ICC OPEN MARKETS INDEX

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Foreword

This second edition of the ICC Open Markets Index (OMI) comes at a critical juncture for the world economy. With global growth expected to pick up only modestly in the months to come, the World Trade Organization (WTO) has downgraded its 2013 forecast for global trade to 3.3%, below the long-term annual average of 5.3%, for the last 20 years. This adds to the 18% drop in global foreign direct investment (FDI) flows reported by the United Nations Conference on Trade and Development (UNCTAD) in 2012.

The slowdown of international trade, which has been one of the primary engines of increasing global prosperity for decades, is worrisome but it is not irremediable. A collective push by governments from across the world to open borders and bring down barriers to trade and investment would give a much needed boost to market confidence and global economic growth.

Evidence points, however, to an unremitting trend of protectionism since the outbreak of the global financial crisis in 2008. Despite their repeated pledges to keep markets open, G20 leaders have a mixed record when it comes to keeping protectionism in check:

- Global Trade Alert found that between November 2008 and March 2012, governments worldwide implemented more over 1000 trade policy measures that were discriminatory in nature, with G20 countries responsible for the vast majority of these measures. Their share in the total rose from about 60% in 2009 to 80% in 2012.
- In their latest report to G20 Leaders, the WTO, the Organisation for Economic Co-operation and Development (OECD) and UNCTAD signaled that G20 countries have introduced 71 new trade restrictive measures in the six-month period between May and October 2012. While this represents a slowdown compared to previous periods, the accumulation of protectionist measures remains a concern: the restrictive measures put in place since October 2008 are estimated to cover around 3% of world merchandise trade and around 4% of G20 trade.
- According to the World Bank, most of the increase in these restrictions has affected exports of emerging and developing economies. The largest increase has been in South-South restrictions. Imported products subject to restrictions by G20 emerging economies rose by about 75% between 2007 and 2011, covering more than 3.5% of their total imported products.

These actions undermine policies for economic recovery and long-term job creation, at a time when the world economy remains at risk.

The purpose of the ICC OMI is to generate a balanced and reliable measurement of a country's openness to trade. It uniquely combines indicators of actual, *de facto*, openness of markets with those reflecting government measures considered barriers to market entry. Consequently, the results of the OMI serve two purposes:

1. The ranking of national market performance on openness to trade from most to least open is an effective way to concentrate attention on the need for improvements and to monitor progress year-on-year.

2. The evaluation of a country's performance across four indicators of openness to trade constitutes a tool for policymakers and authorities to identify deficiencies that deserve greater attention, thereby generating a roadmap of sorts for action and improvement.

Government authorities with better information on how their market performs – on key indicators and relative to other countries – are better able to honour commitments to open trade, implement necessary changes and resist regressive measures to 'protect' domestic industries and jobs. We hope governments find the OMI to be a useful guide for concentrating on what needs to be improved as well as gauging their own progress over time.

ICC will continue to press governments, the G20 and the WTO to work collectively to lower barriers to trade and investment and unlock jobs and growth: Through the World Trade Agenda (WTA), ICC will continue to introduce concrete proposals and fresh approaches to boost economic growth and employment based on open trade and investment. Through ICC's G20 Advisory Group, business leaders will continue to advocate that trade and investment issues remain a top priority for the G20.

Jean-Guy Carrier
Secretary General
International Chamber of Commerce

Introduction

Over the past 60 years, trade liberalization has contributed to improving the standard of living of billions of people across the world by creating new economic opportunities and providing greater choice and lower prices to consumers. An open international trade and investment environment is fundamental to foster economic growth, job creation and prosperity.

The global recession and financial crisis did not alter this fundamental reality and further measures to open trade will be a vital part of economic recovery. Businesses have the resources to invest to create growth and jobs.[1] This is recognized by all credible economic commentators, including the OECD, the IMF, the WTO and the World Bank. In a study commissioned by ICC, the Petersen Institute for International Economics estimated that an ambitious world trade reform agenda could create global GDP gains amounting to US$2 trillion and lead to 34 million jobs at global level.[2]

However, and especially in times of crisis, governments come under pressure to adopt measures to "protect" national industries and jobs. G20 Leaders at their 2012 Summit in Los Cabos (Mexico) expressed their deep concern about rising instances of protectionism around the world and reaffirmed their collective resolve to refrain from raising new barriers to investment and trade and to "roll back any new protectionist measure that may have arisen, including new export restrictions and WTO-inconsistent measures to stimulate exports". To this end, leaders extended their "standstill" commitment until the end of 2014. At Los Cabos, G20 governments also recognized the importance of investment for boosting economic growth and committed to "maintaining a supportive business environment for investors".

To understand the extent to which governments are following through on their commitments to create genuinely open economies, the ICC commissioned research to develop an Open Markets Index (OMI) to measure the openness of key economies. This is the second edition of the OMI, which will be updated on a regular basis in order to track changes in openness over time.

Open markets are characterized by the absence of man-made barriers against the cross-border flows of productive factors such as goods, services, capital and labour. An index, based on the combination of various indicators, should provide the ranking of countries in accordance to their degree of openness. The most open economies will rank at the top.

[1]UNCTAD, World Investment Report 2011, indicates that cash holdings of multinational corporations are at record high, yet most are not investing due to unpredictability of global economic governance.
[2]Gary Hufbauer and Jeffrey Schott, *Payoff from the World Trade Agenda 2013*, ICC Research Foundation commissioned report (Petersen Institute for International Economics: Washington DC, April 2013)

In contrast to other existing globalization indices, the focus of this research is on the ease of access to an economy, concentrating on actual barriers and market access barriers attributed to government policies. As such, the report has not considered:

- Restrictive private business practices;
- Behind-the-border measures (e.g. subsidies)

The Open Markets Index (OMI) set out in this report comprises four key components:

- Observed openness to trade
- Trade policy
- Foreign direct investment (FDI) openness
- Infrastructure for trade

The 75 economies explored in this study are about evenly split between developed and developing countries. They comprise all G20 economies, all EU member countries, as well as a heterogeneous group of poor, rich and middle-income economies, which together represent more than 90% of global trade and investment.

The remainder of this report is structured as follows:

- **Section 2** provides a review of the methodology used to develop the OMI
- **Section 3** provides the key findings from the OMI and discusses the interpretation for key countries, with a focus on G20 performance
- **Section 4** provides some conclusions

Methodology and data sources

Developing cross-country indices to reflect the openness of economies is challenging. Indices can easily be biased unless careful consideration is given to the selection, coverage and aggregation of the key data sets used to form the indices. This chapter provides an overview of the analytical approach taken to develop the Open Markets Index. In particular, the section sets out:

- An overview of the four components of the Open Markets Index (OMI) and the sources used to create the Index
- A description of the approach to aggregation used in the OMI

The four components of the ICC Open Markets Index

This section sets out the four key components of the ICC Open Markets Index. In contrast to globalization indices, the OMI focuses on the ease of market access. Consequently, its focus is on the *de facto* openness to imports and investment inflows.

