

ICC in 2011

Achievements, goals
and leadership



The G20 road to Cannes



International Chamber of Commerce

The world business organization



ICC in 2011

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A blueprint for challenging times



In the aftermath of the economic crisis, shifts in the distribution of global economic power that were already underway are gaining pace. Far-reaching change is the order of the day – accompanied by much uncertainty but also a strong sense of opportunity. Understanding and successfully adapting to the new world that is emerging is a formidable challenge to business everywhere. That challenge is likely to intensify in 2011.

As a unique global business organization, the International Chamber of Commerce (ICC) provides a forum for companies and other business organizations to examine and better comprehend the major shifts taking place in the world economy. It also offers an influential and respected channel for supplying business leadership to help governments manage those shifts in a collaborative manner for the benefit of the world economy as a whole.

But, perhaps most of all, ICC is – and has been throughout its long existence – a steadfast rallying point for those who believe, like ICC's founders, that strengthening commercial ties

among nations is good for business, good for global living standards and good for peace. We shall remain vigilant that the emerging new world stays faithful to the precept that international trade and investment, and the market economy system, are key factors in raising and spreading wealth.

One of ICC's primary roles since the global economic crisis broke in late 2008 has been to argue strongly against resurgent protectionist pressures and initiatives to put globalization into reverse. On the whole, our efforts have been successful so far; governments have broadly respected their multilateral trade policy obligations under the rules of the World Trade Organization.

Nonetheless, ICC is increasingly concerned by the outbreak of so-called "currency wars" as several nations have begun to accuse each other of manipulating exchange rates in order to gain competitive advantage for their exports. International tensions over exchange rates are not only hampering the rebalancing of global demand. They are also courting the dangerous risk of a degeneration into protectionism. Currency wars could rapidly turn into overt trade wars. An obvious bulwark against such a development would be a successful conclusion – at long last – of the Doha Round of multilateral trade negotiations, which the G20 leading nations have committed themselves to achieve in 2011 and which ICC will push hard for.

During 2010, ICC devoted increasing attention to the G20 forum since we believe it is a major

priority to develop more effective ways of governing an interdependent world with an integrated global economy. Better international cooperation is vital to tackle major challenges which transcend national boundaries.

ICC applauded the initiative of President Lee Myung-bak, host of the G20 Summit in South Korea in November 2010, to hold a Business 20 (B20) Summit back-to-back with the main event to allow interaction between heads of state and government and some 100 invited corporate CEOs from around the world. ICC had a prominent part in organizing business policy input into the B20 Summit and members of ICC's Chairmanship played leading roles in articulating business views at the event. The success of the B20 has encouraged ICC to start planning, with some partners, a similar input into the next G20 Summit to be held in France in November 2011.

While policy advocacy is a major part of ICC's work, everything else we do is also devoted to promoting trade and investment across frontiers. Indeed, much of our work is of a very practical nature, focussed on making it easier for business to operate internationally. Our world-renowned commercial arbitration service is a form of impartial and dependable private justice that gives more security to companies trading and investing overseas.

Drawing on the expertise of its worldwide membership, ICC has also over time developed a large array of voluntary rules, guidelines, and codes – sometimes referred to as "trade tools" –

which facilitate cross-border transactions and help spread best practice among companies. A notable example is ICC's famous Incoterms® rules, first elaborated in 1936, which are the global standard for the interpretation of the most common terms used in contracts for the sale of goods. A newly revised and updated version was completed last year and entered into force at the start of 2011. ICC will expand this historic rules-writing function in 2011 and develop more products and services to help companies do business both overseas and at home.

The following pages summarize the numerous projects that contribute towards our principal goals. They amount to a challenging blueprint for challenging times.

Newly-elected as Secretary General of ICC, I am honoured and excited to be piloting the organization in a rapidly changing world. I am deeply conscious of the need for ICC to stay relevant to the business interests it serves in the products and services we offer, and I will work hard to that end. At the same time I remain convinced that the core values that led to the creation of ICC over 90 years ago are as relevant today as they were then. Those values will continue to provide a compass for our efforts on behalf of business to help shape the new world that is emerging.

Jean-Guy Carrier
Secretary General

Working for business

An uncertain economic climate

As 2011 began, business looked back on a year that was notable for its sharp contrasts. During the course of 2010, most of Asia bounced back vigorously from the global economic crisis that broke in late-2008 – to such an extent that the danger of growing inflation was becoming a serious preoccupation by year's end. Large parts of South America and Africa, together with a few developed countries, reaped big benefits from the expanding demand for commodities. Spurred by these favourable factors, world trade recovered strongly to pre-crisis levels. In the US and Europe, however, the recession triggered by the crisis appeared to have done more profound and enduring damage. Recovery in 2010 was fragile and uncertain, unemployment showed little sign of falling, business credit was still squeezed, and financial markets remained extremely nervous in the face of the huge increase in public indebtedness provoked by the crisis. The US continued to loosen policy – and further expand public debt – in the face of a weak and jobless recovery. And, in Europe, a stellar performance by the German economy was accompanied by a sovereign debt crisis throughout much of the Eurozone whose severity and contagiousness began raising questions about the very survival of the single currency.

