World's largest business association gets direct voice in UN decision making

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In an unprecedented and historic move, the Sixth Committee of the UN General Assembly recently granted observer status to the International Chamber of Commerce (ICC). The resolution was submitted by France, Albania, Colombia, the Netherlands and Tunisia and was adopted during the seventy-first session of the General Assembly. The resolution sets out the ICC's position as observer in the General Assembly from 1 January 2017 on.

For the first time, the Sixth Committee of the General Assembly (GA) has approved a business organization as an observer to the UN General Assembly. So far, the current <u>list of non-Member States</u>, entities and organizations with observer status in the General Assembly was mainly limited to non-Member States, like the Holy See and the State of Palestine, and intergovernmental organizations like the African Union and the OECD. Trade unions and civil society organizations are not on the list.

The request to include the item 'Observer status for the <u>ICC</u> in the General Assembly' in the provisional agenda of the sixty-seventh session of the General Assembly was made in 2012 in a <u>letter to the UN by the Permanent Representative of France</u>. At that time, the General Assembly decided to defer the decision to its sixty-eighth session, and one year later, the GA again deferred it to its sixty-ninth session. At this session in 2014, the General Assembly discussed a prospective observer status for the ICC, but no consent was reached among the UN member states. Thus France itself suggested to end the discussion and negotiate a resolution at a later stage. In September 2016, the Permanent Representative of France again submitted a <u>letter to the UN</u> with the request to include the item on the observer status for the ICC in the agenda of the seventy-first session of the General Assembly. The Permanent Representative of France justified this request as follows:

"The private sector can bring key resources to the fore – knowledge, expertise, access and reach – that are often critical in order to advance United Nations Goals. [...] Granting permanent observer status to the International Chamber of Commerce in the General Assembly will strengthen the relationship between the United Nations, its Member States and the global business community, and further enhance the existing inclusive models of cooperation. The request of the International Chamber of Commerce to obtain observer status and represent business views at the General Assembly is part of the historic mission to foster peace and prosperity through world trade."

The draft resolution had been initially proposed by the representative of France to the Committee on 11 October 2016. The revised draft stipulated that granting such status would neither set a precedent nor change existing criteria for observer status.

In that regard, the representative of Venezuela stressed the importance of following established criteria for the granting of observer status while also pointing out that the draft resolution highlighted the "exceptional nature" of the ICC. The representative of the Russian Federation emphasized that the request could not be used as a precedent and urged delegations to continue to respect the General Assembly's criteria for international organizations that wished to become observers.

According to the ICC, the <u>resolution</u> was, apart from France, also supported by 22 other UN Member States. It was approved without a vote on 11 November 2016.

In response to this success, the <u>Chairman of the ICC, Sunil Bharti Mittal, stated</u>:

"We stand ready to ensure that the private sector plays a full role in meeting the ambition of the 2030 agenda. It's a great honour for ICC to be granted Observer Status at the UN General Assembly. [...] Given the complexity of today's global challenges, it's vital that business has a clear voice in UN decision making. We look forward to using this unique platform to deploy fully the resources, expertise and knowledge of world business in the work of the General Assembly".

Since 1946, ICC has held top-level consultative status with the United Nations. With the <u>observer status</u>, the ICC has better access to meetings and documentations of the General Assembly.

With 6.5 million member companies in more than 130 countries, the ICC is the largest business organization worldwide. It represents particularly the interests of companies that are engaged in international business.

Many civil society organizations criticize that ICC's positions and policy recommendations are often in fundamental contradiction to social, environmental and human rights standards.

<u>On trade and investment</u>: The ICC routinely calls on governments to maintain and strengthen investment protection and promotion agreements, including strong investorstate dispute settlement (ISDS) provisions to ensure investors have direct access to dispute settlement and financial compensation.

<u>On human rights</u>: The ICC strongly opposes any international legally binding instrument to regulate, in international human rights law, the activities of transnational corporations.

<u>On climate change</u>: The ICC supports the interests of the big transnational oil, gas and energy corporations. In its statements it insists that governments must keep all energy options open, including conventional fuels such as coal, gas, oil, and nuclear power.

Granting observer status to the International Chamber of Commerce risks to further strengthen the power of big business and widens the imbalance between corporate interests and civil society in global policy.

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