The OMI is composed of four components:

- Observed openness to trade
- Trade policy
- Foreign direct investment (FDI) openness
- Infrastructure for trade

It is possible that further components such as movement of labour, institutional quality, or public attitude to openness could be added at a later stage.

For the construction of the four basic components more than 30 time series have been considered, of which 28 have been retained. Some time series had to be dropped because the information is available for only a small group of economies or because of overlaps with indicators already retained. Annex 2 sets out the indicators included in the analysis and their relative weights.

The statistical sources used are all taken from publicly available data. They include the general databases of international organizations, three studies (surveys) of the World Bank, and a direct communication from the International Trade Centre (ITC). The data are typically for the years 2010 and 2011 In a number of cases it was preferred to use period averages rather than data from the latest year. All the time series retained for the OMI are produced on an annual basis and are publicly available, making it possible to update the index regularly and track country performance with respect to trade openness over time on the basis of a consistent and transparent body of data.

A detailed description of each of the four component parts of the OMI is provided below.

Component 1: Observed openness to trade

Table 1 sets out the key indicators used to measure the observed openness to trade. The Table also provides a short commentary on each indicator setting out the issues that should be taken into consideration when interpreting the findings.

TABLE 1: INDICATORS OF OBSERVED OPENNESS TO TRADE

Indicator	Description
Trade-to-GDP ratio *Source: UNCTAD*	This is a key indicator of openness. The (nominal) value of exports and imports of goods and services is compared to the (gross) value added of domestic output. This ratio reflects broadly the relative importance of international trade to an economy. In terms of interpretation, small economies typically depend more on international trade than large economies (with the same level of import barriers). In addition, economies that have acquired a role as a trade hub (e.g. Hong Kong, Singapore and the United Arab Emirates) have very large trade-to-GDP ratios due to the importance of transit trade. This ratio may be biased in favor of low-income countries, due to the undervaluation of their currencies. Indeed, the GDP of low- and middle-income countries valued at purchasing power parities is generally two to three times larger than that valued at current market exchange rates. Comparing imports and GDP valued at current market exchange rates tends to overstate the relative importance of trade to output in many developing countries.
Merchandise and services imports per capita ratio *Source: WTO, World Bank (population)*	This ratio relates imports to population size. Economies with a large population (and a correspondingly large market size at a given per capita income level) tend to have a lower import per capita ratio than those with a smaller population. In addition, wealthier countries record typically a larger trade per capita ratio than poorer countries. At a given income level, the ratio of imports per capita for an economy will depend mainly on the level of import barriers.
Real merchandise import growth *Source: WTO, UNCTAD*	This indicator captures the dynamics of the integration process of an economy. Imports expand faster in open than in more protected economies. In order to limit the impact of cyclical differences and (temporary) terms of trade gains, real merchandise import growth is considered over a longer period (i.e., 2002-11).

Component 2: Trade policy

Table 2 sets out the key indicators used to evaluate the "import-friendliness" of the trade policy regime. The Table also provides a short commentary on each indicator setting out the issues that should be taken into consideration when interpreting the findings. As the 27 EU members have one common tariff schedule and a single antidumping (AD) legislation and administration, there is no information available by individual EU members. It is therefore postulated that individual EU member country's trade policy is identical to that of the EU.

TABLE 2: INDICATORS OF TRADE POLICY

Indicator	Description
Average applied tariff levels *Source: WTO, ITC*	This indicator uses an adjusted form of the arithmetic average of applied MFN tariffs. In most tariff schedules, the share of tariff lines for agricultural products is larger than in actual trade flows. In order to correct for this "overrepresentation", national applied agricultural and non-agricultural tariff averages are weighted according to the share of these product groups in world trade. This reduces the share of agricultural tariffs from (on average) 16% to 10%. From this adjustment results a significantly lower average tariff rate for those countries that protect agricultural products far more than industrial products. This is the case for Israel (2.8 percentage points), Egypt and Norway (with 1.8 percentage points). However, the difference between the adjusted and arithmetic average is generally small. In addition, we use the International Trade Centre's (ITC) unpublished calculations for applied tariffs including preferential rates. We use two indicators of average applied tariff levels because the latter may overstate the benefits of preferences as they can be subject to severe rules of origin. Therefore the average of the adjusted applied MFN rate and the applied rates including preferences are retained for the calculation of the tariff level indicator.
Complexity of tariff profile *Source: WTO*	The structure and complexity of tariffs can also have an impact on the overall protection level: - Tariff binding levels: A high proportion of tariffs with binding levels tend to increase the stability and predictability of a tariff and have always been a major objective of the multilateral trading system. - Share of duty free tariffs in total tariff lines: A high share of duty free tariff lines is often considered a liberal feature of tariff policy, especially in an already low tariff environment. Very low tariffs are often described as "nuisance tariffs". Their protective effect comes often less from the actual tariff imposed than from the high administrative costs associated with them. - Share of tariff peaks: Very high tariffs can become prohibitive to imports. In the tariff literature, tariffs exceeding 15% ad-valorem are described as *"international tariff peaks"*. An important share of tariff peaks in a tariff schedule usually reflects a higher protection level compared to a second schedule with the same average tariff but uniform rates.

Non-tariff barriers Number of antidumping (AD) actions *Source: WTO*	As regards non-tariff trade barriers, the use of WTO-consistent contingent protection such as antidumping (AD), countervailing (CV) and safeguards is generally considered to contain a protectionist element. Countries with a high usage of contingency measures are considered to be more protectionist than those with a low level of AD, CV and safeguard actions. It is therefore useful to include the combination of AD initiations and AD measures as an indicator for restrictive non-tariff trade policy. CV and safeguard actions are not retained as they are used by a small number of countries and far less frequently applied than AD measures.
Efficiency of import procedures *Source: World Bank (IFC)*	This indicator is based on three time series estimated by World Bank experts: the number of days required to comply with all import procedures, the number of documents required for the imports of goods and the cost (US $ per container) associated with all the procedures required to import goods.

Component 3: FDI openness

Global FDI flows play an important role not only in technology transfer but for the integration of host economies and local businesses into global production networks and value chains. Through foreign-owned local distribution networks, they also facilitate market access for imported goods.

