

# INTERNATIONAL BUSINESS

## Shaping the Future of the Internet

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By Peter Robinson and  
former Rep. James Bacchus (D-Fla.)



James Bacchus

## On Trade, Time for U.S. to Play Offense

**F**or a country whose influence straddles the world, the United States can sometimes seem a little timid. Look no further than our trade policy, where Congress has yet to pass Trade Promotion Authority (TPA), which sets clear guidelines for negotiating trade deals with other countries.

In his State of the Union Address, President Obama called for a renewed focus on opening global markets to American manufactured goods, services and agricultural products. This was a call to get off the bench and back into the game on international trade, and we are an attractive player. Recent economic developments in the United States, including robust job growth and the shale energy revolution, allow us to go on offense, and help set the terms of trade to the benefit of all Americans.

In America, trade directly supports one out of every five jobs. U.S. manufacturers that export pay on average 18 percent more than non-exporting companies. Meanwhile, more than 80 percent of the world's purchasing power lies outside the United States. Our future prosperity depends on the extent to which we can develop relationships with those markets.

The world is not standing still. In February, businesses from around the world gathered in Miami to look at how they can get the most out of a recent global agreement to slash red tape at borders. The International Chamber of Commerce estimates that agreement could add an extra \$1 trillion to the global economy annually. That's real money. But we will leave our share on the table if we don't get Trade Promotion Authority.

Of course, trade is both imports and exports. Imports help U.S. businesses compete by keeping costs low, allowing American families to save at the register, and providing vital component parts for U.S. manufacturing.

Gone are the days when a finished product rolls off the assembly line, made solely with inputs from its country of origin. A recent study of the iPhone (of which Apple shipped an astonishing 74.5 million units in the last quarter of 2014) concluded that, while most iPhones were shipped from China, that country's workers added less than a tenth of the phone's value. In contrast workers in the U.S., where much of the design, marketing and some key component manufacturing took place, contributed *more than two-thirds* of the iPhone's value. This captures how 21<sup>st</sup>-century "global value chains" operate.

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### Current trade negotiations could make our country the preferred location for global innovation and jobs. But first Congress must renew President Obama's trade authority

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Ongoing U.S. trade negotiations, with 11 Asia-Pacific nations and with the European Union, are opportunities for America to strengthen its place in the global marketplace. Taken together, these trade pacts have the potential to expand U.S. exports significantly and show America's global leadership. Coupled with strong domestic growth and lower energy costs, these trade deals could make our country the preferred location for global investment, innovation and jobs long into the future.

Trade Promotion Authority (TPA) is the key to getting trade agreements done in America. TPA is often characterized as power given to the President, but in fact TPA is a power Congress gave *itself* in 1974. TPA gives elected officials the authority to define our trade objectives, formally consult with trade negotiators, and ensure that issues such as labor rights, environmental protection and product safety are adequately addressed.

TPA is also often referred to as "fast track", which is a misnomer when you consider TPP has been in negotiation since 2005 – in ongoing consultation with Congress and an array of businesses, unions, NGO's, and other groups. That's not fast by any measure. To suggest that TPA somehow allows a trade deal to get rammed down Congress' throat is misleading at best.

America is on the path toward real, sustainable economic growth. But to secure the promise of the 21<sup>st</sup> century, we need to follow through on an ambitious trade agenda and not be timid about it. We need to get back on offense and Trade Promotion Authority enables us to do just that.

*Bacchus, who served in the House from 1991 to 1995, chairs the global practice group at Greenberg Traurig.*

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# Promoting Inclusive Growth in the Digital Economy

Information and Communication Technologies (ICTs) hold tremendous potential to create economic opportunity, address social challenges and include everyone in the digital economy. In just a few years, the Internet and related technologies have gone from being mere tools to supporting the foundation of the entire global economy. About half of the world's population had mobile phone service last year, while one-third of all people used mobile networks to connect to the Internet. Countries that can better leverage the Internet to serve their needs will prosper.

Everybody stands to benefit from the Internet. The Organization for Economic Cooperation and Development (OECD) has pioneered the multi-stakeholder model for Internet governance, ensuring that governments, businesses, members of the technical community and civil society are engaged in dialogues about how the Internet is managed. It is crucial that policymakers understand the role the OECD plays as a forum for building consensus around principles in the ICT space, helping to inform policies that both tap the transformational potential of the Internet for economic growth while ensuring that the benefits of that growth are distributed deeply into society.

To that end, USCIB partnered with the OECD and the Business and Industry Advisory Committee to the OECD (BIAC) to host the ICT conference "Promoting Inclusive Growth in the Digital Economy: The Evidence and Practice Base," to highlight the OECD's role in framing policy discussions about the future of the Internet. During this day-long conference, sessions focused on why the ICT sector warrants engagement with all stakeholders, how to enable the benefits of digital innovation across all sectors and what the best ways are to promote trade, inclusion and trust in the digital ecosystem.

"Never has a strong business role in this area been more important than now," said USCIB President and CEO **Peter Robinson**



Daniel Sepulveda (U.S. Department of State).

in his opening remarks. "It is important for business executives and government officials to recognize the unique role OECD plays to involve all stakeholders to tap the potential of the Internet."

Many speakers weighed in on the OECD's role in shaping the digital economy, including **Andrew Wyckoff**, the director of the OECD Directorate for Science and Technology, **Christopher Painter**, U.S. Department of State coordinator for cyber issues and **Houlin Zhao**, secretary general of the International Telecommunications Union.

