



BUSINESSatOECD

Delivering Prosperity Through Economic Cooperation

What Business Needs from the OECD in 2025

Business at OECD (BIAC) Position Paper
Annual Consultation with OECD Leadership and Ambassadors

17 February 2025

Contents

Introduction	4
Raising Business Competitiveness	5
Shaping Future Industries	7
Fostering Open, Fair, Competitive Markets	9
Keeping Business Connected Globally.....	12
Conclusion	13
<i>Business at OECD (BIAC) National Members</i>	14

About *Business at OECD* (BIAC)

Established in 1962, *Business at OECD* (BIAC) is the officially recognized 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 organizations.

Introduction

In 2024, the world has seen a record number of voters head to the polls: At least 60 countries held national elections, in addition to the EU. Following several years of instabilities, insecurities and high inflation across the world, people demand renewed emphasis on predictability and prosperity.

Prosperity thrives and businesses perform best in conditions of certainty and stability. Yet, as business leaders enter 2025, they are confronted with an increasingly polarized, unpredictable global scenario: Geopolitical frictions are on the rise across regions and unilateral actions risk fragmenting the ties between countries. As complex disruptions unsettle many markets, a simple principle is reaffirmed: **Across borders, business relies on a predictable, rules-based international order.**

For decades, the OECD has provided unique value to its likeminded market-based democracies, promoting evidence and principles to foster private sector-led growth, employment, and open markets. However, as globalization is contested, the joint way forward on key issues – including on tax, tariffs, trade and a sustainable transition – is regrettably unclear. Going forward, there is a **vital need for the OECD to unite its members around a common agenda.**

Business at OECD (BIAC) – representing the leading business federations in OECD countries and beyond – stands together in support of the Organization. Our institutional relationship is one of the OECD's unique assets. As a vital and active stakeholder, **we offer our advice to reflect, review and articulate the OECD's value proposition.**

We provide continuity in our recommendations: **The OECD must put economic competitiveness at the center of its deliberations**, and work together with business to reduce uncertainty, volatility and constraints that may undermine the shallow global recovery. The recent *Business at OECD* Economic Policy Survey highlights **significant, persistent business constraints**:

- **Labor market tightness:** Employers in many sectors struggle to fill vacancies. New job profiles and skills mismatches particularly challenge aging societies.

- **Trade and investment barriers:** We must not take for granted the stability that the rules-based system delivers and recommit to necessary reforms.
- **Energy prices and volatility:** Affordable, reliable energy must be secured in the climate transition, as geopolitical risks continue to threaten energy supplies.
- **Elevated domestic tax levels:** Tax burden and complexity must be addressed to stimulate economic growth. Spending efficiency is needed to counter high public debt.
- **Regulatory burden:** Excessive red-tape and reporting stifles private initiative. Focus should be on regulatory quality and coherence, not quantity and complexity.

Business also underlines the importance of **access to finance** and the **lack of incentives to invest in research and development.**

Focusing on competitiveness also requires promoting a level playing field. Several sectors have been disrupted by excessive government support for years. Geopolitical power competition is impacting advanced technologies and industrial policy, and economic security is increasingly becoming synonymous with national security. OECD members must more effectively collaborate on these issues – in consultation with the private sector.

From emerging technologies to health system resilience and environmental stewardship: Business remains an important solutions provider to address the world's greatest challenges. **Innovation is our most powerful asset, and coherent, interoperable, enabling frameworks should support technological development, deployment and diffusion.** In particular, these need to facilitate trusted digitalization, data flows, and the effective use of Artificial Intelligence (AI). To progress on environmental sustainability, OECD guidance should focus on policies that are efficient, effective, and evidence-based, not ideologically driven.

As we meet with OECD Ambassadors and Leadership at our Annual Consultation in February 2025, this paper further highlights *Business at OECD's* key recommendations for the OECD agenda across **three priority themes.**

Raising Business Competitiveness

In 2025, the primary priority for the OECD must be to reinforce the competitiveness of our market-based economies. Making up for years of rising barriers, bureaucracy and burden on business, we need cross-cutting structural reforms to get our economies back in shape. The OECD is uniquely placed to compare national policy results, suggest policy complementarities, and encourage governments to adjust where needed. As competitiveness remains high on the political agenda, the OECD must step up its work and be a visible leader in this field. We look forward to contributing to new OECD work on competitiveness and underline the need for a comprehensive, cross-cutting OECD strategy.

