

ICC SVERIGE HÅLLBARHET

MÖTETS ÖPPNANDE

VICE ORDFÖRANDE EMMA IHRE, HEAD OF SUSTAINABILITY,
MANNHEIMER SWARTLING

AGENDA

Mötets öppnande

Rapport från ICC:s verksamhet

Henrik Blomqvist, Policyansvarig, ICC Sverige

Cirkulär Ekonomi

Pär Larshans, Hållbarhetschef, Ragn-Sells

Företagande och mänskliga rättigheter

Malin Helgesen, Specialist Counsel,
Mannheimer Swartling

Hållbar finans

Samuel Persson, Biträdande jurist,
Mannheimer Swartling

Johan Henningsson, Hållbarhetschef, SEK

Vice ordförande Emma Ihre, Head of
Sustainability, Mannheimer Swartling

Paus

Visselblåsarvägledning

Hema Lehocky, Chief Ethics and Compliance
Officer, AFRY

Paneldiskussion om utfallet av COP26

Mattias Frumerie, Sveriges chefsförhandlare i
UNFCCC, Miljödepartementet

Christina Friborg, EVP & Head of Sustainability,
SSAB

Catarina Paulson, Head of Sustainability, Alfa Laval

Susanna Zeko, Generalsekretare, ICC Sverige

Nästa möte & Avslut

Mingel

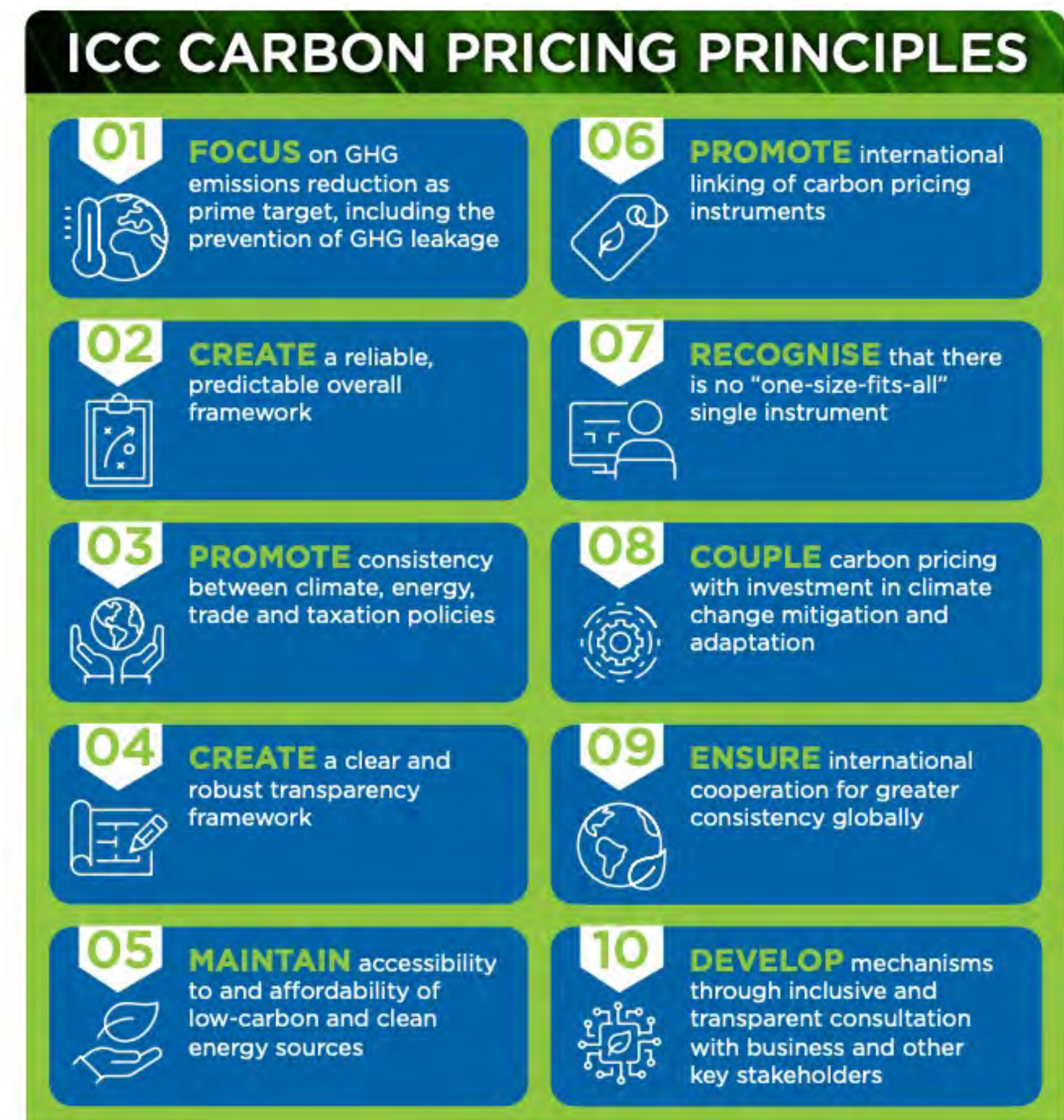
ICC policypapper under COP26

ICC Carbon Pricing Principles

10 övergripande principer för koldioxidprissättning

Bl.a. viktigt att utsläppsminskningar är första prioritet, transparens och förutsebarhet samt harmonisering internationellt

Nästa steg: design och utformning av prissättningsmekanismer



ICC policypapper under COP26

Standards for Sustainable Trade and Trade Finance

Internationell arbetsgrupp med 200+ banker, finansinstitut och företag

Förslag på hur ett ramverk skulle kunna utformas lanserat under COP26

Färdigt ramverk under 2022



CR & Anti-Corruption

Kommissionsmöte den 19 oktober

Arbete för att stärka upp kommissionerna – nya Terms of Reference för ledamöter

B20 Task force on Integrity and Anti-Corruption har presenterat rekommendationer till G20-länderna:

- 1) Eftersträva en kultur av hög integritet i både privat och offentlig sektor
- 2) Använda ny teknik för att hantera antikorrupptionsrisker
- 3) Förbättra integritet och transparens i offentlig upphandling

Dilemmadiskussioner om korruption och Agenda 2030

Why is corruption bad? When in Rome, do as the Romans?

Corruption thrives in conditions where accountability and institutions are weak, and where there is oftentimes a shared expectation of corrupt behavior. The collective and systemic character of corruption also makes it difficult to address. Corruption deeply undermines legitimacy and trust in public institutions and shapes people's perceptions of government performance and state effectiveness. It skews the distribution of public services and has a disproportionate negative impact on marginalized and vulnerable groups, leading to increased inequality. While many forms of corruption affect both men and women, it disproportionately affects women and children, who also represent a higher share of the world's poor.