FDI inflows often contribute to an increased level of imports both directly and indirectly. In many cases, FDI inflows take the form of machinery imports. FDI inflows into processing zones contribute to an increase in imports of merchandise for processing. Foreign subsidiaries are likely to import more than a domestic firm in the same industry even if both supply only the domestic market, as the foreign-owned firm is often better informed of the potential to source inputs from abroad.

Table 3 below sets out the key indicators used to measure the openness to FDI. The Table also provides a short commentary on each indicator setting out the issues that should be taken into consideration when interpreting the findings. As annual FDI inflows show a large year-to-year variation (mainly due to the business cycle), a multi-year period average was considered to be more appropriate than single-year observations.

It appears also that the relative importance of FDI inflows to the host economy depends on the size of the economy. The data collected reveal that all large economies record relatively low FDI ratios independent of their income level.

TABLE 3: INDICATORS OF FDI OPENNESS

Indicator	Description
FDI inflows to GDP *Source: UNCTAD*	This indicator reflects both a country's policy towards inward investment and its attractiveness to foreign investors due to market size or resource endowments. Up to the mid-eighties, widely spread government ownership in many sectors, as well as FDI-unfriendly legislation and administration, limited the expansion of FDI in many countries. Thereafter, privatization and regulatory reforms provided a major stimulus to FDI growth over the last 25 years. However, the great recession after 2007 has led to a sharp decline in global FDI flows.
FDI inflows to Gross fixed capital formation (GFCF) *Source: UNCTAD*	This indicator provides insight into the relative importance of FDI to domestic investment. For countries with a low saving/investment level, the FDI inflows have a relatively larger impact on growth prospects than in countries with a high domestic saving/investment level.
FDI inward stock to GDP *Source: UNCTAD*	FDI stock data lowers the impact of short-term fluctuations in FDI inflows. Stock data reflect the long-standing presence of foreign investment, which continues to contribute to the current international integration of an economy. FDI stock data may show pronounced year-to-year variations (e.g. due to exchange rate variations) and therefore multi-year periods have been used in this report.
FDI welcome index *Source: World Bank*	The FDI welcome index (renamed from the World Bank's "Starting a foreign business" indicators) catches the administrative hurdles to establishing a business start-up overseas. This indicator comprises three time series: the number of procedures needed for a business startup, the number of days needed to obtain authorization, and the ease of establishing a foreign subsidiary. The FDI welcome index refers to the year 2012, except for the indicator "ease of establishing a foreign subsidiary" which is – at the date of publication of OMI 2013 – still in the process of being updated by the World Bank experts.

Component 4: Infrastructure for trade

An enabling infrastructure for exports and imports is needed for a country to participate in the global economy and to provide meaningful access to its market. Consequently, the fourth component of the OMI seeks to capture the quality of trade-enabling infrastructure across countries. The Table below sets out the key indicators used to measure the trade-enabling infrastructure and provides a short commentary on each indicator setting out the issues that should be taken into consideration when interpreting the findings.

TABLE 4: INDICATORS OF TRADE-ENABLING INFRASTRUCTURE

Indicator	Description
Logistics performance index *Source: World Bank*	This index covers six areas: efficiency of customs clearance, quality of trade and transport-related infrastructure, ease of arranging competitively priced shipments, competence and quality of logistics services, ability to track and trace consignments, and timeliness of shipment to consignee within scheduled time. The index is based on the evaluation of logistics experts living in the region.
Communication infrastructure *Source: ITU*	The access, quality and affordability of telecommunication services in an economy are critical factors for integration and market access. Two time series identify access and spread of modern communications: fixed line plus mobile subscriptions per capita and internet use per 100 people.

Methodological issues

The final element in creating the OMI is bringing together the indicators described above into a cohesive and coherent single index that appropriately measures the relative openness of different economies.

In this regard three key methodological issues are critical:

- Data availability
- Scoring
- Aggregation

Data availability

The objective of this report is to synthesize information on market access to major markets worldwide. The 75 countries covered by this study accounted for more than 90% of world imports of goods and services in 2011. There is also a broad geographical coverage with 35 developed countries, 37 developing economies and three successor states of the former USSR (the Russian Federation, Ukraine and Kazakhstan).

In a number of cases, the standard source for a specific time series did not provide the information for the entire set of 75 markets. The missing information could sometimes be found by using national statistics but in general it was estimated. The number of estimates is very limited except for two indicators: antidumping actions and the FDI welcome index.

All the time series used are published on a regular annual basis by international organizations, the only exception being the information communicated directly by the International Trade Centre on applied tariffs (including preferential rates).

Scoring

The objective of the scoring process is to make comparable those time series that are measured in different dimensions. At the same time, scoring is used to establish country groupings according to different degrees of openness. There are different approaches used in the scoring of data in the various globalization indices.

This report has taken a formula approach to scoring, where the maximum and the minimum value are attributed the highest and lowest score, respectively. The span between the two extreme values is split evenly into a number of categories that allow grouping of the individual country scores. If, for example, the scores range from 1 (minimum) to 6 (maximum) then the following formula applies: 5*((country value x-less minimum value) / (sample maximum less sample minimum)) + 1. In those cases where the higher values indicate less openness (i.e. tariff rates), then the order has to be inversed for scoring with the following formula: -5*((country value x-less sample minimum) / (sample maximum less sample minimum)) + 6.

The results of this approach are strongly influenced by the presence of extreme values. Assuming one extreme upper value and the rest of the sample values with a normal standard distribution around the average, then the results of the scoring would be highly uneven, with most values squeezed in the bottom groups.

To correct for this in some instances, adjustments were made to account for extreme outliers in the data. The OMI modifies the formula approach by defining as “extreme value or outlier” all values exceeding three times the median value of the sample. All outliers are attributed the top score value. These adjustments assured that the average score of the 75 countries for each basic component was in the middle range (3 to 3.99).

Another challenge for the formula approach is posed by those samples in which data are rather concentrated around the average value. The formula approach will automatically split the sample into five groups even if an analyst of the data would conclude that there is materially no or only a negligible difference among the country data. For example, the rejected ratio of “collected import duties to imports” of the developed countries ranges from 0.8% to 1.1% and reflects quite similar openness. The formula approach, however, will establish 5 degrees/groups of openness.

In determining the number of degrees of openness to include, we decided that an uneven number of groups has the advantage that a “middle group” is established in which most countries would be found in a sample with a standard distribution. More groups result in more differentiation. Adding more detail offsets to some extent the “concentration effect” in and around the middle group, which occurs when many indicators are averaged.