Catalyzing Economic Reforms

The OECD has provided **valuable economic analysis and advice** on monetary and fiscal policies in response to various shocks impacting the global economy over recent years. With progress on reducing high inflation, authorities must now transition from fiscal buffering to stabilization, and from monetary tightening to a more neutral stance.

With many new governments taking office, adjusting policy priorities amid shifting global dynamics presents significant challenges. Policy decisions should not jeopardize the fragile recovery, making it essential to focus on **fostering sustainable economic growth**. The emphasis should now shift from merely stabilizing inflation to enabling a transformative economic agenda – accelerating structural reforms, while building resilience against future shocks, and addressing risks from non-democratic societies.

Business at OECD welcomes the OECD's pivot toward a modernized **Structural Reform Outlook**. Productivity has been stagnating across many OECD economies for years, and this means that private sector growth, living standards, and societal prosperity are effectively constrained. While the Structural Reform Outlook is set for 2026, we underline that there remains a sense of urgency. More than ever, the OECD must encourage governments to advance the reform agenda.

Still, there remains the need for a much more comprehensive and collaborative approach across the OECD's Directorates. In our latest economic survey, there was not one single OECD country where our members rated the business climate as "very good." Significant constraints for business persist in various policy domains.

Addressing Labor Market Challenges

The list of constraints is topped by tight labor markets. The pervasiveness of this issue was also highlighted by the latest **OECD Economic Outlook**, and we welcome the OECD's call for decisive policy action in this area. The OECD should continue to provide governments with comprehensive recommendations to foster inclusive and flexible labor markets and ensure that businesses have access to skilled labor. Lasting labor shortages reinforce the need to mobilize all parts of society- including youth, women and the elderly - and reduce inactivity levels, especially in light of demographic change and the digital transformation.

To address the "double skills gap", education must better align with labor market demands, including for digital skills. We support OECD initiatives promoting early orientation, work-based learning, skills development and matching systems. The **International Vocational Education and Training (VET) Assessment project** should help raise the attractiveness of VET, which is important to equip workers with job-specific skills. The OECD should particularly foster STEM skills, promote a "skills-first" hiring approach, recognizing non-traditional skills and diverse career pathways.

Vocational training must build on a strong foundation of basic skills, which necessitates a reform of general education to better meet the needs of new generations. This issue is clearly reflected in the declining **results of the PISA test** in many countries. Strengthening basic education will ensure that vocational training can be more effective and impactful.

Regular labor migration is an important pillar of an integrated strategy to secure the supply of skilled workers. To this end, we look forward to contributing to discussions at the proposed OECD **Ministerial on Migration and Integration**, as governments can gain a lot from peer learning and exchanges. At the same time, we underline that employers are the best source of knowledge on needed skills and have a key role in ensuring the successful integration of migrants into labor markets. *Business at OECD* stands ready to work with governments on

appropriate legal migration pathways to address specific labor market needs.

Up- and reskilling is key to boosting productivity through technology adoption. As underlined by the 2024 **OECD Global Forum on Productivity**, the rapid emergence of digital technologies and AI is promising for enhanced productivity and living standards, but their uptake has not yet been wide enough to deliver against their full potential.

Strengthening Regulatory and Infrastructure Frameworks

Fostering international regulatory coherence and addressing regulatory burden must remain central to the OECD's work. In particular for SMEs, the 'digital divide' is a significant concern. Digitalization is also pivotal to advancing regulatory streamlining. In this regard, we strongly support the **OECD Digital for SMEs** Global Initiative to address challenges of smaller businesses, such as limited resources, scalability challenges, or access barriers to advanced technologies including AI, and infrastructures in a more focused manner.

Infrastructure development benefits businesses of all sizes, yet many OECD countries face underinvestment in aging systems. The OECD must act now to scale up infrastructure efforts, with private finance playing a crucial role. Governments should create stable frameworks for public-private partnerships and innovative financing. Through the **OECD Infrastructure Forum**, *Business at OECD* is ready to offer best practices and policy advice to ensure impactful solutions and drive private investment.

