

# INTERNATIONAL BUSINESS

## An Agenda for 21st-Century Prosperity

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Peter M. Robinson, President and CEO, USCIB



## Priorities for the Trump Administration

**A**s I write this, the administration of President **Donald Trump** is taking shape. Uncertainty remains as to how his campaign promises will be acted upon, and what his top priorities will be. But one thing is clear: our nation's continued prosperity and security demand that the United States remain engaged internationally on key issues including trade, climate change, sustainability and support for a rules-based global economy.

American companies are heavily invested in creating the conditions for expanded U.S. influence internationally, and for renewed investment and growth at home. USCIB is well positioned to work with the new administration and Congress – and with the overseas business partners with whom we have established longstanding close ties – to support our members' interests by focusing attention on the key issues and initiatives that will undergird America's growth and success, and strengthen the global economy, in the 21st century.

Defining America's role in the 21st century must be a top priority. USCIB is ready to work in concert with the Trump administration and Congress to develop the strategy for U.S. engagement with the wider world – one that both continues and augments the benefits that American businesses, workers and consumers draw from active participation in the global economy and international institutions. We need policies that anticipate, address and support the demands of a changing American workplace, while addressing the legitimate needs of those displaced or disadvantaged by the 21st-century global economy.

Such a strategy must recognize and build upon America's strengths in innovation, entrepreneurship, world-class work force and know-how. It should further seek to leverage American business to reinforce U.S. global leadership, and effectively engage with multilateral institutions to foster international rules and a level playing field that support our competitiveness. The U.S. should also seek to make these institutions more accountable and representative of key global stakeholders, including the private sector, in pursuit of shared goals and values. As the recognized U.S. business interface, by virtue of our unique global network with the UN, OECD, ILO and other multilateral bodies, USCIB is especially well-positioned to help bring this about.

Broadly speaking, we are looking to advance four themes with the new administration:

1) **Making globalization work for everyone** – The benefits to the United States of increased trade and investment with the world are significant and broadly dispersed across the entire population. But the painful downside of job loss as the result of foreign competition is felt sharply by many individuals and localities. We need policies that effectively address the short-term losses while ensuring the broad gains remain intact, demonstrating the value of economic openness and dynamism for all Americans.

2) **Growing a dynamic, 21st-century economy** – Keeping an open door to trade and investment is only part of the equation in building a robust, dynamic economy for the 21st century. Many of the biggest handicaps to U.S. competitiveness are self-inflicted: poor investment in infrastructure, lagging educational institutions, an antiquated and byzantine tax system and poorly constructed immigration policies. We need to build bipartisan support for sensible, long-term investments and policy reforms in each of these areas.

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***The United States must develop a strategy for engaging with the wider world in the 21st century.***

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3) **American leadership in the wider world** – Farsighted U.S. policies have helped foster global growth and stability ever since World War Two. This in turn has provided direct benefits to America in terms of national security, as well as our ability to grow and compete in the international economy. The world now confronts multiple challenges (such as climate change, terrorism, migration and slow growth in many economies) that demand continued American leadership and close international cooperation.

4) **Transparent and accountable international institutions** – America, and American business, led the way in building the postwar international institutions and a rules-based system to foster global stability, growth and development. Unfortunately, some international organizations in the UN family are becoming hostile to the private sector, seeking to exclude business representatives from key meetings and to impose an anti-business agenda. We need to confront that discrimination, while actively supporting and growing the mutually beneficial relationships that do exist after over 70 years of consultative status with various UN agencies. In this regard, we welcome the recognition of the positive role of business through the recent granting of Observer Status at the UN General Assembly to the International Chamber of Commerce.

We are ready to work with the Trump administration and Congress to strengthen U.S. competitiveness, reap the gains from participation in global markets and trade, and deliver benefits in the form of jobs and opportunities for U.S. workers. These objectives can and must be pursued together.

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# Berlin Meetings Kick Off Germany's G20 Host Year

**T**he first full meeting of B20 members during Germany's G20 host year was held in Berlin in December. The B20 brings together private-sector representatives from each of the G20 nations and provides official input and advice to the G20. This year's G20 Summit will be held July 7-8 in Hamburg. The B20 Summit will take place May 2-3 in Berlin.

USCIB President and CEO **Peter M. Robinson** took part in the December event in his capacity as a Co-chair of the B20 Employment and Education Task Force, which met in parallel with all other B20 Task Forces, and for which the IOE serves as Network Partner. The International Chamber of Commerce (ICC), for which USCIB also serves as U.S. affiliate, serves as Network Partner for other B20 Task Forces including Trade and Investment.



