

October 18, 2022

The President
The White House
Washington, DC 20500

Dear Mr. President:

We write to commend you on the Americas Partnership for Economic Prosperity (APEP) initiative you announced at the IX Summit of the Americas in Los Angeles.

With the changing balance of global geopolitical and economic relationships, your administration has an opportunity to strengthen its engagement and leadership in the Americas, where geographic, cultural, and economic ties with the United States make the countries of the region central to the wellbeing of our nation.

APEP offers a welcome mechanism for the United States to cultivate and renew our significant relationships throughout the Americas. We also see it as an opportunity for the private sector to work together with governments, multilateral institutions, and other stakeholders to promote a more inclusive and integrated economic vision for the Western Hemisphere based on practical measures to increase investment, trade, and good governance. Moreover, as China, Russia, and other global players seek to increase their presence and influence in our hemisphere, APEP has the potential to provide a meaningful and timely counterweight.

For almost 60 years, the Council of the Americas has served as the premier international business organization whose members share a common commitment to economic and social development, open markets, the rule of law, and democracy throughout the Western Hemisphere. Our membership consists of over 200 leading international companies representing a broad spectrum of sectors, including banking and finance, consumer products, agroindustry, healthcare, energy and mining, manufacturing, technology, and transportation. We stand ready to support APEP as a long-term hemispheric vision. To that end, we attach proposals that we believe can help ensure your initiative's success. We look forward to working with your team.

Thank you for your leadership to build a collaborative future with our hemispheric neighbors.

Sincerely,



Susan Segal
President & CEO



Eric Farnsworth
Vice President

**Americas Partnership for Economic Prosperity
Proposals for Initiatives**

The Council of the Americas and many of its members have participated in several forums that have proposed measure to strengthen trade and investment ties and promote sustainable growth in the Americas. Moreover, many of our partners in Latin America and the Caribbean – including Brazil, Costa Rica, the Dominican Republic, Ecuador, Panama, and Uruguay – are proving to be regional and even global leaders in some of the areas identified under APEP. It will be important to highlight their contributions and work closely with these and other countries to develop successful initiatives.

The recommendations below are not intended to be comprehensive or exclusive of measures proposed elsewhere but seek to highlight a select number of initiatives that, we believe, would make significant contributions to our shared objectives, in both the short and long term.

We have grouped these proposals under the five pillars proposed by President Biden, although several of them overlap. In our view, it is important for a broad range of U.S. departments and agencies to engage, including the Departments of State, Treasury, Commerce, and Health and Human Services, the International Development Finance Corporation (DFC), the Agency for International Development (USAID), and the U.S. Trade Representative (USTR). Crucially, the Council believes that the success of APEP requires ongoing, regular, and institutionalized consultations with the private sector and other relevant stakeholders as an integral part of the Partnership.

We recommend that APEP participants undertake the following:

Reinvigorating Regional Economic Institutions and Mobilizing Investment

- Launch an initiative to promote **private sector investment in sustainable infrastructure** that requires greater transparency around infrastructure projects, develops innovative public-private partnerships (PPPs), including in areas of innovative and sustainable financing, and is backed by multilateral development banks. Working together with the private sector, the initiative will be able to identify and help investors access a wide range of financial instruments that will ensure project bankability and transparency for more infrastructure projects. In support of this initiative, the United States should ensure that DFC prioritizes strategic infrastructure investments in Latin America and the Caribbean.
- Commit to a **Regional Framework for Sustainable Finance** that includes an agreed “green taxonomy,” transparency and reporting requirements, and regulations aligned with ESG values to unlock private sector capital, facilitate investment, and prevent greenwashing. The crafting and execution of this framework should be supported and facilitated by the central banks and other government financial institutions, and by regional multilateral

development banks including the World Bank, Inter-American Development Bank (IDB), Development Bank for Latin America (CAF), Central American Bank for Economic Integration (CABEI), and the Caribbean Development Bank (CDB), with input from private sector financial institutions and non-governmental stakeholders. It should be informed by and aligned with the UN's Sustainable Development Goals, the Green Bond Principles, the Social Bond Principles and the Sustainability Bond Guidelines.

Making More Resilient Supply Chains

- Adopt a **standing public-private mechanism on supply chain resilience**, led by trade ministries, and supported by the private sector and multilateral development banks, to examine current trade agreements in the region with the goal of creating the conditions necessary for regional governments to benefit from shifts in global supply chains and to develop comprehensive and diversified regional supply chains. This mechanism should highlight provisions in current agreements that might be extended to other regional members (for example, establishing a mechanism leading to USCMA accession for DR-CAFTA and potentially other free trade partner countries who are ready, willing, and appropriate to join). The mechanism should also identify priority sectors (e.g., healthcare) to determine regional synergies, identify barriers to enhancing regional production, and support pilot projects that will facilitate trade, strengthen supply chain resilience, and promote inclusive growth. Participating governments, including the United States, should **appoint a high-level official focused on supply chain resiliency** to identify opportunities and challenges that governments and companies face.