We note that the OECD has proposed to revise its **Principles for Private Sector Participation in Infrastructure**. Given growing pressure on government budgets, it is strategic for the OECD to provide guidance on best regulatory practices and foster public-private collaboration for infrastructure investment projects, including transport, water and energy supply, as well as telecommunications and IT. We also support discussions on how to leverage AI to transform public governance and improve government services

Excessive regulation hampers financing investments, infrastructure development and burdens businesses. We will contribute to the forthcoming **OECD Regulatory Policy Outlook**, which highlights efforts to improve regulatory quality across OECD countries. Businesses face challenges from uneven regulatory enforcement, compliance, and complexity. With

renewed attention on regulatory simplification, we urge the OECD to lead debates on improving regulatory governance, implementation, and simplification and underline the importance of adequate support for this program.

Fostering international regulatory coherence must remain central to the OECD's work. For example, our new *Business at OECD* campaign on **Regulatory Divergence in Global ESG Reporting** will raise awareness of the costs of regulatory fragmentation. We look forward to constructive dialogue with the OECD on this critical issue in 2025.

Following the adoption of the revised **OECD Guidelines for Multinational Enterprises on Responsible Business Conduct**, we will continue advocating for greater policy coherence in this area and ensuring that OECD initiatives are aligned with business realities and are practically applicable. At the same time, we underline the importance of ensuring that due diligence guidance is practical and avoids the risk of overwhelming companies with excessive due diligence guidance and requirements.

Securing Affordable, Reliable Energy

Business at OECD actively contributes to OECD discussions on **Guidance for Credible Coal Policies by Financial Institutions**. Business is committed to address the global challenge of climate change, while securing reliable, affordable energy. In this regard, we underline that any such guidance should engage all major coal countries, enable and not prevent abatement technologies, consider the readiness of alternative sources and infrastructures, and avoid additional critical dependencies. Consensus among all OECD members is critical before considering finalization of the guidance.

The recent energy crisis has been a game changer: Geopolitical, policy and regulatory uncertainties are high, and prices often remain elevated. Deindustrialization is no longer just a risk, but a serious reality in several OECD countries, and various energy pathways reflecting each country's circumstances have to be considered. Much more decisive action needs to be taken by the OECD to ensure that realistic, updated, practical **scenarios for the energy transition** form a solid basis for the OECD's recommendations. We recommend closer collaboration with the IEA across relevant workstreams.

OECD's advice on **Pricing Greenhouse Gas Emissions** suggests "Gearing Up to Bring Emissions Down". Since carbon pricing and

related policies harbor risks as well as opportunities, a comprehensive understanding of the effects of carbon prices on our economies and societies must be carried out before considering any steps considering the right economic conditions.

The OECD's recently proposed update of the **Polluter Pays Principle (PPP)** will be an important priority for the business community going forward. While selected adjustments to the PPP may be timely and necessary, we strongly encourage the OECD to progress in detailed and full consultation with *Business at OECD* at every step of the update.

Reducing the Fiscal Burden

In many OECD countries, public debt is at excessive levels, which presents systemic risks and requires focused attention by respective governments. However, **governments must focus on spending efficiency, not fiscal policies that further weigh down private sector-led growth.** OECD work should ensure that tax policies and systems promote growth, with nondiscriminatory and reasonable rates.

The **complexity of certain tax systems** hampers efficient administration and compliance with transparency standards. OECD should also ensure that simplicity in design, implementation, and compliance is a priority in developing and promulgating tax policy and related rules.

Shaping Future Industries

Innovative progress is the only way to address many of our societies' greatest challenges. While the private sector is at the heart of global innovation ecosystems - driving productivity, improving living standards, and reshaping markets - governments should foster favorable conditions for catalyzing our potential. Yet, governments often see themselves in an industrial policy race to dominate sectors defined as critical. As the champion of market economies, the OECD should more assertively highlight the risks from overreliance on government-driven strategies. An enabling, market-based foundation is the essence of gaining a competitive edge in emerging industries.