Over 100 representatives from government, business, the technical community and the OECD attended the conference. Keynote addresses included an overview of Mexico's national plan to scale up its ICT infrastructure by **Raul Rendon Montemayor**, director general for innovation, services and domestic commerce at Mexico's Ministry of Economy, as well as a review of U.S. efforts to protect privacy and data security in an increasingly connected world by U.S. Federal Trade Commissioner **Julie Brill**. "Basic consumer protection principles apply to exciting new technologies," Brill concluded. "We need to keep consumers front and center."

## Ensuring multi-stakeholder engagement

The OECD stands at the precipice of a global conversation about connectivity that has brought 3 billion people together. During the

conference keynote luncheon discussion, deputy assistant secretary of state **Daniel Sepulveda**, who will serve as vice chair of the OECD steering group for the 2016 Digital Economy Ministerial in Cancun, Mexico, talked about how to ensure that this new connectivity fosters innovation, lifts people out of poverty, increases the productivity of workers, raises wages, and supports the interconnectivity of supply chains.

Sepulveda reiterated that the multi-stakeholder Internet governance model pioneered by the OECD is necessary because it produces better outcomes. He also warned that there is no guarantee that the Internet will evolve in a way that will allow all stakeholders to use it safely and equally. To achieve the twin goals of fairness and safety, governments must embrace the OECD's principles on digital inclusion and data privacy so as to maximize the benefits of the digital economy.

Participants agreed that private sector opportunities to invest, good infrastructure and cross-border data flows are essential for leveraging the Internet's transformational power to address economic challenges and raise living standards. The OECD's multi-stakeholder model has much to be admired, and even though key challenges remain – such as how to properly organize the participation of stakeholders to tap their particular expertise – the best defense of the multi-stakeholder governance model lies in the current resilience and dynamism of the Internet.

The conference ended with a warning about the dangers of forced localization requirements as they relate to the flow of information from one country to another.

"Leveraging the benefits of the cloud doesn't mean it has to be in your country," said **Joseph Alhadeff**, vice president of global public policy at Oracle and chair of BIAC's Committee on Digital Economy Policy. "The utility of the technology is worth more than its physical location. ■"

# USCIB Rolls Out 2015 APEC Agenda

**T**he Asia-Pacific Economic Cooperation (APEC) forum is the most influential high-level dialogue in the region. APEC convenes heads of state, business leaders and economic experts from 21 Pacific-Rim economies to share their views on how to promote free trade, innovation, growth and integration.

The Philippines, the 2015 APEC host economy, has organized APEC's three Senior Officials' Meetings (SOM) and the APEC CEO Summit around the theme of "Building Inclusive Economies, Building a Better World."

USCIB will represent American business interests at the APEC meetings throughout the year. With a strong global network and with membership in the U.S.-APEC Business Coalition, USCIB is uniquely positioned to give its members access to the policy dialogues taking place in one of the most dynamic regions of the world.

USCIB issued its "2015 APEC Priority Issues and Recommendations" in November 2014 outlining our longstanding and overarching objectives of promoting open markets, competitiveness and innovation, sustainable development and corporate responsibility. Covering a wide range of issues from chemical regulations to trade facilitation to women in the economy, USCIB will work to advance our APEC priorities throughout the Philippines host year.

## USCIB participation in APEC

### SOM1 – 1/26-2/7, *Clark, Philippines*

USCIB members traveled to Clark to attend the APEC Chemical Dialogue (CD), a forum for regulatory officials and industry representatives seeking to advance regulatory dialogue on the chemicals trade and achieve environmental protection while minimizing costs to business. **Helen Medina**, USCIB's senior director for product policy and innovation, was scheduled to attend the summit but was unable to due to inclement weather in New York. She will attend the CD during SOM3, and will continue to review APEC's ongoing efforts to promote regulatory cooperation in the APEC economies.



Manila, Philippines

### SOM2 and Meeting of the Ministers Responsible for Trade – 5/10-5/21, *Boracay, Philippines*

USCIB is advancing work on global value chains within the Asia-Pacific, working with **Ed Brzytwa**, director for APEC affairs at the office of the United States Trade Representative, in supporting the U.S. government's efforts to address barriers to trade and investment.

USCIB is also coordinating with ICC to issue a statement on localization barriers to trade urging APEC economies to adopt alternative policies that will enhance their competitiveness and attract foreign direct investment.

### SOM3 – 8/24-9/8, *Cebu, Philippines*

**Kristin Isabelli**, USCIB's director of customs and trade facilitation, will attend a meeting of the APEC Sub-Committee on Customs Procedures to share the private sector's vision on the benefits of implementing guidelines that would streamline cross-border trade among APEC economies. Isabelli is also the private sector chair of the APEC Virtual Customs Business Working Group.

### CEO Summit – 11/15-11/17, *Manila, Philippines*

This is the fifth year that USCIB President and CEO **Peter Robinson** will attend the APEC CEO Summit. USCIB will join business representatives from around the world to participate in bilateral meetings with senior officials from APEC economies to relay USCIB's top priorities and coordinate across industries, sectors and borders. ■

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# Charting a Course Toward Smoother Cross-Border Trade

**B**ottlenecks along trade routes are some of the most stubborn obstacles to economic growth and development. Perishable goods go to waste at the border waiting to clear customs. Trucks carrying cargo in western Africa spend over two thirds of their time just sitting idle, sapping resources and contributing to environmental degradation. Facilitating trade and modernizing customs procedures are essential for increasing prosperity for all.