At the **societal level**, corruption leads to:

- Less efficient resource utilization along with increased transaction costs
- Lower stimulus to technological development
- Lower commitment and investments in environmental protection and restoration
- Lower tax base leading to lower public spending (especially smaller companies avoid the formal economy)
- Lower trust in people and institutions
- Lower international investment and trade (both private, public and civil society)
- Lower economic growth, increased poverty and inequality

At the **company level**, corruption leads to:

- Lower profitability through lower productivity and revenues and inefficient resource utilization
- Lower positive results from investments in R&D
- Worse financial conditions due to higher investment costs connected to risk assessment
- Lower trust in entrepreneurship and innovation
- Higher uncertainty leading to short-term profit maximization
- Increased risk of legal or other forms of retaliation when discovered

At the **individual level**, corruption leads to:

- Worsening conditions for the most vulnerable; women, children, indigenous people and the disabled, as they are more dependent on publicly funded infrastructure
- Growing informal sector; increasing the number of people without access to publicly funded safety nets, worsening work conditions, and decreased access to collective bargaining
- Lower international development aid, foreign direct investments, and increased inefficiencies along as well as increased crime

GOAL 1 | END POVERTY IN ALL ITS FORMS EVERYWHERE



The Dilemma: The taxi "police", to pay or not?

On your way from the airport to a business meeting in a low-income country your taxi is stopped by a uniformed police officer. There seems to be a problem with the taxi driver's license. The driver asks if you are willing to pay the officer five dollars in order to "clear out a misunderstanding". You are in a hurry, and you really don't want to deal with the hassle, so you pay the five dollars and are quickly on your way again.

Later, when you tell your host about the incident, he explains how the local clan-system works. The "policeman" probably belongs to the same clan as your driver and the scene in which you played your expected part is well rehearsed. Most certainly it was not even a policeman you met, but the driver's first, second or third cousin dressed up in a uniform of his own design. Your host tells you that your five dollars will now be distributed through the clan's own "social service system", hopefully supporting clan-members with no social security whatsoever.

The authorities are well aware of the scheme. They see it as a way in which civil society is unloading some of the rising pressure to reform the badly functioning, discriminating and corrupt official welfare system. Your host adds: "Rest assured, it will benefit the poor".

This is a typical situation, clearly an act of petty bribery, often met by businesspeople working and travelling in developing nations. Most of the time you recognize the situation as a form of corruption, but you may accept it as the way things are and impossible to change. Besides, it's only 5 dollars you may think "when in Rome, do as the Romans" without considering the larger consequences of this practice. If you instead had chosen to say no to the "policeman" you would likely have been in for an argument as well as been late to your important meeting. At the time it felt like you had no other choice but to pay the five dollars knowing full well that you were likely being scammed.

The Bigger Picture: The Poverty Penalty

The impact of corruption on public service delivery performance and poverty alleviation is widely recognized. Corruption causes poverty and poverty causes corruption. The poverty penalty refers to the relatively higher cost to the poor, when compared to the non-poor, in the market economy, and takes on a number of forms for the poorest: poorer quality of products and services, higher prices, lack of access or non-usage and often a catastrophic spending burden.¹ In some countries, so called "facilitation fees" or "hurry money" is an accepted way of life to overcome the poverty penalty when income in the formal economy is insufficient to live on. For many, it is an expected and almost formalized part of an individual's income and this form of petty bribery is

both accepted and normalized for many people in order to get what most people consider normal service. A "facilitation fee" is oftentimes indistinguishable from a regular legitimate fee and not uncommon in either low-, or high-income countries.

Though a small 5 dollar "facilitation fee" as described above may seem trivial and harmless, it is defined as an act of bribery under the UK Bribery Act 2010, and involves the giving or receiving of a financial, or other advantage, in connection with "improper performance" of a person in a position of trust, or in a function that is expected to be performed impartially or in good faith.



Discussion questions:

- What might you have done instead of paying the "fee"? What would be the consequences if you, for instance, calmly ask for a receipt in exchange for the five dollars and declared that you would follow up with the relevant authorities as you felt it was strange?
- How would your company react? Can you claim the "fee" as an expense in your company?
- The 5 dollars you payed, will it help reproduce an unsustainable "welfare system"?



These "Corruption Dilemmas" have been developed by Lin Larpeld and Torben Brydning with support by ICC Sweden's Corruption 70 Foundation. The aim is to highlight and raise awareness about the adverse effect that corruption has on each of the 17 Global Goals. The cases are available for free on the ICC Sweden website, [icc.se](https://www.icc.se)

¹ <https://www.transparency.org/en/news/press-releases/2019/09/why-does-the-poor-pay-more?highlight=the-poverty-penalty-the-poverty-penalty-the-poverty-penalty>