Reinforcing Innovation Principles

Above all, entrepreneurship and private initiative drive innovation, expand economic opportunities, and shape the industries of the future. To **foster innovative ecosystems**, the OECD must prioritize policies that reduce barriers to market entry, remove unnecessary cumulative regulatory burdens, foster competition, and encourage risk-taking. By advancing frameworks that support access to finance, streamline regulations, and reward creativity, the OECD can empower the next generation of innovators.

The success of innovative ecosystems depends on high intellectual property (IP) standards, non-discriminatory implementation, and respect for fair value for returns. As businesses remain seriously concerned about the **erosion of IP protections**, the OECD should initiate new work on the economic effects of weak IP rights enforcement, with a view to strengthening a pro-innovation and competitive environment.

Accessible financing is critical to turning bold ideas into transformative industries that drive economic growth and resilience. This requires promoting well-functioning capital markets, advancing sustainable finance practices, and facilitating cross-border investment flows. In support of the G20 Rio de Janeiro Leaders' Declaration, it is important "to accelerate the reform of the international financial architecture so that it can meet the urgent challenge of sustainable development, climate change and efforts to eradicate poverty". By fostering public-

private partnerships, also via country financing platforms, and encouraging investment in research and development, the OECD should help bridge funding gaps and enable the scaling of breakthrough technologies.

The OECD should therefore urgently reinforce **technology neutrality** as a guiding principle for policy making. The OECD and governments must avoid favoring specific technologies, and instead enable market forces to identify the most efficient and innovative solutions, paying critical attention to data quality and data ethics. Governments are often tempted to "pick winners," but such interventions can hinder the discovery of better alternatives and lock in technologies that are not optimal for long-term growth and innovation.

Advancing OECD Standards

A principled approach is essential as the OECD undertakes the revision of several long-established guidelines, which may remain in effect for decades and impact various sectors. As the Organization will be working towards a new, consolidated **OECD Recommendation on Sustainable Transport**. *Business at OECD* is actively engaging to mainstream technology-neutrality and promote best practice policies that enable business innovation.

Relatedly, as OECD work on a **Recommendation on the Clean Energy Transition** will continue in 2025, a holistic standard should effectively accelerate the roll out of sustainable energy projects, promote diverse energy infrastructures and technologies, and foster energy efficiency. Therefore, we will actively engage to ensure the outcome is realistic, balanced, technology-neutral, and supportive of business innovation.

The private sector is prepared to strengthen its collaboration with the OECD and governments in implementing the **Framework for Anticipatory Governance of Emerging Technologies**, including sharing knowledge about strategic intelligence tools and methods to assess emerging technologies and facilitate anticipatory governance efforts. However, such collaboration must ensure that policies and frameworks do not stifle innovation or impose overly cautious restrictions that delay technological progress.

Business at OECD focuses on improving the effective articulation and implementation of the **OECD AI Principles** and supports efforts to develop implementation guidance through multi-stakeholder dialogue. Businesses need

policymakers across the world to adopt coherent policy approaches to the governance of AI, and we encourage the OECD to coordinate its expertise across Committees on issues such as education, employment, health, anticorruption, responsible business conduct, and taxation. We further underline that there is a significant gap in the development and use of AI among OECD member countries, as well as with non-member countries.

We welcome the proposal to turn the AI in Health Expert Group into a **Working Party on AI in Health**, and strongly support its work on developing a harmonized approach to the use of health data and policies to improve the uptake and scaling up of AI in health.

Underpinning AI and innovation at large, trusted cross-border data flows are essential for businesses across sectors. We need the OECD to advance consistent digital policy that supports data-driven innovation, productivity, and competitiveness. In 2025, we will continue to actively contribute to the OECD community for **Data Free Flow with Trust**, ensuring coherent policies for trusted data technologies and flows.

In this context, a key priority will also be to expand countries' adherence to the OECD Declaration on **Government Access to Personal Data Held by Private Sector Entities**. This Declaration – the first intergovernmental agreement on common approaches to safeguard privacy and other human rights when accessing personal data for national security and law enforcement purposes – sets the basis for future international cooperation.

Another important area for common approaches is cybersecurity. In response to growing cyber threats, many OECD member states have adopted new cybersecurity laws and regulations. This has led to increased divergence among these efforts across countries and sectors and the OECD is uniquely positioned to convene regulators and stakeholders to drive better **alignment and interoperability of cybersecurity regulation**.