USCIB partnered with the International Chamber of Commerce (ICC) to hold the “Customs & Trade Facilitation Symposium: Finding Solutions to Cross-Border Challenges,” a two-day policy conference that took place in Miami, Florida on February 23 and 24.

## TFA: need for speed

With Trade Promotion Authority and Customs reauthorization being introduced soon in the United States Congress, and with the implementation of the World Trade Organization's landmark Trade Facilitation Agreement (TFA) set to begin in WTO member countries, the time is right for thoughtful discussion on how to facilitate trade and eliminate red tape at the border.

“We're sitting on the most robust trade agreement we've ever had,” said **Terry McGraw**, chairman of ICC and USCIB, referring to the WTO's TFA. Throughout the conference, participants agreed that government and business leaders need to work together to get the TFA ratified and approved by two-thirds of WTO member states as soon as possible. Ratification of the agreement is not yet a done deal – only Hong Kong, Singapore and the United States have ratified it thus far.

Private-sector support is crucial for the TFA to succeed, and the global benefits of improving trade facilitation will be substantial. The ICC estimates that implementation of the TFA will add \$1 trillion to the global economy and create 21 million jobs worldwide, most in the developing world.

## Finding solutions to cross-border trade

Over 100 representatives from government, business and national customs authorities attended this two-day symposium. Discussions on the first day included introductory remarks by **Kunio Mikuriya**, secretary general of the World Customs Organization, **Yi Xiazhun**, deputy director general of the World Trade Organization and ICC leaders, as well as a keynote address by **Mark Linscott**, assistant United States Trade Representative for WTO and Multilateral Affairs; a stock-taking session on the WTO's trade facilitation agreement; an overview of trade logistics and customs regimes and a review of ICC's trade tools.

“It's heartwarming for me to see private sector interest in this agreement,” said Linscott during a Q&A session with McGraw about the TFA.

The second day featured a keynote breakfast by Customs and Border Protection (CBP) Commissioner **Gil Kerlikowske** and discussion sessions on the Panama Canal expansion and how best to balance border security with trade facilitation.



L-R: Rob Mulligan (USCIB), Mark Linscott (USTR), Maritza Castro (DHL), and Terry McGraw (McGraw Hill Financial)

“The conference offered an exciting and timely opportunity for government officials and business leaders to discuss policies that improve trade between countries and along supply chains,” said **Jerry Cook**, vice president of HanesBrands and chair of USCIB's Customs and Trade Facilitation Committee. “HanesBrands has done a lot of work in this area, and we are committed to finding solutions that make it easier for all companies to do business.”

## Support from business is essential

Commissioner Kerlikowske stressed the importance of close collaboration between business and Customs authorities to ensure border security in a cost-efficient manner. He noted that if countries can agree on the same security standards, they can collectively improve trade as well.

Secretary General Mikuriya noted the close collaboration between Customs and ICC, and expressed thanks for business's efforts on trade facilitation, helping to eliminate illicit trade and improving the efficiency of supply chains.

“I applaud the ICC for its unwavering support for the TFA,” said Mikuriya.

The conference ended with agreement that improving trade facilitation will benefit all businesses and create jobs. But there is still more work to be done: the TFA must first be ratified, and the private sector's efforts in convincing governments and the public at large about the benefits of the agreement will be crucial for the agreement's ratification and ultimate implementation.

Speakers also highlighted the challenges on the ground as business, government and customs officials work on trade facilitation implementation. These include problems with infrastructure, lack of intellectual property rights enforcement, corruption and entrenched red tape at the border. Substantial political will must be marshaled by WTO member countries to change organizational cultures, and participation from business will be required.

“It's encouraging to hear that a lot of members have worked on these efforts already,” said **Rob Mulligan**, USCIB's senior vice president for policy and government affairs. “The private sector must continue to move forward on getting TFA done.” ■



# UN Climate Talks: Why the Private Sector Needs to Be Involved Now

By Ann Condon and Norine Kennedy

**T**homas Edison said, “Opportunity is missed by most people because it is dressed in overalls and it looks like work.” For the United Nations climate change deliberations driving toward a global agreement in Paris this December, we would offer a variation on Edison’s observation. In this context, opportunity looks like a business person, ready to roll up their sleeves, invest in innovation, find new markets and become more competitive. USCIB wants to make sure the negotiators do not miss that opportunity.

And it goes beyond an opportunity. In our view, engagement with the private sector is imperative from both an economic and environmental standpoint. We need to manage and address the risks of climate change, and doing so requires engaging all countries and societal partners. And this must happen cost-effectively, with job creation and shared prosperity, stimulating economic growth and development.

Can emissions reductions and economic growth really go hand in hand? The answer is an emphatic “Yes!” Moreover, we now have clear evidence that this is underway. In March, the International Energy Agency announced that the world had successfully decoupled economic activity from greenhouse gas emissions, with global GDP increasing by 3.3 percent in 2014, while emissions decreased. This was the first time in over 40 years that observed emissions declined without an economic downturn.

USCIB member companies have made important contributions to inform the discussions, with the goal of influencing policy and market outcomes, meeting societal expectations and, in the process, finding new opportunities and new markets.