In this report scores range from 1 to 6 and compose five groups:

- **Category 1:** Most open, excellent (score of 5-6)
- **Category 2:** Above average openness (Score 4-4.99)
- **Category 3:** Average openness (Score 3-3.99)
- **Category 4:** Below average openness (Score 2-2.99)
- **Category 5:** Very weak (Score 1-1.99)

Aggregation

The aggregation of time series scored in a standard way (e.g. from 1 to 6) can be done with the arithmetic average or with specific weights for each time series, indicator and each basic component. The scores of each time series are first weighted to obtain an indicator, the indicators are weighted to obtain one of the four basic components and eventually the four basic components are aggregated to form the Open Markets Index.

The arithmetic average could be used if the indicators are considered to be of similar importance or if there is no information on their relative importance. In all other cases, relative weights assigned by a researcher's own judgment or an expert panel result in a "better informed" overall index. Of course, expert opinions will differ about the precise relative weights to be given but in general the "average expert opinion" improves the analytical value of the summary index. Annex 2 reports the weights which have been assigned to each time series/indicator and each basic component. They are unchanged from the 2011 (1st edition of) OMI.

Year-to-year comparisons

A comparison of the aggregate scores of the 75 economies reported in this report with those of OMI 2011 informs about the relative shift among countries but does not indicate an increase or decrease in a country's market openness over time. The relative position of an economy in respect to market openness is flagged by its aggregate score value which determines the ranking and the belonging to a specific group. The variation in aggregate scores measures more accurately the difference in market openness between countries than the variation in the ranking. It is therefore more informative to focus on shifts in the aggregate scores of economies than on change in the rankings.

Key findings from the OMI 2013

This section of the reports sets out the results and interpretation of the OMI. Firstly, the overall findings from the index are examined, before focusing in greater detail on the findings for the G20 economies. More detailed information on the results obtained is available on request.

The OMI - aggregate score and ranking

Table 5 below sets out the key findings from the OMI 2013. It presents, for the 75 countries considered as part of the analysis, both their aggregate score and ranking (Annex 3 provides the full scoring for each country on each component of the OMI).

TABLE 5: COUNTRY SCORES AND RANKINGS

	Rank	Score		Rank	Score
Hong Kong[3]	1	5.5	Japan	39	3.7
Singapore	2	5.5	Saudi Arabia	40	3.7
Luxembourg	3	4.9	Italy	41	3.7
Belgium	4	4.8	Portugal	42	3.6
Malta	5	4.7	Peru	43	3.6
Netherlands	6	4.7	Spain	44	3.6
United Arab Emirates	7	4.6	Korea, Rep. of	45	3.6
Ireland	8	4.6	Viet Nam	46	3.5
Estonia	9	4.5	Turkey	47	3.4
Iceland	10	4.5	Greece	48	3.2
Switzerland	11	4.5	Thailand	49	3.2
Sweden	12	4.4	South Africa	50	3.2
Norway	13	4.4	Jordan	51	3.0
Slovakia	14	4.4	Colombia	52	3.0
Denmark	15	4.3	Indonesia	53	3.0
Austria	16	4.3	Mexico	54	3.0
Finland	17	4.2	Kazakhstan	55	2.9
Slovenia	18	4.2	Egypt	56	2.9
Canada	19	4.2	China	57	2.8
Hungary	20	4.2	Philippines	58	2.8
Czech Republic	21	4.2	Russian Federation	59	2.8
Germany	22	4.2	Uruguay	60	2.7
Bulgaria	23	4.1	Morocco	61	2.6
Australia	24	4.1	Tunisia	62	2.6
New Zealand	25	4.1	Argentina	63	2.5
Lithuania	26	4.0	India	64	2.5
Chinese Taipei	27	4.0	Sri Lanka	65	2.4
Cyprus	28	4.0	Nigeria	66	2.3
United Kingdom	29	4.0	Brazil	67	2.2
Malaysia	30	3.9	Kenya	68	2.1
Israel	31	3.9	Pakistan	69	2.1
Latvia	32	3.9	Venezuela	70	2.0
Chile	33	3.9	Uganda	71	2.0
Poland	34	3.8	Algeria	72	2.0
France	35	3.8	Bangladesh	73	1.9
Ukraine	36	3.7	Sudan	74	1.8
Romania	37	3.7	Ethiopia	75	1.8
United States	38	3.7			

[3]Hong Kong is one of two special administrative regions (SARs) of the People's Republic of China

In understanding the scoring, it is important to bear in mind the interpretation of scoring presented in the previous section:

- **Category 1:** Most open, excellent (score of 5-6)
- **Category 2:** Above average openness (Score 4-4.99)
- **Category 3:** Average openness (Score 3-3.99)
- **Category 4:** Below average openness (Score 2-2.99)
- **Category 5:** Very weak (Score 1-1.99)

As shown by Table 6 below, the scores of the 75 economies reviewed are split across all five groups: Category 1 has only two countries. Category 2 is the largest with 27 countries, followed by Category 3 with 25 countries. Category 4 comprises 18 economies and three countries are found in Category 5.

TABLE 6: COUNTRY RANKINGS BY CATEGORY

Category	Countries
1	Hong Kong, Singapore
2	Luxembourg, Belgium, Malta, Netherlands, United Arab Emirates, Ireland, Estonia, Iceland, Switzerland, Sweden, Norway, Slovakia, Denmark, Austria, Finland, Slovenia, **Canada***, Hungary, Czech Republic, **Germany**, Bulgaria, **Australia**, New Zealand, Lithuania, Chinese Taipei, Cyprus, **United Kingdom**
3	Malaysia, Israel, Latvia, Chile, Poland, **France**, Ukraine, Romania, **United States**, **Japan**, **Saudi Arabia**, **Italy**, Portugal, Peru, Spain, Korea, Rep. of, Viet Nam, Turkey, Greece, Thailand, **South Africa**, Jordan, Colombia, **Indonesia**, **Mexico**
4	Kazakhstan, Egypt, **China**, Philippines, **Russian Federation**, Uruguay, Morocco, Tunisia, **Argentina**, **India**, Sri Lanka, Nigeria, **Brazil**, Kenya, Pakistan, Venezuela, Uganda, Algeria
5	Bangladesh, Sudan, Ethiopia

** G20 countries indicated in bold face*

The key findings in relation to each category of the index are discussed below.

Category 1: Most open economies

Only two economies, **Hong Kong** and **Singapore**, receive an aggregate score of *excellent* in terms of their overall market openness. These two economies always rank among the top three countries and obtain scores above 5.0 in all four components of the OMI.

