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DRAFT RESOLUTION

DRAFT INTER-AMERICAN BUSINESS CHARTER

(Agreed upon during the regular meeting held on October 26, 2021)

THE GENERAL ASSEMBLY,

HAVING SEEN:

Resolution AG/RES. 2954 (L-O/20) “Towards an Inter-American Business Charter”,

The Report of the Inter-American Council for Integral Development (CIDI); and

CONSIDERING:

That the Inter American Council for Integral Development (CIDI) has within its purview meetings of ministers and high-level authorities covering the various sectors of development contained in the Inter American Business Charter, and that said ministerials provide mandates to the Secretariat for Integral Development (SEDI);

That the General Assembly adopted resolution AG/RES. 2954 (L-O/20) called “Towards an Inter-American Business Charter” in order to buttress OAS instruments to promote the role of the private sector in integral development in the Hemisphere, to begin discussions as soon as possible, with a view to considering its adoption by the General Assembly at its fifty-first regular session;

That on January 26, 2021, the Inter-American Council for Integral Development, CIDI, adopted the format for the deliberations of the Inter-American Business Charter and established the "Working Group to Prepare the Draft Inter-American Business Charter". (CIDI/doc.306/21 rev.2); and

That on October 22, 2021, the Working Group completed its deliberations on the Draft Inter-American Business Charter (CIDI/GT/CEI-19/21 rev.7), and presented its report to the Inter-American Council for Integral Development at its meeting on October 26, 2021, which welcomed the conclusion of the negotiations, approved the Draft of non-binding legal nature and agreed to transmit it to the General Assembly recommending its adoption.

RESOLVES:

1. To adopt the Inter-American Business Charter annexed to this resolution.
2. To instruct the Executive Secretariat for Integral Development (SEDI), through the CIDI’s meetings of ministers and high level authorities and in collaboration with other relevant Secretariats, to support Member states, that so request, in identifying the purposes and opportunities arising from these processes, related to the subjects addressed in the Interamerican Business Charter.
3. To encourage Member States, whenever the issues contained in the Inter-American Business Charter are discussed in the relevant ministerials and other high level fora of the Organization of American States, to continue promoting dialogue with representatives of the business sector with the aim of strengthening its role in integral development.
4. To urge the Inter-American Council for Integral Development (CIDI) to include within their annual work program, a joint session with the Permanent Council, where Member states will have the opportunity to reflect on the topics of the Interamerican Business Charter, based on which SEDI in coordination with relevant Secretariats will produce a report to be transmitted to the General Assembly, with a set of general proposals on how Member states could further on the various subjects of the Interamerican Business Charter.
5. That the implementation of the intended activities in this resolution shall be subject to the availability of financial resources.

ANNEX

DRAFT INTER-AMERICAN BUSINESS CHARTER

THE GENERAL ASSEMBLY,

CONSIDERING that people should be at the center of public policies and that the Charter of the Organization of American States indicates that integral development encompasses the economic, social, educational, cultural, scientific and technological fields, through which the member states seek to achieve their goals of integral development;

RECALLING that the Inter-American Democratic Charter recognizes the importance of the rule of law and that economic growth and social development based on justice and equity and democracy are interdependent and mutually reinforcing;

RECALLING ALSO the resolutions on the Promotion of Corporate Social Responsibility in the Hemisphere; on the Promotion and Protection of Human Rights in Businesses; and also the United Nations Guiding Principles on Business and Human Rights, which established a reference framework for helping to prevent and address the adverse impacts of business activities on human rights;

RECALLING FURTHER the Declaration of Mar del Plata of 2005, the Declaration of Commitment of Port of Spain of 2009, the Protocol of San Salvador of 1988, the International Labor Organization Declaration on Fundamental Principles and Rights at Work of 1998, as well as ratified ILO conventions, the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the Declaration of Philadelphia of 1944;

RECALLING that the Social Charter of the Americas recognizes that the business sector plays a key role in creating jobs, expanding opportunities, and contributing to poverty reduction, which helps support the implementation of the 2030 Agenda and its Sustainable Development Goals;

BEARING IN MIND the empowerment of all women as a means of achieving gender equality, and the need to put an end to discriminatory practices, and to eliminate barriers to women’s participation in the labor market, through the equal division of unpaid work, unimpeded access to productive resources, access to quality and affordable child care, the development of women's entrepreneurial skills, as well as the creation of leadership opportunities that promote their active and equal participation, favoring the growth and economic development of the region;

REAFFIRMING that the elimination of poverty is an imperative to achieve sustainable development and to the full democratic development of the peoples of the Hemisphere and that its elimination is essential and constitutes a common and shared responsibility of the member states;