Delivering the business messages

Throughout 2010, ICC was active in alerting world leaders to the importance of maintaining open markets during a period of economic stress. The dangers of protectionism were all too evident. In June 2010, ICC pointed out that by September 2009 the G20 countries had implemented some 172 protectionist trade measures. A report commissioned by the ICC Research Foundation urged the creation of a G20 group of internationally recognized trade experts to identify and publicly name the countries implementing new protectionist measures. Meanwhile, more than 400 business leaders gathered in Hong Kong at the ICC World Business Summit urged governments to support employment creation by ensuring that new employment opportunities were created for unskilled labour and that protectionist pressures were kept in check. ICC also continued to provide business input to the G20, notably through the Seoul G20 Business Summit in November where ICC's Chairman, Vice-Chairman and Honorary Chairman led working groups and discussions on trade, corporate responsibility, nurturing small- and medium-sized enterprises, and infrastructure and natural resource funding. Just prior to the G20 Summit, ICC's Chairman and Secretary General met privately with South Korean President Lee Myung-bak, the Summit's



Christiana Figueres, Executive Secretary of the UN Framework Convention on Climate Change, spoke at the Business Day hosted by ICC in Cancun.

host, to present ICC's policy recommendations to the G20. ICC continued to advocate for a rapid conclusion of the Doha Round of trade negotiations and strongly supported the G20 leaders' pledge to complete the Round in 2011. ICC Secretary General Jean-Guy Carrier said: "The Doha Round can be an inexpensive and effective stimulus package for the world economy, and can create the necessary conditions for realizing the G20's objective of strong, sustainable and balanced growth." A key component of a flourishing environment for trade is the provision of adequate trade finance. In 2010, ICC expressed concern about proposals by the Basel Committee on Banking Supervision to increase the risk weighting of trade finance. An ICC delegation stressed to the Committee that this would adversely impact the supply of cost-effective trade credit to business. ICC also issued a strongly-worded statement to the G20 warning that international tensions over exchange rates were hampering the rebalancing of the world economy and risked degenerating into protectionism. Apart from its meetings with G20 leaders, ICC also made the voice of business heard

in a number of other international forums, including the UN General Assembly, the Internet Governance Forum, the UN Framework Convention on Climate Change, and the European Telecommunications Standards Institute.

Rule-setting

In 2010, ICC continued to assume its role as a principal source of rules for conducting business worldwide. Two major sets of ICC rules were completed and released during the year. The first, ICC Uniform Rules for Demand Guarantees (URDG 758), apply to billions of US dollars in aggregate of outstanding guarantees in all sectors of trade and industry including construction, capital markets, commercial lending, corporate restructuring and structured finance. The second are ICC's renowned Incoterms 2010 rules defining the obligations, costs and risks involved in the delivery of goods from sellers to buyers. In the World Economic Survey published by ICC and the Ifo Institute for Economic Research, nearly all economists polled agreed that broad global use of common standards such as the Incoterms 2010 rules facilitated international trade.

An expanded presence in Asia

In January 2010, over 150 eminent guests from the legal and business world attended the

> Ankara 13.01.2010 > > > > > Singapore 21.01.2010 > > > > > > New York 26.01.2010 > > > > > > Paris 09.02.2010 > > > > > > New York 23.03.2010 > > > > > > Paris 07.04.2010 > >



ICC Chairman discusses economic recovery with President of Turkey



ICC inaugurates Regional Office at Maxwell Chambers in Singapore



ICC launches Framework on Responsible Environmental Marketing Communications



Revised ICC Uniform Rules for Demand Guarantees go on sale



ICC Secretary General participates in UN Global Compact Leaders Summit



ICC issues 2010 edition of Intellectual Property Roadmap

Working for business (continued)



ICC leaders at the G20 Business Summit in Seoul were featured at a media conference which attracted over 300 journalists. From left: Marcus Wallenberg, Victor Fung, Stephen Green, Young Tae Kim and Jean-Guy Carrier.

official inauguration of ICC's expanded regional Asia office in Singapore. ICC has long recognized the importance of the Asia-Pacific region to its worldwide outreach. The new office will foster ICC cooperation with regional economic groupings – such as the Association of Southeast Asian Nations, the Asia-Pacific Economic Cooperation, the Gulf Cooperation Council and the South Asian Association for Regional Cooperation – to create a more conducive business environment in the region.

New advances in dispute resolution

In 2010, ICC strengthened its position as a leading forum for the resolution of international disputes through arbitration and other dispute resolution services. ICC filed 793 new requests for arbitration in 2010 and the ICC International Court of Arbitration also registered its 100th mediation case under

the Amicable Dispute Resolution (ADR) Rules. Since 2001, business disputes filed under the ADR Rules have included companies and state entities from over 60 countries. ICC welcomed over 40 university teams and almost 100 professional mediators from around the world to Paris for the ICC Mediation Competition, the only international mediation moot worldwide. Some of the world's leading multinationals, such as General Electric, Bombardier, Thales and Nestle, supported this unique event, showing the business world's backing for the development of mediation for the resolution of international commercial disputes.

2011. The ICC International Court of Arbitration will release the new ICC Rules of Arbitration and will also conduct a worldwide campaign to raise awareness of the Rules.

The Court will also improve its service to users with the release of its new IT platform for the management of ICC Arbitration proceedings. It will strengthen synergies between arbitration and other dispute resolution services to optimize its offerings to business worldwide. Finally, the Court will open the ICC Mediation Competition to business schools and increase the number of participating teams to over 50.

Working towards a cleaner planet

In collaboration with the government of Mexico, ICC and the World Business Council for Sustainable Development (WBCSD) organized a series of public-private dialogues known as the Mexican Dialogues to strengthen cooperation on important issues ahead of the UN Climate Change Conference in Cancun. The first of these dialogues, held in September, focused on climate change finance, while others concentrated on carbon markets and technology. Building on the dialogues, ICC proposed creating a more durable mechanism for business engagement in the United Nations Framework Convention on Climate Change (UNFCCC) and developed a public policy roadmap on climate change finance, presented to governments prior to the Cancun conference. In 2010, ICC started to prepare its engagement in the 2012 Rio+20 Earth Summit, working

with WBCSD and the Global Compact to create the Business Action for Sustainable Development (BASD 2012), a coalition of business groups that will provide business input to the Rio+20 process. The ICC Commission on Environment and Energy also created a green economy task force, which will draw expertise across ICC policy areas and will seek to provide global business views and experience on how to reach environmental objectives while encouraging economic growth.