Business at OECD will also work closely with the OECD to help countries identify policies that can support AI uptake in the labor market while addressing its risks. As the OECD works towards the adoption in 2025 of a **Recommendation on Artificial Intelligence in the Labour Market**, *Business at OECD* experts will provide insights on how AI when developed and deployed in a trustworthy manner can have significant benefits

for businesses and employees in terms of boosting productivity and improving job quality.

Harnessing Business Insights

Five years after the pandemic outbreak, our societies seem on the way to recovery from COVID-19's immediate impacts. However, given the multiple threats to our health and food systems, in 2025 the OECD must foster greater international dialogue and cross-sectoral collaboration on health, both within and between ministries. *Business at OECD's Stronger Together Campaign* will continue to promote health as an economic imperative, highlighting the role of resilient health systems in driving long-term economic growth and stability.

To enhance **health system resilience**, it is essential to focus on increasing efficiency and rebalance the focus towards primary care and prevention, and integrate health and social care. Addressing mental health challenges is particularly relevant given the global uncertainty and the increasing importance of mental health. Strengthening these areas will ensure that health systems are better equipped to handle future challenges and support overall societal well-being.

By engaging key stakeholders globally through initiatives such as our **Annual Health Forum** and Regional Roundtables, we will strengthen partnerships and contribute business priorities to build robust health systems capable of supporting economic resilience and fostering competitiveness.

We will also advance innovation and digitalization in agriculture through our **Field of the Future Campaign**. By highlighting the importance of cutting-edge technologies and practices, this campaign will help enhance the efficiency and sustainability of agricultural systems to meet growing global demands while minimizing environmental impacts. Promoting science and evidence-based compliance and regulatory standards in agriculture continues to be fundamental in this core sector.

To avoid duplicative data requirements for chemicals testing and assessment, the OECD **Environment, Health, and Safety Program** generates cost savings of over 300 million Euros annually for governments and business. This program demonstrates the value of leveraging the private sector's expertise in regulatory frameworks to achieve greater efficiency and effectiveness. Strengthening such initiatives will ensure that both businesses and governments

benefit from streamlined, science-based approaches to environmental and health challenges.

For competition and innovation to flourish, *Business at OECD* will continue its longstanding structured engagement with competition authorities. Through our work on **competition policy**, we will advocate for the efficient operation of markets with the minimum necessary level of intervention. In rapidly changing markets, avoiding legal uncertainty – particularly in the application of regulations and merger control rules – is essential to ensuring that investment and growth are not disincentivized.

We will support the OECD in upholding the principles of **competitive neutrality** in the realm of digital public goods, while keeping a user-centric approach and protecting human rights.

Fostering Open, Fair, Competitive Markets

Geopolitical tensions and the growing trend of de-globalization pose serious risks to the progress made through multilateralism. As economic nationalism, state interventionism and protectionist policies are on the rise, the OECD must become a visible advocate for the benefits of international trade and investment. As a "like-minded" community committed to open, fair and competitive markets, the OECD should focus again on what our businesses need, rather than what they should be required to do.

Fostering International Cooperation

As a successor of the Marshall Plan and the OEEC, the history of the OECD leaves no doubt that **economic integration** creates mutual long-term benefits essential for our societal progress, prosperity, and security. Without this collaboration seeking to unlock win-win situations, global challenges would be harder to tackle, and opportunities for shared growth and stability would diminish. Based on the shared commitment to open markets, OECD member countries should continue to negotiate, agree, ratify, and fully implement international trade and investment agreements that conform to multilateral trade principles, including non-

discrimination, liberalization, transparency, reciprocity, and fair competition.

Thirty years after the **WTO** was established at the core of the multilateral rules-based trade and investment system, we note with regret that the vision of open, free, and fair trade and markets globally is not as easily realizable as many had hoped just a few decades ago. Still, the OECD must continue its strongest efforts to demonstrate the benefits of free trade and multilateralism while encouraging progress on WTO reform.

Bilateral or regional agreements and initiatives offer tangible benefits to participating nations, often setting important and constructive standards, policies, and practices in areas where the current system falls short. Over time, these advancements can serve as building blocks, gradually evolving into broader, multiparty agreements – much like the process that gave rise to the GATT.

