

**Reflection of *Business at OECD* (BIAC) Written Comments in the First Draft OECD Agriculture Committee Programme and Working Budget (PWB) 27-30**

March 2026

1. Overview of Business at OECD comments on PWB first draft:

Types of comments	Themes	Comments on the reflection in the first PWB draft
General Comments	Science-based, innovation-friendly policy frameworks	Partially reflected “Work on innovation has been expanded... to deep dives into the potential of Artificial Intelligence and how digital can assist with policy delivery.” (Section 3.2.1, ¶41). “Government policies could play an enabling role in promoting the access and effective use of AI technologies by farmers... ensuring an appropriate enabling environment for data governance... and their broad accessibility to farmers.” (3.2.1.4.3. AI in agriculture, ¶71–72). “Use new machine learning techniques to analyse main agricultural policy frameworks... to learn... how effectively they guide innovation towards sustainable productivity growth.” (3.2.1.4.1. AKIS, ¶65)
	Integrated, voluntary metrics for sustainable agricultural productivity	Not sufficiently reflected “Work... to a commonly agreed SPG indicator, alongside exploring complementary indicators.” (3.2.3.1.1. Environmentally sustainable productivity growth, ¶114). “Framework of selected proposed indicators... income and wealth... working conditions... establish a solid analytical foundation for evaluating... well-being, equity and inclusiveness in the farming sector.” (3.2.1.3.1. Measuring income, wealth and working conditions, ¶58–59).

	Holistic approach to agricultural and environmental policies	Partially reflected • <i>"Explore the interaction between... economic, environmental and social sustainability... ways in which the three dimensions... can be discussed in a structured way..."</i> (3.2.1.2.2. Agricultural productivity, environmental and social sustainability, ¶155). • <i>"Economic analysis of policies that promote holistic soil management, using cost-benefit analysis to assess investment costs, long-term productivity gains, and environmental benefits... identify an efficient and balanced policy mix."</i> (3.2.3.2.3. Practices and policies to enhance soil health, ¶126). • <i>"Aligning agriculture and social policies for the future of farming... assess the landscape of policies that can help attract new entrants... pensions... rural development..."</i> (3.2.1.3.2., ¶61-62).
	Agricultural trade and supply chain interdependencies	Sufficiently reflected • <i>"Adopt a value chain approach to examine how agricultural trade and supply chains are influenced by... policies, infrastructure, public-private collaboration, market forces and global shocks."</i> (3.2.2.3.3. Emerging market and policy issues, ¶109). • <i>"In-depth study... physical flows of grains and oilseeds between ports... identify... port connectivity patterns and potential chokepoints..."</i> (3.2.2.3.3., ¶110).
Specific comments on reliance	Building a resilient agriculture and food sector	Sufficiently reflected • <i>"Examine the resilience of agricultural trade to disruptions and provide guidance to policy makers on emerging economic trends."</i> (3.2.2.3.3. Emerging market and policy issues, ¶108). • <i>"Address... water risks to ensure the productivity and resilience of agriculture under increasing climate volatility and water demand..."</i> (3.2.3.2.4. Improving water management, ¶127-128).
Specific comments on performance	Enhancing the performance of agriculture	Sufficiently reflected

		• <i>"Commonly agreed SPG indicator... explore complementary indicators... and drivers..." (3.2.3.1.1., ¶114-116)</i> • <i>"Work on innovation has been expanded... deep dives into... AI and how digital can assist with policy delivery." (Section 3.2.1, ¶41).</i> • <i>"Develop an agriculture innovation framework... dashboard... to monitor AKIS..." (3.2.1.4.1., ¶64, ¶66).</i> • <i>"Further updates and improvements of the METRO-PEM model... ensure... adequate metrics for policy impacts." (3.2.1.1.3., ¶51).</i>
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2. Annexes:

- **Key points to flag to the OECD Secretariat for further consideration:** While the first draft of the PWB 2027-30 integrates several elements aligned with our written comments submitted in the fall 2025, after the COAG meetings, some aspects require further attention to fully reflect our Committee priorities. The following points summarise the main gaps identified and the adjustments we encourage the OECD Secretariat to consider for the next draft:
 - **On innovation friendly frameworks with cost safeguards for farmers:** Although the PWB acknowledges the importance of innovation and digital technologies, it does not yet explicitly address **the need to minimise regulatory and administrative costs** associated with the adoption of advanced technologies by farmers. The draft outlines support for innovation frameworks—e.g., proposed work on AKIS (3.2.1.4.1) and AI in agriculture (3.2.1.4.3), but stops short of committing to an innovation friendly regulatory approach or a cost burden assessment. We encourage explicit language committing to minimising regulatory/transaction costs on farmers when introducing new technological or data driven

frameworks. Also, the draft does not explicitly refer to avoiding unnecessary cost burdens linked to technology adoption or data driven tools. This remains a core priority for our Committee.

- **Integrated, voluntary metrics for sustainable agricultural productivity:** The PWB contains substantial work on indicators (e.g., SPG indicators under 3.2.3.1.1 and social indicators under 3.2.1.3.1). However, the draft does not specify that new metrics should remain voluntary, nor does it address the need to minimise reporting burdens or integrate incentives that support farmer engagement. Metrics should be explicitly framed as voluntary tools, not mandatory layers of reporting. The PWB should incorporate incentive based approaches (e.g., outcome based payments, recognition mechanisms) to encourage uptake. Also, stronger emphasis could be made on low burden implementation, ensuring data collection requirements are feasible for farmers.
- **Holistic policy approaches with clear farmer incentives and economic feasibility:** The draft rightly emphasises interconnected productivity/environmental, with social dimensions (e.g., 3.2.1.2.2; 3.2.3.2.3). However, it does not clearly articulate the incentive mechanisms needed for farmers to adopt sustainability aligned practices, nor does it conduct a systematic economic feasibility check across proposed workstreams. We encourage the new draft to reflect explicit farmer facing incentive tools, such as: outcome based payments, market based or tradable incentive instruments, but also risk sharing mechanisms.
- **Additional comments:** BIAC Food and Agriculture supports the overall direction of the draft PWB and encourages integration of the above clarifications to ensure the PWB remains both innovation-friendly and economically feasible for farmers to align with business realities. We look forward to continued cooperation in the finalization of the PWB 2027-30.

