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Statement by Ronnie Goldberg¹ on behalf of ICC and IOE in the Informal, Interactive Hearings, United Nations General Assembly, Millennium Development Goals + 5, Freedom from Want (MDG 8), 23 June 2005

I am pleased to represent the International Chamber of Commerce (ICC) and the International Organization of Employers (IOE) in these proceedings, and to reaffirm the support for the overriding goal of poverty eradication that prevails in the global business community represented by these organizations. Business has been deeply and constructively engaged in the UN Millennium Summit process, which has identified priorities for cooperative action by governments, business and other sectors of society.

While the main responsibility for achieving these undertakings lies with governments, addressing these challenges will require continued concerted effort and partnership by all actors in society.

The private sector has an essential role to play here. Without the economic growth and job creation that result from a healthy private sector, there can be no sustainable poverty eradication. And without investment, both domestic and foreign, and trade there can be no significant and sustainable economic growth. This is why, business attaches particular importance to a successful conclusion of the Doha Round, with a strong focus on development and improving market access for developing countries.

The ICC statement to the G8 Gleneagles Summit underlines that greater access to developed country markets for the products of developing countries must be a priority for Doha, if countries are to “trade themselves out of poverty.” No less important is dismantling barriers to South/South trade from which developing countries can make even greater gains.

The Monterrey Consensus properly placed the mobilization of domestic resources for development in the forefront of its agreed “leading actions”. It must continue to be an important focus of our attention, not least because private domestic capital formation is the largest source of new investment in developing countries.

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Moreover, as the United Nations Secretary-General's report *In Larger Freedom* emphasizes, “without dynamic, growth-oriented economic policies supporting a healthy private sector capable of generating jobs, income and tax revenues over time, sustainable economic growth will not be achieved”.

Providing an enabling domestic environment at both the macro and micro levels to domestic private sector growths will also have the important by-product of helping attract foreign direct investment as well. Attention to a conducive, enabling domestic environment is essential for both.

I should like to call particular attention to three key areas of the domestic legal and regulatory framework listed in the recent report of the Secretary-General on, *Strengthening the role of the private sector and entrepreneurship in Financing for Development*, as having a strong impact on the business environment:

- Opening and closing a business—bureaucratic requirements to start up a business are excessive and time-consuming in many countries and laws and regulations often restrict the ability of enterprises to restructure or shut down.
- Property rights—in many developing countries a large part of land property is not formally registered, limiting access to credit and improved land values, especially for small enterprises and the informal sector; reducing the size of the informal sector should be a prime objective of public policy.
- Effective enforcement of contracts and protection of creditor rights, which needs a well-functioning court system backed by effective enforcement.

Enabling environments for enterprises of all sizes and sectors to develop, create jobs, pursue technological innovation and cooperation, coupled with sound governance and policies to reduce barriers to international trade and foreign direct investment open significant routes out of poverty and to progress in achieving other development goals.

From a purely business perspective, healthy and developing societies create new business opportunities and new markets. Companies need and can help make possible a healthy and educated workforce; prosperous consumers; well-functioning infrastructure; societies free from ethnic strife or conflict; sound environmental management; and enabling environments conducive to enterprise.

Business will continue to engage respectfully and openly with communities, governments and other stakeholders in pursuit of the UN's development objectives. We look forward to bringing our vast real world experience to this effort.

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