex J, which includes a summary of the methods, assumptions and corresponding ICF, Defra International and BPF KPIs that the data will be used to report against.

Impact 1: Tonnes of mismanaged plastic waste avoided

Impact 2: # people reporting quality of life/ livelihood improvements

Impact 3 [placeholder]: either net change in GHG emissions linked to reductions in mismanaged plastic waste (tonnes CO₂e; geography) or indicator measuring economic green growth impact.

Outcome 1: volume of public and private finance mobilised for plastic pollution solutions (£s; public/ private; upstream/midstream/downstream; geography)

Outcome 2: number of policies and plans influenced

Outcome 3 [Placeholder]: Increased effective and equitable representation and participation of [marginalised plastics life cycle stakeholders] in decision- and policy-making.

Output 1.1: # Roadmaps published

Output 1.2: % of published roadmaps informed by GEDSI analysis

Output 1.3 [Placeholder]: \$ support leveraged to support NPAP secretariat and convening activities directly

Output 1.4: # NPAPs Sustained

Output 2.1 [placeholder]: # people reached with support, disaggregated by gender, geography, age, disability.

Output 2.2 [placeholder]: # projects funded (concessional finance)

Output 3.1 [placeholder]: Global or regional Events convened or event outputs

Output 3.2 [placeholder]: Collaborations/ knowledge products supported

Output 3.3: Gender representation in GPAP network

6.5. Risk, Assumption, Issues and Dependency Management

The programme must manage significant risks and dependencies to achieve its objectives, which can be summarised as:

- The programme works to convene and encourage cooperation and share knowledge. Delivery of benefits therefore depends on the work of those outside the direct delivery chain.
- The programme is working across a wide range of stakeholder networks, many of which have competing priorities.
- The programme is dependent on significant externalities, including the outcome of the Global Plastics Treaty and sustained political ambition on the circular economy transition and reducing plastic waste.
- The programme operates across 25 national geographies. Political instability would impact on delivery, ranging from decreased stakeholder engagement to operational disruption.

The programme RPA assesses the overall programme risk as medium risk, on the basis that:

- The spend is comparatively low across Defra ODA programming, making up 2% of Defra's annual ODA budget that has been secured through Spending Review 2025.
- GPAP being an existing delivery partner and active programme that is well performing and has recently scored an 'A' on its Annual Review. The ISBF division has strong M&E frameworks and clear governance in place.
- The programme management team is resourced and actively works with the delivery partners to ensure that timelines are feasible, budgets are manageable and that outcomes are monitored, measured and reported as per HMG ODA procedures.

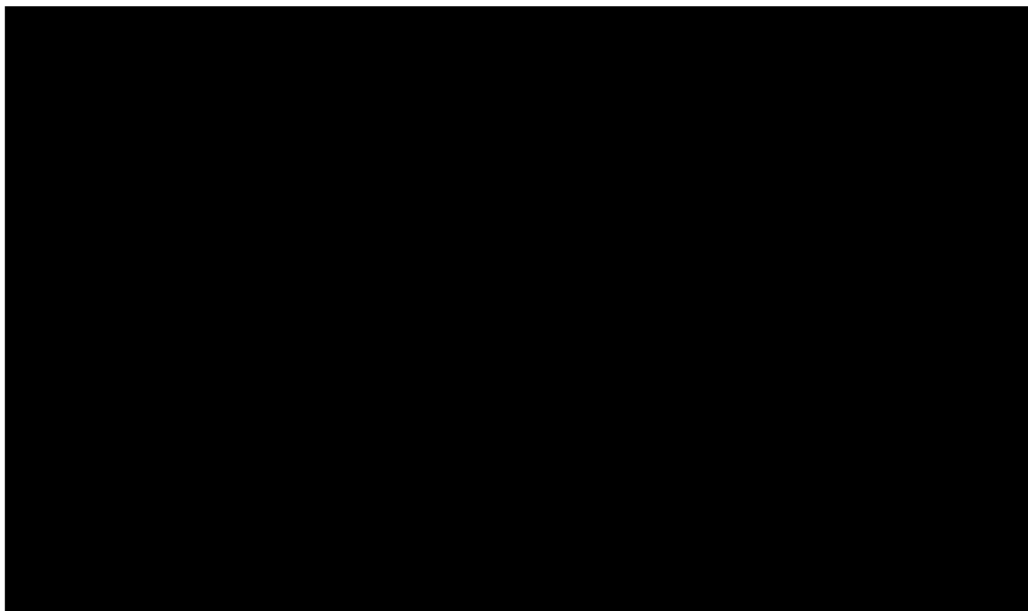
Defra will proactively monitor risks, with clear escalation routes through WEF and appropriate mitigation strategies to prevent risks becoming issues, with clear ownership of mitigating actions. WEF maintains its own risk matrix (update frequency to be confirmed), and both organisations co-maintain a shared list of top risks. The WEF maintains a continuous review of risk and controls through various independent institutional review and governance organs, including the Board of Trustees, Audit and Risk Committee and Statutory Audit under Swiss Law. Internally, the Forum is governed by the Managing Board under the leadership of the President and CEO, [REDACTED]. Internal functions