USCIB President and CEO Peter Robinson in Berlin

The December conference brought together all Task Forces and cross-thematic groups. It gave members of various B20 working groups the opportunity to continue their work on policy proposals, and featured addresses by leading G20 and B20 representatives. The conference was opened by German Minister of Finance **Wolfgang Schäuble** and B20 Chairman **Jürgen Hees**. **Lars-Henrik Røller**, Head of the Federal Chancellery's Economic and Finance Division and G7/G20 Sherpa, also participated. His B20 counterpart, **Stormy-Annika Mildner** of BDI, played an important organizational role in the conference.

B20 Germany is co-hosted by the Federation of German Industries (BDI), the Confederation of German Employers' Associations (BDA) and the Association of German Chambers of Commerce and Industry (DIHK)—all three USCIB partners in its global network for Business at OECD/BIAC, International Organization of Employers (IOE), and ATA Carnet, respectively.

The theme of the Conference was “Resilience, Responsibility, Responsiveness—Towards a Future-Oriented, Sustainable World Economy.” The B20 issued a statement calling for open markets and inclusive growth, entitled “Make Trade Work for Everybody. Initiated in response to troubling emotional rhetoric taking place around the world, the statement began with:

*“The B20 is deeply concerned about current anti-globalization sentiments, which can be witnessed in many countries around the world. Increasingly, communities are voicing strong opposition to trade liberalization and international investment. We need to take these concerns seriously and support communities during times of change and disruption. At the same time, seemingly easy solutions risk having long-term negative consequences for business, workers, and consumers. We urge governments to resist the temptation to resort to protectionist measures such as trade barriers or investment restrictions”*

## G20 Scorecard

At the Berlin meetings, ICC unveiled the latest edition of ICC G20 Business Scorecard, rating G20 responsiveness to key business policy priorities for growing the global economy, while revealing important missed opportunities G20 nations group to advance international trade and key international policy frameworks.

The Scorecard examined 25 business priorities developed during the Chinese B20 cycle and rates the G20's responsiveness across seven policy areas. The overall score of 2.3 out of 3.0 across all seven policy categories marks the highest overall score since ICC began its monitoring. However, despite the positive overall trend, progress is shown to be uneven. ■

## G20 Leaders Commit to Expand Trade, Resist Protectionist Policies

G20 leaders held their annual summit in Hangzhou, China on September 4-5. USCIB participated in the B20 Trade and Investment taskforce in 2016 and was pleased to see that the G20 leaders statement included support for several issues on trade that were part of the B20 recommendations. Some of the key aspects of the statement:

- G20 leaders committed to advancing negotiations in the WTO on issues remaining from the Doha Development Agenda and recognized the need to discuss in the WTO other issues that may be of common interest to members and of importance to today's economy.
- Leaders reiterated their opposition to protectionism and extended their commitments to standstill and rollback of protectionist measures until the end of 2018.
- Those participating in the Environmental Goods Agreement negotiations welcomed the landing zone achieved in the EGA negotiations and reaffirmed their efforts to conclude by the end of 2016.
- Leaders endorsed the G20 Strategy for Global Trade and Growth, under which the G20 will lead by example to lower trade costs, harness trade and investment policy coherence, boost trade in services, enhance trade finance, promote e-commerce, and address trade and development.

Following the summit, the International Chamber of Commerce (ICC) issued a statement calling on G20 leaders to match their actions to their words to push back against a rising tide of protectionism worldwide.

“In the current environment, it will be critical for the G20 governments to follow through on these and the other commitments they made in their communique,” said **Rob Mulligan**, USCIB's senior vice president for policy and government affairs. “We will be working directly with the U.S. government and, through ICC, with other governments to press for effective action. We will also look to engage with German B20 leaders as Germany hosts the G20 this year.”

# Private Sector Unites for Action Under Paris Climate Agreement



USCIB's Vice President for Energy and Environment Norine Kennedy (center), alongside Steve Eule (left) from the US Chamber of Commerce at the Marrakesh Business Dialogue

**U**SCIB joined representatives from over forty leading national and international business groups to endorse the Marrakesh Declaration, agreed at the High Level Business Summit in November during the 22nd UN Convention on Climate Change (COP22) meetings in Marrakesh. This meeting, convened by Morocco's preeminent business group, the Confederation General des Entreprises de Maroc (CGEM) and the leading French business organization, MEDEF, agreed a consensus statement on business priorities and commitment to further develop the Paris Agreement and to create enabling frameworks to support business investment, innovation and implementation of the UN climate agreement.