2011. The commission will further develop business positions on climate change, particularly by demonstrating its cross-cutting links with other key ICC policy areas such as finance, trade, e-business and intellectual property. The commission will once again head the business delegation to the annual UNFCCC conference, to be held in Durban, South Africa, and will continue to provide global business views at the UNFCCC and in other forums. It will work through BASD 2012 to lead business preparations for the Rio+20 Earth Summit.

Resisting extortion and extending human rights

In 2010, the ICC Commission on Corporate Responsibility and Anti-Corruption launched an expanded version of RESIST, a tool advising company employees how to react to solicitation for bribes.

> Beijing 21-23.04.2010 > > > > Toronto 25-27.06.2010 > > > > Hong Kong 30.06.2010 > > > > > Hong Kong 01.07.2010 > > > > > Seoul 16.07.2010 > > > > > Vilnius 14-17.09.2010 > >



ICC releases Global Trade Finance Survey



ICC outlines business priorities for G8/G20 Summit



ICC World Business Summit 2010



World Council elects new ICC leadership



Victor Fung, ICC Honorary Chairman, presents business views ahead of G20 Summit



ICC leads business input at Internet Governance Forum

Working for business (continued)

The revised edition of RESIST includes 15 new scenarios which companies and organizations could be faced with during the contract implementation phase. This second instalment builds on the initial 2009 edition, which sets out seven solicitation scenarios occurring in the procurement stage of a project. In finalizing its *Guidelines on Use of Agents, Intermediaries and Third Parties*, ICC added another tool to its suite of corporate responsibility and anti-corruption measures. The commission also organized highly successful international consultations on business and human rights. In October, it contributed valuable input to the Special Representative to the UN Secretary General on business and human rights, pointing out that private sector development and human rights are mutually supportive.

2011. The commission will publish its *Guidelines on Gifts and Hospitality* to address the difficult question of when and what kinds of gifts are appropriate when seeking to obtain business. The commission will provide global business views to the Organization for Economic Co-operation and Development (OECD) on the update of its *Guidelines for Multinational Enterprises*, which are likely to include an increased focus on supply chains. To further its ongoing interaction with the UN, it will make recommendations for revisions to ICC's Rules



Journalists gathered at ICC headquarters to learn more about the newly revised Uniform Rules for Demand Guarantees.

on Combating Extortion and Bribery to take into account the UN Convention against Corruption. The commission will also outline an ICC perspective on the business case for corporate responsibility, based on company experience and existing research, and will further develop its work on supply chain responsibility.

Environmental marketing and digital interactive media

In 2010, the ICC Commission on Marketing and Advertising continued its work as a major rules-setter on international advertising. In January, it launched its *Framework for Responsible Environmental Marketing Communications* at a seminar held in New York. The framework provides guidance on how to evaluate environmental marketing communications to ensure that consumer confidence in these claims is safeguarded and includes a practical checklist aimed at the creators of marketing communications campaigns worldwide. ICC advocated the principles of the framework with consumer agencies, governments and non-governmental

organizations through the OECD Consumer Policy Committee and helped shape the OECD workshop on green claims in April 2010. During 2010, the commission brought together a wide range of industry representatives to promote regional self-regulatory initiatives on interest-based advertising and to develop global standards for inclusion in its *Consolidated ICC Code of Advertising and Marketing Communication Practice*. To further this effort, the commission completed the Business Action for Responsible Marketing and Advertising (BARMA) educational module – a teaching module produced by ICC and INSEAD – applying the Code's principles for marketing self-regulation to be used in business schools and marketing programmes. The commission also initiated an issues paper on interest-based advertising to help regulators better understand the techniques and the policy questions involved, as well as the self-regulatory options that are being put in place.

2011. The commission will update the *Consolidated ICC Code of Advertising and Marketing Communication Practice*, which will include a chapter on digital and interactive media setting out the first set of global principles on interest-based advertising. The commission will also launch an initial roll-out of a global communications strategy to promote adoption of the Code and

advocate the issues paper it developed on interest-based advertising.

Demand guarantees and improved market intelligence

In 2010, the revision of ICC's Uniform Rules for Demand Guarantees (URDG) came into effect. The revised URDG apply to hundreds of billions of dollars of demand guarantees, securing monetary and performance obligations in a wide array of international and domestic contracts.

The Commission on Banking Technique and Practice staff and officers met with members of the Basel Committee on Banking Supervision Secretariat to discuss the treatment of trade finance facilities under the Basel capital requirement framework, in the context of the need to strengthen the resilience of banking supervision rules. The commission also contributed to the preparation of a key document, *Revitalizing World Trade: Towards a Sustainable and Equitable Recovery*, for the Seoul G20 Business Summit in November.

ICC continued to play a leadership role in market intelligence and research. An ICC Global Survey on trade finance was released in April with an unprecedented high level of responses from representatives of 161 banks located in 75 countries. The purpose of the survey was to gain an accurate snapshot of the trends prevailing in the markets and

> Paris 16.09.2010 > > > > > > Paris 16.09.2010 > > > > > > New York 21.09.2010 > > > > > > New York 22.09.2010 > > > > > > Hong Kong 14.10.2010 > > > > > > Oslo 18.10.2010 > >



ICC's World Chambers Federation celebrates 60th anniversary



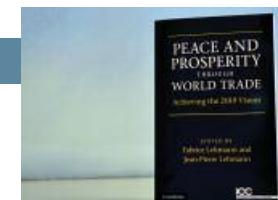
ICC launches Incoterms® 2010



Winners attend the ceremony for the ICC World Business and Development awards



ICC addresses the UN Summit for MDGs



Launch of the book *Peace and Prosperity through World Trade* by the Evian Group and ICC



ICC co-hosts Business for Peace Awards

to gauge future expectations for global trade and traditional trade finance activities. ICC and the Asian Development Bank (ADB) completed the ICC-ADB Trade Finance Default Register, which collects performance data for trade finance products. The objective of this initiative is to assist industry in developing a pool of data to substantiate the argument that trade finance is a low-risk form of financing.

