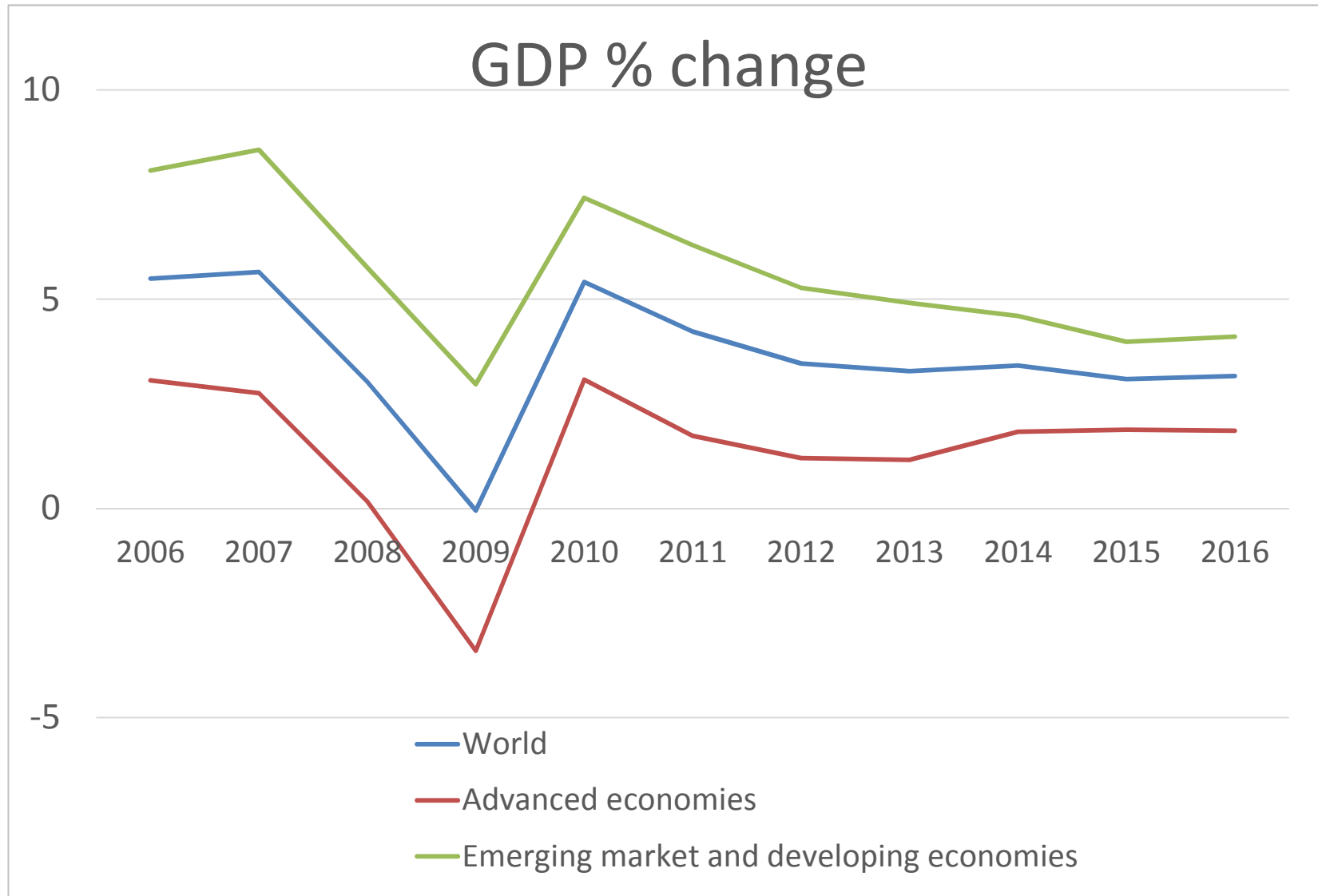


# INTERNATIONAL CHAMBER OF COMMERCE (ICC)

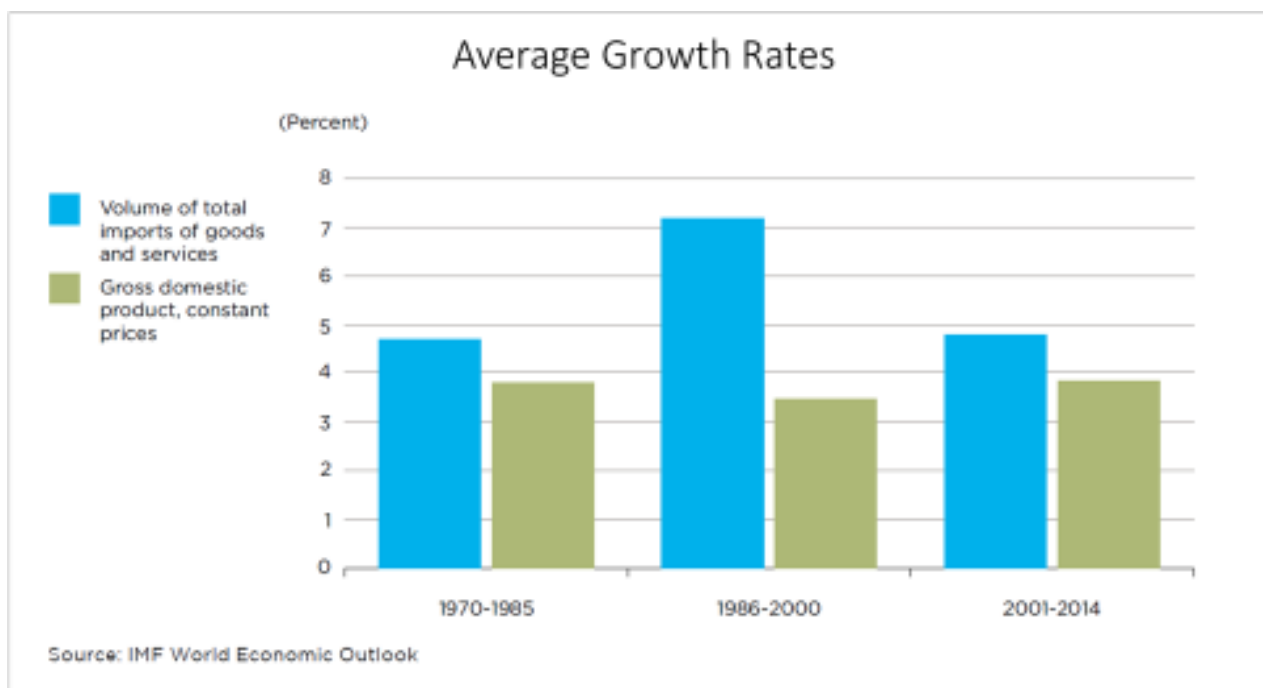
Sophie Dembinski  