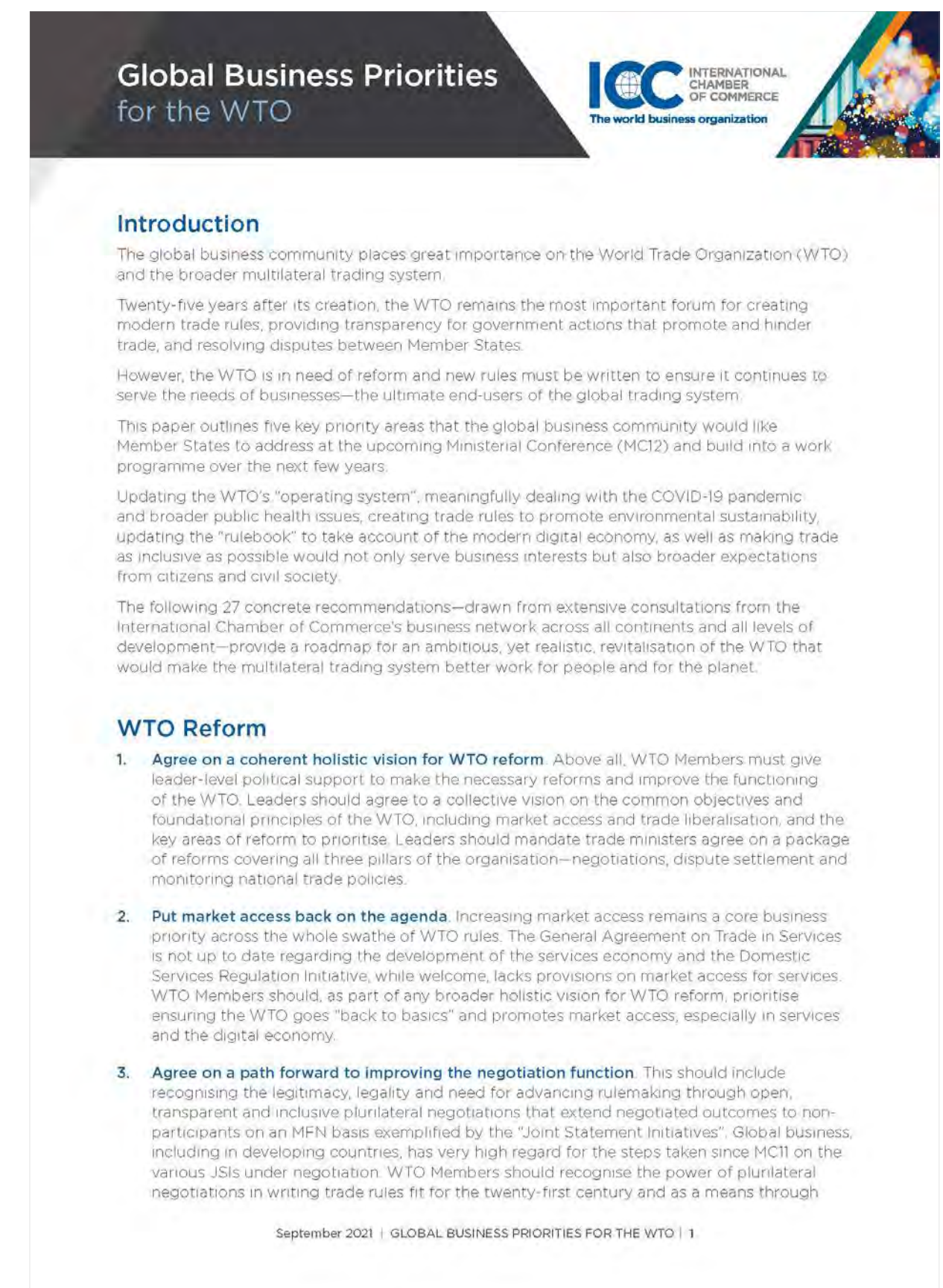
Världshandelsorganisationen, WTO

Ministerkonferens 30 nov – 3 dec

ICC-WTO Trade Dialogues: Trade for Climate

ICC Global Business Priorities for the WTO:
27 rekommendationer hur WTO kan stärkas och leverera nya regler, bl.a.:

- Förbud mot subventioner på fossila bränslen
- Tullättnader för miljövänliga varor och tjänster
- Hantera frågan om klimattullar
- Främja cirkulär ekonomi



RAPPORT FRÅN ICC:S VERKSAMHET

HENRIK BLOMQVIST, POLICYANSVARIG, ICC SVERIGE

CIRKULÄR EKONOMI

PÄR LARSHANS, HÅLLBARHETSCHEF, RAGN-SELLS



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of ADELAIDE

ICC INTERNATIONAL
CHAMBER
OF COMMERCE
The world business organization

THE INTERNATIONAL TRADING SYSTEM AND THE CIRCULAR ECONOMY: RECOMMENDATIONS FOR ACTION IN THE WTO

Christophe Bellmann, Visiting Fellow Institute for
International Trade

adelaide.edu.au

A joint project

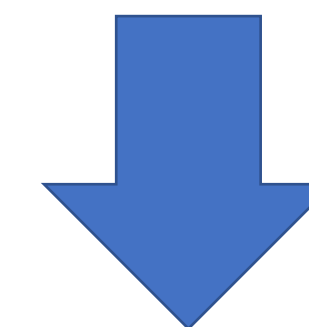
International
Chamber of
Commerce (ICC)

Institute for
International Trade
(IIT), University of
Adelaide

The Circular Economy and International Trade: Options for WTO Negotiations

Support to the WTO trade and Environmental Sustainability Structured Dialogue (TESSD) in the run up and after MC12:

- Guided by a Reference Group made of WTO delegates, business representatives, IGOs, experts.
- Building on ICC large international network of companies.
- Review of literature.
- A series of short case studies highlighting experiences from companies on the ground.
- Report + series of events in the run up to MC12.



- Articulating the Trade and CE interface
- Recommendations for action in the WTO



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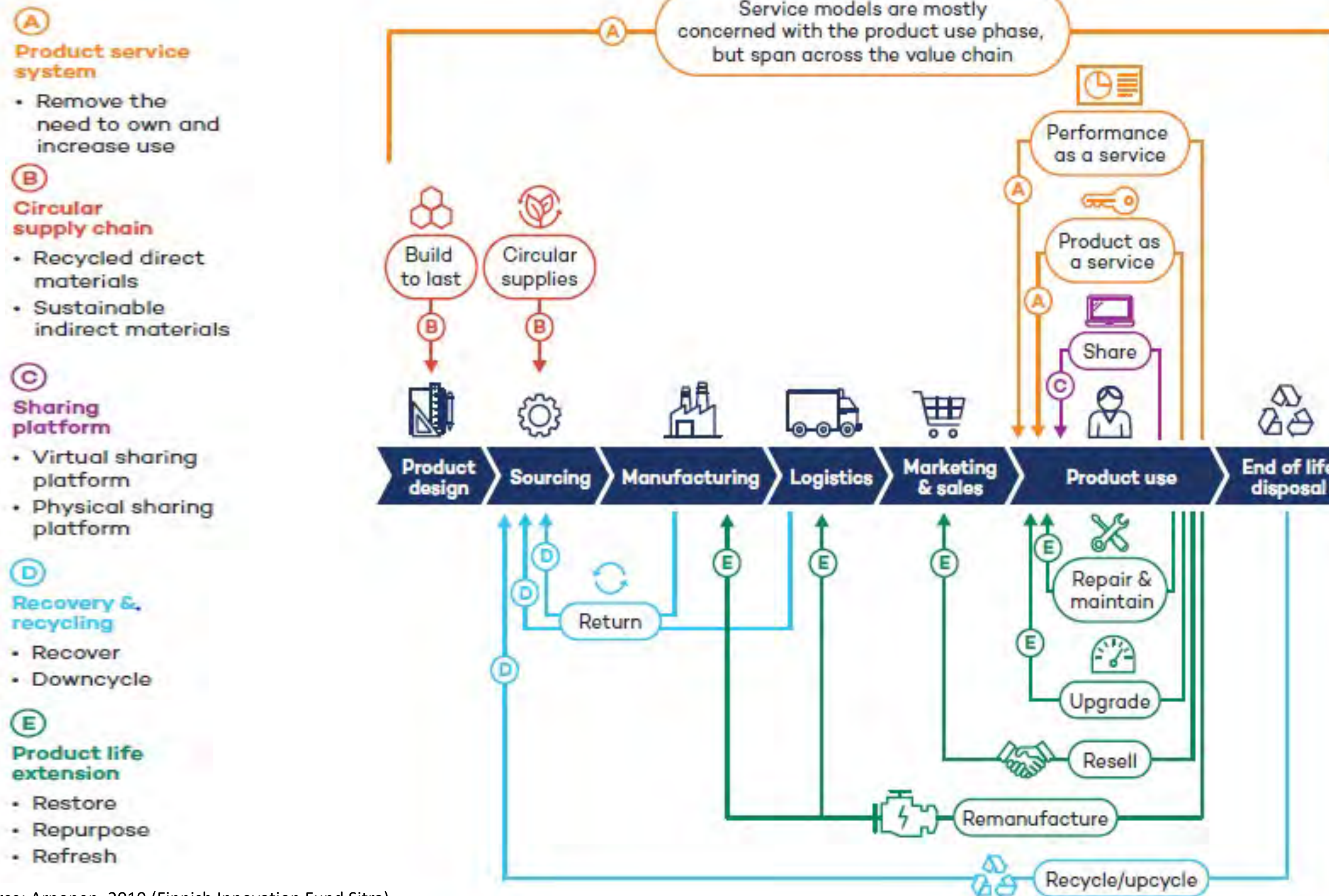
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OVERVIEW OF THE TRADE AND CIRCULAR ECONOMY INTERFACE