Category 2: Above average openness

The 27 economies with *above average* market openness include 22 European countries, three other developed countries (Canada, Australia, and New Zealand) and two developing countries (United Arab Emirates and Chinese Taipei):

- The highest scores within the group are recorded by the **smaller European economies** (with a population less than 15 million) and the **United Arab Emirates.** The smaller European countries combine an above average score in trade policy with higher scores in trade and FDI openness than those countries found with lower rankings in this group. The above average score of the United Arab Emirates (4.6) can be attributed to its excellent score in in trade openness (5.3) and in trade enabling infrastructure (4.8), both linked to its function as regional trade hub.
- **Canada, Germany, Australia and the United Kingdom** are the only four G20 countries which record an above average openness.
  - In particular, Canada is the only G20 country to be ranked in the top 20 of the OMI. It records an excellent score for trade policy (5.0) and a strong above average score in trade enabling infrastructure (4.9) but only an average score in trade openness (3.2).
  - Not far behind, Germany obtains the same aggregate score as Canada (4.2). The scores of Germany exceed those of Canada in trade openness (3.6) and trade enabling infrastructure (5.4) but are weaker in FDI openness (3.0). Notably, Germany was the only G20 country with a ranking in the top 20 in the 1st edition of the OMI 2011.
  - With an aggregate score of 4.1, Australia records its strongest results in trade policy (4.9) and trade enabling infrastructure (4.8) and its weakest score in trade openness (3.1).
  - The slightly above average score in the aggregate index for the United Kingdom (4.0) was attained thanks to an excellent score for trade enabling infrastructure (5.2) which offsets its weak result in trade openness (2.6).
- With an average score of 4.0, **Chinese Taipei** enters Category 2 based on its strong scores in trade policy (4.4) and trade enabling infrastructure (4.8), while its obtains average marks in trade and FDI openness.

Category 3: Average openness

24 countries score *average* openness. This heterogeneous group is made up of 12 developing countries, 8 EU member countries, Ukraine, Japan and the United States:

- **Japan** and the **United States** share the same overall score of 3.7 but differ much at the component level. While Japan has excellent scores in trade policy (5.2) and trade enabling infrastructure (5.1), its scores for trade openness (2.0) and FDI openness (2.7) are rather weak. The US scores for the basic components are far less divergent than in the case of Japan. However, the US score is – as is the case for Japan - weakest for trade openness (2.2).
- Among the three large EU countries in this category (with a population size in excess of 40 million people) **France** (3.8) ranks ahead of **Italy** (3.7) and **Spain** (3.6) due to an excellent score for its trade enabling infrastructure (5.0) and somewhat better results in openness to trade and FDI.
- Among the 8 EU members in this category, it is **Latvia** that ranks highest (3.9) and **Greece** that ranks lowest (3.2). Greece ranks at the bottom of EU countries for each component besides trade policy, which is common to all EU members.
- Two countries, **Israel** and **Malaysia**, rank with a score of 3.9 at the top of this group while two developing countries, **Colombia** and **Indonesia**, rank at the bottom of the group with a score of 3.0.
- **Chile** has the best score (3.9) of all Latin American countries followed at a distance by Peru, Colombia and Mexico.
- The **Republic of Korea** records a score of 3.6 and is sandwiched between **Peru** and **Vietnam.** This might be surprising given the vigorous economic development of the country over past decades. However, the trade policy and FDI openness scores of the Republic of Korea are lower than those of Peru and the scores of Vietnam exceed those of Korea in trade and FDI openness.
- **Turkey**, with an aggregate score of 3.4, obtains average results in trade policy (3.7) and FDI openness (3.4), scores best in trade enabling infrastructure (3.9), but rates slightly below average in trade openness (2.9).
- **South Africa** has the best aggregate score (3.2) of all seven African countries in this sample. It is the only one making it up into Category 3 of countries with average market openness.
- **Mexico** ranks 54th and scores 3.0, just at the bottom borderline of the average category. For three basic components it records scores which fall into the average group, but it is the low score in trade openness (2.2) that brings it dangerously close to category 4 for the aggregate index.

Category 4: Below average openness

19 countries are found to have *below average* openness. These include five G20 emerging economies (China, Russia, Argentina, India and Brazil) as well as a wide group of developing economies from Africa, Asia and Latin America:

- **China** ranks 57th with a score of 2.8, slightly ahead of Russia (also at 2.8). While China's scores for trade openness (3.1) and trade enabling infrastructure (3.8) are slightly above average, the scores for trade policy (2.6) and FDI openness (2.0) are quite low. The disappointing trade policy record can be attributed largely to the relatively high applied MFN tariff rates (close to 10%) of China and the marginal tariff preferences granted to its trading partners. The duty free imports into China's special economic zones are not taken into account even though they account for up to 40% of China's total merchandise imports. China's score in FDI openness is also quite low, although the country has seen very large FDI inflows over the past years. First, China's FDI inflows might be large in absolute terms but given the size of its economy and the high rate of domestic investment, the ratios are less impressive. As regards the FDI welcome index, the World Bank data reports that the number of procedures and the time needed to start a foreign business in China are almost twice the median value of its 87-country sample. In addition, the FDI policy regime measured is that of China in general and not that prevailing in the Special Economic Zones which is supposed to be far more favorable to foreign investment.
- The **Russian Federation** records scores of 3.0 and above for three basic components (trade and FDI openness and trade enabling infrastructure). It obtains a meager 2.3 for trade policy, however. Despite the joining of WTO since the latest OMI report, the applied tariff rates are still high if compared to other countries and the efficiency of border administration is quite low according to World Bank experts.
- **Argentina**'s overall score (2.5) is unchanged from OMI 2011. However, while in OMI 2011 Argentina scored very weak in trade openness (1.8) and below average in trade policy (2.7), the situation is now reverse: Argentina rates average in trade openness (3.0) but very weak in trade policy (1.8).
- With an overall score of 2.5, **India** ranks 64th while **Brazil** (67th) is the lowest ranking of all G20 members with an aggregate score of 2.2. Both countries have their weakest score in trade policy (2.0 and 1.7 respectively). Indian trade openness exceeds that of Brazil largely due to the faster real import growth. Brazil, however, records a better score for trade enabling infrastructure than India.

Category 5: Very weak

There are three least-developed countries which record *very weak* market openness with aggregate scores below 2.0: **Bangladesh**, **Sudan** and **Ethiopia**. All three countries have their lowest score for trade policy (less than 1.5). Sudan and Ethiopia record also very low scores for their trade-enabling infrastructure.

The OMI and G20 country performance

Table 7 below provides a more detailed analysis of the performance of G20 members.[4] It lists each G20 country's overall score and ranking as well as its score for each of the four components of the index.

Why focus on G20 countries? At their successive summits, G20 Leaders have continuously underscored the critical importance of open trade, highlighting the centrality of the World Trade Organization (WTO), while repeatedly committing to refrain from trade protectionism. As the world's premier economic forum, whose countries together account for over 85% of the world economy and 80% of global trade, the G20 has the potential to lead by example by keeping its markets open and rejecting trade restrictive measures.