Senior Policy Advisor, ICC United Kingdom



# Global GDP growth is slowing

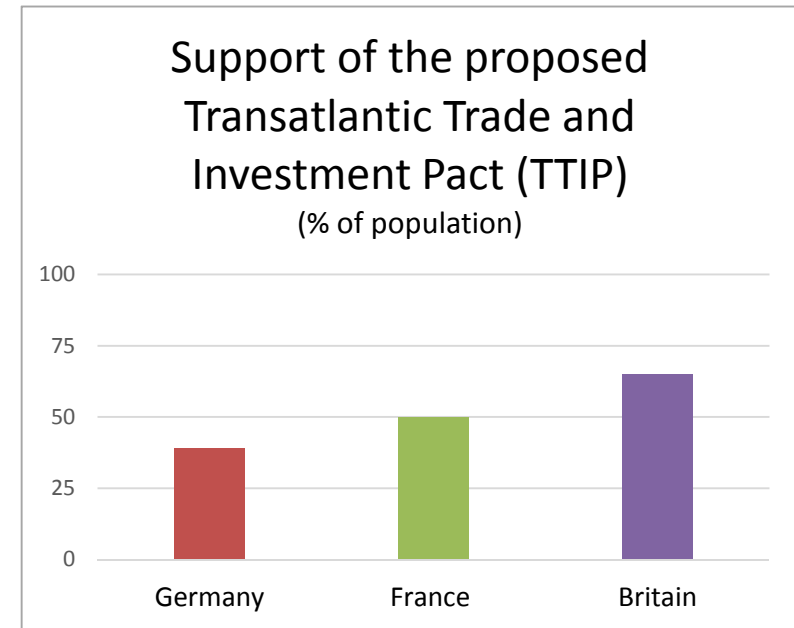
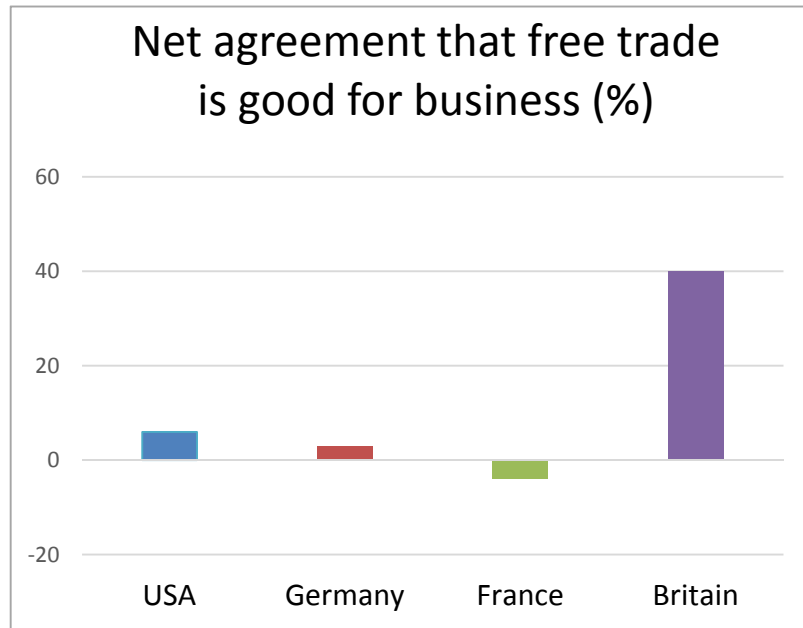