adelaide.edu.au

Five circular business models

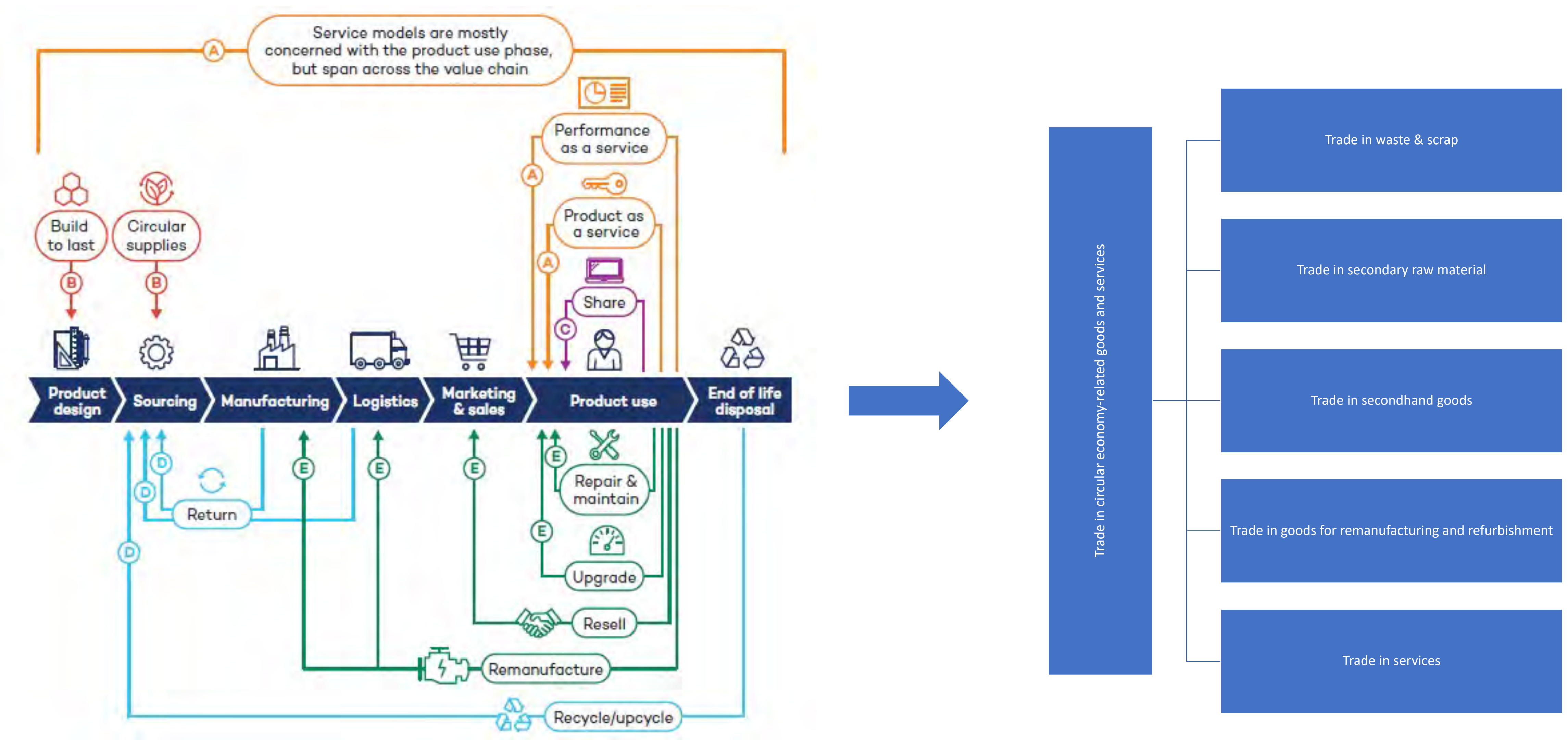
International trade is likely to play a critical role in facilitating a CE transition, by exploiting existing comparative advantages and allowing economies of scale.



