



International Chamber of Commerce

The world business organization



INTERNATIONAL CHAMBER OF COMMERCE

ICC 90th ANNIVERSARY LUNCH - 8 October 2009
United Nations Headquarters, New York
Victor K. Fung

Mr. Secretary-General
Members of the ICC Executive Board
Members of the USCIB Executive Committee
Distinguished Guests
Ladies and Gentlemen

It is with great pleasure that I welcome you to this luncheon to celebrate the 90th anniversary of the International Chamber of Commerce and to reaffirm our commitment to the goals of the United Nations.

Dear Friends

When ICC was founded in 1919, the First World War had just ended. Our founders were businessmen who called themselves the “merchants of peace”. They believed, as we do, that business and world trade offer a path to world peace.

The phrase “merchants of peace” is a marvelous way of describing the fundamental purpose of ICC. We are the world business organization, representing thousands of member companies and chambers of commerce in over 120 countries. Then as now, our role is to promote

international trade and investment through a rules-based multilateral system.

We have much to be proud of over the course of the past 90 years. The vision of our founders to promote peace and prosperity through world trade has proved prescient. Peace and prosperity have reigned in a great many parts of the world from the second half of the 20th century. In particular the last 20 years of the global market economy have witnessed phenomenal growth among many developing economies and unprecedented reductions in poverty. Without a single exception, all of the high growth developing economies have been ones that have embraced the global market economy.

In the aftermath of World War II, the architects of the United Nations Charter understood the importance of multi-stakeholder dialogue in inter-governmental deliberations and ICC became one of the first organizations to be granted consultative status in 1946. There is no doubt that we have both benefitted from this long and enduring relationship.

Today, ICC participates in the work of the full range of UN departments, agencies, funds and programmes, providing business views and expertise. Notably, exactly a decade ago, our two organizations collaborated in launching the Global Compact between the UN and the

private sector in voluntary support of 10 universal principles that address human rights, labor, environmental stewardship and anti-corruption.

ICC is also making a major contribution to one of the most challenging problems of our time and an important priority for you, Mr. Secretary General, global climate change. We are doing this by providing business recommendations on key climate change issues and acting as the primary business interlocutor and partner in key intergovernmental negotiations and deliberations, including those of the G20, G8, WTO and particularly, the UN. ICC has actively participated in the United Nations Framework Convention on Climate Change (UNFCCC), which is working towards a new protocol to succeed the Kyoto Treaty, and continues to serve as the official business focal point for all business interactions at the UNFCCC Conference of the Parties in Copenhagen.

For over 30 years has ICC demonstrated a commitment to environmental and sustainable development. In 1972, ICC established its Commission on Environment (which later became the Commission on Environment and Energy) to provide business views and perspectives on major environmental issues.

In 1991, ICC launched the Business Charter for Sustainable Development, a set of principles to guide companies in improving environmental management. And a year later, at the United Nations Conference on Environment and Development (popularly known as the

Rio Earth Summit), ICC played a leading role on behalf of business, organizing a two-day forum and a one-day workshop on the issues, as well as showcasing the progress of companies in environmental management.

We have continued our engagement and commitment to finding solutions to environmental issues – notably at the Johannesburg World Summit in 2002 -- and since then at the UNFCCC Conference of the Parties meetings in Buenos Aires, Montreal, Nairobi, Bali, Poznan and next in Copenhagen this December.

Ladies and Gentlemen:

I would like to share some thoughts on the linkage between climate change and economic development, which are two of the greatest challenges facing us today. In the course of the next decade, the world's population will increase by 1 billion, the vast majority of whom will be born in poor countries, and the climate change and development challenges will become even greater.

In reality the two cannot be disassociated. It is not a choice of either development or climate change management. We need both. If we fail on climate change, we will fail on development; and if we fail on development, we will fail on climate change.

I believe it is how we will deal with trade that will determine success or failure for both development and climate change. There are some who regard trade as harmful to the environment, and putting limits on trade as a necessary step in dealing with climate change. My own view, thankfully shared by many others, is that trade must be integrated into a climate change strategy, if such a strategy is to succeed.

Trade, political stability and peace have formed a fateful and potent partnership for centuries. History shows us that the urge to trade is an intrinsic human impulse, as fundamental as the need for food, shelter and companionship. I could quote many examples from history, but let me offer this one from the Greek historian Herodotus, who described with wonder how the Phoenicians of Carthage ranged the known world to trade. The products they carried from one part of the world to another included more than incense, textiles and tin. Their trade favoured the circulation of knowledge and ideas, including the spread of their alphabet to parts of the world where writing was unknown.

That opening of the world continues today, through trade. One reason I am such a fan of the World Trade Organization is that it has helped extend throughout the world the concept of the rule of law – that rules can be agreed and enforced fairly, for the benefit of all.

The last few decades have demonstrated even more the power of trade to affect economic development -- whether in respect to poverty

reduction, employment, gender equality, technology transfer, etc. – and why it is also fundamental to climate change.

Historically and up to the present day, trade is an instrument that serves the purposes of peace and prosperity. That is why it must be included in the solutions we are devising to deal with climate change. From an international trade perspective, we must find a balance between the pressing needs of development and the impending dangers of climate change. We must find a concerted and collaborative route to resolve the conflicting demands of stimulating quality growth while slowing greenhouse gas emissions with a transition to less carbon-intensive economies.

Concluding an ambitious agreement with these elements will require extraordinary leadership, political will and global collaboration. We applaud the key leadership role you have played, Mr Secretary General, to help ensure a successful outcome in Copenhagen.

A strong multilateral trading system can favour the pursuits of climate change goals. [] Therefore, it is regrettable that the Doha Round remains in the doldrums. A successful conclusion of Doha would strengthen the multilateral trading system and send a strong signal to the world that government leaders can work together to achieve the common good.

Mr. Secretary-General: today we hope to further discuss how you see the negotiations at Copenhagen at this crucial juncture - only two short months away.

We also hope to examine how business can help – not only in securing a positive outcome in Copenhagen, but also in the post-Copenhagen implementation phase.

ICC will continue to work closely with governments and the UN to bring a wide-range of business expertise to collectively solve the crucial global challenges of trade, climate change and development.