# Global trade is also slowing v GDP



- The growth rate of world trade volumes was **roughly double** that of real income growth in the period 1986-2000
- After an initial rebound, global trade growth has been sluggish since the global financial crisis. Weak economic growth during this period, especially in advanced economies, is widely seen as a key explanatory factor
- However, additional long-term factor could be **deceleration of trade liberalization** since late 2000s
- There has been a 40% increase in trade barriers since 2014

# And we are facing an anti-trade sentiment



# The case for Trade & Investment

Post-Brexit, we now, more than ever, need to make the case for trade



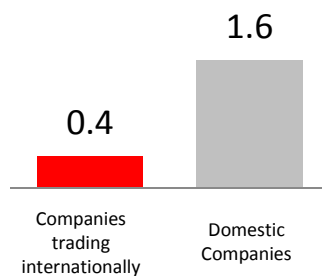
We need to work with other institutions to facilitate trade

For example, the ICC is key for:

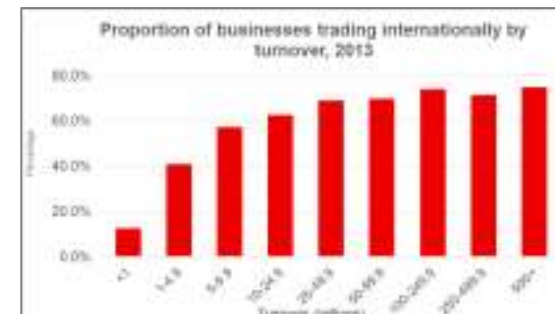
- Influencing trade policy
- Encouraging the ratification of trade agreements