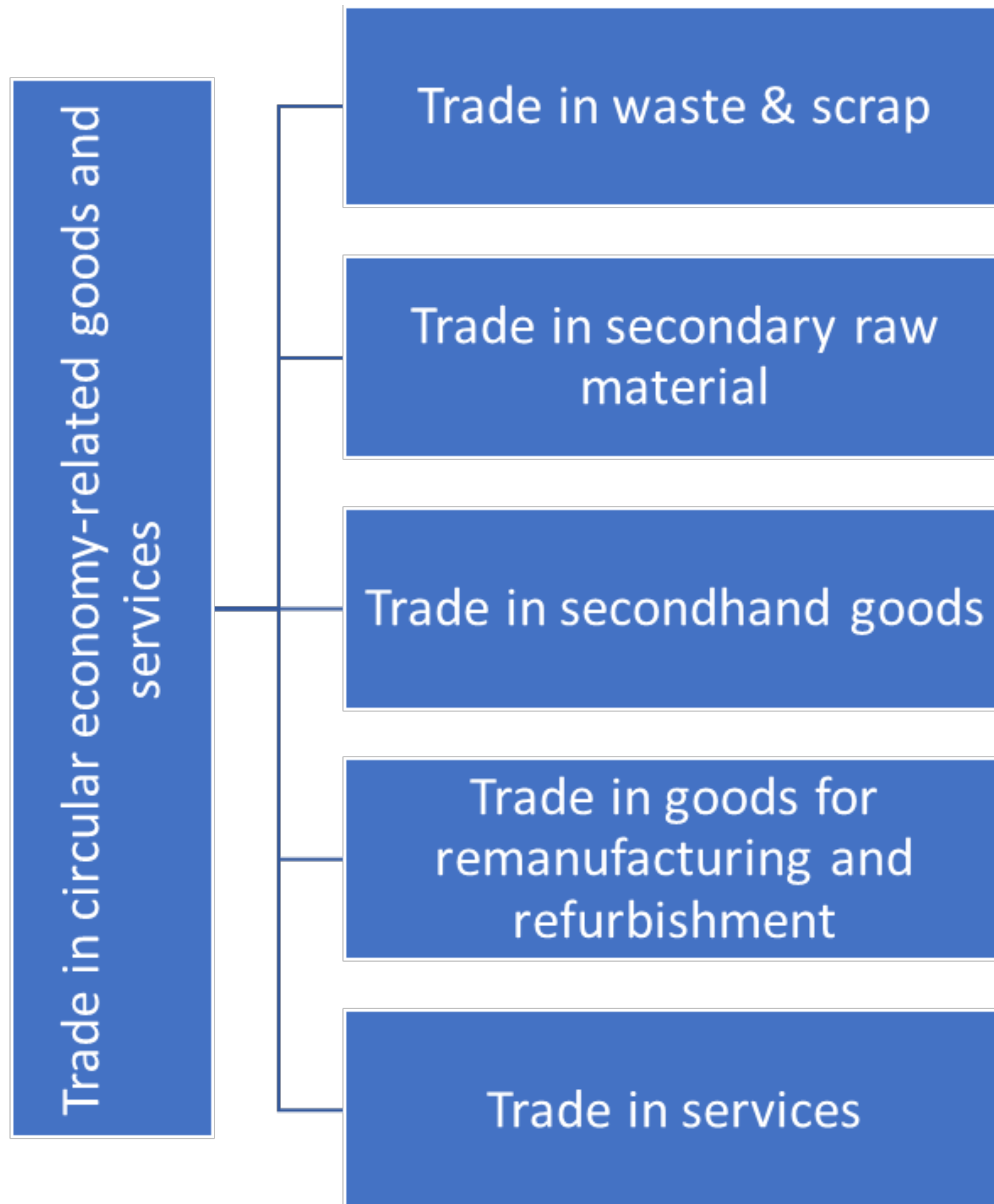
Source: Arponen, 2019 (Finnish Innovation Fund Sitra).

Trade is happening at all stages of the value chain

Slide 15



Source: Arponen, 2019 (Finnish Innovation Fund Sitra).



- Roughly USD 95 billion in 2018 (OECD).
- Metallic scrap as the most traded types (27% of primary metals exports) and the ones with the highest economic potential.
- Paper 12%, plastics 3%.
- Harmonized system (HS) at the six-digit level does not distinguish between secondary raw materials and waste and scrap.
- Trade estimated at USD 9.6 billion in 2019 (Chatham House).
- Data available at regional level: EU exports of recyclable raw material increased by 61 percent in volume between 2004 and 2019 to reach 25.5 million tons.
- In 2016, these exports represented 36% of total EU waste trade.
- Tracking trade flows as a main challenge.
- Difficult to distinguish these goods from new products or waste in HS system.
- Special HS codes only for retreaded tyres, worn clothes and secondhand construction materials.
- No reliable trade data.
- Most traded CE-related services include IT; professional, technical, and business services; Leasing or rental; R&D; maintenance, repair, and installation; sewage and waste collection; and professional services related to construction.

Trade Policy obstacles affecting a circular economy transition

Classification of end-of-life products, including waste, scrap, and secondary materials

- HS codes make no distinction between hazardous and non-hazardous wastes.
- Product classification may differ significantly from country to country.

Quantitative restrictions / bans

- Mostly on hazardous waste, plastic waste, unsorted paper waste, and certain fractions of metal waste.

Tariff protection and rules of origin

- MFN tariffs average 5.4 percent with most goods tariffs ranging from 0 to 20% and up to 50% (Steinfatt, 2020).
- Tariff escalation, lack of discrimination, RoO (e.g, EV batteries).

Export restrictions on waste and scrap

- 40% of copper waste and scrap, 30% of aluminum, and 20% of iron and steel.

Regulations, standards or conformity assessment procedures

- E.g. EPR, deposit-refund systems, take-back or recycling requirements.
- Mostly focus on e-waste, electronic equipment, packaging, or batteries.
- Differences across jurisdictions, lack of common definitions, incompatibility.

Subsidies

- Fossil fuel subsidies.
- Subsidies to plastic production.
- Subsidies to the metal sector disproportionately allocated to the primary sector, providing disincentives to use secondary raw materials.

As part of post-MC12 negotiations/deliberations

- May require consensus or at least critical mass including main players.
- Ideally should also involve developing countries.
- Think beyond traditional market access binding commitments.

Options for possible deliverables

As part of revived plurilateral EGS talks.

Reviving / extending previous work on remanufactured goods.

Identifying common principles and sectoral best practices.

Towards a set of common principles and sectoral best practices

Defining a set of common principles/best practices to be followed in the design of trade-related circular economy regulatory measures.

- *e.g. EPR schemes, standards or the implementation of quantitative restrictions and bans.*

Designed in cooperation with private sector representatives and relevant organizations.

- *e.g. Basel convention.*

Focus on particular sector or area.

- *e.g., single use plastics, hazardous waste, e-waste, chemicals etc.*

Soft law prescriptions of non-binding nature.

- *Easier to achieve and more appropriate to address non-tariff measures of a regulatory nature.*

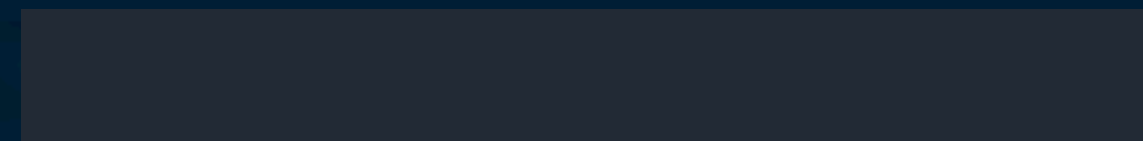
Possible models: telecom reference paper, TBT work on good regulatory practices, WTO work on MSME.