2011. The commission will revise the International Standard Banking Practice (ISBP) rules to bring them into conformity with ICC's Uniform Customs and Practice for Documentary Credits (UCP 600), and will make progress on a set of international rules on forfaiting together with the International Forfaiting Association. ICC will also seek to establish the Trade Finance Default Register on a permanent basis to create a robust base of information related to the performance of trade finance products and will continue providing input to the OECD's Financial Action Task Force concerning criminal justice and regulatory measures to fight money laundering and terrorist financing.

Mobilizing business on data protection and communication technologies

The ICC Commission on E-Business, IT and Telecommunications (EBITT) mobilized business to develop an important policy position on lawful intercept requirements. The statement was

presented to regulators and law enforcement authorities at the last meetings of the European Telecommunications Standards Institute. The commission's task force on data protection and privacy successfully advocated its new controller-to-processor contract clauses with the EU Commission, which facilitate cross-border transfer of data, and held an online training webinar to explain how to use the clauses. In partnership with the International Association of Privacy Professionals, the task force also led the second Global Privacy Conference in Paris. The conference, which attracted broad participation, showcased ICC's practical tools to address privacy issues. The commission also developed a new discussion paper on information and communication technologies (ICTs) and environmental sustainability, contributing to ICC's range of work on these critical subjects. To promote the security and stability of the Internet, the commission continues to be a champion of global policies urging governments to ensure an enabling environment that will continue to foster private sector-led investment in Internet resources.

2011. The EBITT Commission will:

- > continue to advocate balanced lawful intercept requirements;
- > demonstrate how ICTs are part of the environmental sustainability solution; and



ICC Secretary General Jean-Guy Carrier and World Customs Organization Secretary General Kunio Mikuriya at the 6th Global Congress on Combating Counterfeiting and Piracy.

- > argue for narrowly tailored taxes on telecom goods and services.
- It will also work to educate policymakers on key Internet governance concerns. In addition, the commission will provide a strong global business voice when cross-border data protection rules and policies are being prepared. It will strengthen business representation in Internet Corporation for Assigned Names and Numbers (ICANN) structures by providing expertise and actively participating in three ICANN meetings in 2011.

Due process in competition law enforcement

The ICC Commission on Competition issued a series of recommendations on competition law enforcement to the European Commission. It issued a policy statement, *Recommended framework for international best practices in competition law enforcement proceedings*, directed at competition authorities worldwide. The latter helped advance international discussions on procedural fairness and due process with key competition authority procedures at an ICC roundtable held in conjunction with the

annual conference of the International Competition Network in Istanbul in April. The commission also made recommendations concerning the European Commission's draft rules to reform horizontal cooperation agreements. In most instances, horizontal cooperation involves cooperation between competitors, which may be enhanced by more guidance on self-assessment of their agreements' compatibility with the EU rules. In another statement addressed to European authorities, the commission made recommendations concerning due process in EU antitrust proceedings.

2011. The commission will organize its third roundtable in conjunction with the annual conference of the International Competition Network in The Hague in May. It will also contribute to the reform of US merger guidelines and forms, and provide guidance on the reform of EU rules on enforcement by private parties.

Intellectual property (IP) protection

ICC issued the 10th edition of the *Roadmap on Current and Emerging Intellectual Property Issues for Business and Policy Makers*, which provides an overview of key IP policy issues in six languages. The different editions of the roadmap were launched in Brazil, Spain, Chile, Korea, France and Russia at various high-profile events.

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> Antigua 04-05.11.2010 > > > > > Seoul 09.11.2010 > > > > > Seoul 10-11.11.2010 > > > > > Sacramento 18-19.11.2010 > > > > > Cancun 29.11-10.12.2010 > > > > > Paris 30.11.2010 > >



ICC Regional Consultative Group meets



ICC leaders meet South Korean President ahead of G20 Summit



ICC provides business views to G20 Summit



ICC's WCF Chair Rona Yircali participates in California Governor Arnold Schwarzenegger's R20 Initiative



ICC contributes business input to UN Climate Change Conference (COP16)



Qatar Chamber of Commerce and Industry is announced as the host of the 8th World Chambers Congress

INCOTERMS® 2010: The launch of ICC's revised commercial terms

Following two years of intensive work, hundreds of comments from ICC's global network, 10 meetings of a drafting group and three drafts, the 2010 revision – *Incoterms® 2010*¹ – was published in September 2010. The new rules came into effect on 1 January 2011.

Introduced to wide acclaim in 1936, the Incoterms® rules were the first set of internationally accepted rules governing the responsibilities, costs and risks involved in the delivery of goods from sellers to buyers. Since then, they have been revised seven times, roughly once a decade, to keep up with the rapid expansion of world trade and globalization.

Before the Incoterms rules were developed, the terms were often subject to different interpretations in different countries, giving rise to disputes and litigation. The purpose of the Incoterms rules was to bring a uniformity of interpretation to a field critical to the facilitation of trade. Because the rules are developed by experts and practitioners brought together by ICC in a thorough consultative process, they are globally accepted and have become the standard in international business rule-setting.

