

May I begin by thanking you all for attending, particularly those of you who have not previously been to a Bingham Centre event. I have five minutes to explain why we think this is an important initiative and how we hope to take it forward.

The Bingham Business Network is essentially about corporate risk and its management. We believe that the rule of law lies at the heart of a number of uncharted and intractable areas of risk for the modern international business.

Companies that seek to sell into, buy from or invest in new (or in many case existing territories) will face rule of law issues arising from contractual certainty, regulatory predictability or fairness of treatment. Level playing fields are a rule of law issue.

Companies that rely on supply chains in other territories are increasingly called upon to confirm that their own standards extend to those suppliers and the people who work in them. This confirmation can only confidently be given if basic rule of law principles in those territories underpins those standards. None of this is a purely legal issue. It is a straightforward business risk issue.

No-one can sensibly suggest that there is a straightforward, affordable or swift way of achieving a position where these risks can be overcome. There is no easy way of achieving regulatory predictability, fair and even handed enforcement of rules or supply chain integrity. But equally, no-one now accepts that the absence of an easy remedy is an acceptable excuse for the absence of a strategic response.

We see this in other areas of business risk. Climate change has seen a collaborative response under the banner of The Oil and Gas Climate Initiative of 2015 which demonstrated a new approach. One can easily imagine that areas of risk such as cyber-crime might also

require a collaborative approach. Where there is a systemic risk which is beyond the compass of individual companies, it used to be acceptable for those individual companies to say that they could not combat those risks on their own and must simply live with them. That is no longer an option. The only credible response now is for those companies to work collaboratively in long term responses which aim to address the risk over time.

The most glaring area of risk for the corporate world which requires this approach is risk arising from the absence of rule of law principles.

We hope, therefore, that the new Business Network will provide an opportunity for international companies to propose projects, reports and studies to the Bingham Centre with the aim of building rule of law understanding and capacity over time. The Bingham Centre will maintain an independent approach to these studies and will decide whether or not to pursue them.

We envisage that the early work which emanates from this initiative will consider matters such as the proportionality and consistency of regulatory penalties, the resolution of conflicts between national and international law affecting the approach of responsible business and human rights, training for bureaucrats in public decision taking and rule of law training for company boards and executives.

We accept that this will not produce a return on the bottom line this year or next. But the many CEOs and Chairs who have said that very thing in justification for not pursuing initiatives such as these must now be asked: 'If you do not have support for the Bingham Centre in the mitigation column of your risk register against these fundamental risks, what do you have?' The column in the risk register for mitigation cannot be left blank. In many instances it currently is.

We are delighted with our seven founding members of the Network. We could not have hope for a better blue chip list. We hope to add more members in the near future and would like to hear from anyone with any interest in joining or an appetite to learn more. We hope that business commentators will ask multinational corporations what actions they are taking in these fundamental areas of business risk. Finally, we hope that this initiative will herald a new approach from the boardroom through a longer term, collaborative building of rule of law capacity to support international trade and business.