TABLE 7: G20 SCORES ON THE OPEN MARKETS INDEX

G20 Rank	Country	Overall OMI 2013 Rank	Aggregate Score	Trade Openness	Trade Policy	FDI Openness	Trade Enabling Infrastructure
1	**Canada**	19	4.2	3.2	5.0	4.3	4.9
2	**Germany**	22	4.2	3.6	4.7	3.0	5.4
3	**Australia**	24	4.1	3.1	4.9	4.1	4.8
4	**United Kingdom**	29	4.0	2.6	4.7	4.1	5.2
5	**France**	35	3.8	2.6	4.7	3.5	5.0
6	**United States**	38	3.7	2.2	4.7	3.4	5.1
7	**Japan**	39	3.7	2.0	5.2	2.7	5.1
8	**Saudi Arabia**	40	3.7	3.3	4.2	3.2	3.8
9	**Italy**	41	3.7	2.5	4.6	3.3	4.6
10	**Korea, Rep. of**	45	3.6	3.5	3.3	3.0	4.8
11	**Turkey**	47	3.4	2.9	3.7	3.4	3.9
12	**South Africa**	50	3.2	2.6	3.6	2.8	4.0
13	**Indonesia**	53	3.0	2.6	3.9	2.2	2.8
14	**Mexico**	54	3.0	2.2	3.5	3.2	3.1
15	**China**	57	2.8	3.1	2.6	2.0	3.8
16	**Russian Federation**	59	2.8	3.0	2.3	3.5	3.0
17	**Argentina**	63	2.5	3.0	1.8	2.2	3.5
18	**India**	64	2.5	2.9	2.0	2.5	2.8
19	**Brazil**	67	2.2	2.1	1.7	2.3	3.5

In terms of aggregate performance, the average score for the G20 economies is 3.4, which is slightly lower than the average of the 75-country sample (3.6). Only four G20 countries have *above average* openness. Most (9) are found in the group with *average* market openness. Six countries, including four of the five "BRICS" countries (Brazil, the Russian Federation, India and China) record an aggregate score *below average*.

[4]The G20 is an informal grouping of 20 systemically important economies, including 19 countries and the European Union. The G20 meets once a year at the level of heads of state and government.

The best scoring G20 countries are Canada and Germany followed by Australia and the United Kingdom. Argentina, India and Brazil are the G20 countries with the least open markets according to the ranking.

Looking in greater detail at the components of the index, the following is found:

- **Observed openness to trade:** The G20 countries perform poorest on average on this component of the index. While this is partly due to the fact that these are large countries (and so the ratio of imports to GDP might be expected to be lower) it is still of considerable concern. Eight of the G20 countries record average trade openness and 11 score below average trade openness. The two lowest scoring countries for this component are Japan and Brazil.

- **Trade policy:** The G20 countries record an average score in trade policy of 3.8, the same as the 75-country sample. The individual country scores differ widely. Two countries, Canada and Japan record an excellent score in this component. The United States, EU member countries (which share a common trade policy) and Saudi Arabia record above average scores. Indonesia, South Africa, Mexico and Korea score average in trade policy, while Argentina and Brazil score very weak (1.8 and 1.7 respectively).

- **FDI openness:** The G20 scores average performance (3.1) on this component. Three countries are rated above average (Canada, UK, and Saudi Arabia) and seven countries with an average score. Nine countries are rated below average. The lowest score is found for China. This might be surprising in the case of China but can be partly explained by the exceptionally high level of domestic investment, which depresses the relative weight of FDI inflows. Another reason is the poor score obtained by China in the FDI welcome index, which can be explained by the administrative barriers which exist to establish a foreign branch outside the Special Economic Zones.

- **Trade-enabling infrastructure:** The G20 countries perform best on this component, recording an average openness score of 4.2, which is above the average scored for the 75-country sample. Five countries are rated as excellent in terms of infrastructure (Germany, United Kingdom, United States, Japan and France) while a further ten G20 countries are rated above average. Two countries score below average: India and Indonesia. Russia, which had scored very weak on this component in the OMI 2011, has almost doubled its score (now at 3.0) and is now considered to have average trade enabling infrastructure.

Highlights of the OMI 2013

A slightly improved global average

- The average of the aggregate scores of the 75 economies under review improved but only marginally from 3.5 in OMI 2011 to 3.6 in OMI 2013.
- Although the time series data used to construct the OMI are limited in their ability to make comparisons *over time*, the majority nonetheless indicates an increase in market openness between OMI 2011 and OMI 2013.
- On balance, there are positive signs in the direction of more openness from the trade policy indicators. In particular, tariff averages declined further as did the average share of tariff lines with peak tariff rates. Tariff binding levels increased, which also point to improvements in market access.
- However, some deterioration appears for the trade and FDI openness components. There is a decline in the average real import growth rate and a decline in the FDI inflows to GDP and GFCF ratios.

Major global players lag behind global averages

- G20 countries obtain an average score of 3.4 in OMI 2013, which represents a slight improvement over the score of 3.2 recorded in OMI 2011, but which remains slightly lower than the average of the 75-country sample.
- Only one G20 country, Canada, ranks among the top 20 countries.
- Canada, Germany, the United Kingdom and Australia are the only four G20 countries which record an *above average* openness (category 2)
- Four of the five "BRICS" countries (Brazil, the Russian Federation, India and China) record an aggregate score *below average*.

On the rise: Malta, Peru, Canada and Norway

- There are four countries which improve their aggregate score by at least 0.4 percentage points in this report compared to OMI 2011: Malta, Peru, Norway and Canada. These higher scores raise their rank between 17 (Malta) and 9 (Peru) positions. The main factor behind the better results is their relatively strong trade performance reflected in the trade openness component.

- Malta, Norway and Peru record stronger scores in all basic components. In the case of Canada, it is only the trade openness indicator which contributed to the improvement of Canada's aggregate score and ranking. The other three components record a lower score (and ranking) than in the previous report.

On a downward path: Kazakhstan, Nigeria, Kenya, Uganda and the Philippines

- Economies which record a decline in their aggregate score by at least 0.3 percentage points compared to the OMI 2011 include Kazakhstan, Nigeria, Kenya, Uganda and the Philippines. The largest decline in ranking was observed for Kazakhstan (35th to 55th) and Nigeria (56th to 66th).

- The sharply lower position of Kazakhstan is due to declining scores in all four basic components but particularly in the trade policy component. In the case of Nigeria the picture is more diverse as the score for trade openness increased but those of the other components, most importantly that of trade policy, decreased.