Incoterms® 2010 reflects the many changes in global trade since the last revision in 2000 – for example, the growing importance of cargo security in a world where terrorism is a constant threat; the continuing spread of customs-free zones and the increased use of electronic communications in business transactions. In addition, the revision of the United States' *Uniform Commercial Code* in 2004 resulted

in the deletion of US shipment and delivery terms and provided a significant opportunity to promote the Incoterms rules in the US for both domestic and international trade.

Among the most important features of *Incoterms® 2010* are the reduction in the number of trade terms from 13 to 11; the inclusion of definitions of key words, such as “delivery”, “carrier” and “packaging”; the addition of guidance notes at the beginning of each of the rules; the removal of references to the “ship’s rail” as the delivery point in the FOB, CFR and CIF rules; and the expanded explanation of insurance.

To introduce *Incoterms® 2010* to the public, the ICC Secretariat and ICC national committees around the world began holding conferences, seminars and masterclasses in September 2010. More seminars, masterclasses and a range of other events – including a new “Train the Trainers” programme to develop a network of expert, qualified trainers across the globe – are being held in 2011.

The Incoterms® rules are one example of ICC rules governing international business activities. “The global rules developed by ICC and used by companies in countless business transactions all over the world are an essential part of ICC’s work and set us apart from most other international business organizations,” said ICC Secretary General Jean-Guy Carrier.

The Incoterms rules are available in numerous languages in book and ebook formats, as well as a handy wall chart. **To order your copy or register for training, visit www.incoterms.org**



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ICC experts are training people worldwide on the proper use of Incoterms® 2010

The 11 Incoterms® rules:

RULES FOR ANY MODE OR MODES OF TRANSPORT

EXW	Ex Works
FCA	Free Carrier
CPT	Carriage Paid to
CIP	Carriage and Insurance Paid to
DAT	Delivered at Terminal
DAP	Delivered at Place
DDP	Delivered Duty Paid

RULES FOR SEA AND INLAND WATERWAY TRANSPORT

FAS	Free Alongside Ship
FOB	Free on Board
CFR	Cost and Freight
CIF	Cost, Insurance and Freight

1. The Incoterms® 2010 Drafting Group revised the trading terms.
2. At the ICC Ecuador seminar: Moises Luque Cervantes, ICC Ecuador Executive Director, Eduardo Pena, President of the Chamber of Commerce of Guayaquil and Nelly Vinuesa, Director of the Chamber of Commerce of Guayaquil.
3. Incoterms® rules expert Frank Reynolds leads a seminar in Charleston, South Carolina.
4. ICC Mexico's Incoterms seminar in Monterrey – from left Berenice Alcala Carrera, ICC Mexico Manager; Miguel Angel Bustamante Morales, Incoterms Certified Trainer and Yesica Gonzalez Perez, ICC Mexico Secretary General.
5. Participants at the first Incoterms 2010 masterclass in Paris.
6. Participants at the introductory workshop on Incoterms 2010 held in Karachi.

¹ Incoterms® is a trademark of the International Chamber of Commerce.

The commission also issued proposals on how patent offices can better cooperate to make the patent application process more efficient, which were well received at the World Intellectual Property Organization (WIPO) and in other forums. ICC led business participation in the negotiations, which culminated on 30 October in the successful adoption of a protocol to the Convention on Biological Diversity termed the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization.

2011. The commission will advocate a European patent and patent litigation system which is cost-effective, predictable and of high quality, and will provide business positions on elements of the proposed system. It will strengthen its participation in WIPO, especially in its discussions on patents. It will also provide business views on the IP issues raised during discussions relating to the extension of generic top-level domain names and analyze IP issues raised by social networks.

Improving transport infrastructure

In 2010, the ICC Commission on Transport and Logistics issued further recommendations to fight piracy in the Indian Ocean – a crucial issue for all businesses shipping cargo in this area. Members of the commission also made



ICC hosts the World Business and Development Awards.

valuable contributions to the revision of the Incoterms® rules. Commission members voiced their needs and concerns with respect to these rules, which are critically important in their day-to-day transactions.

2011. The commission will develop policy recommendations on regulations dealing with the environmental impact of transport. The recommendations will be directed at emissions from various modes of transport, including those from vessels and aircraft. The commission will also advocate the need for investments in transport infrastructure as a means to stimulate new economic activity.

Fighting commercial crime and piracy

In 2010, as the effects of the economic crisis filtered through the world economy, incidents of fraud dramatically increased. In the past year ICC's Commercial Crime Services (CCS) dealt with over 42,000 enquiries, a 30% surge over the previous year. Of these, 3% of the checks into the authentication of trade documents uncovered false transactions. Advice from CCS helped member banks

and traders steer clear of these spurious transactions and avoid substantial losses. The ICC International Maritime Bureau (IMB) played a key role in the global fight against piracy attacks on merchant ships worldwide. It provided advice to vessels and information to navies on attacks off the Horn of Africa, resulting in better coordinated response to piracy in the region. Attacks in the Gulf of Aden came down dramatically in 2010, but hijackings there and in the Indian Ocean remain a serious problem. IMB also alerted governments to the increasing trend of attacks in the South China Sea around the Mangkai Islands.

2011. CCS will provide a service to banks and traders to assist them in identifying sanction-busting transactions. It will also be putting together an online trade finance fraud application to mitigate losses and fraud exposure.

Urging completion of the Doha Round

In 2010, ICC warned about the growing dangers of protectionism and issued repeated calls to conclude the Doha Round of multilateral trade negotiations. In September, ICC published a policy statement entitled *The risks of non-Doha* that impressed upon WTO members the urgent need to complete the Doha Round by highlighting some of the potential risks to the global economy

of not doing so. The risks include a weakening of the multilateral trading system, a foregone opportunity to strengthen WTO rules and liberalize world trade, and a potential rise in protectionism and economic nationalism. Earlier in the year, ICC expressed disappointment that the G20 Toronto Summit appeared to back away from setting a firm date for completing the Round. Instead of following through on their earlier call to complete the negotiations by 2010, Summit leaders merely said that the negotiations should be concluded "as soon as possible". Building on its longstanding input into the G8 and its interaction with the G20 since the London Summit of April 2009, ICC played an active role in coordinating input into the Seoul G20 Business Summit of 10-11 November 2010.

