Business at OECD | Business and Industry Advisory Committee to the OECD

2025 Economic Policy Survey

Autumn Edition

Survey
December 2025

Contents

Key Findings and Policy Messages

In our *Autumn 2025 Economic Policy Survey* of leading national business and employer organisations in OECD countries, *Business at OECD* (BIAC) finds that business sentiment remains generally cautious and subdued, driven by low economic growth, geopolitical and trade uncertainties, and persistent inflation expectations.

Key findings include:

- The prevailing view is that the current low economic growth environment continues to present challenges for businesses, with 57.3% of our members currently experiencing some level of economic stagnation in their country, and 16.4% experiencing a moderate economic contraction. While there is some optimism about a potential rise in business investment, especially in AI, cloud, and software, this does not outweigh the overall concern that growth rates will not noticeably increase next year.

- Geopolitical uncertainty (85%), high energy prices and supply insecurity (81.6%), investment and/or trade barriers (74.4%) and labour market tightness (78.5%) are highlighted as top constraints for business activity. As trade policy restrictions continue to evolve, their impacts on economic activity are still expected to be significant. Businesses also point to a continuing concern that inflation could be more persistent or increase in the coming year.

- Against this background, structural reforms are needed to stimulate growth and investment. Targeted measures are needed to address high energy prices and persistent labour market shortages and skills mismatches. However, a lack of political will or leadership continues to undermine OECD countries' commit-ment and progress to reforming for growth.

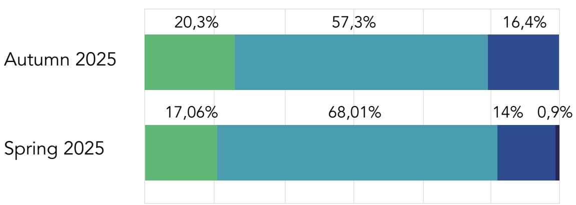
- The OECD's leadership is needed now more than ever to foster a competitive and open international market for businesses to thrive in a rapidly changing global landscape. Our members underline the need for enhanced global collaboration on trade (76.1%), education and skills development (58.5%) as well as infrastructure investment and connectivity (51.4%). These are priority areas for international coopera-tion at OECD level.

In this context, *Business at OECD* looks to the OECD to help shape policy reforms aimed at boosting growth, productivity, and long-term economic stability which offer businesses opportunities to thrive in a more predictable, efficient and dynamic economic environment.

Section I: Overall Economic Situation

In our latest survey, persistent low economic growth and uncertainty linked to geopolitical and trade tensions continues to impact the business sentiment in OECD economies. Our members express concerns that the slowdown in global economic growth will contribute to a prolonged period of economic stagnation in the coming year. There is some optimism, however, that business investment may increase in the coming year, most importantly due to private sector investment in AI, cloud and software. Caution remains high given persistent inflation rates, which the majority of our members expect will either increase or stay the same in 2026.

Figure 1: Snapshot view of the current business climate, spring and autumn surveys



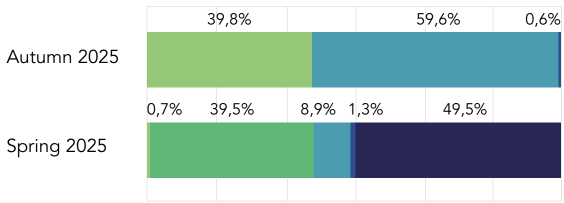
Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

Highlights

- Our latest survey shows that there has been little change in the business environment in OECD countries. A small percentage (20.3%) of our members view the current environment as "good", suggesting some optimism despite broader stagnation concerns.
- The majority (57.3%) of our members are currently experiencing some level of economic stagnation in their country, and 16.4% are already experiencing a moderate economic contraction.

There is a more convergence in businesses' expectations for growth, with the majority of OECD economies expected to enter a period of prolonged economic stagnation in 2026.