Unfair trade practices should be investigated and challenged, including in light of increasing government support and subsidization observed in several markets. As we underline the importance of ensuring compliance with WTO rules, investigations and penalties should be pursued through established multilateral mechanisms to preserve the integrity of global trade and avoid retaliation that threatens market-opening gains. Any actions should be considered in accordance with WTO rules to ensure fairness and accountability.

We are concerned about an escalation of **unilateral and retaliatory tariffs** and their impact on supply chain stability and resilience. We are concerned about arguments that bilateral trade deficits serve as the sole measure for evaluating trade relations. Unilateral action provokes reciprocity and puts at risk the market opening gains of the rules-based trading system.

In this context, improving **tax certainty** across international tax issues, including in the context of the two-pillar discussions, will continue to be a top priority. As the OECD continues to address the tax challenges arising from the digitalization of the economy, key trade principles such as non-discrimination must be safeguarded. Unilateral measures including for *Digital Services Taxes* (DST) must be withdrawn.

Enabling Trade and Investment

The OECD should remain instrumental for eliminating tariff and non-tariff barriers, underlining societal benefits of goods and services trade. In support of the **OECD Trade Strategy**, *Business at OECD* will share with the OECD and governments its updated *Trade Priorities Paper* in 2025 to provide tangible business recommendations.

In this regard, OECD work to promote **digital market openness** principles will remain a top priority. Wherever possible, the OECD digital trade agenda should provide impetus to related WTO initiatives, secure a permanent moratorium on the application of customs duties on electronic transmissions, and avoid the application of customs processes and procedures to electronic transmissions.

To promote **sustainable supply chains**, we will share with the OECD in 2025 *Business Recommendations for OECD Work on Trade and the Environment*. To address key challenges related to carbon intensity metrics, we will continue to actively contribute to the *Inclusive Forum on Carbon Mitigation Action*. To facilitate circular economy trade, the OECD must seek ways to implement more effectively the *OECD Decision on the Control of Transboundary Movements of Wastes for Recovery Operations*.

As governments are providing extraordinary amounts of **support**, we underline that such measures must not unlevel the playing field. More OECD dialogue is needed to ensure that national industrial strategies are mutually aligned and do not result in overcapacities, unsustainable practices, and protectionism. The OECD must more forcefully underline that any support measures should be non-discriminatory targeted, transparent, proportionate and have clear “exit strategies.”

Business at OECD will also actively engage with the OECD on its strategy to attract **More, Better and Safer Investment**. Building on our proactive investment agenda, we emphasize that investment policy frameworks must provide investors with sufficient legal certainty and stability - including meaningful recourse in cases of expropriation or other forms of government 'taking' - ensure the level playing field among domestic and foreign investors and avoid policies that constitute a means of arbitrary or unjustifiable discrimination. This is essential to unlock the substantial investment needed for more sustainable, secure, digital, and resilient economies.

We are seriously concerned about proposals to exclude fossil fuel investments from **investment treaty protection**. Investment protection should not depend on the type of energy source, as this will undermine the credibility and predictability of the legal system, erode business and financial conditions, and lead to possible investment withdrawals. Even during the transition to net zero, certain investments in fossil fuels are necessary to meet growing energy demand, particularly for countries with limited natural resources.

Building Responsibility, Resilience and Security

In many countries, **reinforced national security measures** and inward-looking government agendas intend to reduce dependencies and protect critical industries. However, when national security is invoked as the reason for action, the private sector often has no voice in government deliberations. This carries the risk of unnecessary restrictions and that market-based economic principles are abandoned in selected sectors.

In 2025, *Business at OECD* will continue to help define, identify, and reduce excessive unilateral dependencies in selected sectors. As the **OECD Critical Supply Chains Forum** has been at the forefront of discussing the security of supply – convening initiatives on the car industry, semiconductors, food and agriculture, as well as medical sectors – we stand ready to provide on-the-ground insights of businesses that operate supply chains.

While safeguarding security interests by protecting sensitive technologies and capacities can be legitimate, the proliferation of investment screening mechanisms, both inbound and outbound, is alarming. In 2025, we will continue to encourage the OECD to highlight and review its **Recommendation on Guidelines for Recipient Country Investment Policies relating to National Security** to ensure that screening mechanisms are based on a clear, predictable, and focused definition of national security risks, and are better coordinated so that businesses do not face duplicative or contradictory demands.