2011. ICC will intensify its advocacy campaign in support of bringing about a successful conclusion of the Doha Round in 2011 by continuing to engage with Geneva-based negotiators. ICC will also seek to ensure ongoing high-level trade policy input from world business into the G20 Summit that will be hosted by France in 2011.

Business for Peace Awards

ICC partnered with the Business for Peace Foundation in 2010 to offer the Business for Peace Awards. The awards are given to

> Worldwide 01.01.2011 > > > > > Paris 01.01.2011 > > > > > Paris 24.01.2011 > > > > > Paris 13.01.2011 > > > > > Brussels 26.01.2011 > > > > > Paris 31.01-01.02.2011 > >



The new and updated Incoterms® rules come into effect



WCF launches its global Certificate of Origin certification chain



ICC elects new Vice-Chairman and Secretary General



IMB Piracy Report for the first quarter of 2011



ICC takes part in International Customs Day



ICC holds official Masterclasses on Incoterms® 2010 rules

outstanding business people who have achieved business success while acting in an ethically responsible way.

The annual awards are presented in Oslo, the home of the Nobel Peace Prize, with recipients chosen by a prestigious Award Committee consisting of past Nobel Prize winners in Peace and Economy.

The 2010 Business for Peace Awards were given to seven outstanding business people from India, Israel, Malaysia, Mexico, Nigeria, the UK and the US.

60 years promoting chambers of commerce

In September 2010, the World Chambers Federation (WCF), formerly called the International Information Bureau of Chambers of Commerce (IIBCC), celebrated its 60th anniversary of working for chambers. WCF's flagship event, the World Chambers Congress, continued to show its importance for the chamber community. Qatar and Dubai Chambers presented their bids to host the 2013 World Chambers Congress, with the close competition seeing the event awarded to the Qatar Chamber of Commerce and Industry. Candidates are already lining up to host the World Chambers Congress upon its return to Europe (2015) and Asia-Pacific (2017). Trade facilitation is a key service of many chambers worldwide. It's not surprising that one of WCF's first projects in the 1950s was

the ATA Carnet, which now operates in 69 countries. During 2010, Moldova and Macao joined the system, and Brazil and the United Arab Emirates ratified the World Customs Organization's Istanbul Convention.

WCF's expanding range of support services to chambers in the issuance of certificates of origin (COs) included the release of WCF's *International CO Guidelines* in Spanish and Russian, as well as WCF's first CO webinar, which brought together chamber certification staff from 27 countries. WCF led the recruitment of chambers and members of the ICC national committee network as local nominating authorities in an ICC partnership with the Business for Peace Foundation to organize the Business for Peace Awards. WCF also held the first election of its WCF General Council in November. Seventy five chamber leaders from 49 countries submitted their candidacy to serve on the Council, and more than 1,500 chambers from some 125 countries voted in November, filling 20 elected seats of the 50-person Council. New member countries to the ICC global network were welcomed through the membership of the Liberia and Tripoli (Libya) chambers of commerce, which joined as direct members.

2011. The 7th World Chambers Congress, (8-10 June 2011), the first to be held in Latin America,



In 2011 the ATA Carnet System is extending its reach to more countries.

will feature an opening address by Mexican President Felipe Calderon and participation by a host of eminent speakers from chambers of commerce, business and the academic world. WCF's *International CO Guidelines* will be published in French, making them available in all six official UN languages. WCF will also launch the international Certificates of Origin accreditation chain to reinforce the role of chambers as competent authorities in issuing COs, and continue to urge more countries to implement the ATA Carnet System. Finally, WCF will be actively working with chambers at the local and regional level to expand the coverage of the Business for Peace Award nominating authorities. It will also work closely with chambers to enhance their practical support to SMEs in environmental issues through its partnership with the R20 regional initiative on climate change.

Conferences and seminars

The past year saw record attendance at almost all ICC-hosted conferences and seminars, testimony to the work and creativity that went into finding new concepts to attract a wider audience. A record number of legal

professionals attended the Miami conference, "International commercial arbitration in Latin America: the ICC perspective", and a record level of sponsorship was attained, due to a strong effort to renew the proposals. Two major ICC products were launched with great success: the *Uniform Rules for Demand Guarantees (URDG)* and *Incoterms® 2010*. Regarding the latter, an innovative accreditation system was set up, with new concepts such as "Train the Trainers" seminars in coordination with the ICC national committee network. New possibilities offered by social media and new technologies were successfully explored: the ICC Training and Conferences Department launched webinars, has become visible on social media and now has a new trilingual website, which is both modern and user-friendly.

2011. The ICC Training and Conferences Department will participate in a major campaign surrounding the new Rules of Arbitration of the ICC International Court of Arbitration. It will do the same for *International Standard Banking Practice (ISBP)* in an effort to assure an optimal dissemination of information among ICC product users, increase ICC brand awareness within the business community and maximize revenue. The department will also diversify its activities in developing the highly promising area of e-learning, thereby reinforcing its training centre capacities.