operating independently of GPAP, such as the Engagement Leadership Team and Technology Steering Groups, safeguard the suitability and eligibility of partners and members, and review project activities.

Within Defra, risk, assumptions, issues and dependencies (RAID) management is led by the Programme Responsible Owner (PRO). Formal processes to support risk management include:

- A **programme risk register**, reviewed monthly;
- **SEAH safeguarding and fraud risk assessments**, reviewed annually at minimum, and managed in line with ODA safeguarding guidance
- A **risk appetite**, set by the PRO, approved by the SRO, and aligned with Defra ODA portfolio standards.
- Monthly progress meetings
- Oversight of strategic risks via membership of the GPAP steering board
- Review of risks, as well as assumptions and dependencies, through the Annual Review process.
- Annual programme site visits

Some of the programme's top risks are set out in the Strategic Case, and the full risk register is provided in Annex K. The fraud risk assessment is attached Annex L.



Informal communications across the delivery chain, including conversations with GPAP regional leads and ISBF regional coordinators to support more detailed discussion on country specific risks, which are informed GPAP's direct communications between downstream delivery partners (particularly between NPAP host organisations and their regional leads) facilitate the communication of country specific delivery risks. This communication is key for delivery and operational risk management, and for instances of fraud or safeguarding concerns. ISBF regional coordinators also have some direct

communications with downstream partners, providing an additional channel of communication direct to Defra.

Table 6.5 Risk Appetite

Risk category	Appetite	Management approach
Strategic and context	Open	Monitored monthly through delivery partner meetings and risk register updates.
Delivery and operational	Cautious	Monitored monthly through delivery partner meetings and risk register updates.
Financial and fiduciary	Cautious	Monitored monthly through delivery partner meetings and risk register updates. Fraud risks captured through the fraud risk register with the highest risks captured in the programme register. Fraud provisions in the grant agreement and downstream controls are set out in the commercial case, including the requirement to report incidents without delay.
Project and programme	Open	Monitored monthly through delivery partner meetings and risk register updates.
Safeguarding	Cautious	Monitored monthly through delivery partner meetings and risk register updates. SEAH risks are captured through the SEAH risk assessment, and progress to strengthen provisions on SEAH are monitored through a live SEAH action plan. SEAH provisions in the grant agreement and downstream controls are set out in the commercial case, including the requirement to report incidents without delay.
Reputational	Cautious	Monitored monthly through delivery partner meetings and risk register updates.