A roadmap for action and improvement

The evaluation of a country's performance across the four components of the OMI constitutes a tool for policymakers and national authorities to identify deficiencies that deserve greater attention and to monitor progress year-on-year.

To help governments take action and shape trade policies that contribute to economic growth and job creation, ICC has launched in partnership with Qatar Chamber of Commerce and Industry the **World Trade Agenda (WTA)**, an initiative aimed at mobilizing business on concrete trade and investment proposals. Through the World Trade Agenda, ICC seeks to inject fresh ideas and innovative solutions to overcome current obstacles in global trade negotiations and adapt multilateral rules to the new trading realities of the 21st century.

To the extent that the OMI 2013 indicates that one of the upward trends across the index is in the area of trade policy, recommendations identified through ICC's World Trade Agenda may provide effective ways to help countries to continue improving their scoring in trade policy, as well as raise performance in openness to trade and FDI components.

Short-term measures

- **Conclude a trade facilitation agreement**
  Trade facilitation is a series of measures whereby countries reduce red tape and simplify customs and other procedures for handling goods at borders. A WTO

agreement on trade facilitation is expected to deliver gains of at least US$ 130 billion annually, with most of the gains benefiting developing countries.[5]

- **Implement duty-free and quota-free market access for exports from least-developed countries**
  At the 6th WTO Ministerial in December 2005, developed countries agreed to provide duty-free and quota-free (DFQF) market access for at least 97% of exports from least-developed countries. Developed WTO members that have not already done so should implement DFQF commitments unilaterally as of now. Large developing countries should also consider providing DFQF to least-developed countries.
- **Expand trade in IT products and encourage the growth of e-commerce worldwide**
  Given the key role that information technology plays in driving global growth, WTO members should eliminate barriers to trade in information technology products and services by expanding product coverage under the WTO's Information Technology Agreement, and make permanent their informal "standstill" agreement to refrain from taking measures that would have a damaging effect on digital trade and business.

Longer-term measures

- **Liberalize trade in services**
  WTO members should make concrete progress on the liberalization of trade in services through alternative negotiating approaches, including plurilateral approaches and approaches focused on particular sectors, including the International Services Agreement. These approaches should be pragmatic, results-oriented, consensus-based, transparent, as inclusive as possible, and should lead to multilateral outcomes across all modes of supply.
- **Foster "greener" economic activity through trade**
  Governments should make concrete progress in lowering trade barriers for all goods, including environmental goods and services, building upon the APEC initiative to discuss at the WTO an agreement to eliminate barriers to trade in environmental goods and services. Governments should also encourage cooperative approaches and alternatives to unilaterally-imposed environmental rules that create barriers to trade.
- **Encourage moving towards a high-standard multilateral framework on investment**
  Over 3000 international investment agreements now exist. This complex network of treaties is too large and complex for investors to handle, yet it only protects two-thirds of global FDI and covers only one-fifth of possible bilateral investment relationships. To maintain a supportive business environment for investors, the World Trade Agenda encourages moving towards a high-standard multilateral framework for international investment.

[5]Gary Hufbauer and Jeffrey Schott, "Will the WTO Enjoy a Bright Future?", ICC Research Foundation commissioned report (Peterson Institute for International Economics: Washington DC, 2012) p. 6.

Summary and conclusions

Increasing trade flows will stimulate economic recovery, foster growth and spur job creation. Numerous international organizations (including the World Bank, the International Monetary Fund, the OECD and the WTO) have analyzed the positive impact that further trade liberalization measures would have on jobs and growth, while there are many other reputable studies that provide robust evidence of the benefits of trade liberalization over the past 60 years.

The 2nd edition of the ICC Open Markets Index measured the performance of 75 countries in terms of market openness based on four specific components: their observed openness to trade, their trade policy regime, their openness to foreign direct investment, and their trade enabling infrastructure.

The OMI 2013 reveals the following:

- The average of the aggregate scores of the 75 economies under review changed only marginally from 3.5 in OMI 2011 to 3.6 in OMI 2013. This confirms that, by and large, the international community has successfully resisted temptations to increase protectionism.

- Despite the past progress made, countries still have much to do to improve the openness of their economies. Many of the world's biggest economies (including the United States, Japan and France) obtain only *average scores*, while 21 out of the 37 developing countries reviewed in the index rated *below average*.

- The G20 is not demonstrating the global leadership it should provide. Although G20 Leaders have consistently emphasized the importance of open markets, the average of G20 country scores in OMI 2013 is in fact slightly below the average of the 75-country sample.

- Only one G20 country, Canada, ranks among the top 20 countries

- Canada, Germany, the United Kingdom and Australia are the only four G20 countries which record an *above average* openness (category 2)

- With the exception of South Africa, BRICS countries (Brazil, Russia, India, and China) all record *below average* on most indicators of openness. The potential is therefore huge for these large developing economies to strengthen their contribution to global growth through increased imports and FDI inflows.

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Annex 2: Detailed Weights Used

	Weight of basic component	Weight of indicator in basic component
I. Trade Openness	**35%**	*100.0*
I.1 Trade to GDP Ratio		33.3
I.2 Merchandise and services imports per capita		33.3
I.3 Real growth of merchandise imports		33.3
II. Trade policy regime	**35%**	*100.0*
II.1 Applied Tariffs		60.0
Agricult. prod. MFN		3.0
Non-agricult. prod. MFN		27.0
Total applied incl. pref. rates		30.0
II.2 Tariff profile		20.0
Binding coverage		6.7
Share of duty free tariff lines		6.7
Share of tariff peaks		6.7
II.3 Non-tariff barriers AD		10.0
Initiations of AD invest.		5.0
AD measures		5.0
II.4 Efficiency of border admin.		10.0
No. of documents for imports		3.3
No. of days		3.3
Costs ($)		3.3
III. Openness to FDI	**15%**	*100.0*
III.1 FDI		50.0
FDI inflows to GDP		16.7
FDI inward stock to GDP		16.7
FDI inflow as percent of GFCF		16.7
III.2 FDI Welcome Index		50.0
No. of procedures		16.7
No. of days		16.7
Ease of establishing business		16.7
IV. Infrastructure open for trade	**15%**	*100.0*
IV.1 Logistics Performance Index		60.0
IV.2 Communication Infrastructure		40.0
Fixed line and mobile subscriptions per capita		20.0
Internet access per 100 people		20.0
TOTAL	**100%**	