> Paris 01.02.2011 > > > > > > Paris 02-03.02.2011 > > > > > > Paris 05-09.02.2011 > > > > > > Paris 14-17.02.2011 > > > > > > Paris 16.02.2011 > > > > > > Zurich 21-23.03.2011 > >



ICC hosts seminar on defense procurement and complying with new EU legislation



6th Global Congress on Combating Counterfeiting and Piracy



6th Mediation Competition



English and French PIDA training for international contracts



ICC/Ifo World Economic Survey first quarter report



Roundtable on due process in competition proceedings

BASCAP / fighting counterfeiting and piracy

Since its creation in 2005, ICC's Business Action to Stop Counterfeiting and Piracy (BASCAP) has united the global business community in the fight against counterfeiting and piracy, a growing illicit activity that has moved far beyond luxury goods to include virtually every consumer product, such as counterfeit foods and beverages, pharmaceuticals, electronics, auto parts and everyday household products. Millions of consumers are now at risk from unsafe and ineffective products, and governments, businesses and society are being robbed of hundreds of billions in tax revenues, business income and jobs.

In 2010, BASCAP briefed national governments on findings from a first-ever global study on the factors that drive consumers to purchase counterfeit and pirated products. The study, which focused on India, Mexico, Russia, South Korea and the United Kingdom, is being widely adopted by governments and industry groups as guidance for educational campaigns to reduce consumer demand for fakes.

In March 2010, BASCAP commissioned a study entitled *Building a Digital Economy: The Importance of Saving Jobs in the EU's Creative Industries*. The study's findings on related job losses and negative impacts on economic growth were widely cited by EU officials and

parliamentarians, helping to build support for adoption of the EU "Gallo" report, *Enforcement of IP Rights in the Internal Market*.

In June, the Arabic version of the *BASCAP IP Guidelines for Business* was launched in Egypt, and the Spanish version is being promoted in a dozen Latin American countries in a new workshop series: "Maximizing the Value of Latin American Innovations through Intellectual Property".



Patrice Geoffron, President of the TERA International Group, and Marielle Gallo, MEP, at the launch of the BASCAP report on Digital Piracy in Europe in Brussels in March 2010.

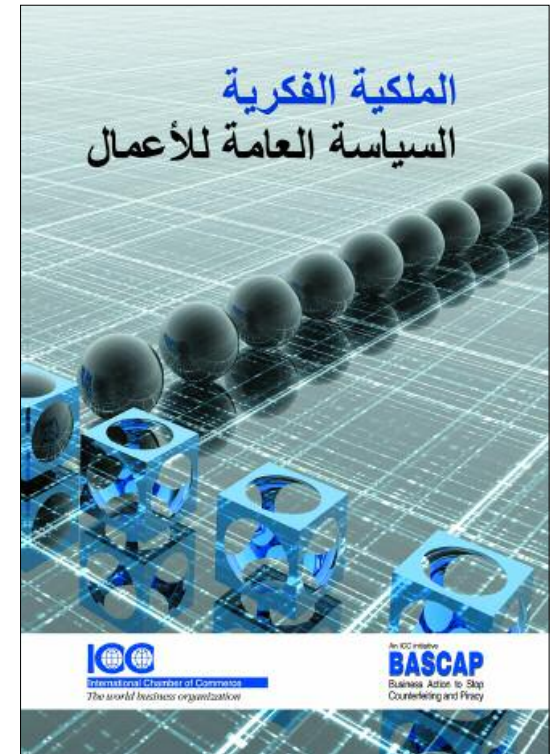
BASCAP, in cooperation with the ICC IP Commission, published a new report entitled, *Intellectual Property: Powerhouse for Innovation and Economic Growth*, focusing on the benefits of innovation to society and national economies and the important role that effective intellectual property protection and enforcement play in fostering this innovation.

BASCAP also formed a cooperative agreement with the World Free Zones Convention to tackle counterfeiting problems in free trade zones and launched the *Product Authentication and Security Directory* to assist brand owners in protecting their intellectual property from counterfeiting, piracy and other product security threats.

Looking ahead

In 2011, BASCAP, along with INTERPOL, WIPO and WCO, will co-host the Global Congress on Combating Counterfeiting and Piracy – the single most important annual summit aimed at generating recommendations to national governments.

BASCAP will also conduct and publicize research on the value of IP-based industries to economic growth and employment and strengthen intellectual property enforcement



ICC's IP Guidelines in Arabic were launched on 8 June 2010 in Cairo.

regimes through the development of country and regional guidance on issues such as free trade zones, roles of supply chain intermediaries, illicit trade and the impact of crime on health and safety.

Finally, BASCAP will support higher international standards in the enforcement of IP rights by providing input and recommendations to intergovernmental organizations.

> Sao Paulo 12-13.04.2011 > > > > Amman 20.04.2011 > > > > The Hague 21.05.2011 > > > > Mexico City 08-10.06.2011 > > > > Mexico City 08-10.06.2011 > > > > Mexico City 10.06.2011 >



ICC/FIDIC conference on international construction contracts



Middle East/North Africa Regional Consultative Group meeting



ICC Commission on Competition holds third roundtable with International Competition Network



Launch of ICC/WIPO IP manual for chambers of commerce



7th World Chambers Congress



World Chambers Competition winner is announced

The ICC national committee network

ICC's influence around the world is due in large part to its global network of national committees and groups. Located in more than 90 countries, ICC regional representatives voice the interests of business to their national governments, and also provide input to ICC's policy work.

In countries where a national committee has yet to be formed, companies can join ICC individually by becoming a direct member. ICC membership is currently bolstered by direct members in some 34 additional countries.