Some **“non-likeminded” governments** increasingly present their economic models as systemic alternatives and counterweights to OECD countries. State-led models may adopt stringent government controls over their private sector, prevent market access on an equal footing, distort the global economy through support measures, and in some cases also resort

to economic coercion. In this regard, we stand ready to consult with the OECD and its government to jointly identify effective ways to counter such practices.

Integrity and corruption must be given additional attention, considering their critical impact on global markets, economic development, quality of life and trust in democratic systems. It should be a priority for the OECD to promote and foster additional adherence to the **OECD Anti-Bribery Convention** and encourage countries in the OECD and beyond to issue national strategies to combat corruption. In particular, we call on the OECD to boost efforts to address the demand side of corruption, promote integrity through education, training, and targeted communication, foster the uptake of digital technologies in the fight against corruption, ensure effective reporting channels, and support SMEs. Our recent *Business at OECD Zero Corruption Manifesto* outlines key recommendations in this regard.

Business at OECD strongly supports the OECD’s efforts to encourage greater public-private **cooperation to counter illicit trade** and mitigate wide-ranging damaging effects. We will continue to raise awareness of the OECD’s work to explore institutional gaps that enable illicit trade in e-commerce and other markets. While Free Trade Zones (FTZs) offer many economic benefits, addressing specific vulnerabilities within FTZs should be part of a broader effort to combat illicit trade, and we actively support the implementation of the *OECD’s FTZ Recommendation*.

Keeping Business Connected Globally

More than anything, the desire for a better future and wellbeing through economic prosperity unites people across the world. However, permanent exchanges are critical between OECD member and non-member countries, as otherwise, there is a risk that one's own perspectives may become isolated, self-reinforcing, and disconnected from broader global realities. In this context, we strongly support the OECD to redouble its efforts to spread established best practices and standards for the governance of markets beyond its current membership.

The perspectives of countries at different stages of economic development may diverge. We therefore welcome discussions about the **OECD's Development Strategy**. The private sector has a key role to positively impact development, and we underline that an enabling environment is an indispensable pre-requisite for companies to trade, invest and do business in and with developing countries. For the OECD, this means that renewed emphasis should be placed on free and rules-based trade and investment, rule of law and promotion of integrity standards, as well as fostering capacity building and public-private dialogues.

We actively support **increased OECD outreach** to selected partner countries and regional programs around the world. Notably, the OECD's Regional Ministerial meetings in Southeast Asia, and Latin America and the Caribbean provide valued opportunities to encourage reform that fosters private sector competitiveness, market openness and ease-of-doing business. *Business at OECD* has recently established dedicated contact groups on Southeast Asia, Latin America and the Caribbean, and also increased its global engagement with Business Africa through a Memorandum of Understanding in 2024.

OECD enlargement provides a critical opportunity to improve the business environment in accession countries and foster multilateral cooperation. We support a robust accession process with indispensable on-the-ground insights. As the case for each accession candidate is different, we underline that a thorough assessment of the current economic and legal environment for each will be necessary. Trusted long-term alignment with

OECD standards must take priority over short-term political considerations. In this regard, we look forward to sharing with the OECD and governments business priorities to be considered during the accession process of Argentina, Indonesia and Thailand.

We underline that business continues to stand in **solidarity with war-affected Ukraine**. Ukraine will greatly benefit from increased participation in OECD discussions providing a platform for knowledge sharing, peer learning, and capacity building. This continued dialogue will eventually help the country move closer to OECD standards through reform. The OECD and its member countries should actively continue to support Ukraine's recovery and reconstruction.

We value our continued **dialogue with the Ambassador-led Informal Reflection Group on China**, and underline the need to scale up the OECD's Beijing office. Taking into account OECD members' relations with China as a cooperation partner, economic competitor and systemic rival, we stand ready to support discussions in the context of a common "Agenda for OECD Co-operation with China in selected areas". It remains important to encourage China's adherence to selected OECD standards.