Updating the Basic Bargain

- Create a **ministerial level public-private digital economy forum**, building on the Regional Agenda for Digital Transformation approved at the IX Summit of the Americas, to spur the region's governments, private sector, multilateral institutions, and other stakeholders to work together to expand access to digital technology and participation in the digital economy. The forum should focus on how governments, with stakeholder support, can implement policies and practices to create a digitally integrated hemisphere, ensure a workforce educated and trained for the digital future, and attract investment in digital technologies.
- Agree to **participate in the Economy and Health Dialogue of the Americas (EHA) and Americas RISE for Health**. These initiatives, announced during the IX Summit of the Americas, will bring the region's private sector, civil society, and governments together to improve healthcare supply chains, enable digital health solutions to reach underserved populations, accelerate regulatory improvements, and reduce trade and investment barriers.

- Hold a **public-private dialogue to advance gender equity**, with the goal of exchanging best practices and solutions to address barriers to women's economic empowerment. The dialogue should include ways to promote financial inclusion, integration into national and international economic and trading systems, and increased training opportunities for women. Because women often experience higher health risks due to socio-economic inequalities and women's health challenges, including access to health care, can have a fundamental impact on a woman's educational and economic attainment, the dialogue should **include a focus on health and related barriers** to women's participation and integration into the workforce.

Creating Clean Energy Jobs and Advancing Decarbonization and Biodiversity

- Following COP27, commit to organizing a **Green Future of the Americas Summit**, bringing together the public sector, private sector, and civil society from across the hemisphere. The Summit should focus on leveraging the \$50 billion that regional development banks committed at the Summit of the Americas to help countries reduce emissions, expand renewable energy, and address the growing climate crisis. At the Summit, governments should consider new commitments, work toward strengthening and harmonizing regulations needed to encourage further innovation (e.g., enabling corporate renewable purchasing). Participants should use the Summit to discuss funding tools (e.g., The Leaf Coalition) and promote new partnerships among governments and non-governmental stakeholders.
- Based on USTR's Environmental Goods Agreement, explore a **Clean Technology Free Trade Agreement** among APEP participants to promote innovation, green jobs, and environmental protection. The agreement should include products that improve environmental quality (for example, air pollution control, energy efficiency, water and wastewater treatment, solid and hazardous waste treatment and environmental monitoring and analysis), renewable and clean energy technologies, and inputs critical to the clean energy transition (for example, lithium and copper).

Ensuring Sustainable and Inclusive Trade

- Commit to **accelerated and effective implementation of the WTO Trade Facilitation Agreement (TFA)**, which will enhance regional competitiveness and support inclusion of SMEs in global value chains by reducing time and cost for import and export. TFA implementation in the region has been uneven to date, with some countries still planning for final implementation by 2038. As part of such a commitment, the United States and multilateral banks should commit to increased funding for APEP partners that seek to build the capacities necessary to meet TFA commitments. The private sector is well positioned to partner with governments in these initiatives and has a proven track record of success working through the Global Alliance for Trade Facilitation and the eTrade Alliance. In

addition, APEP participants should look to unlock the benefits of global e-commerce, particularly those for SMEs, by simplifying the border clearance of low-value shipments.

- Advance **regional regulatory convergence and harmonization** by enlisting the support of multilateral development banks and the private sector to prioritize those regulations where harmonization will have the biggest impact for global competitiveness, increasing inclusion and equity, and attracting investment. Participating governments should also look to turn the political declaration on Good Regulatory Practices (GRP) signed at the Summit of the Americas into binding trade rules via APEP. As the declaration itself notes, GRP facilitate inclusive economic growth, trade, and investment and promote accountability and build confidence in democratic growth – all themes squarely within APEP’s stated focus.
- In coordination with multilateral development institutions and the Inter-American Institute for Cooperation on Agriculture (IICA), strengthen public-private collaboration to **advance sustainable agriculture and responsible sourcing** of raw materials through the exchange of best practices, scientific knowledge, and research that build on the UN’s Sustainable Development Goals.
- Building on commitments in the declaration from IX Summit of the Americas and in other forums (such as the 2017 OECD Recommendation on Public Integrity and the Anti-Bribery Convention, USMCA Chapter 27), establish **public-private working groups to share best practices, policies, and experiences in building a culture of integrity and fighting corruption** by strengthening institutions, increasing respect and support for the rule of law, and delivering financial transparency and inclusion. Expanding educational and capacity-building efforts in ways that further incorporate all facets of society will allow the Americas to compete and operate in global markets and attract greater investment. The effort should include the safe and ethical use of innovative technology (e.g., artificial intelligence).