RECOGNIZING the importance of strengthening regional cooperation mechanisms and multi-stakeholder alliances geared towards the promotion of business environments that support collaboration, foster innovation, accelerate the development of business initiatives, access to essential goods and services and contribute to sustainable development;

RECALLING that the OAS Charter specifies that transnational enterprises and foreign private investment shall be subject to the legislation of the host countries and to the jurisdiction of their competent courts and to the international treaties and agreements to which said countries are parties, and should conform to the development policies of the recipient countries;

CONSIDERING that in the context of the challenges posed by the digitalization of the global economy, efforts to achieve international consensus on a fairer allocation of taxing rights could have a positive effect in the countries where transnational enterprises operate;

RECALLING that in the Social Charter of the Americas, Member states recognize the contributions of indigenous peoples, afro-descendents, and migrant communities to the historical process of the Hemisphere and will promote recognition of their value, and Member states also recognize the need to adopt policies to promote inclusion and to prevent, combat, and eliminate all forms of intolerance and discrimination, especially gender, ethnic, and race discrimination, in order to safeguard equal rights and opportunities and strengthen democratic values;

RECOGNIZING ALSO the essential role of micro, small and medium-sized enterprises, and social economy enterprises as engines of development and economic growth;

REITERATING the “Mandates Arising from the Sixth Summit of the Americas”, regarding the promotion of economic growth with equity and social inclusion, through the strengthening of cooperatives, micro, small, and medium-sized enterprises (MSMEs) and the contribution that Information and Communications Technologies (ICTs) has in their emergence;

EMPHASIZING the importance of promoting policies based on respect for the Fundamental Principles and Rights at Work, which contribute to the formalization of employment as a measure to achieve decent work, combat inequality, and promote economic growth;

EMPHASIZING ALSO the necessity of policies oriented towards providing equitable access to continuous, quality and inclusive education and training that promotes lifelong learning opportunities and contributes a highly skilled labour force, and, at the same time, strengthens democratic values, respect for human rights and advancement towards peace;

CONSIDERING the intention of member states to promote public policies that include innovation as the engine of structural transformation to achieve inclusive and sustainable development, and promoting a business environment where respect for human rights is a priority, as well as implementing actions to support and promote the creative economy in our hemisphere as a source of sustainable economic growth;

BEARING IN MIND member states’ diverse budgetary capacities, as well as their specific resilience strategies, and their particular conditions for adaptation, reconstruction and economic reactivation vis-a-vis shocks;

RECOGNIZING that corruption is one of the main common obstacles to sustainable development that the hemisphere faces, and recalling that in the Lima Commitment adopted at the VIII Summit of the Americas, member states pledged to continue working to prevent and combat corruption;

CONSCIOUS that respect for private property, within the framework of the rule of law, is fundamental for the promotion of entrepreneurship, increasing formalization of the economy, foreign investment, technological innovation, and increased productivity;

RESOLVES to adopt the following:

INTER-AMERICAN BUSINESS CHARTER

CHAPTER I.

RECOGNITION OF THE ROLE OF BUSINESS AS CATALYSTS OF SUSTAINABLE AND INTEGRAL DEVELOPMENT

1. The peoples in the Americas have a legitimate aspiration to sustainable, inclusive and integral development and their governments are expected to promote it and create the conditions favorable to its realization.

A competitive business sector, including the transnational businesses that operate in countries of the region, is essential to achieve a stable, democratic, and peaceful environment, and to contribute to the economic growth and development of nations, without neglecting their social functions, in terms of decent work creation, social justice, and poverty reduction.

2. Member states recognize the importance of promoting and enhancing the capacity of the business sector to contribute to the sustainable, inclusive, and integral development and economic stability of the region, to multidimensional security, the strengthening of democracy, as well as to the promotion and protection of human rights.

3. Member states, consistent with the inter-American instruments, intend to foster the development of a favorable and inclusive environment to strengthen the growth of a competitive business sector, through policies that promote the creation, formalization, consolidation, and integration into global and regional value and supply chains, of more private businesses in the hemisphere, with special emphasis on micro, small and medium-sized enterprises (MSMEs) and cooperatives and social economy enterprises including those owned by individuals within traditionally underrepresented groups or in vulnerable situations.

4. Member states intend to promote the design and implementation of policies and regulatory frameworks, aimed at strengthening gender equality and equity and the empowerment and economic autonomy of all women, respecting and valuing the full diversity of women’s situations and conditions; promoting the generation of business opportunities and capabilities through financing, networking and promoting their talent and expertise; Member states intend to create a favorable climate in order to increase the number of women entrepreneurs and the development and size of their businesses, with a view to promote women's greater participation in the decision-making process and leadership roles within businesses. This work is expected to be done jointly with the business sector.

5. Member states seek to promote women’s entrepreneurship, access to productive resources, access to markets, and participation in global and regional value chains of businesses led by women, especially MSMEs, as well as access to affordable financial services and quality education.