Trade Creates jobs and helps businesses to be more resilient



Trading Internationally is linked to growth



# Trade is good for the economy

Boosts development and reduces poverty by generating growth

Enhances competitiveness

Facilitates export diversification

Encourages Innovation

Expands Opportunities for businesses

Expands choice and lowers prices for consumers

Contributes to cutting government spending by expanding supply sources

Strengthens ties between nations

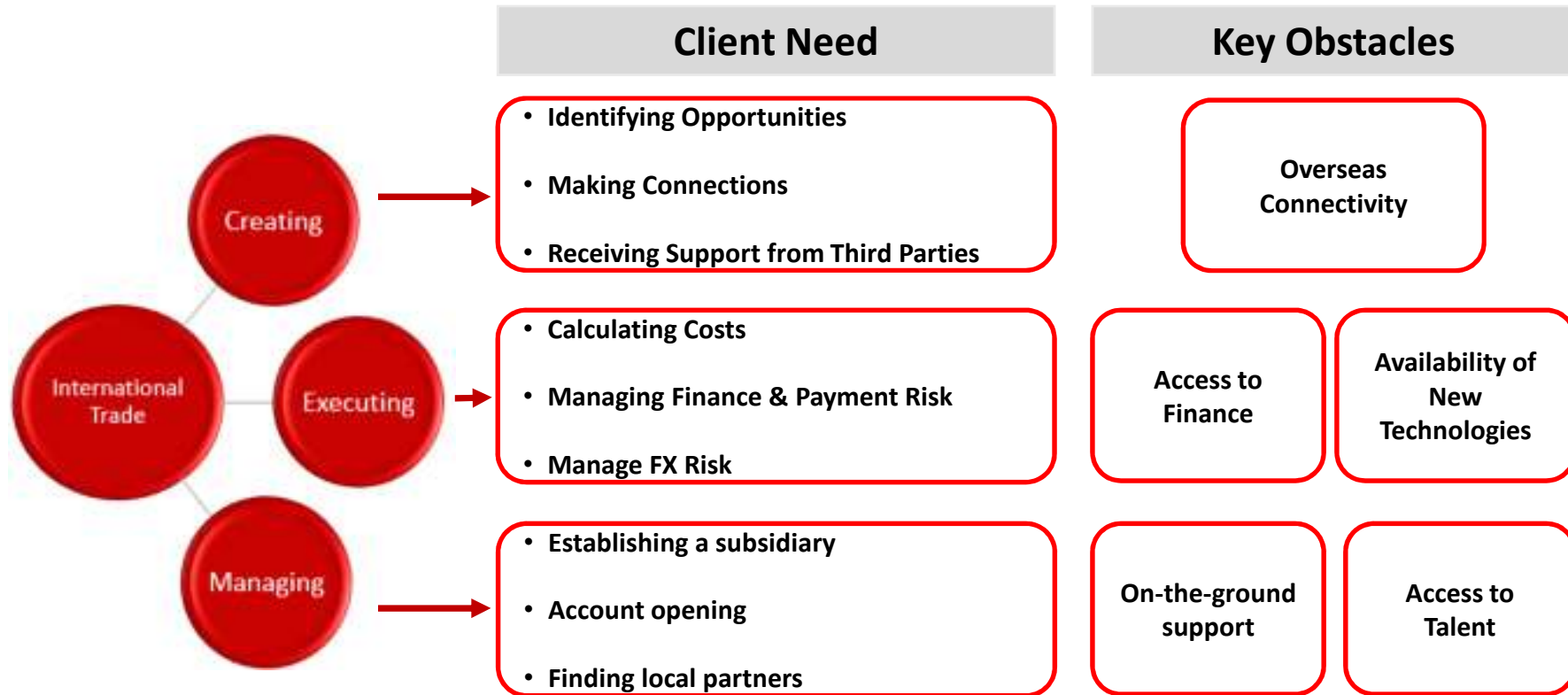
Creates employment opportunities

Open economies grow faster than closed economies

# Post-Brexit Environment

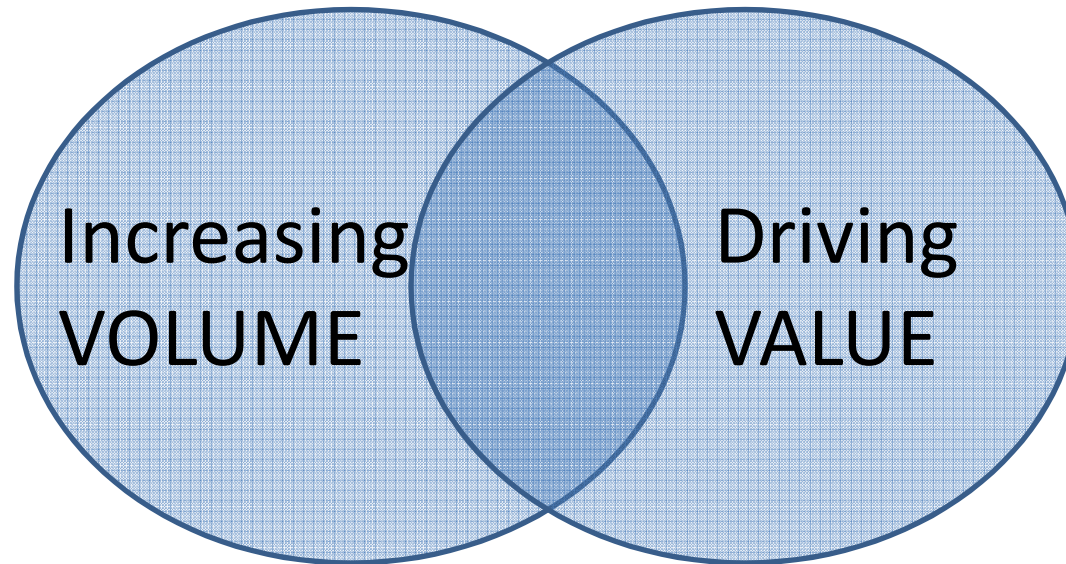


# Customers needs and challenges





# Combined volume & value approach



- Removing the fear for first-time exporters, giving them the trust and confidence to get paid
- Providing them with the right knowledge and connections to export successfully
- Connecting businesses with opportunities in non-traditional markets
- Helping businesses to establish themselves overseas

But important to remember these approaches do not work in isolation and must be combined to deliver sustainable exporting