The business community has a clear stake in being engaged in the UN negotiation process, to help policy makers understand the economic and business opportunities and consequences of their policy choices. USCIB, which has been engaged in the process since negotiation of the original UN Framework Convention on Climate Change in 1992, is seeking to expand private-sector



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## “Can emissions reductions and economic growth really go hand in hand? The answer is an emphatic “Yes!”

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engagement throughout the course of 2015 and beyond the Paris summit to the period when national implementation begins.

To do this we are working through multiple channels:

- **Advocating directly to the U.S. government**, both on specific elements of a global agreement and on the critical issue of the U.S. pledge (or INDC, for “intended nationally determined contribution”).
- **Working closely with our partners in the International Chamber of Commerce**; which serves as the business focal point for the UN negotiations and is playing an increasingly important role as a champion of sensible policies.
- Engaging with multiple organizations on **the interplay between the UN climate talks and other initiatives** such as the Sustainable Development Goals.
- Forging stronger links between the **business communities of the major emitting countries** through the Major Economies Business Forum.

So how do USCIB member companies see a feasible and durable approach to climate, one that sets the stage to address these joint economic and environmental imperatives?

First, we want governments to provide a **clear framework for international action on the many dimensions of climate change – including energy access and modernization** to reduce greenhouse gas emissions, and resilience and adaptation; with all large economies making national pledges to measure, monitor and report their activities.

Second, negotiators must find a way to **mobilize and deploy \$100 billion annually** that

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**“Open markets and trade are vehicles that spread investment and technology cost effectively and profitably; anything that hampers markets will slow the pace of climate action and make it needlessly expensive for companies and for society.”**

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governments pledged for climate mitigation and adaptation. You simply can't get to a number that big without catalyzing private investment, which responds best to market incentives. For USCIB, open markets and trade are vehicles that spread investment and technology cost effectively and profitably; anything that hampers markets will slow the pace of climate action and make it needlessly expensive for companies and for society.

Third, and perhaps most importantly, the Paris summit must map out **practical ways to include the private sector** as a partner in the success of a global climate agreement. USCIB is seeking a recognized consultative role for business in all

aspects of climate policy – setting priorities, informing policy options, taking action. As USCIB President and CEO **Peter Robinson** remarked at the most recent UN climate conference in Lima, Peru: “If a global agreement doesn't work for and with business, it won't work.”

It is apparent that this is an idea whose time has come: the French government has called upon the private sector to be part of a shared agenda for action in Paris, and has signaled the importance of ongoing dialogue with business as a priority.

The international community has laid out a broad vision of 2015 as a critical fulcrum, where we

can reinvent and reinforce economic and environmental imperatives, using both in markets and policy. For USCIB and its members, expectations are high. We will do our utmost to make the case for what we know will work best – open markets and trade, innovation and the enabling conditions for private sector investment – to address climate change challenges and move the global economy forward.

*Ann Condon is director for resource and environment strategies at GE and chair of USCIB's Environment Committee. Norine Kennedy is USCIB's vice president for energy, environment and strategic international engagement. ■*



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## B20 Leaders Call for Action on Trade and Infrastructure

CEOs from the International Chamber of Commerce G20 Advisory Group attended the Saudi Arabia Regional Consultation Forum on February 26 in Jeddah, organized by B20 Chairman **Rifat Hisarciklioğlu**. This event was the first of 11 meetings set to take place this year to gauge business priorities to be fed into the B20 policy recommendations made to the Turkish G20. "Trade must be put at the top of the G20/B20 agenda," said Turkish Deputy Prime Minister **Ali Babacan**. "We must find ways to grow global trade to deliver economic growth and employment." And in Antalya, Turkey, International Organization of Employers President **Daniel Funes de Rioja**, said that the B20 is fully committed to contributing to the success of the Turkish G20 presidency. He noted that the discussions to take place during the upcoming 2015 International Labor Conference will focus on Informality and SMEs. The 2015 G20 Leaders' Summit will be held in Antalya on November 15 and 16.

## Record Number of Projects Submitted to ICC World Chambers Competition

ICC's World Chambers Federation (WCF) has received a record number of innovation and best practice projects for the World Chambers Competition, a prominent feature of the ICC WCF 9th World Chambers Congress to be held in Torino, Italy in June. WCF is a specialized division of ICC encompassing chambers of commerce from every region of the world. Open to more than 12,000 chambers across all five continents, the competition has received 80 applications from 40 countries for the 2015 edition, making this year's event the biggest since its launch in 2003 in Quebec City. The 9th World Chambers Congress, taking place from June 10-12 in Torino, Italy is the largest global gathering for chambers of commerce. Held every two years in a different region of the world, the Congress is the only international forum for chamber leaders to share best practices.



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## Business Emphasizes Dispute Resolution at OECD Tax Consultations

OECD public consultation meetings on the Base Erosion and Profit Shifting (BEPS) Project took place in Paris from January 21-23, 2015, where a number of key issues for business were addressed, including Permanent Establishment (PE) Status (BEPS Action 7), Treaty Abuse (BEPS Action 6), Low Value-Adding Services (BEPS Action 10), and Dispute Resolution (BEPS Action 14). BEPS refers to the G20/OECD initiative designed to rewrite global tax rules to prevent incidences of perceived under- or non-taxation of international companies. At the consultations, BIAC Tax Committee Chair **Will Morris** emphasized the absolute importance of effective dispute resolution to a successful outcome for the BEPS Project. **Carol Doran Klein**, USCIB's vice president for international tax counsel, participated in the OECD Public Consultation, representing U.S. business interests in BIAC's work.