Figure 2: Business expectations for growth, spring vs. autumn 2025 surveys



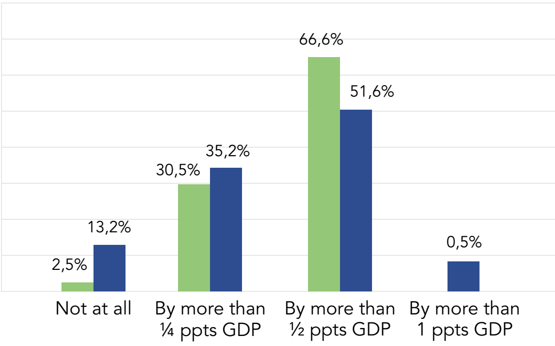
Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

Highlights

- The majority of our members (59.6%) now anticipate a prolonged period of economic stagnation in the coming year, as compared to 8.9% earlier this spring.
- However, there are no longer expectations of a strong economic contraction which 49.5% of our members anticipated earlier this year.

Businesses across OECD countries remain concerned that trade policy changes will have far-reaching consequences for global economic activity and growth in 2026, while both directly and indirectly raising the costs for doing business.

Figure 3: Expected impact of trade barriers on economic activity in 2026, spring vs. autumn 2025 surveys



Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

Spring 2025
Autumn 2025

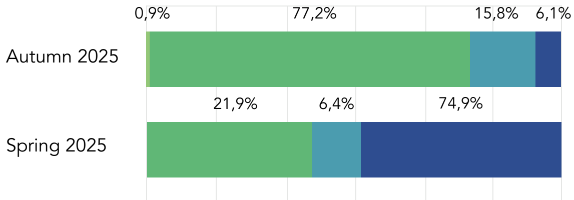
Highlights

- The majority of our members (51.6%) remain concerned that trade policy will have a significant impact on economic activity in their country in the coming year, anticipating that economic activity will decrease by more than ½ percentage points of GDP.

- A minority (13.2%) now expect that trade policy measures will have limited or no impact on economic activity.

There is some optimism that business investment will rise over the next year, driven mainly by private-sector spending on AI, cloud services, and software.

Figure 4: Business investment expectations, spring vs. autumn 2025 surveys



Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

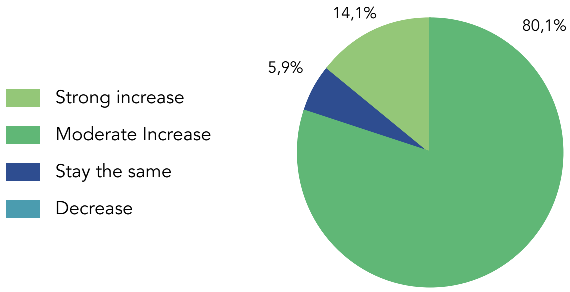
Strong increase
Moderate Increase
Unchanged
Moderate decrease
Strong decrease

Highlights

- A majority (77.2%) of members expect there will be a moderate increase in business investment next year. This is a significant improvement as compared to our survey conducted in the spring, where the majority (74.9%) expected a moderate decrease in business investment this year.

- However, 15.8% of our members remain cautious and expect that business investment levels may not change in the next 12 months.

Figure 5: Expectations for business investment in AI, cloud and software infrastructure, autumn 2025 surveys



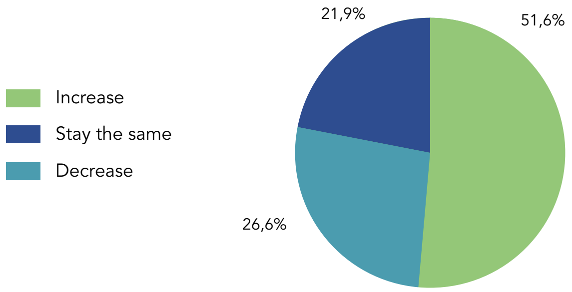
Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

Highlights

- The majority (80.1%) of our members expect private-sector investment in artificial intelligence and specifically in cloud, computing and software infra-structure to increase in their country in the coming year, and 14.4% believe investments will significantly increase.

Businesses remain concerned however that inflation could be more persistent or increase in the coming year, potentially reversing the relative decline experienced across OECD countries in 2024.

