



## **B20, Business at OECD, and IOE joint paper on "Trade Finance, a flywheel effect to boost the economic recovery post COVID-19 pandemic"**

**Paris/Geneva/Rome: 19 July 2021**

Following the B20-OECD-Business at OECD annual meeting last Friday 16<sup>th</sup> July, today the B20, the Business at OECD (BIAC) and the IOE are publishing a joint [paper](#), proposing three concrete recommendations to the G20 in support of access to Trade Finance. The paper progresses the work on the "GVC Passport" concept initiated last year under the B20 Saudi Arabia Presidency, cross-cutting the relevant B20 Italy Taskforces. It recommends to:

1. Promote the **Legal Entity Identifier (LEI)** as a worldwide unique identifier standard to facilitate more effective counterparty identification and verification on a global scale.
2. **Legally recognize digital documentation** to allow for a greater use of digital documents in trade finance processes, thereby helping to reduce friction, monetary and environmental costs.
3. **Leverage digital technologies** by establishing well-defined security principles and minimum requirements to make digital platforms trusted ecosystems for Global Value Chains (GVCs) implemented consistently across jurisdictions.

Commenting on the announcement, **Emma Marcegaglia, Chair of B20** said "It is critical to grant business, especially MSMEs, a sustainable and inclusive cross-border working environment by enacting policies, security standards, and operational mechanisms to uplift efficiency and productivity: these, however, need to be complementary to each other, and be effectively coordinated both domestically and internationally." **Rick Johnston, Chair of Business at OECD**, added that "indeed the objective of this work is to offer a simple, though powerful, enabling mechanism that can allow firms to access and take full advantage of GVCs, while minimizing the burdensome and too often duplicative trade finance processes." The **IOE** added that "the pandemic has posed challenges that require G20 leaders to lend their support to breakthrough efficiency proposals that fast-track growth and job creation, like those presented today".

**Gianluca Riccio**, Vice Chair of Business at OECD Finance Committee and lead author of the paper, said that "the proposed actions can deliver benefits on their own, but their combination could significantly facilitate access to trade finance, and so support private sector activities to foster trade and boost growth; it can generate a positive flywheel effect for the economy."

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The **Business Twenty (B20)** is the official G20 dialogue with the business community. As the voice of the private sector to the G20, it represents the global business community across all G20 member states and all economic sectors. Formed in 2010, it is the first engagement group of the G20.

Established in 1962, **Business at OECD (BIAC)** stands for policies that enable businesses of all sizes to contribute to growth, economic development, and societal prosperity. Through *Business at OECD*, national businesses and employers' federations representing over 7 million companies provide and receive expertise via our participation with the OECD and governments promoting competitive economies and better business.

The **International Organization of Employers (IOE)** is the sole representative of business in social and employment policy debates taking place in the ILO, across the UN, G20 and other emerging forums. For the past 100 years and on behalf of our more than 150 member countries, we strive to leverage our unique experience, expertise and advocacy to influence debates on the most pressing issues for business and employers worldwide.