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FÖRETAGANDE OCH MÄNSKLIKA RÄTTIGHETER

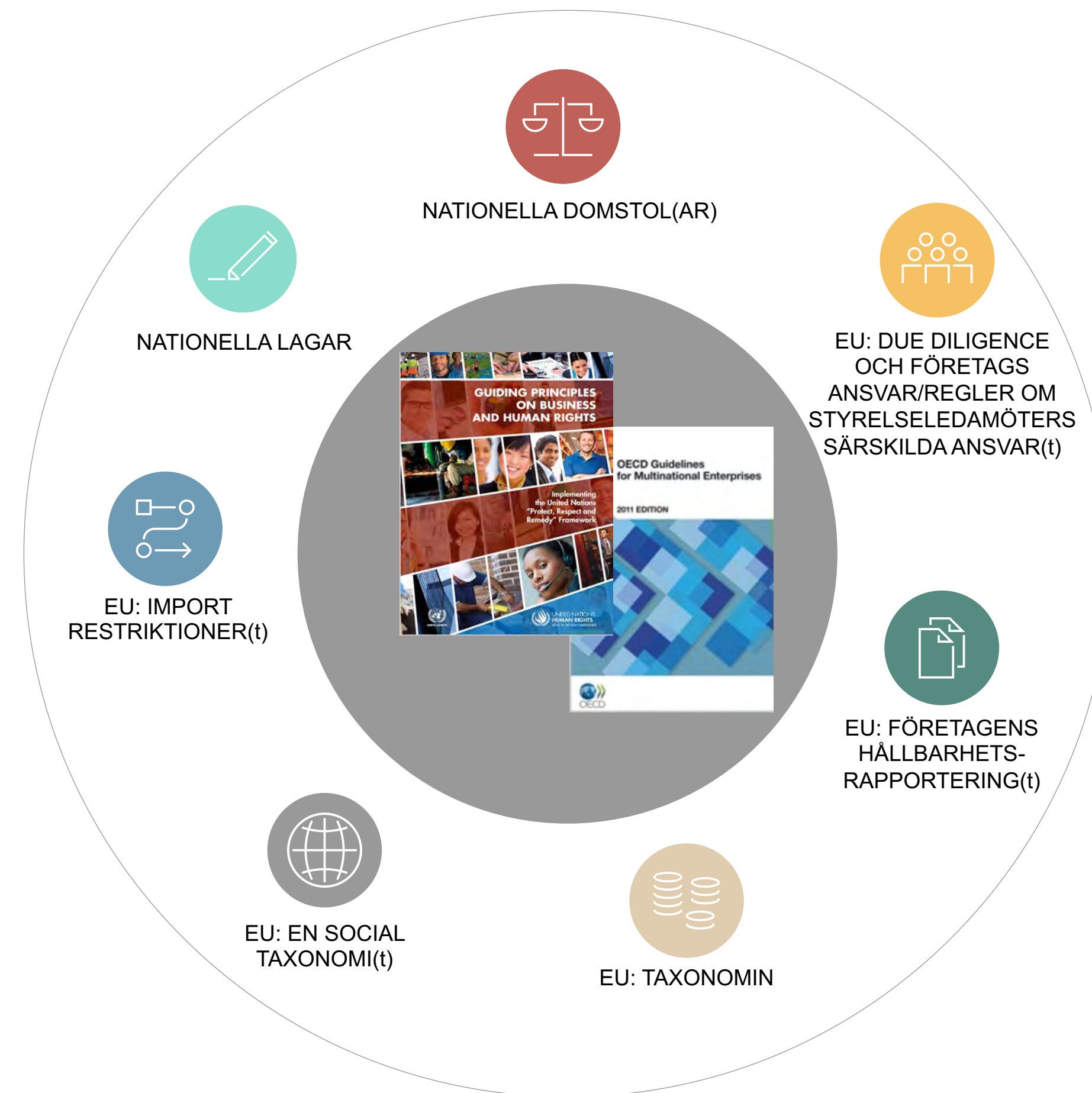
MALIN HELGESON, SPECIALIST COUNSEL, MANNHEIMER SWARTLING

Företagande och mänskliga rättigheter

ICC:s internationella arbetsgrupp | Utvecklingen inom EU

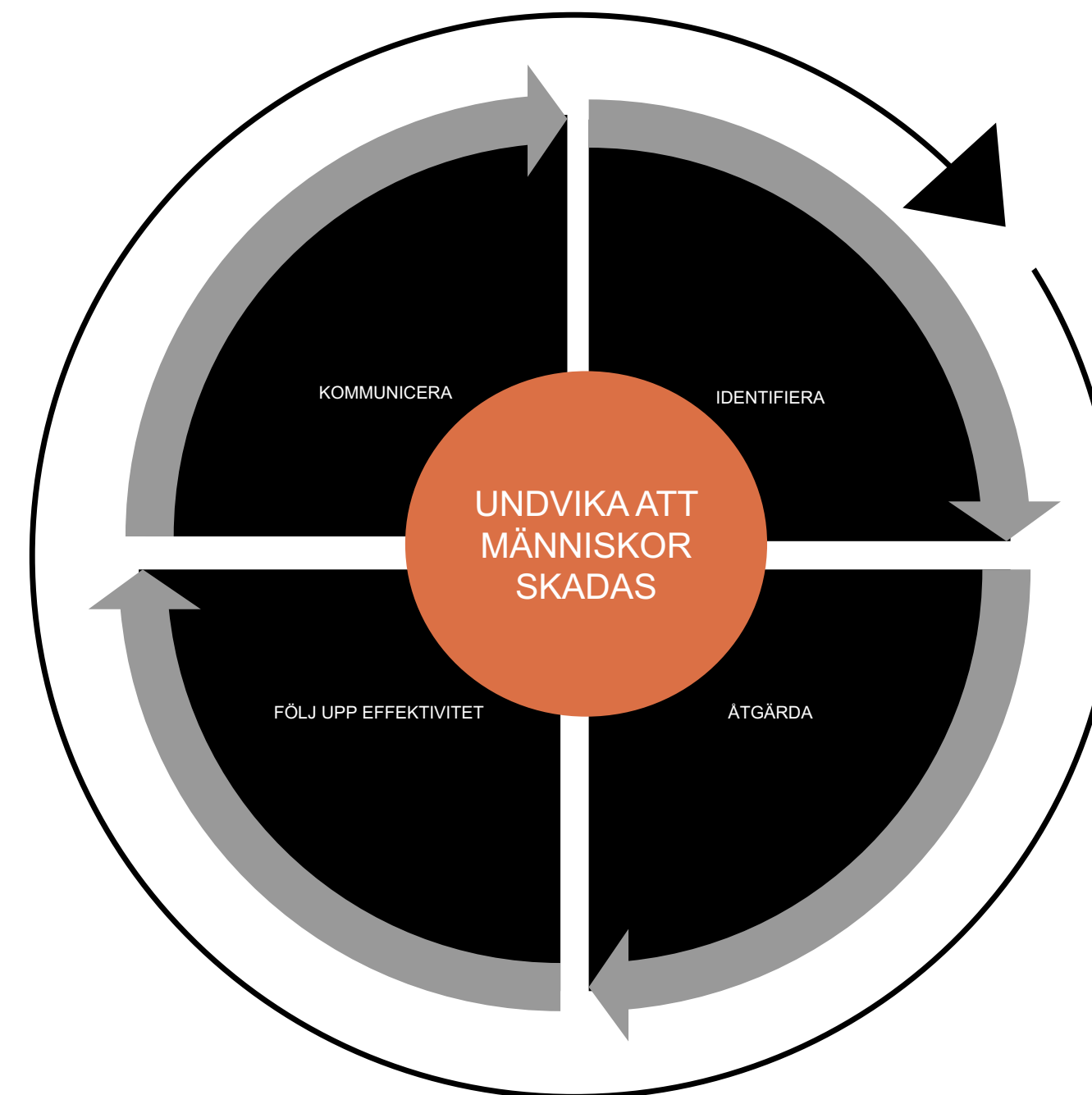
ICC Sveriges Hållbarhetskommitté | den 16 november 2021