The main objective of COP22 was to accelerate technical work and guidelines for reporting under the Paris Agreement in several areas, including tracking government action and linking carbon markets, in order to support implementation and meet deadlines resulting from the rapid ratification and entry into force of the Paris Agreement. While few substantive issues were resolved, the two weeks of negotiations did deliver decisions

to outline a timetable for future work and request submissions from governments on a wide range of policy and market topics. Over 20,000 government, UN, NGO, business and press representatives attended COP22. Members of USCIB on hand at the conference included **Nick Campbell**, Arkema, **Justin Perrettson**, Novozymes, **Russel Mills**, Dow Chemical Company, **Brian Lowry**, Monsanto, **Arthur Lee**, Chevron and **Jorge Dieguez**, Dupont.

While the outcome of the U.S. presidential election did raise questions regarding the U.S. role in the UN Framework Convention on Climate Change, according to **Norine Kennedy**, USCIB's vice president for energy and environment, "We regard U.S. government involvement in the UN climate process as critical to represent and defend U.S. economic interests overseas, and promote U.S. innovation as part of the solution to energy security and lower carbon economic activity."

USCIB also presented on business perspectives on implementing the Paris Agreement and the role of business in developing and improving national

pledges, known as Nationally determined contributions (NDCs), that are the foundation of the Paris Agreement. At an official COP22 side-event on November 18, organized by the Major Economies Business Forum (BizMEF), of which USCIB is a founding member, Kennedy participated on a panel with other experts and representatives from the U.S. Chamber of Commerce, the Turkish business association, TUSIAD, the Austrian Federal Economic Chamber, The Confederation of Swedish Enterprise, Japan's business group Keidanren, and the Global CCS Institute.

USCIB actively works with BizMEF to develop global business recommendations on the top-line issues that matter to U.S. business. Just one week prior to the official COP22 side-event, USCIB, through BizMEF, partnered with CGEM to convene the 4th BizMEF Business Dialogue. This Dialogue brought together over seventy participants from business, governments, and UN agencies and was a crucial platform for Kennedy to present USCIB's report on the role of business in developing national pledges under the Paris Agreement, with

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## Business's Role in the SDG's

USCIB, ICC and several USCIB members participated in a strategic dialogue at the Concordia Summit in New York in September titled "The Private Sector's Role in Achieving the SDGs." USCIB President and CEO **Peter Robinson**, ICC Secretary General **John Danilovich** and USCIB Vice President **Ariel Meyerstein** participated in a wide-ranging dialogue about how business can engage with the UN sustainable development agenda. USCIB members who participated in the dialogue included Bechtel, Citi, Coca-Cola, MasterCard, Novozymes, and Pfizer.

The 2030 Sustainable Development Agenda provides a terrific opportunity for the private sector to demonstrate the central role it plays in society. While government has been successful in outlining a visionary mission for global development, businesses have the unique ability to bridge the capacity gap to reach the impact and scale necessary to meet the SDGs. Partnership between the public and private sectors, at both the global and at national levels, is vital in creating an effective strategy and successfully implementing it to achieve these goals.

This strategic dialogue brought together leaders from across sectors and industries in a high-level working group to examine businesses' role in provid-

ing technical know-how and fostering the spirit of innovation to fulfill the goals outlined by the UN. USCIB has been at the forefront of this initiative. In 2015, USCIB launched Business for 2030, an online platform showcasing business engagement with the SDGs. To date, Business for 2030 gathered 167 initiatives from 45 companies that cover 81 of the 169 SDG targets.

"We have been often struck at how misunderstood is business's role in achieving sustainable development and particularly by the knowledge gap of what business was actively doing to help achieve sustainable development all over the world," Robinson said. "Our hope is that Business for 2030 can make a small contribution to closing these information gaps, aggregating more information about business-led activities and perspectives on achieving the SDGs and hopefully stimulate more businesses to get involved as well as enhance the level and quality of cooperation between business and the UN community."

Since the launch of the SDGs, USCIB has advocated for a focus on good governance and the rule of law, inclusive economic growth, investment in infrastructure, policies to foster innovation, strong public-private partnerships and, above all, an open channel for business input into policy negotiations and implementation at the international and national levels.

# APEC CEO Summit Highlights Need for Continued US Leadership

The annual Asia-Pacific Economic Cooperation (APEC) CEO summit, which wrapped up in late November in Peru, coincided with concerns about an uncertain U.S. role in Asia and the Pacific at an especially pivotal time. But according to USCIB President and CEO **Peter Robinson**, who attended the summit alongside USCIB Vice President **Helen Medina**, there were signs of progress and hope for continued U.S. leadership in the region.



USCIB CEO and President Peter Robinson with USCIB Vice President for Product Policy and Innovation Helen Medina at the APEC CEO Summit in Lima

“Despite the political rhetoric back home, our trading partners still want and expect the United States to play a leading role in APEC and in the region as a whole, and so do we,” said Robinson. “Now is the time to work more closely together to promote trade and regional solutions that meet the needs of all parties.”