Sustainability: This extension is designed to provide GPAP with budget security to prepare for sustainable exit. The most significant risk here is that GPAP fail to secure sufficient co-financing from other donors and private sector partners, resulting in partnerships stalling before reaching the “sustain” phase. This would undermine the UK’s ability to leverage its prior investment and reduce the programme’s contribution to treaty implementation and systemic change. This risk is discussed regularly at the working and senior level. Defra is actively mitigating this risk by (i) promoting GPAP at high-level fora (e.g., COP16, UNOC, INC negotiations) to attract donor commitments; (ii) supporting GPAP to diversify its funding base, including bilateral donors and philanthropies; and prioritising sustainability and diversification in the funding approved through this business case. These actions have reduced the residual risk to medium, with confidence increasing as Norway and other donors signal support.

GPAP, in collaboration with the other steering board members, will prepare a sustainability plan by **June 2026** that should set out:

- The approach to sustainability and how this is adapted to each national context
- The requirements for partnerships to transition away from donor funding, and progress so far
- Milestones and metrics to track sustainability progress across the partnerships going forwards
- Contingency plans

Progress against the plan will be monitored by the GPAP steering board.

Legislation: The programme grant agreement will set out spending requirements in relation to the International Development Act 2002 and International Development (Gender Equality) Act 2014. The approach to poverty reduction and gender is set out in the strategic case. Spending will be monitored through monthly discussions with partners, with further evidence requested for spending that Defra suspect does not meet legislative requirements.

Gender: The programme's approach to Gender Equality, Disability and social Inclusion, including Public Sector Equality Duty and Equality Impact Statement, are set out alongside programme evidence on GEDSI in the strategic case.

Fraud: In line with ODA guidance, Defra expects all organisations to have a zero-tolerance approach to fraud and corruption, acting immediately if it is found, working with authorities to bring perpetrators to account and pursuing aggressive loss recovery approaches. Defra require the World Economic Forum to have systems in place to detect and combat fraud, **which will be set out in the Grant Agreement**. The programme team will maintain a fraud risk assessment at minimum annually that will be assured by ODA hub's fraud risk lead. The programme team will work with the ODA fraud lead to strengthen our FRA and ensure all its mitigations are categorised and described accurately and being actively implemented. As set out in the FRA, fraud risk is assessed as medium. The risks occur further down delivery chain (between the tier 1 partner and their sub-grantees), where Defra has less direct oversight. This includes medium risk of inflated costs, mandate fraud, failure to deliver work, and bribery.

Key controls include:

Directive: The grant agreement terms and conditions are updated in line with current Defra policy covering but not limited to aid diversion, procurement, risk management, due diligence and conflicts of interest. The grant agreement terms and conditions are updated in line with current Defra policy covering but not limited to aid diversion, procurement, risk management, due diligence and conflicts of interest. These conditions apply to all downstream agreements.

Preventative: The delivery body has in place a code of conduct which includes both a strict anti-corruption policy and a conflicts of interest policy. Sub-grantees also subscribe to these codes and violation of any of these codes allows us to terminate contractual relationship with the vendor/ sub-grantee. GPAP, Defra and NPAP partners receive fraud training.

Deterrent: Violations of the WEF Code of Conduct may lead to disciplinary action, up to and including termination of employment, as well as civil and/or criminal proceedings

Detective: Auditing and monitoring processes should pick up where payments have been made to a recipient without entitlement. GPAP's accounts are audited annually. GPAP, Defra and NPAP partners receive fraud training. For the highest cost deliverables (consultancy costs for the plastic waste modelling and roadmaps) - the results are published online and we have site visits and stakeholder meetings (by programme team or in-country staff from FCDO or Defra) to provide further assurance. Defra will drive for strong assurance on the local stakeholder grants function where we haven't had enough assurance on risk management. These grants are much smaller but carry a higher likelihood.

Corrective: Clawback is included in the grant agreement.

Two incidents of fraud were detected and avoided in 2025/26, including one incident of mandate fraud and a bribe solicited by a downstream partner. In both incidents, both formal and informal mitigations operated effectively to ensure no funds were diverted.

Safeguarding: Safeguarding (including SEAH) requirements on the delivery partner will be set out in the grant agreement, drawing on current standard for ODA agreements. GPAP's informal waste sector interventions carry inherent safeguarding risks due to the vulnerability of stakeholders in the sector. Failure to implement robust SEAH (Sexual Exploitation, Abuse and Harassment) provisions could result in harm to beneficiaries, reputational damage to Defra, and diversion of funds for mediation.