Figure 6: Expected inflation levels in 2026 as compared to 2025



Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

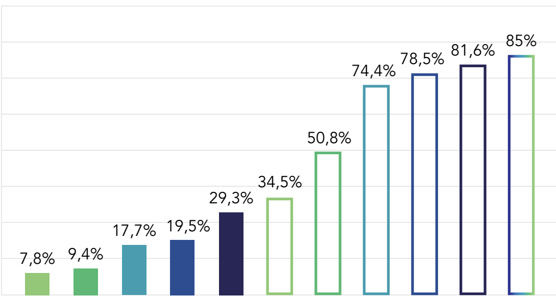
Highlights

- The majority of our members (51.6%) expect inflation levels may increase in the coming year.
- The other half of our members expect that inflation levels will either decline (26.6%) or stay the same (21.9%) in 2026.

Section II: Main Challenges and Areas for Growth

Heightened geopolitical tensions continue to impose constraints on business activity, particularly as escalating global conflicts could further threaten the security of energy supplies and supply chains. In this context, our members remain concerned about the structural conditions affecting business competitiveness across OECD countries. Financing costs — including lending rates and access to credit — remain elevated, and ongoing skills mismatches are constraining labour markets. When asked about the most effective levers for strengthening growth, our members consistently highlight the need for more affordable energy, greater trade liberalisation, and a return to sound fiscal policies, alongside measures to boost labour market participation, drive innovation, and simplify regulatory frameworks.

Figure 7: Most significant constraints on business activity at present, autumn 2025 survey



Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

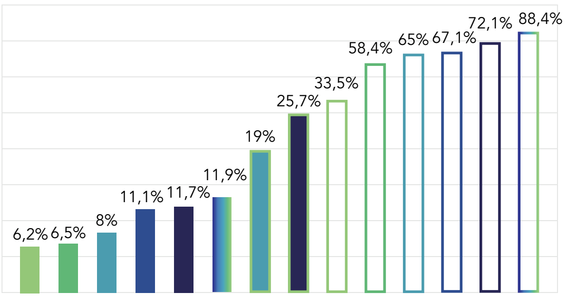
- Weak governance systems and rule of law
- Poor quality of infrastructure
- Tax system structure and/or inefficiencies
- Global supply chain disruptions
- High taxation rates
- Regulatory and administrative burdens
- Financing costs
- Investment and/or trade barriers
- Labour market tightness and/or skills mismatches
- High energy prices and supply insecurity
- Geopolitical uncertainty

Highlights

- Geopolitical uncertainty, trade and investment barriers continue to constrain business activity by increasing costs, reducing market access and limiting opportunities for expansion.
- High energy prices and supply insecurity are also a major constraint, closely followed by labour market tightness and skills shortages, both of which increase costs for businesses.
- Financing costs, including lending rates and access to credit, are similarly ranked as significant concerns for businesses, reflecting the challenges of securing affordable capital in an uncertain economic environment.

Boosting economic growth and productivity is crucial for both short-term growth prospects and ensuring a competitive environment for businesses in a rapidly changing global economy. Our members have identified several key conditions that can foster stronger economic growth and productivity in OECD countries, in addition to fostering a return to open international markets and trade.

Figure 8: Key levers for economic growth, autumn 2025 survey



Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

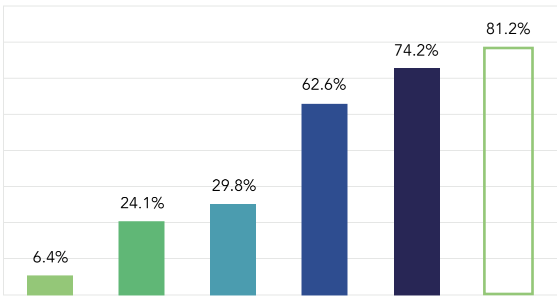
- Governance, transparency and rule of law
- Regional integration and infrastructure connectivity
- Education and skills development
- Public sector efficiency
- Monetary policy and access to finance
- Housing policy
- Efficiency of general taxation/tax structure
- Streamlined regulatory frameworks
- Innovation ecosystems and R&D support
- Fiscal policy
- Labour market participation and inclusion
- Trade and investment frameworks
- Trade liberalisation
- Access to affordable energy

Highlights

- Access to affordable energy (88.4%) was identified as the most crucial lever for economic growth, emphasizing the central role of reliable and cost-effective energy in supporting business productivity and competitiveness.
- Trade liberalization (72.1%) ranked second, highlighting the importance of open trade policies and global market integration for driving economic expansion.
- Labour market participation and inclusion (65%) also ranked highly, reflecting the need for more targeted measures to support workforce participation and sustain long-term growth.