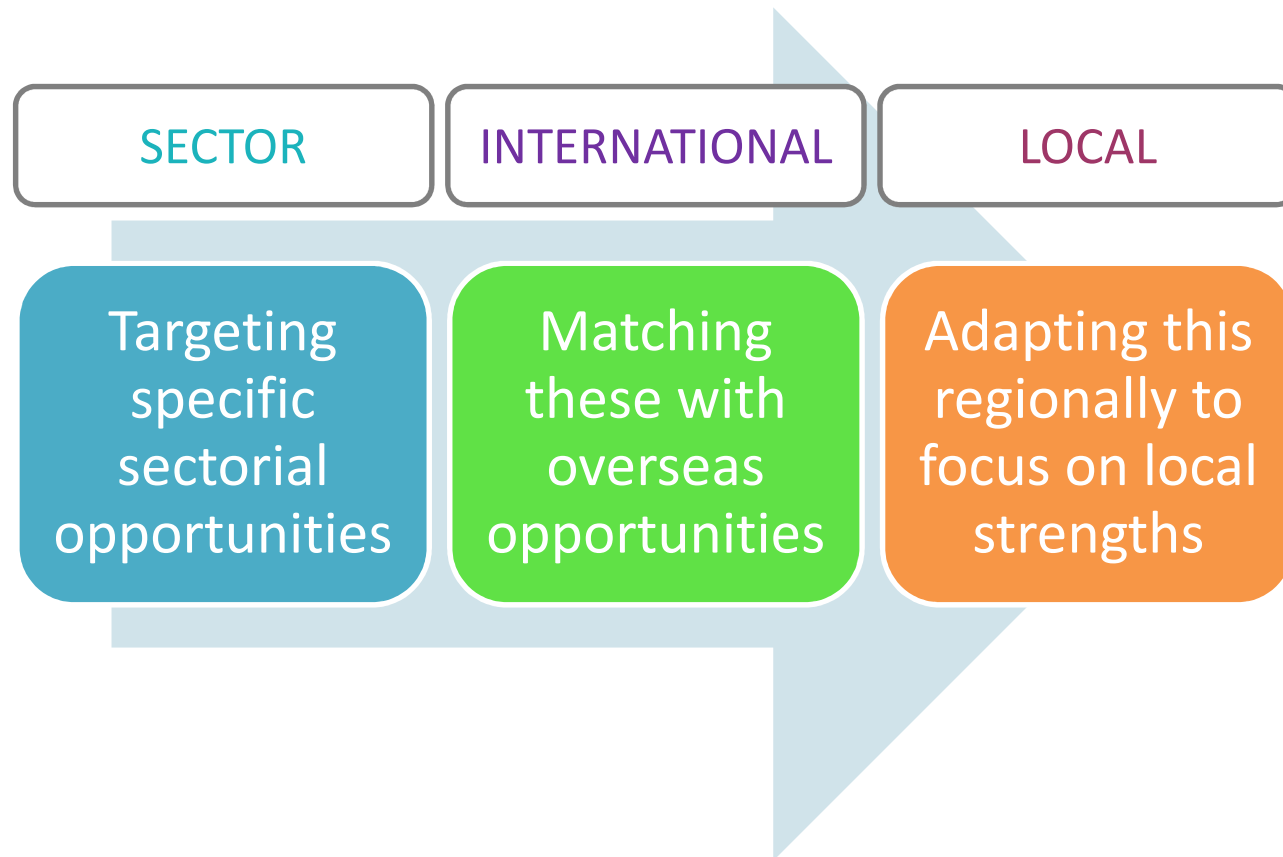
# Smaller companies may not consider themselves exporters but are interlinked with global supply chains



80% of global trade is done by large multinational businesses

Neither the volume nor value approach is sufficient by itself

# By focusing a targeted approach, we can support businesses of all sizes



# Identifying sectorial strengths in each region

S

FOOD & DRINK

PHARMA & HEALTHCARE

MACHINERY & TRANSPORT

RETAIL & WHOLESALE

DIGITAL / FINTECH

PROFESSIONAL SERVICES

I

China  
USA  
UAE  
Brazil  
Mexico  
Spain  
South East Asia

Brazil  
China  
Poland  
UAE  
USA  
Spain

China  
Poland  
UAE  
USA  
Mexico  
Spain

USA  
Poland  
UAE  
Chile

China  
India  
USA  
Poland

UK focus at this stage

L

Bristol  
South West  
London  
South East  
Midlands  
Wales  
Merseyside  
Yorkshire  
S. Yorkshire and the Humber  
Scotland  
Northern Ireland

Solent  
South East  
East Anglia  
East Midlands  
Wales  
North West  
North East

Thames Valley  
South East  
Home Counties  
East Anglia  
Midlands  
Wales  
Yorkshire

London & South East  
Central Midlands  
East Midlands  
South West  
Wales

London  
Thames Valley  
East Anglia

London  
South West  
Thames Valley

# SIL in action – working with partners

SECTOR

INTERNATIONAL

LOCAL

Healthcare  
Trade  
Mission to  
Mexico

Healthcare  
- Medilink



Mexico



San UK and San  
Mexico



Food & Drink  
meet the  
buyer event,  
UAE

LuLu  
Hypermarkets



Abu Dhabi Commercial  
Bank



British Centre for  
Business in the UAE



# To work we need to work with partners - create a business ecosystem



Interaction between the public and private sectors is key and government involvement is critical for success