The grant recipient is prioritising implementing safeguarding mitigations for 26/27, based on actions set out in the SEAH action plan. In January 2026, WEF circulated new SEAH guidelines for downstream partners that was co-created with Defra, and established a dedicated GPAP reporting mechanism to provide an alternative to WEF's centrally managed whistleblowing mechanism. Defra are developing a separate SEAH risk register to draw more specific SEAH risks so that mitigations can be effectively targeted, working collaboratively with WEF. The most prominent SEAH risks will be managed through the main risk register to ensure these are managed proactively.

Defra has ringfenced budget for safeguarding and is implementing the SEAH Action Plan with GPAP, including: (i) new reporting mechanisms; (ii) mandatory SEAH training for NPAP secretariats; (iii) integration of SEAH guidelines into NPAP toolkits; and (iv) strengthened due diligence and monitoring through annual reviews and site visits. These measures have reduced the inherent risk from "very high" to "high," with further improvements expected as reporting systems mature.

Due diligence, including on safeguarding, will be conducted every three years as set out in the ODA operating framework, with the next due diligence due in June 2026. The delivery partner will also be held to account through the actions agreed in the SEAH Action plan which includes the following:

- GPAP to develop a standalone safeguarding policy (or guidelines) in addition to the WEF code of conduct
- GPAP: consider how to integrate SEAH into TORs for NPAP national steering boards
- GPAP: to produce SEAH guidelines for NPAPs and integrate this into the NPAP toolkit, and signpost via GPAP website
- GPAP To explore more bespoke SEAH training and knowledge sharing for NPAP secretariats, ideally delivered by local organisation. Option for UK contribution to be ringfenced for this.
- GPAP to ensure a global and national level reporting mechanism are in place
- GPAP to integrate a reporting mechanism into global event communications

1% of the programme budget has been ringfenced to support delivery of the SEAH action plan.

Climate and Environment: Alignment with the Paris Agreement and sustainability impact assessment are set out in the strategic case. The programme is expected to deliver net

climate and environmental benefits, which will be measured through the programme reporting framework.

6.6. Contract management

The project terms will be set out in a grant agreement based on Defra's Model Grant Funding Agreement. Management responsibility will be held by the PRO and ODA commercial as set out in the ODA operating framework. A grant management plan is attached Annex P.

6.7. Assurance and Approvals

As a Defra ODA business case, the FBC falls under the ODA portfolio integrated assurance and approvals plan (IAAP). The summary of assurance and approvals in the programme lifetime is summarised below.

Table 6.7 Assurance and Approval Milestones

Milestones / Reason	Type of Activity	Date Planned
Finance and commercial partner review	Internal project team	w/c 17/11/25
G7 SRO Review	Internal Approval	w/c 17/11/25
G7 Analyst Review	Internal Approval	w/c 17/11/25
G6 Review	Internal Approval	w/c 24/11/25
DD Review	Internal Approval	w/c 10/11/25
Submit to ODA hub QA	Quality assurance	12/12/25
Action ODA recommendations	Internal project team	By 2/1/26
DD Clearance	Deputy Director	5/1/25-8/1/25
Submit BC to ODA board	ODA board	9/1/25
Receive feedback from ODA Board	ODA board	16/1/26
Clearance by DG	ODA board	w/c 2/2/26
Submit BC for Ministerial sign-off	Ministerial	By 1/3/26
Commercial agreement in place	ODA Commercial	By 31/3/26
Maintain IAAP check in	Internal project team	Six monthly
Programme progress meetings	Internal project team and delivery partners	Monthly
ISBF Portfolio Management meetings	Portfolio finance, risk and delivery reporting	Six weekly
GPAP steering board meetings	G6 and delivery partners	Quarterly
Financial report due from delivery partners	Internal project team and delivery partners	Quarterly
Programme audit	Delivery partners	Annually
Programme Annual Reviews	Programme management team	Annually
Programme sustainability plan in place	Delivery partner, independent evaluator	September 2026
Programme Closure Review		November 2028