An important priority for businesses across the OECD is for structural reforms to foster a more competitive business environment. Meanwhile, our members have the impression that the pace of policy reforms has significantly slowed in OECD countries, which is attributed to a lack of political will or leadership and an overarching, comprehensive structural reform agenda in many OECD countries. Our members also underline the need for international regulatory co-operation to prevent a fragmented regulatory landscape where reforms may overlap, conflict, or lack coordination, ultimately undermining their impact.

Figure 9: Potential obstacles to pro-growth reforms, autumn 2025 survey



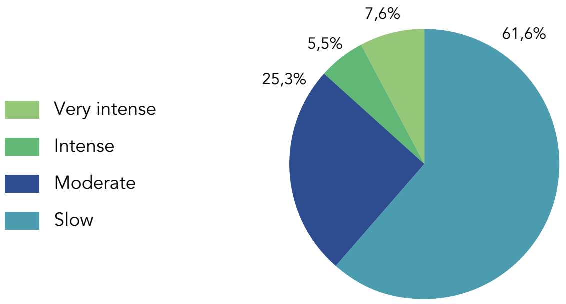
Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

- Poor sequencing of reforms
- Poor consultation with key stakeholders
- Poor implementation of reforms
- Lack of international coordination
- Lack of political will or leadership
- Lack of structural reform agenda

Highlights

- The lack of a structural reform agenda is perceived as the most significant obstacle to implementing successful pro-growth reforms, indicating that the absence of a clear, consistent reform plan hinders economic progress.
- The lack of political will or leadership is considered another major barrier, highlighting the importance of strong governance and commitment to implementing reforms.
- The lack of international coordination also poses a substantial challenge, suggesting that limited global co-operation can undermine national reform efforts.

Figure 10: Intensity of policy reforms, autumn 2025 survey

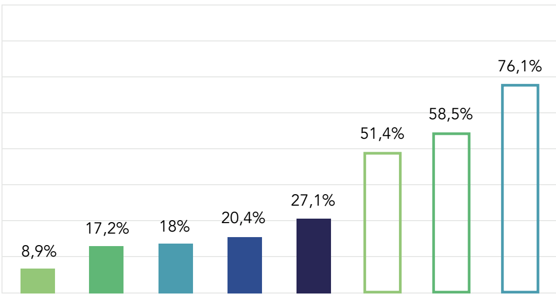


Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

Section III: Key Areas for OECD Action

Our latest survey reaffirms the vital role of the OECD as a trusted global actor to promote evidence-based policy analysis and recommendations. In its international cooperation with partner economies, regions, international organisations and global fora, our members call on the OECD to prioritise efforts to safeguard open international markets and advance global education and labour policy discussions on skills development, as well as alignment on infrastructure investment and digital policies.

Figure 11: Priority areas for international co-operation at OECD level, autumn 2025 survey



Source: *Business at OECD* (BIAC) Member Federations (adapted to the GDP weighted average)

- Fiscal policy
- Innovation policy
- Tax system reform
- Structural reforms supporting productivity
- Digital policy governance (including AI & data governance)
- Infrastructure investment and connectivity
- Education and skills development for the future of work
- International trade

Highlights

- International trade is perceived as a top priority for our members, with 76.1% identifying it as a crucial area for global collaboration, underscoring the importance of facilitating cross-border trade and economic integration.

- Education and skills development ranks second at 58.5%, highlighting the need for the OECD to advance international co-operation to adapt to rapid technological advancements and evolving job markets by enhancing education systems and workforce capabilities globally.

- Infrastructure investment and connectivity is another high-priority area (51.4%), reflecting the global need for improved physical and digital infrastructure to support economic growth, innovation, and sustainability across countries.

Methodological Note

Timeline

Our survey was launched in October 2025 and concluded in November. This synthesis report was prepared in November 2025. Given the rapid evolution of the economic and geopolitical developments, it cannot be excluded that the different timings of member responses influence aggregate results.

Respondents

29 national business and employer organisations, representing 93.5% of all OECD countries' GDP, participated in the survey on a voluntary basis. Only one response per organisation, and per country, was accepted. Each participating business and employer organisation represents thousands of companies across several economic sectors in their respective countries.