## ISDS is Key to Unlocking Investment

In order to stimulate inward investment, investors must be treated fairly and protected against the arbitrary behavior of host states. Investor-State Dispute Settlement (ISDS) is an indispensable part of a fair, efficient investment protection system. It provides for a neutral and high-quality legal dispute resolution mechanism in cases of investment treaty breaches by host states. In light of the current anti-trade sentiment criticizing the ISDS system, USCIB and BIAC believe that it is crucial that the discussion is put back in the right perspective and that common misrepresentations are effectively addressed. The OECD, as an internationally recognized forum for fact-based and objective analysis, and with a long track record of fostering open, transparent and non-discriminatory investment policies, should play an important role in providing objective analysis, thus helping to shape further understanding about the issues that are at stake. A BIAC paper on ISDS contains concrete proposals for future OECD analysis in this area.

## USCIB at Your Service

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## IOE Leaders Among World's Top 50 Most Influential African Women

Three leaders of the International Organization of Employers (IOE) member federations in Africa, **Miriam Bensaleh**, president of CGEM (Morocco), **Ouided Bouchamoui**, president of UTICA (Tunisia) and **Jacqueline Mugo**, executive director of the Federation of Kenya Employers feature in the list of the Top 50 Most Influential African Women in the World, published by leading African publication *Jeune Afrique* in January. Noting the growing number of influential women on the continent, *Jeune Afrique* honors the qualities of the IOE member laureates, including their expertise, tireless dedication, strength of conviction and determination. Also highlighted is the respect these women command as they undertake their mission to foster an enabling environment for business and entrepreneurship. "Promoting women's empowerment is a key area of the IOE's work and we are very proud to have Bensalah, Bouchamoui and Mugo in key roles in our member organizations in their countries," said IOE Secretary General **Brent Wilton**.

## IOE Perspective on ILO World Employment and Social Outlook

As the global economy contends with several diverging forces, policy makers and global institutions are seeking to make sense of conflicting signals. One signal on worldwide employment levels comes from the International Labor Organization's annual "World Employment and Social Outlook" report, which covers data on employment trends and challenges. According to the report, the global employment gap continues to widen, along with income inequality. IOE believes the report paints an overly pessimistic scenario of worsening global unemployment levels, continuing inequality and falling wage shares. "Regarding employment and economic growth, the challenges faced by individual countries are subject to wide variations," the IOE said in a statement. "Generalizations are unhelpful and tend to mask growth divergences across economies, which may engender misleading policy responses that treat cyclical dimensions rather than addressing longstanding and structural rigidities."

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## USCIB Sends Letter to President Obama on Trade Promotion Authority

On January 13, 2015, USCIB sent a letter to the White House urging President Obama to call for the passage of Trade Promotion Authority in his State of the Union Address on January 20. The letter was subsequently sent to Congressional leaders and the chairs of the relevant Congressional committees, as well as USTR. The letter emphasized that a strong push from the Administration, Congress and the business community is needed to get TPA over the finish line. USCIB was pleased to hear the President's call for TPA and general support for an ambitious trade agenda in the address.

## Investment, Yes! But Let's Be Consistent

Foreign investment in the U.S. can create good-paying American jobs, increase U.S. exports, strengthen U.S. competitiveness, give U.S. consumers increased choices, and bolster tax revenues at the local, state and federal level, wrote USCIB's **Shaun Donnelly** (vice president, investment and financial services) in Investment Policy Central. Hats off to the Administration for the high priority they are according this important national FDI initiative. At the same time, we must register our disappointment that the Administration opts to ignore the other, equally-important side of the FDI coin, outward FDI by U.S.-based companies. USCIB believes and economic studies confirm that in today's globalized, supply chain-driven global economy, outward FDI is also vital for American competitiveness, growth and jobs. When U.S. firms invest abroad, they serve new fast-growing markets, 'pull' U.S. exports, create headquarters jobs at home, and generate profits for U.S. shareholders and revenues for taxing authorities.

## Promoting Single Window in Latin America

On December 4, 2014, USCIB's **Kristin Isabelli** (director, customs and trade facilitation) served as a customs expert on a private sector panel discussing the benefits of single window implementation in Latin America for U.S. business hosted by Red VUCE. The Red VUCE is a forum that seeks to exchange best practices in the design and implementation of national single window projects, as well as aspects for making progress in the interoperability of regional single windows in the future. Single window implementation by countries in the region is a critical tool for trade facilitation and international trade, and USCIB is an active public stakeholder in the Border Interagency Executive Council (BIEC), which is coordinating the implementation of America's own single window, the International Trade Data System, which will be finalized in 2016.

## Make 2015 the Year of Trade

USCIB joined 200 business and agricultural groups in signing a letter to Congressional leaders urging the passage of bipartisan legislation to modernize the Trade Promotion Authority (TPA). The Trade Benefits America Coalition, of which USCIB is a member, includes a wide range of associations and companies that are dedicated to the pursuit of U.S. international trade agreements that benefit American businesses, farmers, workers and consumers. The Coalition believes that passage of modernized Trade Promotion Authority (TPA) legislation is important to help ensure America continues to benefit from trade.