# How government can support the UK export agenda

Envoys to promote trade

Reducing Market-access barriers

Reducing non-tariff barriers  
Eg. Workforce uncertainty

Export vouchers

Including Services in Free Trade Agreements

Empower Chambers

Export Finance financing

Market entry loans

Leveraging work of Private sector and Global institutions

Tax breaks for exporters

# International Chamber of Commerce

## Factsheet

- Largest world business organisation – 6.5m members, 130 countries, 3000 experts
- Founded 1919
- Vision – promote peace through trade & investment
- Mission - champion open trade, self regulation, dispute resolution
- Voice for business at inter-governmental level – UN, G20, WTO, WCO, WHO, IGF, COP
- Complement CBI, BCC, Trade Associations

## ICC United Kingdom

- ICC co-founder
- Dynamic contributor, renaissance
- Potential - top 3 largest global business network, top 3 B20 contributor

## Priorities

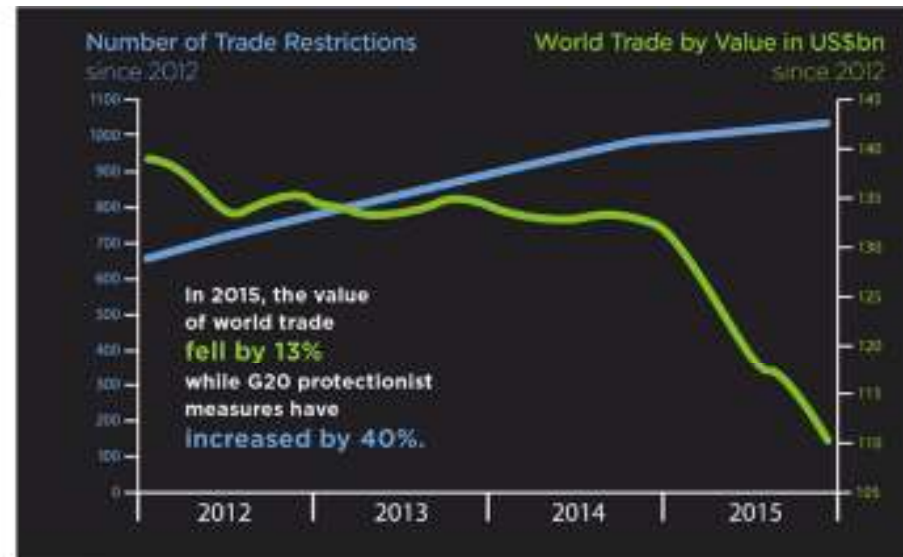
- 5<sup>th</sup> year <3% global growth [<1% UK]
- Weak G20 performance
- Anti trade rhetoric
- Brexit - uncertainty, disconnect



# ICC & World Trade Organisation

## Factsheet

- ICC @Bretton Woods 1948
- GATT Rounds 1-9
- WTO creation 1995
- Doha re-boot - Azevedo
- ICC @WTO Ministerial Conferences



# ICC & G20/B20

## ROLE

- Strategic Partner
- Business Secretariat
- Set Agendas
- Co-Chair Taskforces
- Host Regional Consultations
- Promote participation
- Monitor performance

## PRIORITIES

- Focused recommendations
- Inclusion of business
- SME growth
- New solutions to driving growth
- Policy Development
- Implementation

## TOOLS

- Global campaigns
- Policy Papers
- G20 CEO Advisory Group
- ICC Scorecard
- Open Markets Index
- UK Scorecard?



# #TradeMatters Campaign



### SMEs AND E-COMMERCE

A fast-growing global market

It is estimated B2C e-commerce currently grosses only US\$0.5-1.1 billion or 0.2% of retail sales.

This could increase at least **fivefold by 2020**, with some estimates set as high as **US\$35 billion**.

Source: eBay and UBS

**#TradeMatters** for jobs | for growth | for all  
@corrotherm @corrothermUK  
tradematters@corrotherm.org

“Our company has been created on international trade, as has UK PLC. Trading internationally has been the foundation of all great civilizations in the past and the world’s surest way of maintaining peace. It is one of the most effective tools in creating peace amongst nations and producing national wealth.”

**JAN WARD**  
CEO  
Corrotherm International Ltd

**#TradeMatters** for jobs | for growth | for all  
@xerox @xeroxUK  
tradematters@xerox.org

“Xerox competes in approximately 180 markets around the world, including a longstanding presence in Europe. Much of our success – for our customers, our employees, and our shareholders – depends on open trade and investment; we thrive on transparent access to global markets offered on a level playing field. More broadly, trade is a powerful driver for increasing economic prosperity globally.”