USCIB and other business groups joined a diverse array of American CEOs and executives in Lima. Throughout 2016, USCIB addressed a number of key priorities through APEC, including chemicals policy, advertising self-regulation, data privacy, customs, digital trade, and women in the economy. USCIB engaged in several APEC working groups, including the Chemical Dialogue, APEC Business-Customs Dialogue, Customs Procedures Virtual Working Group, Alliance for Supply Chain Connectivity, the Electronic Commerce Steering Group and Data Privacy Subgroup.

Robinson gave introductory remarks at a roundtable hosted by the U.S.-APEC Business Coalition and USCIB member Deloitte, “*Driving APEC Growth Through Competitive Services and High-Quality Regulations*.” The focus of Peru’s 2016 host year was on quality growth and human development. Within this context, particular attention has been devoted to the services sector, which represents a large and expanding portion of the overall economic growth and development. The event, moderated by Deloitte Global Chairman **David Cruikshank**, focused on APEC’s current work in the areas of services and good regulatory practices.

Key themes addressed included the slowing pace of liberalization in services in the APEC area, its impact on small and medium-sized businesses, and the need to reinvigorate trade.

Robinson and Medina also participated in business meetings with the prime minister and finance minister of Peru, the president of Vietnam and Canada’s international trade minister. They also joined APEC Business Coalition members at meeting with key U.S. Congressional staff attending the summit, as well as Deputy U.S. Trade Representative **Robert Holleyman**, where the post-election focus was on crafting better trade deals that can address concerns voiced by everyday Americans.

Robinson and Medina attended a dinner hosted by Eli Lilly, Pfizer, Abbott and Merck KGaA, on “*Driving Sustainable Health Systems to Achieve Quality Growth and Human Development*.” The dinner, which featured remarks by Peruvian Health Minister **Patricia García Funegra** and **Matt Matthews**, the U.S. senior official for APEC, highlighted the region’s shared achievements to advance the APEC health agenda, which carries significant trade and investment, innovation and capacity-building components.

## Statement on cross-border privacy rules

During the final day of the summit, Facebook CEO **Mark Zuckerberg** urged world leaders to invest in connecting citizens to the Internet. In a related move, eight major business groups — including USCIB, Japan’s Keidanren and ICC Mexico — released a joint statement calling on all APEC economies to expand participation in the APEC Cross-Border Privacy Rules (CBPR) system. A priority for USCIB, the CBPR is a high-standard and enforceable privacy code of conduct that facilitates cross-border trade and ensures strong privacy protection of personal information. The statement commended the work done by policy makers in promoting the CBPR system, and urged the twenty-one APEC economies to commit to the system during 2017.

Robinson said that USCIB, NCAPEC and members of the U.S. APEC Business Coalition remain well-positioned to champion U.S. business interests in APEC. “The time and energy we have invested in APEC has resulted in some important accomplishments,” he said. “Whatever happens regarding a specific trade deal, the fact is that we in the United States still need APEC, and APEC needs us. I continue to have high hopes for APEC in 2017.” ■

## UN Report on Generic Drugs Disappoints Business Community

A recent report published by the United Nations argues that low-income countries should be allowed to override pharmaceutical patents so they can access a cheaper supply of generic drugs.

The U.S. Department of State issued a press release expressing disappointment with the report and arguing that intellectual property rights in the pharmaceutical industry are essential to medical innovation, which is fundamental to promoting global health.

“We believe that we can both increase access to medicines and support innovation for the development of new and improved drugs for the world’s most critical health challenges,” the statement said.

USCIB echoes these remarks and believes that increasing access to life-saving medicines is a complex matter, and countries have a wide array of policies and actions that may be appropriate in promoting the progressive realization of the right

to the enjoyment of the highest attainable standard of physical health.

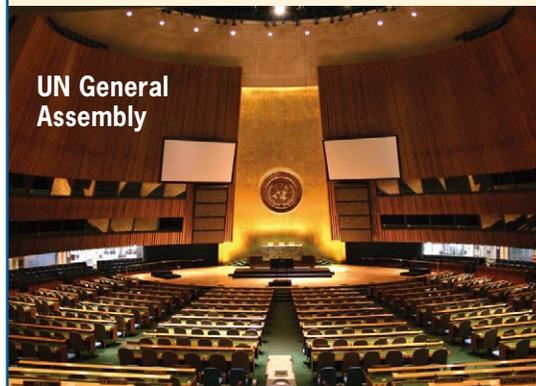
“Robust intellectual property rights support the development of innovative new treatments and drugs,” said **Peter Robinson**, USCIB president and CEO. “We’re disappointed that this new report fails to recognize the role intellectual property rights plays, and we remain committed to advancing access to new medicines while also fostering innovation and investment.”