# Bringing Down Barriers: Women, Business and the Rule of Law

**T**he global economy has much to gain from the full empowerment of women. As the world's most underutilized resource, women are essential to increasing economic growth, establishing just societies, improving quality of life for families and communities and boosting the profitability of enterprises.

Around the world, too many laws still discriminate on the basis of gender, with dramatic consequences on women's ability to contribute to economic growth. To address this major barrier to empowerment, USCIB partnered with the International Development Law Organization (IDLO), the Global Compact, the International Chamber of Commerce and the World Bank Group to organize "Bringing Down the Barriers: Women, Business and the Rule of Law," with the support of the permanent missions of Romania and Paraguay to the United Nations. This event was held in parallel with the UN meeting of the Commission on the Status of Women (CWS) and in support of the 2014 World Bank report, "Women, Business and the Law," which evaluated the economic impacts of gender discrimination laws across the world.

USCIB's Senior Counsel **Ronnie Goldberg** gave opening remarks at the breakfast event, explaining that in some countries women lack the legal status to attain an ID, establish a contract, access finance, represent themselves in legal cases, or even hold property in their own name. Such discrimination places major obstacles to economic and social development.

"There can be no development when you ignore 50 percent of the population," Goldberg said.

Speakers and panelists came together to discuss these barriers and how governments can address them. Other speakers included:

- **Judit Arenas**, director, external relations Deputy Permanent Observer, International Development Law Organization (IDLO)
- **Cindy Braddon**, vice president of international affairs at McGraw Hill Financial and ICC World Businesswomen
- **Ioana Cesacu**, secretary of state, Department for Equal Opportunities for Women and Men, Ministry of Labor, Family, Social Protection and Elderly, Romania



L-R: Cindy Braddon (McGraw Hill Financial), Judit Arenas (IDLO) Pilar Ramos (MasterCard)

- **Sarah Iqbal**, program manager, Women, Business and the Law Project, World Bank Group
- **Pilar Ramos**, vice president, Global Public Policy & Regulatory Strategy Counsel, MasterCard Worldwide

The World Bank's "Women, Business and the Law" found that women in marriages are required to give up certain rights by law and consequently lack the ability to make their own legal decisions, limiting their economic opportunities. The report also studied the evolution of these restrictions in countries over the past 50 years. Over half these obstacles have been removed, but in 90 percent of the 143 countries surveyed, at least one legal barrier remains, so more needs to be done to achieve gender equality.

Significantly, the report provides evidence to counter the myth that expanding access to the workforce for women necessarily reduces employment for men. To the contrary, the report shows that men's access to employment was unchanged by increases in women's participation.

Braddon noted that the World Bank report will be useful in informing the SDGs. "Good data helps drive better decisions," she said.

The event ended with a presentation by Ramos on MasterCard's recent investments in developing economies. Specifically, the company has concentrated on including women into the formal financial system. ■

## USCIB, NYU Host Dialogue on U.S. Responsible Business Conduct Plan

In September, **President Obama** announced the development of a U.S. National Action Plan (NAP) to promote responsible business conduct abroad consistent with the United Nations Guiding Principles on Business and Human Rights. As part of the consultative process leading up to the action plan, U.S. officials will attend a series of open dialogues hosted by independent organizations throughout the year where stakeholders can provide input on the NAP process and content.

USCIB and New York University's Stern School of Business hosted the first event in this series on December 15 on the NYU campus.

U.S. government representatives from the Department of Labor, Department of State and the U.S. Mission to the United Nations came

together at the open dialogue to gather input from the private sector and other stakeholders that promote respect for human rights internationally.

"There is in fact a huge new appreciation for the role of the private sector and business generally," said Ambassador **Elizabeth Cousens**, U.S. Representative to the UN Economic and Social Council. "And what business can do, together with communities and civil society, to contribute to development and human rights."

The NAP will aim to unify government efforts in promoting best practices in the areas of human rights, labor rights, corruption and transparency abroad, with clear and predictable guidelines.

# USCIB Nominates First-Ever Business Rep to UNEP Advisory Panel

**F**ollowing USCIB's nomination, Dr. **Neil C. Hawkins**, corporate vice president for sustainability at The Dow Chemical Company, has been named to serve as the first business and industry representative to the United Nations Environment Programme's (UNEP) newly created Global Environment Outlook (GEO) High Level Advisory Group.

The Global Environment Outlook (GEO) is an international consultative scientific and expert panel that conducts integrated environmental assessments and reports on the state, trends and outlooks of the environment. The upcoming GEO-6, to be launched in mid-2017, will build upon regional assessment processes and create a comprehensive picture of the environmental factors contributing to human well-being, accompanied by an analysis of policies leading to global environmental objectives and goals, including the UN Sustainable Development Goals.

Dr. Hawkins is the only business representative with a seat on this policy-driving panel.

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**"We're thrilled to support Neil in this role on behalf of business writ large,..."**

**– Norine Kennedy**

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"We're thrilled to support Neil in this role on behalf of business writ large," said **Norine Kennedy**, USCIB's vice president for strategic international engagement, energy and environment. "His involvement in the GEO will contribute to a more multi-dimensional assessment of planetary eco-systems and human impacts from a business perspective, and shed light on how the private sector can help deploy innovative solutions."