# Trade Facilitation Campaign



## WTO TRADE FACILITATION AGREEMENT (TFA)

92 OUT OF 164 WTO MEMBERS HAVE RATIFIED THE TFA SO FAR.  
109 RATIFICATIONS ARE NEEDED FOR THE TFA TO ENTER INTO FORCE

TFA RATIFICATIONS

1. Hong Kong, China	50. Saint Lucia	89. El Salvador
2. Kazakhstan	51. Serbia	90. Kazakhstan
3. United States	52. Myanmar	81. Mexico
4. Pakistan	53. Nepal	82. Peru
5. Panama	54. Paraguay	83. Saudi Arabia
6. Ecuador	55. Rwanda	84. Singapore
7. Australia	56. Thailand	85. Thailand
8. Botswana	57. Uruguay	86. Uruguay
9. Timor-Leste	58. Uzbekistan	87. Uzbekistan
10. The Republic of Korea	59. Vietnam	88. Vietnam
11. Norway	60. Yemen	89. Yemen
12. Oman	61. Zimbabwe	90. Zimbabwe
13. Russia	62. EU	
14. Switzerland	63. Canada	
15. United Arab Emirates	64. Chile	
16. China	65. Turkey	
17. Luxembourg	66. Israel	
18. Lao PDR	67. Jordan	
19. New Zealand	68. Mexico	
20. EU 28 countries	69. United Arab Emirates	
21. Thailand	70. Serbia	
22. The Central African Republic	71. India	
23. The Republic of Moldova	72. Myanmar	
24. Paraguay	73. Nepal	
25. Rwanda	74. Paraguay	
26. Thailand	75. Uruguay	
27. Uruguay	76. Vietnam	
28. Vietnam	77. Yemen	
29. Zimbabwe	78. Zimbabwe	
30. EU 28 countries	79. EU 28 countries	
31. EU 28 countries	80. EU 28 countries	
32. EU 28 countries	81. EU 28 countries	
33. EU 28 countries	82. EU 28 countries	
34. EU 28 countries	83. EU 28 countries	
35. EU 28 countries	84. EU 28 countries	

Legend:   
■ WTO members who have ratified  
■ WTO members who have signed

@iccwbo #TradeFacilitation

GLOBAL ALLIANCE FOR TRADE FACILITATION  
ICC Ghana  
FORUM  
RATIFICATION OF THE WORLD TRADE ORGANIZATION'S TRADE FACILITATION AGREEMENT  
Making cross-border trade easier, faster and less costly for Ghanaian business  
MONDAY 19 SEPTEMBER, KEMPINSKI HOTEL, ACCRA  
GUEST SPEAKERS  
HON. DR. FRANCIS ANSA-NINOMAH  
HON. DR. ANNA BANTAH



“ Quick and predictable border processes are vital for the Kenyan flower sector. Due to the perishable nature of flowers, any delays can result to total loss of value due to poor quality and missed business opportunities. When flowers don't arrive as per schedule, it affects everyone along the chain.”

Elizabeth Waithira Kimani  
General Manager, Maasai Flowers, Kenya



tradefacilitation.org @GATNews #TradeFacilitation

# SMEs & Ecommerce Campaign

**E-COMMERCE BENEFITS TO SMEs**

**1 INCREASE IN REVENUES**  
Improved speed to market and a global consumer base can boost SME revenues.

Online SMEs grow **four times faster** than offline businesses and create jobs twice as fast.



Source: KPMG, PwC

**3 INCREASE IN PROFIT MARGINS**  
SMEs can take advantage of third party platforms with limited or no investment required in hosting online storefronts.

Apparel retailers using e-commerce achieve on average **14% higher** gross margins than those offline.



**SMEs AND E-COMMERCE**  
A booming market in developing countries.

By 2018, Africa's e-commerce market is projected to soar to US\$ 50 billion, up from US\$ 8 billion in 2013.

27% of Indian SMEs who are online today use e-commerce.



Source: International Trade Centre and KPMG

**“ Globally e-commerce sales are growing more than 19% a year. Compared to large enterprises, SMEs have a low share of the global e-commerce market, however, they are increasingly adapting to the growing technological revolution and benefiting from the global online market.”**



Source: United Nations Economic Commission for Africa



# Financing for Development Campaign

## 8 PRINCIPLES TO MOBILIZE INVESTMENT FOR THE SDGs

The annual investment gap in sustainable development in developing markets is estimated at US\$2.5 trillion annually. Much of this shortfall will need to be filled by private capital and foreign direct investment can play a pivotal role in enabling implementation of the UN Sustainable Development Goals (SDGs).