6. Member states, with the aim of avoiding all forms of gender-based discrimination, among other reasons; intend to promote policies and normative frameworks to remove barriers in labor relations and develop an enabling environment for the employability, insertion and maintenance of employment for all women, through equitable distribution of unpaid care work and access to quality care services and the conciliation of family and work life, as well as equal pay for equal work or work of equal value.

7. Member states seek to support efforts to combat discrimination in employment on the basis of disability and should consider measures to support the adoption of business policies that guarantee access for persons with disabilities, enabling inclusion, accessibility, and promoting the battle against social exclusion.

CHAPTER II.

STRENGTHENING OF THE LEGAL AND INSTITUTIONAL FRAMEWORKS

8. Member states intend to adopt good regulatory practices related to planning, design, issuance, implementation, and review of regulations that improve regulatory quality and allow the creation of a stable business environment that facilitates trade, investment, and economic growth in countries, while recognizing the sovereignty of member states, in accordance with their legal systems and institutions, to reach legitimate objectives.

9. Member states, in their determination and commitment to business development, intend to promote public policies and regulatory frameworks that promote free competition, avoid the formation of monopolies, seek the elimination of unnecessary administrative and bureaucratic requirements that hinder the creation of new businesses or that lead to the extinction of existing ones, consistent with applicable international regulations in this matter.

10. Member states intend to promote the development of policies and regulatory frameworks that facilitate and diversify the options available to the business sector, particularly women entrepreneurs, to access financial services, adopt new knowledge and technologies that allow them to innovate, produce goods or services with greater added value, and facilitate their institutionalization in order to consolidate formalization, market access and management efficiency.

CHAPTER III.

INTERNATIONAL COOPERATION AND STRATEGIC ALLIANCES

11. Member states intend to promote, consistent with the Agreement on Trade Facilitation (TFA) of the World Trade Organization (WTO), mechanisms of international cooperation for development, as well as multi-stakeholder alliances, with a view to strengthening the productive, technological, logistics and transportation infrastructure, voluntary knowledge transfer on mutually determined terms and continuous strengthening of border agencies to achieve a favorable ecosystem for the generation and growth of new and diverse business initiatives and promote productive employment and decent work.

12. Member states intend to drive hemispheric cooperation to promote collaboration, sustainable production and access to essential products and services as well as to foster innovation ecosystems, where improvements in activities, processes, and technologies aim to contribute economic, social, and environmental value, for all actors in society.

CHAPTER IV

ROLE OF MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES (MSMEs)

13. Member states recognize the role of micro, small and medium-sized enterprises (MSMEs) as well as cooperatives and social economy enterprises as engines of development and economic growth as they are key agents in reducing poverty, employment creation and formalization, taking action to address climate change, and promoting social inclusion, particularly women’s economic participation and empowerment.

14. Member states intend to promote policies aimed at increasing the productivity and competitiveness and access to financing of MSMEs, including those owned and/or operated by individuals within traditionally underrepresented groups or in vulnerable situations, facilitating the digital transformation, innovation, renewal of production, access to markets, improvement in processes, and the emergence of new business models.

15. Member states should promote financial education for entrepreneurs of micro, small and medium-sized enterprises (MSMEs) and the exchange of experiences and knowledge of large corporations with MSMEs.

16. Member states also intend to promote in MSMEs the application of standards as a basis for competitiveness, which may allow them to participate in global markets, as well as to achieve a better business performance.

CHAPTER V.

FORMALIZATION, EMPLOYMENT AND EDUCATION

17. Member states are expected to promote the design and implementation of policies based on respect for international labor standards and the Fundamental Principles and Rights at Work, which contribute to the formalization of work and businesses, increase the availability of decent work, combat inequality, improve productivity, generate public revenue, and economic development.

18. Member states also intend to support the role of the private sector to contribute to an enhanced quality of employment, including for all women, respecting and valuing the full diversity of women’s situations and conditions, aware that through formalization it is possible to generate higher wages, greater job security and better working conditions for all.

19. Member states intend to encourage the adoption of measures to provide quality, inclusive and equitable education, which is reflective of the needs of society and the changes in the world of work, and that facilitate access to decent work, that promotes entrepreneurship, cooperatives and social economy enterprises and strengthens democratic values, respect for human rights and peace. In particular, they intend to support social dialogue and other actions that promote strategic alliances with the business sector, the labor sector, and other relevant sectors, such as academia.

20. Member states intend to implement training, mentorship and retraining programs that support the just transition of the workforce to environmentally sustainable sectors.

CHAPTER VI.