Från frivillig till legal affärsstandard



Att driva affärsverksamhet på ett sätt som inte skadar människor (och planet)

- Syfte: att undvika skada på människor (inte affären)
 - De mest allvarliga påverkningarna
 - Särskilt sårbara grupper
- Integreras i hela verksamheten
 - Alltid pågående
 - Bortom "compliance"
 - Ingen kvittning
 - Intressentdialog
- Effektiv gottgörelse



INTRESSENTDIALOG

KÖNSPERSPEKTIV

2021 kännetecknas av konstruktiv dialog med normskapande församlingar

- Stort och internationellt uppmöte
- Stödjer reglering
- FN:s arbetsgrupp för företag och mänskliga rättigheter
- Högkommissarien för mänskliga rättigheter
- EU Kommissionen och den europeiska utrikestjänsten

HÅLLBAR FINANS

SAMUEL PERSSON, BITRÄDANDE JURIST, MANNHEIMER SWARTLING
JOHAN HENNINGSSON, HÅLLBARHETSCHEF, SVENSK EXPORTKREDIT
VICE ORDFÖRANDE EMMA IHRE, HEAD OF SUSTAINABILITY, MANNHEIMER
SWARTLING



Hållbar finansiering

16 november 2021

Regelverk inom hållbar finansiering



Tidslinje för ikraftträdande



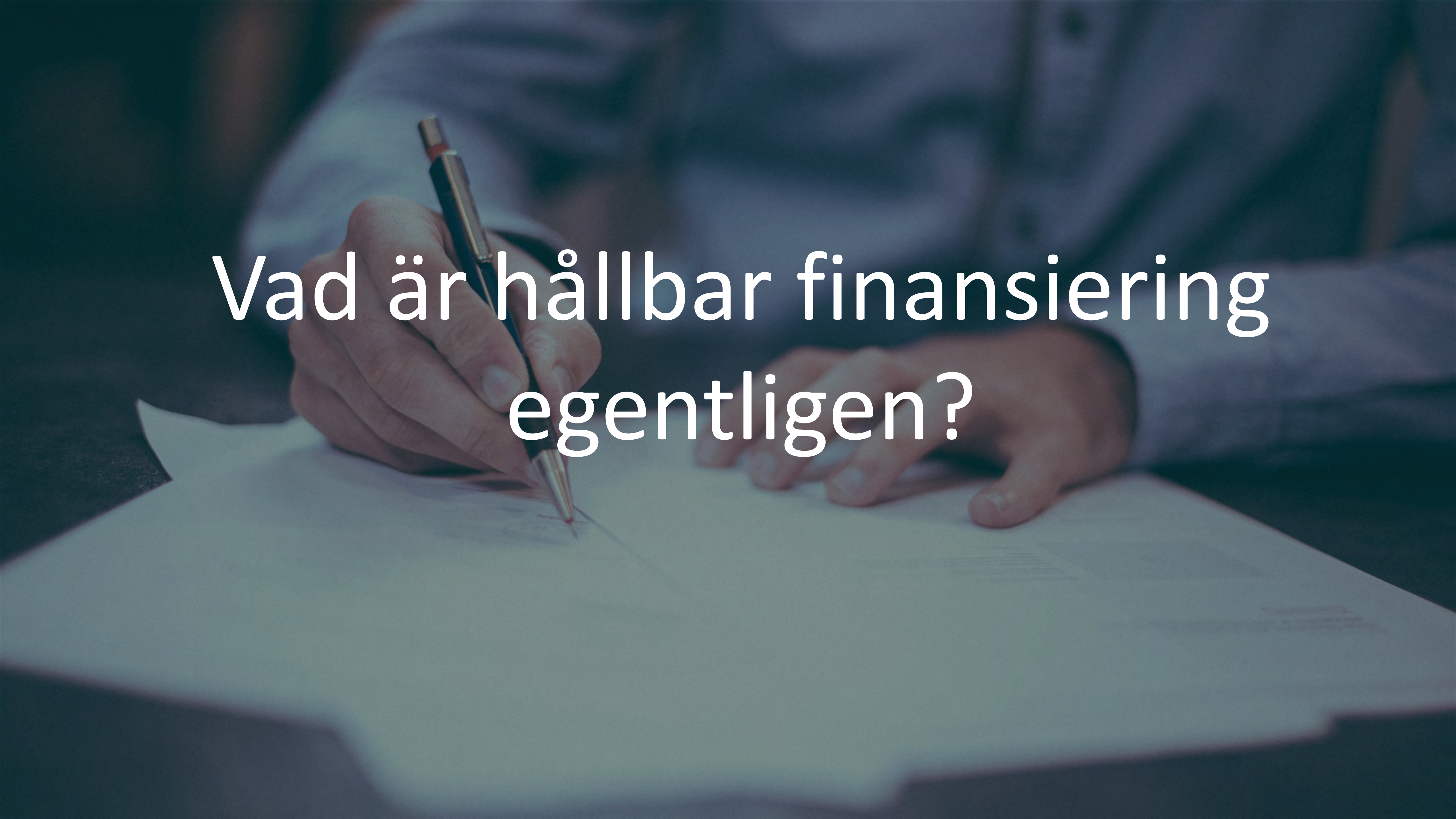
The background features two large, light gray, stylized letters. On the left is a large 'N' that tapers towards the bottom. On the right is a large 'U' that also tapers towards the bottom. The text 'MANNHEIMER SWARTLING' is centered horizontally between these two letters.