**International Chamber  
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## UN General Assembly Grants Observer Status to ICC

In a historic decision, the United Nations General Assembly has granted Observer Status to the ICC. (USCIB), ICC's American national committee. The decision – taken by 193 members of the UN General Assembly during its on-going 71st session in New York – is the first time that a business organization has been admitted as an Observer at the UN General Assembly. The list of UN observers is highly restricted and features principally intergovernmental organizations. The new role for ICC means that business will for the first time have direct voice in the UN system. The decision paves the way for ICC to contribute directly to the work of the General Assembly and reflects the vital role the private sector will play in implementing the UN's 2030 Agenda for Sustainable Development.



UN General  
Assembly

The resolution to grant observer status to ICC was submitted by France – ICC's host country – and was supported by 22 other Member States. ICC already works with a wide array of UN specialized agencies and organizations around the world providing business input and expertise on issues from commercial standards through to climate change. ICC was designated as the official business representative in the processes that lead to the creation of the UN's 2030 Agenda for Sustainable Development – a key factor in the General Assembly's decision.



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## Gender Workshop Spotlights Importance of Education

Business at OECD/BIAC hosted its third workshop on gender equality in Paris last October, addressing the third “E” of the OECD Project on Gender — “Education.” The workshop presented business initiatives that promote lifelong training and education of women, explored questions related to soft skills and career preferences, and discussed the impact of the digital economy and developments in technology for women at work. USCIB Senior Counsel **Ronnie Goldberg** provided an overview from the business perspective. She recounted that the first BIAC gender equality workshop had focused on “Employment,” including the “leaking pipeline” of female leadership. The second workshop shifted its gaze to “Entrepreneurship,” addressing women in the ICT sector and key activities for companies around the world in supporting women entrepreneurs. Goldberg discussed how progress on gender equality has not come as fast as desired. She said this is because changes involve not only policy, but also shifts in social and cultural attitudes.

## At OECD, Business Communicators Confront Challenges of Populism

With a populist wave of anti-globalization sentiment washing over many Western countries – or threatening to do so – BIAC convened a first-ever roundtable of heads of communications from its member federations, to discuss the urgent challenge of promoting informed discussion of cross-border trade and investment with an increasingly skeptical public. The roundtable, which took place in December at OECD headquarters in Paris, assembled business communicators from a dozen OECD member states, including USCIB Vice President **Jonathan Huneke**. They discussed common – and, in many cases, unique – challenges they face in their own countries, and brainstormed ways to push back against the rising tide of isolationist and anti-trade rhetoric.

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## **IOE at Labor Ministerial: Implement G20 Commitments**

IOE Vice President Mthunzi Mdwaba stressed the need for programs and reforms to encourage entrepreneurship and innovation at the G20 Labor Ministerial in Beijing. Ronnie Goldberg, USCIB senior counsel, attended the ministerial in her capacity as chair of the BIAC Employment Labor and Social Affairs Committee. Goldberg pressed for continued joint leadership by BIAC and the IOE in ongoing negotiations with the Labor-20. Mdwaba applauded the G20 entrepreneurship initiative that has been adopted and emphasized the need for an enabling environment for business, to raise the status of apprenticeships and to reduce in non-wage labor costs as measures to ensure the G20 employment process is a success.

## **IOE Meets with G20 Labor Ministers**

IOE, jointly with BIAC, Deloitte, the International Trade Union Confederation (ITUC) and the Trade Union Advisory Committee (TUAC) to the OECD hosted an informal gathering with G20 governments, employers and trade unions in Beijing as part of the G20 process. The event provided the opportunity to highlight the outcomes of the IOE-BIAC's efforts to monitor implementation of G20 commitments. The results are mixed, showing that on one hand most governments followed up on the Melbourne and Ankara G20 Labor Ministers' Declarations and have developed initiatives to implement the commitments, but on the other hand, in areas such as reduction of non-wage labor costs, the situation has worsened in a number of countries.



## **USCIB Welcomes Treasury White Paper Criticizing EU State Aid Investigations**

USCIB welcomed the U.S. Treasury's white paper criticizing the European Commission's ongoing state aid investigations. The investigations are aimed at recouping prior-year tax benefits freely granted by European Union member state tax authorities on companies' global operations. After three years of negotiations, the OECD/G20 project on base erosion and profit shifting (BEPS) designed to address corporate tax avoidance concluded last year with governments developing a framework for modernizing international tax rules. Implementation of the BEPS project was a major focus of USCIB's most recent OECD International Tax Conference, held last June in Washington, D.C. USCIB provides American business input to the OECD's work on global tax policy through its role as the U.S. member of BIAC, the Business and Industry Advisory Committee to the OECD.