BUSINESS INNOVATION, TECHNOLOGY ADOPTION AND CREATIVE ECONOMIES

21. Member states intend to promote innovation initiatives that promote collaboration and interconnection between academia and businesses, including large businesses and newly established businesses, and especially MSMEs, cooperatives and enterprises of the social economy.

22. Member states should encourage entrepreneurship and entrepreneurial education. In particular, seek to promote learning spaces for young people, encouraging their first job and professional training.

23. Member states intend to develop, through quality technical and vocational education and training (TVET) institutions and in partnership with the private sector, scholarship programs for technical and professional training, to promote the training of a workforce qualified and specialized for the industrial sector and other productive sectors in the Member states.

24. Member states intend to promote public policies that incorporate innovation as a driver of structural transformation to enhance productivity, responsible business practices, production processes, modernization, effectiveness, transparency, participation, and accountability, and thus contribute to strengthening democratic systems and achieve integral, inclusive and sustainable development.

25. Member states intend to promote cooperation, voluntary transfer of technology and knowledge on mutually agreed terms and to advance in productive diversification, in order that MSMEs and enterprises of the social economy have access to transformative technologies to innovate, conduct business or provide services, in order to accelerate their adaptation to technological changes and their integration into global and regional value chains.

26. Member states intend to promote the interest of entrepreneurs in developing business partnerships and cooperation in cluster initiatives that are identified in the regions, through their productive vocation, in order to find common projects, promoting insertion in regional value chains.

27. Member states, in accordance with international trade obligations, intend to implement strategic actions to establish, develop and strengthen the creative economy, known as the “orange economy” in a number of countries, particularly, original content market of their cultural and creative industries, especially at the level of MSMEs as a source of economic growth and sustainable, inclusive and integral development.

28. Member states intend to foster an enabling business environment for the development of entrepreneurial activities, including the creation and development of sustainable enterprises.

CHAPTER VII.

PROMOTION OF SUSTAINABLE DEVELOPMENT AND BUILDING RESILIENCE

29. Member states reiterate their commitment to promote a business environment consistent with the UN Guiding Principles on Business and Human Rights and other relevant instruments, and reiterate their responsibility to develop policies and regulations to prevent, investigate, punish and redress, as well as mitigate possible human rights abuses by third parties within their territory or jurisdiction, including by enterprises, both domestic and transnational; this includes, but is not limited to, encouraging enterprises themselves to incorporate into their internal policies and practices, codes of responsible business conduct, towards human rights and the environment, using as a point of reference guidelines endorsed, supported or observed by Member states.

30. As part of economically, socially and environmentally sustainable and responsible business practices, member states should make efforts to promote policies that facilitate and create conditions to align investment portfolios with low-GHG emissions and climate-resilient sectors in sustainable development, and resilient to climate change, and should promote adoption of strategies and policies for the incorporation and disclosure of climate and environmental risks in the investment decisions consistent with the goals of the Paris Agreement and to contribute to the implementation of ambitious nationally determined contributions (NDC).

31. Member states intend to promote, as appropriate, the development of joint and articulated plans with the business sector, in collaboration with other relevant partners and stakeholders, aimed at strengthening policies and programs for building resilience, fostering adaptation, and social, environmental and economic recovery in the face of natural disasters, pandemics and other emergency situations.

32. Member states intend to promote policies to increase productivity, entrepreneurship, competitiveness, and development of the rural sector, as a fundamental activity of the business sector of the economy, especially for the benefit of women farmers and entrepreneurs; particularly regarding the adoption of new agricultural technologies and the promotion of sustainable agriculture and food systems thus contributing to the generation of decent work, overcoming the vulnerabilities of the rural population, and achieving food security and nutrition in the hemisphere.

33. Member states intend to promote the development of sustainable consumption and production patterns, in such a way as to promote responsible business conduct oriented towards environmental management, innovating in business models that extend the useful life of products throughout the entire value chain.

CHAPTER VIII

RELATIONSHIP WITH COMPLEMENTARY INTERNATIONAL INSTRUMENTS

34. Member states intend to promote the adoption of sustainable, inclusive, and responsible business practices, consistent with the UN Guiding Principles on Business and Human Rights, the Sustainable Development Goals, the Global Compact, as well as other internationally respected responsible business conduct guidelines.

35. Member states should adopt measures to respect, protect, and realize human rights and advance environmental protection in business activities, consistent with applicable international human rights and environmental instruments and in compliance with national legislation.

36. Member states intend to promote policies in order that businesses active under their jurisdiction cooperate with authorities to fight and prevent corruption in all its forms, and implement the best applicable international practices, in harmony with national legislation and international commitments of each state.

37. Regarding acts of corruption perpetrated by businesses, Member states, consistent with the Inter-American Convention Against Corruption, should seek the widest measure of mutual technical cooperation on the most effective ways and means of preventing, detecting, investigating and punishing them.

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