Annex 3: Country Scores

	TOTAL OMI 2013	I Trade Openness	II Trade Policy	III FDI Openness	IV Trade Enabling Infrastructure
Weight	**1.00**	**0.35**	**0.35**	**0.15**	**0.15**
Algeria	2.0	2.7	1.3	1.9	2.0
Argentina	2.5	3.0	1.8	2.2	3.5
Australia	4.1	3.1	4.9	4.1	4.8
Austria	4.3	4.0	4.7	3.4	5.2
Bangladesh	1.9	2.0	1.4	2.2	2.5
Belgium	4.8	4.6	4.6	5.3	5.2
Brazil	2.2	2.1	1.7	2.3	3.5
Bulgaria	4.1	3.4	4.6	5.3	3.8
Canada	4.2	3.2	5.0	4.2	4.9
Chile	3.9	3.3	4.2	4.7	3.7
China	2.8	3.1	2.6	2.0	3.8
Colombia	3.0	2.4	3.5	3.4	2.9
Cyprus	4.0	3.0	4.6	5.1	3.7
Czech Republic	4.2	4.2	4.6	3.7	3.8
Denmark	4.3	3.9	4.7	3.4	5.4
Egypt, Arab Rep.	2.9	2.6	2.6	3.9	3.0
Estonia	4.5	4.5	4.7	4.9	3.5
Ethiopia	1.8	2.6	1.2	1.9	1.2
Finland	4.2	3.7	4.7	3.4	5.5
France	3.8	2.6	4.7	3.5	5.0
Germany	4.2	3.6	4.7	3.0	5.4
Greece	3.2	2.1	4.6	2.6	3.2
Hong Kong SAR	5.5	5.2	5.7	5.7	5.8
Hungary	4.2	4.2	4.6	3.8	3.7
Iceland	4.5	3.9	4.7	5.3	4.5
India	2.5	2.9	2.0	2.5	2.8
Indonesia	3.0	2.6	3.9	2.2	2.8
Ireland	4.6	4.2	4.7	5.2	4.4
Israel	3.9	2.9	4.8	3.6	4.4
Italy	3.7	2.5	4.6	3.3	4.6
Japan	3.7	2.0	5.2	2.7	5.1
Jordan	3.0	2.8	2.7	5.0	2.5
Kazakhstan	2.9	3.2	1.9	4.4	2.9
Kenya	2.1	2.4	1.8	2.4	2.0
Korea, Rep. of	3.6	3.5	3.3	3.0	4.8
Latvia	3.9	3.5	4.6	3.7	3.2
Lithuania	4.0	3.8	4.6	3.5	3.6
Luxembourg	4.9	4.8	4.7	5.3	5.2
Malaysia	3.9	3.8	4.1	3.8	4.2

	TOTAL	I Trade Openness	II Trade Policy	III FDI Openness	IV Trade-Enabling Infrastructure
Weight	**1.00**	**0.35**	**0.35**	**0.15**	**0.15**
Malta	4.7	4.9	4.6	5.3	3.9
Mexico	3.0	2.2	3.5	3.2	3.1
Morocco	2.6	2.6	2.0	3.3	3.3
Netherlands, The	4.7	4.4	4.7	4.7	5.4
New Zealand	4.1	2.8	5.3	3.9	4.4
Nigeria	2.3	2.9	1.4	3.1	2.0
Norway	4.4	3.8	5.1	3.6	4.9
Pakistan	2.1	1.8	2.0	2.6	2.3
Peru	3.6	2.5	4.9	3.7	3.0
Philippines	2.8	1.9	4.1	1.8	3.0
Poland	3.8	3.0	4.6	3.6	4.2
Portugal	3.6	2.5	4.6	3.4	4.2
Romania	3.7	3.0	4.6	4.0	3.2
Russian Federation	2.8	3.0	2.3	3.5	3.0
Saudi Arabia	3.7	3.3	4.2	3.2	3.8
Singapore	5.5	5.2	5.8	5.7	5.5
Slovakia	4.4	4.8	4.6	3.8	3.6
Slovenia	4.2	4.4	4.6	3.3	4.0
South Africa	3.2	2.6	3.6	2.8	4.0
Spain	3.6	2.5	4.6	2.8	4.6
Sri Lanka	2.4	2.3	2.5	2.3	2.5
Sudan	1.8	2.5	1.2	2.4	1.3
Sweden	4.4	4.0	4.7	4.1	5.1
Switzerland	4.5	4.0	4.7	4.4	5.1
Chinese Taipei	4.0	3.8	4.4	3.0	4.8
Thailand	3.2	3.5	2.9	3.3	3.3
Tunisia	2.6	2.5	1.7	3.6	3.4
Turkey	3.4	2.9	3.7	3.4	3.9
Uganda	2.0	2.1	1.7	2.7	1.9
Ukraine	3.7	3.2	4.5	3.9	2.9
United Arab Emirates	4.6	5.3	4.3	3.3	4.8
United Kingdom	4.0	2.6	4.7	4.1	5.2
United States	3.7	2.2	4.7	3.4	5.1
Uruguay	2.7	2.5	2.4	3.0	3.4
Venezuela	2.0	2.5	1.6	1.4	2.4
Vietnam	3.5	4.2	3.0	3.5	3.2

The International Chamber of Commerce (ICC)

ICC is the world business organization, a representative body that speaks with authority on behalf of enterprises from all sectors in every part of the world.

The fundamental mission of ICC is to promote open international trade and investment and help business meet the challenges and opportunities of globalization. Its conviction that trade is a powerful force for peace and prosperity dates from the organization's origins early in the 20th century. The small group of far-sighted business leaders who founded ICC called themselves "the merchants of peace".

ICC has three main activities: rule setting, dispute resolution, and policy advocacy. Because its member companies and associations are themselves engaged in international business, ICC has unrivalled authority in making rules that govern the conduct of business across borders. Although these rules are voluntary, they are observed in countless thousands of transactions every day and have become part of the fabric of international trade.

ICC also provides essential services, foremost among them the ICC International Court of Arbitration, the world's leading arbitral institution. Another service is the World Chambers Federation, ICC's worldwide network of chambers of commerce, fostering interaction and exchange of chamber best practice. ICC also offers specialized training and seminars and is an industry-leading publisher of practical and educational reference tools for international business, banking and arbitration.

Business leaders and experts drawn from the ICC membership establish the business stance on broad issues of trade and investment policy as well as on relevant technical subjects. These include anti-corruption, banking, the digital economy, marketing ethics, environment and energy, competition policy and intellectual property, among others.

ICC works closely with the United Nations, the World Trade Organization and intergovernmental forums including the G20.

ICC was founded in 1919. Today its global network comprises over 6 million companies, chambers of commerce and business associations in more than 130 countries. National committees work with ICC members in their countries to address their concerns and convey to their governments the business views formulated by ICC.

For information on how to join ICC, visit the ICC website (iccwbo.org) or contact the ICC Membership Department in Paris.

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