## **General Electric and McDonald's Honored With ACE Awards for 2016**

The U.S. Department of State recently held its 18th annual Awards for Corporate Excellence (ACE). Two leading USCIB member companies, General Electric and McDonald's, headed the list of six recipients honored for exceptional proactive corporate responsibility programs in specific foreign countries. Deputy Secretary of State **Tony Blinken** handed out the awards in an impressive ceremony in the Benjamin Franklin State

Dining Room. Under Secretary for Economic Growth **Cathy Novelli** and Special Representative for Commercial and Business Affairs **Ziad Haidar** also participated in the ceremonies. USCIB Vice President **Shaun Donnelly**, a former U.S. ambassador and State Department official, represented USCIB at the event.

## **USCIB Facilitates Dialogue on US-China Cybersecurity**

USCIB facilitated an off-the-record dialogue with U.S. Government officials on the topic of U.S.-China cybersecurity last month in Washington DC. The meeting brought together officials from the White House, FBI, Department of Homeland Security, Department of Commerce, and USTR. After brief introductions by **Tad Ferris**, partner at Foley & Lardner LLP and chair of USCIB's China Committee, **Barbara Wanner**, USCIB's vice president of ICT policy and **Eva Hampl**, USCIB's director, investment, trade and financial services, the group received a strategic overview of the U.S.-China cybersecurity relationship from **Christopher DeRusha**, senior cybersecurity advisor, Office of the Federal Chief Information Officer. "Cybersecurity is an issue of growing concern for USCIB members, which is reflected in our submission of Priority Issues for the U.S.-China Joint Commission on Commerce and Trade, as well as our annual Statement on China's Compliance with its WTO Commitments" said Hampl.

# USCIB Applauded Selection of Guterres as New UN Secretary General

In October, the United Nations selected **Antonio Guterres** of Portugal as the next UN secretary general, succeeding **Ban Ki-Moon**.

"The selection of Prime Minister Guterres is a welcome signal of agreement among Security Council members on the urgent need to address the refugee crisis and other pressing global issues, many of which will require significant input and assistance from the private sector," said USCIB President and CEO **Peter M. Robinson**. "His leadership at the helm of the United Nations will be essential to developing robust international frameworks that business needs in order to innovate and thrive."

Guterres, the former Portuguese prime minister, served for 10 years as UN high commissioner for refugees.

USCIB Chairman **Harold McGraw III**, who also serves as honorary chairman of the International Chamber of Commerce, added: "The American business community understands the importance



Antonio Guterres

of multilateral cooperation, whether on trade, investment or climate change, and we know the UN system is the anchor for this essential collaboration. We look forward to continuing to work in partnership with the UN to successfully address global problems to provide increased economic growth and prosperity across the world."

Robinson also expressed appreciation for the outgoing UN secretary general's achievements and dedication to partnering with business. "Through-

out the UN deliberations on sustainability and climate change, Secretary General Ban has consistently sought to work with the private sector, recognizing that today's economic and environmental challenges require private sector solutions and investment," he said.

Companies of all sizes and from all sectors have already pledged to respond to the refugee crisis through a series of initiatives – from funding campaigns to delivering essential training programs. USCIB's global network is encouraging companies to do more where they can, based on their own assets and capabilities.

Separately, USCIB welcomed the entry into force of the Paris Agreement, the global pact on climate agreed at last year's COP21 summit. USCIB and its global business network have provided significant substantive input to the UN climate negotiations since their inception, and they are working to develop a formal channel for private-sector views and solutions to the agreement going forward. ■

## USCIB Welcomes US Plan on Responsible Business Conduct

December marked the release of the U.S. National Action Plan (NAP) on Responsible Business Conduct in Washington DC. USCIB Vice President **Ariel Meyerstein** attended the ceremony, which demonstrated interagency support and coordination in completing the NAP and featured speakers from the U.S. Department of Commerce, U.S. Department of Labor, U.S. Department of Treasury and the U.S. Department of State.

USCIB co-hosted the first public consultation on the NAP two years ago and has since advocated alongside its global partners and other major business organizations for the U.S. and other governments to develop these strategic planning tools to implement the State Duty to Protect under Pillar 1 of the UN Guiding Principles on Business and Human Rights. Meyerstein noted that, when done well, NAPs can help support businesses in implementing their responsibility to respect human rights in their own operations and those of their business partners.

At November's UN Annual Forum on Business and Human Rights, USCIB joined several leading business associations active in business and human rights discussions to issue a statement on NAPs globally, urging Member States to complete their processes for creating NAPs, which less than ten Member States have done thus far (with several dozen remain-

ing in various stages of completion). The statement also urged states to engage with the business community to learn from first-hand experiences in dealing with human rights impacts, particularly since companies have an increasing level of experience in implementing policies and practices.