Hawkins's nomination is the most recent development in USCIB's engagement with UNEP and its UN Environment Assembly in Nairobi, as well as USCIB's inputs to previous GEO reports. ■

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# USCIB Adds Its Voice to White House Forum on Human Trafficking

**M**arking the end of National Slavery and Human Trafficking Prevention Month, USCIB staff and members took part in a January 29 White House forum on combating human trafficking in supply chains to address the pernicious incidences of labor trafficking around the world. The Obama administration committed to an agenda to fight human trafficking in 2012, and USCIB supports the administration's stance and agrees that forceful labor recruitment has no place in business.

**Ariel Meyerstein**, USCIB's vice president for labor affairs, corporate responsibility and corporate governance, attended the forum along with other representatives from the private sector, nongovernmental organizations and the U.S. government to discuss how all stakeholders can work together to eliminate trafficking in federal contracts and in private-sector supply chains.

Meyerstein noted that Secretary of State **John Kerry** "spoke eloquently on the moral imperative on all of us to work towards ensuring that no human being could ever own another person's freedom."

USCIB member representatives – including **Bob Mitchell**, global manager for supply chain responsibility at Hewlett-Packard and **Wesley Wilson**, senior director of responsible sourcing at Wal-Mart – spoke on a panel addressing "Private Sector Strategies to Combat Human Trafficking in Supply Chains." The panelists shared their companies' best practices for combating human trafficking, which included directly employing and paying all workers, working with foreign governments to prevent labor trafficking and implementing fair and transparent labor standards.

When asked what more could be done by the U.S. government to reinforce and amplify the work they are doing, both Mitchell and Wilson encouraged the U.S. government to engage bilaterally with other countries to impress upon them how seriously the U.S. government and U.S. businesses take the issue and to develop the prevention and enforcement capacities in other jurisdictions to complement private sector efforts.

Secretary Kerry delivered remarks at the forum and presented the 2015 Presidential Award for

Extraordinary Efforts to Combat Human Trafficking to the Coalition of Immokalee Workers' Fair Food Program.

Also in January, the Federal Acquisition Regulatory Council, the body responsible for overseeing U.S. government procurement, published updates about new safeguards designed to strengthen protections against trafficking in federal contracts. These new rules, modeled on successful private sector practices, prohibit federal contractors from charging employees recruitment fees or using misleading or fraudulent recruitment practices, require contractors and subcontractors performing work valued at over \$500,000 outside the United States to develop and maintain a compliance plan, and to certify that, to the best of their knowledge, neither they nor any of their subcontractors has engaged in trafficking-related activities.

USCIB has been active in the corporate responsibility space and will continue to work with the federal government and other stakeholders to eliminate human trafficking in supply chains. ■

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# University of Houston Law Center Wins 2015 ICC Mediation Competition

**T**he University of Houston Law Center has won the International Chamber of Commerce (ICC)'s 10th International Commercial Mediation Competition, taking the title after a thrilling final against the University of Sao Paulo.

Open to law and business schools worldwide, the competition, which ran from February 6-11 in Paris, is ICC's biggest educational event and the only moot devoted exclusively to international commercial mediation. Featuring some 150 mock mediation sessions based on real commercial disputes, the 2015 competition tested the problem-solving skills of 67 teams from 34 countries, making it the biggest and most diverse yet.

University of Houston Law Center was represented by students **Rose Badruddin** and **Brandon Schrecengost**, who won internships at the ICC International Center for ADR, and the Center for Effective Dispute Resolution, as part of the Competition prize.

"I'm ecstatic!" said Schrecengost. "To get this far and eventually win is beyond anything we could have hoped for."

Badruddin added: "Lawyers are usually taught to be independent but I think one of the biggest lessons of this competition for me is: trust yourself, but also trust your partner."



University of Houston Law Center winners Rose Badruddin and Brandon Schrecengost

The team was selected for their "good social dynamics" during their university's series of mediation, negotiation, and arbitration competitions, according to coach **Kevin Hedges**, a practicing attorney who teaches at the University of Houston and has been a moderator, mediator and arbitrator. He added: "The competition has gotten much more competitive every year. It's invaluable for the students to meet their peers from around the world and interact with them both socially and professionally."

Throughout the competition, professional mediators drew on their own experiences of resolving business disputes to act as mediators and judges, while students played the roles of client and legal counsel. The final session involved a complex dispute over the low yields of a newly acquired vineyard on a South Pacific Island. ■

## USCIB Adds Business Voice in Fight Against NCDs

USCIB submitted comments to the World Health Organization (WHO) on February 6 stressing the role business plays in combating malnutrition and other non-communicable diseases (NCDs). NCDs are responsible for over 60 percent of the world's premature deaths, according to the WHO.

Last year the WHO established the Global Coordination Mechanism on the Prevention and Control of Non-communicable Diseases, an intergovernmental body designed to coordinate activities and multi-stakeholder engagement, including with business, as the WHO works toward implementing an action plan on NCDs.

"We believe that the private sector has a legitimate role to play in working with the WHO, its Members States and civil society to curb NCDs," wrote Helen Medina, USCIB's senior director for product policy and innovation in a submission co-signed by the International Organization of Employers, "and it wants to be part of the solution."