6.8. Evaluation plan and lessons learned

Learning will be managed primarily as part of the programme's wider MEL approach. Annual reviews will consider learnings and recommendations for the year ahead. The programme is undergoing an interim impact and value for money evaluation at the time of writing, delivered by ITAD, with the findings expected in Spring 2026. The interim evaluation has three main objectives:

- Validation – to determine whether activities and results were delivered as intended.
- Learning – to understand GPAP's contribution to reducing plastic pollution and to identify lessons that will strengthen GPAP's approach and wider efforts to curb plastic pollution.
- Forward-looking analysis – to assess whether GPAP is on track to achieve its FY2025/26, 2030 and 2040 targets and to generate insights for global efforts to combat plastic waste.

The interim evaluation will include cocreation of recommendations based on the findings and lessons, which will be implemented by GPAP working with Defra and other donors. Defra and GPAP will follow up the evaluation findings with workshops to consider delivery of recommendations, in particular on MEL, GEDSI and VfM. Defra and GPAP will produce and deliver a management response to the evaluation including a sustainability plan. Implementation of the response will be monitored through Defra's annual reviews and the programme completion review.

Any further evaluation should be highly targeted, focusing on lessons from the UK's investment during the two sustainable exit years to understand what works in reducing reliance on public finance for initiatives like GPAP. This could be delivered through the BPF portfolio evaluation as a modular review of sustainability within Defra's marine ODA portfolio, including other programmes undertaking sustainable exits. Defra may support an additional independent impact evaluation of GPAP, if also funded by other donors, ideally by March 2029 to allow sufficient time since the current evaluation. This should have a focus on demonstrating proof of concept to private sector investors in line with reducing reliance on public donors.

6.9. Equality Impact Assessment

In line with the policy of Defra's Social Development Unit that a full Equalities Impact Assessment (EIA) is not required for Full Business Cases for international spend below £40 million, this FBC does not include a full EIA. However, the Programme Team have considered the equalities impacts of the proposed spend in detail, as set out in the sections above (notably the GEDSI section of the Strategic Case). In particular, we have determined that the following three duties of the Public Sector Equality Duty (PSED) are met:

1. Eliminate unlawful discrimination
2. Advance equality of opportunity between people who share a protected characteristic and people who do not share it
3. Foster good relations between people who share a protected characteristic and those who do not share it.

Given the range of activity and governance mechanisms outlined above and in section 2.4 of the FBC, Defra and WEF has extensive and adequate provisions in place to ensure compliance with the three duties of the PSED.

6.10. Transparency

Transparency will be managed in line with Defra's ODA operating framework, with all required documentation published online according to the International Aid Transparency Initiative (IATI) standard. This includes information on the organisation, funds, and planned activities. This intervention will generate significant outputs including log frames, annual reviews, programme/project proposals and technical reports which will be of interest to other countries and stakeholders. Information published to date is in line with this standards and is accessible [here](#).

7. Annexes

- Annex A: [Risk Potential Assessment \(RPA\)](#)
- Annex B: [Integrated Assurance and Approvals Plan \(IAAP\)](#)
- Annex C: [Sustainability Impact Assessment Table](#)
- Annex D: [GEDSI Analysis Summary](#)
- Annex E: [GEDSI Action Plan](#)
- Annex F: [SEAH Action Plan](#)
- Annex G: [Accounting Officer Assessment](#)
- Annex H: [Theory of Change](#)
- Annex I: [Theory of Change Narrative](#)
- Annex J: [Logical Framework](#)
- Annex K: [Risk Register](#)
- Annex L: [Fraud Risk Assessment](#)
- Annex M: [Project Plan and milestones](#)
- Annex N: [Economic Case Appendix](#)
- Annex O: [Climate and Environment Risk Assessment](#)
- Annex P: [Grant Management Plan](#)