"This first U.S. NAP lays a great foundation," Meyerstein said, "particularly as it brings together in one place all of the initiatives in which the entire U.S. government has been engaged for years – and in many instances, leading global efforts, whether on government transparency and anti-corruption or forced labor, child labor and human trafficking." Meyerstein added, "all of these areas are critical to the success of global companies who do business all over the world and therefore rely on the U.S. government to bring additional pressure to raise global standards and to ensure that other government actors do their fair share in protecting human rights and regulating what is ultimately anti-competitive misconduct by bad actors."

If the U.S. government does not have a seat at the table in negotiating these standards or working towards their implementation, Meyerstein concluded, then "not only are there likely to be more human rights abuses, but U.S. companies will bear more of the costs in the long-run."

# More Than 20,000 ATA Carnets for Temporary Exports Issued in United States in 2016

To date, the Dow Jones Industrial Average has only flirted with the elusive 20,000-point milestone. But another economic indicator – one that tends to forecast trends in U.S. exports – recently blew past the 20K mark and shows signs of continued growth. American companies and business executives used more than 20,000 ATA Carnets for the temporary export of various types of goods in 2016, according to the USCIB, which administers and guarantees ATA Carnets in the United States.

The ATA Carnet, also known as the “merchandise passport,” is an international customs document honored by customs authorities in some 75 countries, which helps companies expedite temporary duty-free and tax-free import of goods for professional equipment, commercial samples and items for display at exhibitions and fairs. The worldwide ATA Carnet system is overseen by the World Customs Organization and the International Chamber of Commerce (ICC), for which USCIB serves as the American national committee.



“The 20,000 mark has been a longstanding goal for the ATA Carnet service,” said USCIB President and CEO Peter M. Robinson. “It was achieved following two very impressive growth years spearheaded by our Service Providers, Roanoke Trade and Boomerang Carnets. We believe that this milestone is a positive sign for continued growth in U.S. exports, since ATA Carnet usage by American firms often presages increased sales overseas.”

The ATA Carnet system has expanded in recent years, with Brazil joining last June as the country got set to host the Summer Olympics. Robinson said there are hopes that additional countries in Latin America will soon participate. Mexico and Chile have honored ATA Carnets for several years. USCIB plays an active role in the worldwide administration of the global system by virtue of its role as the U.S. affiliate of ICC. The United States is the third-largest user of ATA Carnets, following Germany and Switzerland. ■

## Ensuring a Level Playing Field With State-Owned Enterprises

Eva Hampl, USCIB’s director of investment, represented USCIB at a workshop at the OECD headquarters in Paris on SOEs as competitors.

Hampl discussed where the gaps remain and what can be done about them. She emphasized the importance of addressing the challenges presented by SOEs in a world that is hungry for investment — including foreign direct investment — and economic growth. To the extent that SOEs are now operating on a global scale, they can crowd out private FDI in a way that may hamper competition, including in third markets.

Because SOEs can take on many forms, one important issue is increased transparency on SOE governance structures, as well as any advantages they enjoy which tilt the playing field in their favor versus private companies. Increased transparency alone, however, does not resolve many of the underlying systemic issues of SOEs competing, and does not automatically level the playing field, business representatives said.

Transparency is important since SOEs can be a prime vehicle for corruption. “Many SOEs operate in sectors with high corruption risks,” the BIAC messages note. “The 2014 OECD Foreign Bribery Report identified state-owned or state-controlled enterprises as the single biggest category of foreign officials who were bribed.”



USCIB’s Director of Investment Eva Hampl at OECD

## Private Sector Unites for Action Under Paris Climate Agreement *continued from page 4*

recommendations for involving the private sector in national and international assessments of climate action.

The next two years will bring multiple fast-moving – by UN standards – decision-making deliberations across a number of key issues, and USCIB will continue to track those that most directly impact

our members. USCIB will focus on ways to carve out a clear role for business input and representation in the process. Kennedy emphasized, “We consider it fundamental, at both the national and international levels, for policy makers to consult with business on the economic and environmental aspects of climate policies. There is no doubt

that the Paris Agreement has implications for every business sector, across all types of commercial activity, in the near and the long terms. So preserving and improving the UN system’s accountability and transparency, and creating new opportunities for the private sector to contribute, this is USCIB’s bottom line.” ■

# Which of the following could limit your company's success in foreign markets?



- A. Allowing someone else to price your goods or services**
- B. Only buying or selling in U.S. Dollars**
- C. Not hedging foreign currency**

**Think you know the answer?**

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# WTO Members Fail to Wrap Up Green Goods Agreement

**U**SCIB and other business groups expressed disappointment at the failure to conclude negotiations toward an international Environmental Goods Agreement (EGA) among more than a dozen leading members of the World Trade Organization. A concluded agreement promised to free up trade in a wide variety of environmentally friendly goods and technologies.