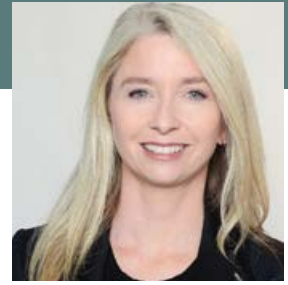
The submission noted that all companies have an interest in ensuring they have a healthy and resilient workforce, and for that reason the private sector must be included in policy discussions about how to best address NCDs. USCIB reiterated its messages that self-regulation can play a constructive role, public-private partnerships are an effective response to global health challenges and taxes on various foods and beverages have negative, unintended consequences, especially for societies' poorest consumers.

The submission also included examples from USCIB member companies of business initiatives aimed at improving global health, such as The Coca-Cola Company's support of the "Exercise is Medicine" program, which encourages doctors to include exercise when designing treatment plans for patients. Also, Nestlé's Healthy Kids Global Program is a partnership initiative aimed at raising nutrition knowledge and promoting physical activity among school-age children. The program reached almost seven million children in 68 countries at the end of 2013. And Pfizer has supported a pilot project in China called "Healthy Heart – New Life," focused on developing work-related healthcare services to address chronic disease.

## Disney's Rubbo to Chair USCIB's Corporate Responsibility Committee

USCIB is pleased to announce the appointment of **Laura Chapman Rubbo** of The Walt Disney Company as the new chair of its Corporate Responsibility Committee. Rubbo has served as co-vice chair of the committee since 2013.

Rubbo, a director in Disney's international labor standards department, brings 20 years of experience in corporate social responsibility, international labor standards, and business and human rights.



Laura Chapman Rubbo (Disney)

"USCIB has played a critical role in helping Disney understand and respond to evolving expectations of global business in the corporate responsibility and human rights arena," Rubbo said. "We are honored to take a more active role in contributing to the corporate responsibility conversation with USCIB, its members, international institutions and the broader stakeholder community."

**Ariel Meyerstein**, USCIB's vice president for labor affairs, corporate responsibility and corporate governance, welcomed Rubbo's leadership. "We are thrilled to have Laura take the helm of the Corporate Responsibility Committee," he said. "Her years of experience in the CSR space and tremendous energy will help strengthen our committee's work promoting the business perspective on corporate responsibility."

Rubbo was part of the United States delegation to the International Labor Organization's 2014 International Labor Conference, and she is a frequent speaker at CSR-related events. ■

### New USCIB Members

We are delighted to welcome the following companies and organizations as the latest additions to USCIB's diverse membership:

**New America Chamber of Commerce**  
**Orlando Regional Chamber of Commerce**

*To learn more about how USCIB membership can benefit your organization, contact **Alison Hoiem** (202-682-1291 or [ahoiem@uscib.org](mailto:ahoiem@uscib.org)).*

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*Save the Date:*

## 2015 OECD International Tax Conference

**June 10-11, 2015**

ICC Headquarters  
Washington, D.C.

The OECD, USCIB and BIAC will host a conference on the OECD's new international taxation project on Base Erosion and Profit-Shifting on June 10-11, 2015 in Washington, D.C. This conference provides a unique opportunity for the U.S. business community to interact with key representatives from the OECD Centre for Tax Policy and Administration and senior tax officials from the U.S. and other countries. ■

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## ICC World Chambers Congress

**June 10-12, 2015**

Torino, Italy

The World Chambers Congress is organized by the ICC World Chambers Federation. Held every two years in a different region of the world, the Congress is the only international forum for chamber leaders to share best practices, exchange insights, develop networks, address the latest business issues affecting their communities and learn about new areas of innovation from chambers around the world. The Congress addresses how chambers can serve, strengthen and support their member companies. This event assembles a global community of more than 12,000 chambers of commerce, their leading business members and influential world leaders. It provides a unique opportunity for interaction between delegates from more than 100 countries. ■



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## calendar

### april 2015

14	Washington, D.C.	USCIB Competition Committee
15	Washington, D.C.	USCIB Corporate Responsibility Committee
16	Washington, D.C.	The Trans-Pacific Partnership: Setting New Rules for Trade in the 21st Century
17	Washington, D.C.	USCIB Labor and Employment Policy Committee
27 - 28	San Francisco	Fifth Annual ICC Asia-Pacific Conference

### may 2015

10 - 21	Boracay, Philippines	APEC Senior Officials' Meetings II
11 - 22	New York	World Trade Week
20 - 21	Paris	Business and Climate Change Conference

### june 2015

1	Bonn, Germany	UN Climate Talks
1 - 13	Geneva	104th Session of the International Labor Conference
10 - 12	Torino, Italy	ICC 9th World Chambers Congress
10 - 11	Washington, DC	2015 USCIB/BIAC/OECD International Tax Conference
13	Geneva	324th Session of the ILO Governing Body

### august 2015

Aug 24 - Sep 8	Cebu, Philippines	APEC Senior Officials' Meetings III
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### september 2015

14	New York	Tenth Annual ICC New York Conference
17	Atlanta	Engaging Business Forum

### october 2015

6 - 7	Bahrain	IOE Global Employers' Summit
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### november 2015

1 - 3	Miami	Thirteenth Annual ICC Miami Conference
1 - 12	Geneva	325th Session of the ILO Governing Body
15 - 17	Manila, Philippines	APEC CEO Summit
Nov 30 - Dec 11	Paris	UN Climate Talks (UNFCCC COP21)

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#### We welcome your comments and submissions

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