MANNHEIMER SWARTLING

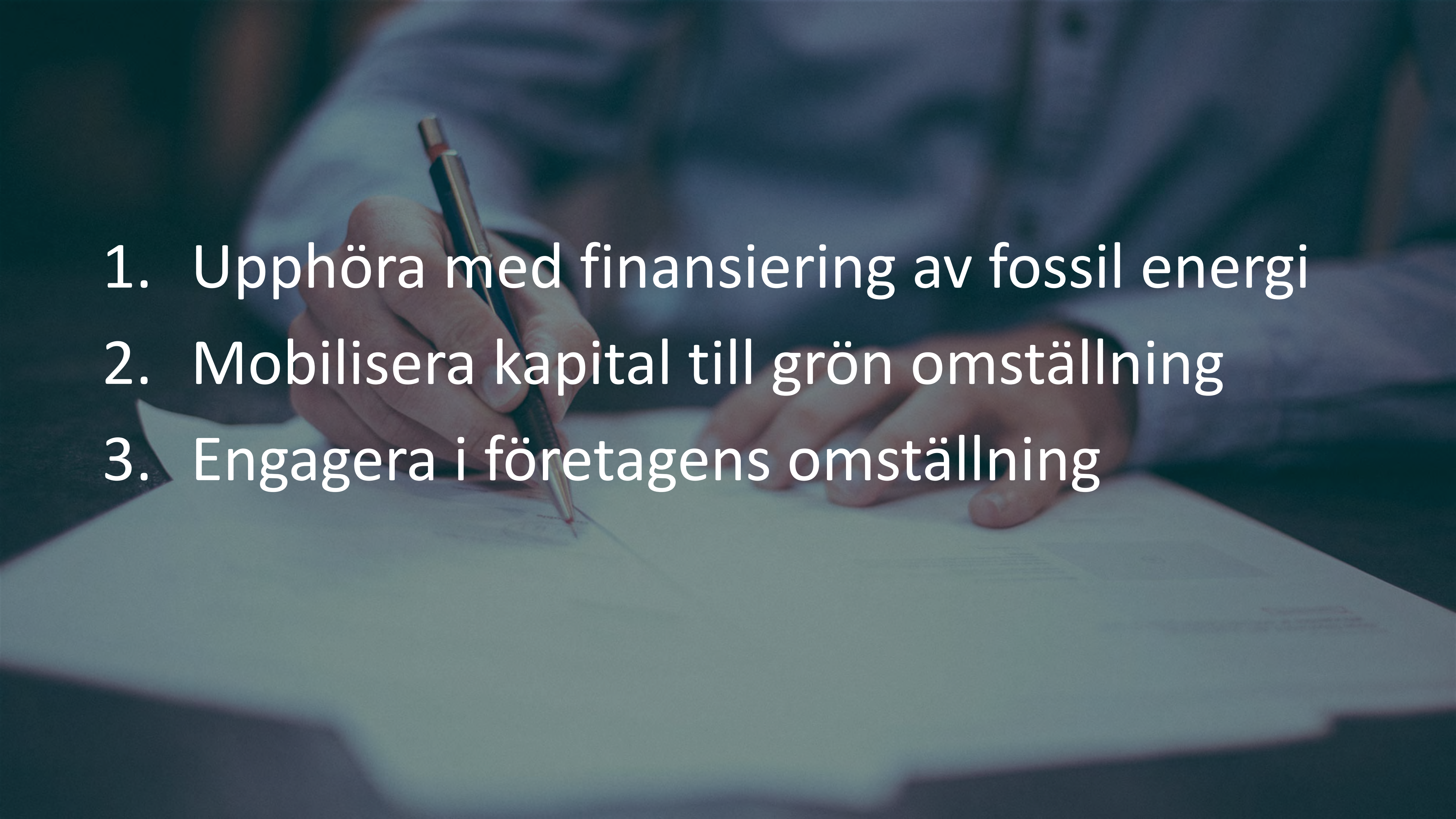
SEK

Hållbar finansiering



A person wearing a white shirt is shown from the chest down, sitting at a desk and writing on a document with a pen. The image is overlaid with a dark blue filter. The text "Vad är hållbar finansiering egentligen?" is written in white, sans-serif font across the center of the image.

Vad är hållbar finansiering
egentligen?

- 
- A person wearing a white shirt is signing a document with a pen. The image is overlaid with a semi-transparent dark blue filter. The list of three points is centered on the image.
1. Upphöra med finansiering av fossil energi
 2. Mobilisera kapital till grön omställning
 3. Engagera i företagens omställning



**Billions to
trillions**

Hur påverkas banken?



ENVIRONMENTAL

SOCIAL

GOVERNANCE

- ❑ ESG-relaterade risker avser finansiella eller operationella risker som drivs av **ESG-faktorer**
- ❑ ESG-faktorer avser **riskdrivare** som påverkar de motparter eller tillgångar som SEK finansierar
- ❑ I syfte att utvärdera och övervaka ESG-risker behöver SEK därmed **identifiera** vilka ESG-faktorer (drivare) som bolaget är exponerat mot

VISSELBLÅSARVÄGLEDNING

HEMA LEHOCKY, CHIEF ETHICS AND COMPLIANCE OFFICER, AFRY

PANELDISKUSSION OM UTFALLET AV COP26

MATTIAS FRUMERIE, SVERIGES CHEFSFÖRHANDLARE I UNFCCC, MILJÖDEPARTEMENTET
CHRISTINA FRIBORG, EVP & HEAD OF SUSTAINABILITY, SSAB
CATARINA PAULSON, HEAD OF SUSTAINABILITY, ALFA LAVAL
SUSANNA ZEKO, GENERALSEKRETERARE, ICC SVERIGE

NÄSTA MÖTE OCH AVSLUT