ICC Algeria	ICC Denmark	ICC Korea	ICC Romania
ICC Argentina	ICC Dominican Republic	ICC Kuwait	ICC Russia
ICC Australia	ICC Ecuador	ICC Lebanon	ICC Saudi Arabia
ICC Austria	ICC Egypt	ICC Lithuania	ICC Senegal
ICC Bahrain	ICC El Salvador	ICC Luxembourg	ICC Serbia
ICC Bangladesh	ICC Finland	ICC Madagascar	ICC Singapore
ICC Belgium	ICC France	ICC Malaysia	ICC Slovakia
ICC Bolivia	ICC Georgia	ICC Mexico	ICC Slovenia
ICC Brazil	ICC Germany	ICC Monaco	ICC South Africa
ICC Bulgaria	ICC Ghana	ICC Morocco	ICC Spain
ICC Burkina Faso	ICC Greece	ICC Nepal	ICC Sri Lanka
ICC Cameroon	ICC Guatemala	ICC Netherlands	ICC Sweden
ICC Canada	ICC Hong Kong, China	ICC New Zealand	ICC Switzerland
ICC Caribbean	ICC Hungary	ICC Nigeria	ICC Thailand
ICC Chile	ICC Iceland	ICC Norway	ICC Togo
ICC China	ICC India	ICC Pakistan	ICC Tunisia
Chinese Taipei Business Council of ICC	ICC Indonesia	ICC Panama	ICC Turkey
ICC Colombia	ICC Iran (Islamic Republic)	ICC Palestine	ICC Ukraine
ICC Costa Rica	ICC Ireland	ICC Peru (in restructuring)	ICC United Arab Emirates
ICC Croatia	ICC Israel	ICC Philippines	ICC United Kingdom
ICC Cuba	ICC Italy	ICC Poland	ICC United States
ICC Cyprus	ICC Japan	ICC Portugal	ICC Uruguay
ICC Czech Republic	ICC Jordan	ICC Qatar	ICC Venezuela (dormant)

ICC Executive Board 2011

The Executive Board is responsible for developing and implementing ICC's strategy, policy and programme of action and for overseeing the financial affairs of the world business organization. In particular, it is responsible for recommending to the ICC World Council the appointment of the ICC Chairmanship and Secretary General as well as approving all policy documents.

The Board is composed of ex-officio members and elected members, who serve for a three-year term. The Chairmanship and Secretary General are also members.

Chairmanship and Secretary General

Gerard Worms ICC Chairman	Victor K. Fung ICC Honorary Chairman
Harold McGraw III ICC Vice-Chairman	Jean-Guy Carrier ICC Secretary General

Members

Jose Luiz Alqueres Brazil	Peter Mihok Slovak Republic
Abdul Rahman Attar Syria	Yogendra Modi India
John Beechey Chairman of ICC International Court of Arbitration	Jorma Ollila Chairman of World Business Council for Sustainable Development
John Buchanan United Kingdom	Mikio Sasaki Japan
Chen Yuan China	Andreas Schmid Switzerland
Guillermo de la Dehesa Spain	Oren Shachor Israel
Pierre A. Froidevaux Mexico	Andrea Tomat Italy
Manfred Gentz Germany	Kees van der Waaij Netherlands
Martin Granholm Finland	Rona Yircali Chairman of ICC World Chambers Federation
Young Tae Kim Korea	

Chairmanship and Secretary General



Chairman – Gerard Worms

Gerard Worms became Chairman of the International Chamber of Commerce on 10 March 2011. He is also Chairman of ICC France, Vice-Chairman of Rothschild Europe and former Chairman and CEO of Suez Group. Mr Worms is a Commander of the French Legion of Honour.



Vice-Chairman – Harold McGraw III

Harold McGraw III became Vice-Chairman of the International Chamber of Commerce on 24 January 2011. He is Chairman of the US Council for International Business, Chairman of the US-India Business Council, a member of the President's Advisory Committee for Trade Policy and Negotiations (ACTPN) and Chairman, President and CEO of The McGraw-Hill Companies.



Honorary Chairman – Victor K. Fung

Victor K. Fung became the Honorary Chairman of the International Chamber of Commerce on 1 July 2010. He is Chairman of the Li & Fung Group of companies, with major subsidiaries in trading, distribution and retailing, including publicly-listed Li & Fung, Trinity, and Convenience Retail Asia.



Secretary General – Jean-Guy Carrier

Jean-Guy Carrier became the Secretary General of the International Chamber of Commerce on 24 January 2011. Prior to joining ICC, Mr Carrier held senior positions in business and with international organizations, most notably the World Trade Organization. He is the author of several books and has published numerous articles in national and international media.

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The International Chamber of Commerce

ICC is the world business organization, a representative body that speaks with authority on behalf of enterprises from all sectors in every part of the world.

The fundamental mission of ICC is to promote open international trade and investment across frontiers and help business corporations meet the challenges and opportunities of globalization. Its conviction that trade is a powerful force for peace and prosperity dates from the organization's origins early in the 20th century. The small group of far-sighted business leaders who founded ICC called themselves "the merchants of peace".

ICC has three main activities: rule setting, arbitration, and policy. Because its member companies and associations are themselves engaged in international business, ICC has unrivalled authority in making rules that govern the conduct of business across borders. Although these rules are voluntary, they are observed in countless thousands of transactions every day and have become part of the fabric of international trade.

ICC also provides essential services, foremost among them the ICC International Court of Arbitration, the world's leading arbitral institution. Another service is the World Chambers Federation, ICC's worldwide network of chambers of commerce, fostering interaction and exchange of chamber best practice.

Business leaders and experts drawn from the ICC membership establish the business stance on broad issues of trade and investment policy as well as on vital technical and sectoral subjects. These include financial services, information technologies, telecommunications, marketing ethics, the environment, transportation, competition law and intellectual property, among others.

ICC enjoys a close working relationship with the United Nations and other intergovernmental organizations, including the World Trade Organization, the G20 and the G8.

ICC was founded in 1919. Today it groups hundreds of thousands of member companies and associations from over 120 countries. National committees work with their members to address the concerns of business in their countries and convey to their governments the business views formulated by ICC.



International Chamber of Commerce

The world business organization

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