Some **"non-likeminded" regimes** increasingly present their economic models as systemic alternatives and counterweights to OECD countries. We are concerned that state-led models may adopt stringent government controls over the private sector, prevent market access on an equal footing, distort the global economy through support measures, and in some cases also resort to economic coercion. In this regard, we count on the OECD and its governments to jointly identify effective ways to address such practices. For this, dialogue and coordination remains key.

International coordination should also be supported through the **OECD's continued, active and strong engagement with the G7 and G20**. In this regard, we highlight the role of *Business at OECD* as a strategic partner to the B7 and the B20, and we offer our partnership to the OECD and its member governments to foster a successful exchange and collaboration in these formats. Across the Organization, the OECD's Global Fora should strive to be truly global by ensuring inclusive representation, fostering dialogue that incorporates diverse perspectives, and addressing issues of universal relevance to all member and non-member countries alike.

Conclusion

Economic collaboration is a driver of prosperity, a cornerstone of global geopolitical influence, and a vital enabler of societal progress. This paper outlines *Business at OECD's* key **recommendations for the OECD agenda across three priority themes.**

- **Raising Business Competitiveness:** To strengthen business competitiveness and drive sustainable growth, the OECD must prioritize structural reforms, regulatory simplification, and collaboration with the private sector, fostering resilient labor markets, modern infrastructure, and growth-oriented tax policies.
- **Shaping Future Industries:** To gain a competitive edge in future industries and address global challenges, the OECD must champion market-based innovation, technology neutrality, and robust frameworks for intellectual property. Health resilience, AI governance, cybersecurity, and sustainable development must remain key focus areas for the Organization.
- **Fostering Open, Fair and Competitive Markets:** OECD evidence has shown that openness to trade and investment supports higher economic growth rates. Working closely with those who trade and invest, the OECD must avoid protectionist measures while ensuring that policies and regulations are adapted to ensure better outcomes for businesses, workers and citizens.

The role of the real economy as the foundation of global well-being, the essence of connectivity, and enabler of mutual benefit will be more critical than ever in an increasingly polarized international landscape. As the challenges of 2025 unfold, the OECD must reinforce its unique role as a forum for private sector engagement and a champion of market-based initiative. **Going forward, an even stronger dialogue and partnership with business is essential to drive sustainable growth, innovation, and resilience in the face of global uncertainty.**

Business at OECD underlines that the OECD's effective ability to bridge divides and foster collaborative solutions remains indispensable in a time when other multilateral fora are often hampered by discord. To fulfill its mission, we call on member governments to reaffirm their dedication to **promoting the OECD's shared principles of economic freedom, the values of**

pluralistic democracy, and the foundations of effective international cooperation and a rules-based trade and investment system.

Aligning with the OECD's values and fully implementing its acquis is fundamental to uphold the Organization's credibility and leadership. Governments must recognize that **embracing the OECD brand requires active integration, contribution to its goals, and fostering policies that enable business growth and prosperity.**

Ultimately, the OECD's commitment to defining global rules for trade, technology, and climate change is not only vital for its member states but for the broader international community. Inaction risks leaving a void that others – with vastly different values and principles – could fill. In this context, the **Organization should also continue its outreach to non-member countries, ensuring commitments are actionable while avoiding overextension of its core capacities.**

Effective communication is more important than ever, as is preserving freedom of speech and avoiding censorship. Complex developments – including the spread of mis- and disinformation – have undermined trust in institutions, distorted public discourse, and threaten the cohesion required for effective international cooperation. The **OECD must underline its role as a trusted, credible and evidence-based institution in line with the free and open democratic practices that are hallmarks of its member countries.**

The voice of business and private sector partnerships are indispensable to sustainable outcomes and shared benefits at home and abroad. Through structured collaboration with *Business at OECD*, the Organization leverages the insights and dynamism of leading business federations to navigate emerging challenges. Together, governments and businesses must act responsibly, focusing on long-term policies that support economic resilience and innovation. **By fostering economic strength, uniting under shared principles, and delivering actionable policies, the OECD has a critical role to secure a prosperous future for all.**

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)



BUSINESSatOECD

Business at OECD (BIAC)
13/15, Chaussée de la Muette
75016 Paris, France

+33 (0)1.42.30.09.60
communications@biac.org
X **in** @BusinessatOECD