In responding to the survey, it was expected that the individual respondents (typically chief economist or senior leadership) would aim for well-balanced and representative responses based on the economic situation in their country.

Confidentiality

In order to encourage respondents to freely put forth their respective views and priorities, it was decided to fully ensure the confidentiality of their responses by only communicating aggregate results (through weighted averages). For the purposes of this synthesis report, the names of participating organisations and their responses have been anonymised.

Survey Structure

The survey was structured into three main parts:

I. Overall economic situation
II. Areas for growth and reform
III. Areas for OECD action

Contact

If you would be interested in further information, please contact *Business at OECD* (BIAC)'s Policy Manager, Emma Brierley (brierley@biac.org).

Business at OECD (BIAC) National Members

Australia	**Australian Chamber of Commerce and Industry (ACCI)**
Austria	**Federation of Austrian Industries (IV)**
Belgium	**Federation of Belgian Enterprises (VBO FEB)**
Canada	**Canadian Chamber of Commerce**
Chile	**Confederation of Production and Commerce of Chile (CPC)**
Colombia	**National Business Association of Colombia (ANDI)**
Costa Rica	**Union of Chambers and Associations of the Private Business Sector (UCCAEP)**
Costa Rica	**Chamber of Industries of Costa Rica (CICR)**
Czech Republic	**Confederation of Industry of the Czech Republic (SP)**
Denmark	**Danish Employers' Confederation (DA)**
Denmark	**Confederation of Danish Industry (DI)**
Estonia	**Estonian Employers' Confederation**
Finland	**Confederation of Finnish Industries (EK)**
France	**Movement of the Enterprises of France (MEDEF)**
Germany	**Confederation of German Employers' Associations (BDA)**
Germany	**Federation of German Industries (BDI)**
Greece	**Hellenic Federation of Enterprises (SEV)**
Hungary	**Confederation of Hungarian Employers and Industrialists (MGYOSZ)**
Hungary	**National Association of Entrepreneurs and Employers (VOSZ)**
Iceland	**Confederation of Icelandic Enterprise (SA)**
Ireland	**Ibec (Irish Business and Employers Confederation)**
Israel	**Manufacturers' Association of Israel (MAI)**
Italy	**The Association of Italian Joint Stock Companies (Assonime)**
Italy	**General Confederation of Italian Industry (Confindustria)**
Italy	**Italian Banking Insurance and Finance Federation (FeBAF)**
Japan	**Keidanren (Japan Business Federation)**
South Korea	**Federation of Korean Industries (FKI)**
Latvia	**Employers' Confederation of Latvia (LDDK)**
Lithuania	**Lithuanian Confederation of Industrialists (LPK)**
Luxembourg	**FEDIL - The Voice of Luxembourg's Industry**
Mexico	**Employers Confederation of the Mexican Republic (COPARMEX)**
Netherlands	**Confederation of Netherlands Industry and Employers (VNO-NCW)**
New Zealand	**BusinessNZ**
Norway	**Confederation of Norwegian Enterprise (NHO)**
Portugal	**Confederation of Portuguese Business (CIP)**
Poland	**Polish Confederation Lewiatan**
Slovakia	**National Union of Employers (NUE)**
Slovenia	**Association of Employers of Slovenia (ZDS)**
Spain	**Confederation of Employers and Industries of Spain (CEOE)**
Sweden	**Confederation of Swedish Enterprise**
Switzerland	**economiesuisse - Swiss Business Federation**
Switzerland	**Swiss Employers Confederation**
Türkiye	**Turkish Confederation of Employer Associations (TISK)**
Türkiye	**Union of Chambers and Commodity Exchanges of Türkiye (TOBB)**
Türkiye	**Turkish Industry and Business Association (TÜSIAD)**
United Kingdom	**Confederation of British Industry (CBI)**
United States	**United States Council for International Business (USCIB)**

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Established in 1962, *Business at OECD* (BIAC) is the officially recognised institutional business voice at the OECD. We stand for policies that enable businesses of all sizes to contribute to economic growth, sustainable development, and societal prosperity. Through *Business at OECD*, national business and employers' federations representing over 10 million companies provide perspectives to cutting-edge OECD policy debates that shape market-based economies and impact global governance. Our expertise is enriched by the contributions of a wide range of international sector organisations.

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