### ICC RECOMMENDS 8 FUNDAMENTAL PILLARS TO MOBILIZE PRIVATE FINANCE FOR THE IMPLEMENTATION OF THE SDGs.

<b>1</b> INVESTMENT POLICY Create a strong investment climate.	<b>5</b> STATE-OWNED ENTERPRISES Ensure level playing fields when state-owned enterprises compete with the private sector.
<b>2</b> NATIONAL SECURITY REVIEWS Refrain from abusing security provisions for protectionist purposes.	<b>6</b> INVESTMENT PROTECTION Support international investment agreements as tools to protect FDI flows.
<b>3</b> DISPUTE SETTLEMENT Include independent dispute resolution mechanisms in all investment agreements.	<b>7</b> FORCED LOCALIZATION PROVISIONS Avoid forced localization provisions which have serious repercussions on investment climate.
<b>4</b> SECTORAL RESTRICTIONS Avoid sectoral discriminations in the negotiation of investment treaties.	<b>8</b> MULTILATERAL FRAMEWORK ON INVESTMENT Work towards a multilateral framework on investment providing global rules for a global economy.

Foreign direct investment into developing economies reached a record of US\$681 billion last year.

...But the annual investment gap in key sustainable development sectors for developing nations is estimated at up to US\$2.5 trillion annually.

Source: UNCTAD

**US\$4 trillion**

Total annual investment needed in developing countries.



**“** Trade finance is one of the safest forms of financing and has the advantage of directly promoting development through trade.”

John Danilovich  
Secretary General  
International Chamber of Commerce

# ICC & UK Government

**Aligned champions of trade liberalisation, open cross border trade & investment**

## What Works?

- APPG engagement
- Contributing to Government consultations
- Supporting UK Summits eg. Anti-Corruption
- Engaging business – DIT, GMCC, ICC
- Participation on ICC Policy Committees

## What more can we do?

- Policy Development – TTIP, B20, WTO, WHO
- Delegations – B20/G20, WTO MC, COP
- GATF
- Support for FCO/DIT officials
- Press & Comms Campaigns
- Help on factsheets – ISDS, TTIP, WTO, G20
- #TradeMatters quotes

Over 200 Ambassadors and biz representatives are today meeting at #WTD2016 to speak up for the benefits of trade #TradeMatters @iccwbo

2:45 PM - 30 Aug 2016

**“Anti-globalization sentiment is growing, often manifested in strong views against trade. This is of particular concern given the context of rising protectionism and sluggish economic and trade growth...We need to correct misperceptions about trade in a credible way.”**

ROBERTO AZEVEDO  
Director-General  
World Trade Organization



### ICC@G20 SUMMIT 2016

ICC recommendations to **BOOST INTERNATIONAL TRADE AND INVESTMENT**

- Enhance access to trade finance for SMEs
- Accelerate multilateral and plurilateral trade talks
- Ensure internationally consistent tax and investment policies
- Commit to resisting all forms of protectionism including forced localization policies





# Trade & Investment Committee

**Chair:** John Carroll, Head, Product Management & International Business, Santander UK

## Committee Members

Diageo	Ramsden International
Falcon Group	British Chamber of Commerce
GM Chamber of Commerce	Liverpool Chamber of Commerce
Equant Analytics	BHP Billiton
Rio Tinto	GSK
King & Spalding	BT Group
Bolero	Corrotherm
Business West	International
BAE Systems	

## Stakeholder Value chain

- SMEs
- Mid Size Businesses
- Corporates
- Banks
- Law firms
- Chambers of Commerce

**ICC – Honest Broker**

# T&I Committee – Working Groups

Working Group	What	How	Who [audience]
Services in Trade Agreements	<p>Inform business leaders - UK trade relationships</p> <p>Support TISA</p>	<p>Report on UK Trade Negotiations</p> <p>Work with trade bodies eg City UK, BBA</p>	Business, government, WTO
Reducing Exporting Costs	<p>Provide a coherent narrative, raise awareness</p>	Op-ed series	Commission - ICC NCs, TI Committee, WCO, ports

<b>Foreign Direct Investment</b>	Raise awareness of issues/opportunities	<ul style="list-style-type: none"> <li>• Op-ed series - Sanctions, global investment rules</li> <li>• Fact sheets - ISDS</li> </ul>	Government, Energy committee, Northern Powerhouse, Court
<b>PPP Operating Models</b>	Promote private sector-led PPP model to trade support	<ul style="list-style-type: none"> <li>• Host APPG event</li> <li>• Parliamentary outreach</li> </ul>	MPs, stakeholders
<b>Trade &amp; Health</b>	Strengthen UK voice at WHO  Raise awareness of WHO position on business engagement	<ul style="list-style-type: none"> <li>• Support US-led WHO engagement &amp; op-eds</li> </ul>	DH, DIT, APPGs, UKMIS