"This is a missed opportunity, both for the environment and for the international trading system," stated USCIB President and CEO **Peter Robinson**. "To business, it is clear that achieving greener growth depends on the widespread deployment of innovative technologies and management systems through more open trade and investment. These can help to address climate risks, improve food, water and energy security, and offer cleaner goods to consumers in developing countries. A conclusion of the EGA negotiations would have been a big step in that direction."

According to **Eva Hampl**, USCIB's director of trade and investment policy, who was onsite in Geneva for the conclusion of the talks, negotiations fell apart over a disagreement over product lists. "While we end the year without an agreement in hand, we are hopeful that the parties will resume negotiations in the near future," said Hampl.

China had a number of unique concerns with respect to the types of goods to be covered by the EGA as well as some agreed-upon text provision. In the end, China failed to come to the table with a constructive proposal, in the face of a workable solution as presented by the Chair of the negotiations.

USCIB has worked closely with a variety of international partners to push for ambitious approaches to environmental challenges that take account of the unique contributions of the business community and the multilateral trading system. ■

## Updates on Arbitration

**A**t the USCIB Arbitration Committee's January meeting in New York, the International Chamber of Commerce (ICC) unveiled a new report on "Financial Institutions and International Arbitration" that assesses the banking and finance industry's experience and perceptions of cross-border alternative dispute resolution.

The report, prepared by a special task force of ICC Commission on Arbitration and ADR, addresses the potential benefits of international commercial arbitration in banking and financial matters and some common misperceptions about the process. Arbitration, the report says, with its flexibility and worldwide enforcement, has the potential to become a preferred dispute resolution method for the world's corporate and investment banks.



L-R: Grant Hanessian (Baker & McKenzie), Peter Robinson (USCIB), Mark Beckett (Cooley)

### Changing of the guard at USCIB Arbitration Committee

USCIB President and CEO **Peter Robinson** provided an overview of recent developments in USCIB's Arbitration Committee, recognizing a number of subcommittee chairs from around the country. He also extended the organization's thanks to outgoing

Committee Chair **Mark Beckett** (Cooley LLP) for several years of outstanding leadership and service, and welcomed incoming Chair **Grant Hanessian** (Baker & McKenzie).

Robinson commented: "Mark Beckett demonstrated tireless and devoted leadership over the past eight years, and presided during a period of transitions including strengthening of the USCIB Arbitration Committee and development of new institutional relationships as a result of the establishment of SICANA, the North American case-management team in New York. We have greatly appreciated his guidance, friendship and integrity. And we are very much looking forward to working with and supporting the vision of Grant Hanessian as the new Committee chair, having greatly enjoyed working with him as vice chair." ■

## USCIB member and staff news

### USCIB Welcomes Staff Changes

USCIB welcomes two new policy assistants in New York: **Mia Lauter**, who joined USCIB to work on Environment, Climate Change and Product Policy, as well as **Elizabeth Kim**, who joined earlier this year to focus on Corporate Responsibility, Labor, APEC, Competition and China.

Additionally, **Kira Yevtukhova** has succeeded **Chris Zoia** as Communications Manager after working in USCIB's Policy Department for over five years. She will be based in USCIB's Washington office. Chris has taken a new position with the Freedom Fund. ■

### New USCIB Members

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

**Applied Materials**  
**Dechert LLP**  
**Ferrero USA, Inc.**

**JELD-WEN, Inc.**  
**Marriott International**  
**WeiserMazars LLP**

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)).



UNITED STATES COUNCIL FOR  
INTERNATIONAL BUSINESS

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**calendar**

**january 2017**

- 25 USCIB Tax Committee Meeting
- 26 USCIB Digital Trade Working Group Meeting

**february 2017**

- 7-9 OECD Environment Policy Committee
- 8-9 OECD Roundtable on Due Diligence for Responsible Garment & Footwear Supply Chains
- 20-22 OECD Working Group on Biodiversity, Water and Ecosystems

**march 2017**

- 6-10 OECD Investment Committee meetings
- 8 Joint Conference of USCIB/BIAC/OECD on the Digital Economy: Fostering Digital Transformation: The OECD's Role"
- 8-9 5th Supply Chain Finance Summit
- 8-10 Incoterms 2020 Drafting Group Meeting
- 9-10 7th Annual Pacific Rim Tax Institute
- 14-15 OECD/IEA Global Forum on Climate Change

**april 2017**

- 3-6 ICC Banking Commission
- 19-21 OECD Joint Working Party on Agriculture and Environment
- 27-28 OECD Committee on Open Markets

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