



BUSINESSatOECD

Business at OECD (BIAC)
Annual Activity Update 2022

Annual Planning Meeting, December 2022



Hanni Rosenbaum

MESSAGE FROM OUR EXECUTIVE DIRECTOR

This year, *Business at OECD* (BIAC) turned 60, and we were delighted to be able to celebrate six decades of constructive cooperation with our members and global network, OECD leadership and colleagues. We are proud of our unique relationship, which we consider a win-win, both for business and for the OECD. As a trusted partner to the OECD, we have continued to deliver structured business advice to the wide range of activities that matter for our societies and economies.

2022 has been a very busy year for us. Through our active dialogue with a wide range of OECD committees and working groups, we have facilitated the participation of over 1000 business experts in OECD discussions this year. You will find on the following pages a detailed update regarding our policy work. In addition to our active contribution to the OECD Ministerial Council Meeting, we have helped shape other Ministerial-level discussions at the OECD in the areas of environment, employment, governance, South-East Asia, agriculture, education, and the digital economy. We have also strengthened our global network, welcoming a new member from Costa Rica, three new observer organizations, and additional international sectoral organizations.

However, 2022 has also been a year of major challenges. On 22 February, we organized our annual consultation with OECD Ambassadors under the theme “exiting the crisis,” highlighting the role of competitive markets and private sector-led growth, as the world was hoping to exit the crisis brought on by the Covid-19 pandemic. Just two days later, a new crisis hit the world caused by the unjustifiable, illegal

Russian invasion of Ukraine. The war has led to enormous human suffering, which the world cannot tolerate. At the same time, the global economy is paying a high price for Russia’s illegal war of aggression, underlining the importance of more, not less international cooperation, both among governments and with the private sector.

The mission of the OECD as a pathfinder and promoter of policies that preserve peace, democracy, and rule of law is more important than ever. Our business advocacy will be relentless to uphold these principles as we all continue to face challenging times. More than ever, we need dialogue, evidence-based and trusted analysis, and a more level playing field, to enable the private sector to create jobs, bring prosperity, and effectively address global challenges.

Based on six decades of cooperation as the institutional stakeholder for business, we will continue to work with the OECD to help raise the bar and create a level playing field, support dialogue and evidence-based analysis on issues that matter to all of us, including on how to create a policy environment that fosters private sector-led economic growth, an inclusive society, sustainability and integrity.















Overarching highlights

OECD Ministerial Council Meeting 2022

In June, we contributed to the OECD's Ministerial Council Meeting, which brought together close to 50 Ministers to set strategic priorities for the OECD. The meeting was opened by Mario Draghi, Prime Minister of Italy, who set the scene for the agenda on Better Policies for the Next Generation and a Sustainable Transition. Discussions focused on the implications of the war in Ukraine, strengthening pandemic prevention and preparedness, the tax challenges arising from the digitalization of the economy, the OECD's future partnership with Africa, as well as trade and sustainability. Our Chair, Rick Johnston, who was joined by two of our Board members, Emma Marcegaglia and Klaus Moosmayer, as well as our Tax Committee Chair, led our high-level engagement at the Ministerial. Building on our Statement to Ministers, our delegation relayed our business priorities in the context of an increasingly challenging international environment, underlining the need to defend the global rules-based order and international cooperation as prerequisites for the private sector to ensure global connectivity, foster economic growth and job creation, and the transition to a more sustainable future.

will provide on-the-ground private sector input into these important deliberations that will span over the next years. In July, we organized a major business briefing on the process and are working with our global network to promote business input going forward.

B20 engagement with Indonesia

Building on our close engagement with the rotating B20 presidencies, we have continued our cooperation with the B20 this year, serving as a Network Partner for the Indonesian Presidency across the different task forces. Many of our national members and corporate affiliates have actively contributed to the various B20 taskforces, including through Co-chair positions in areas such as Employment & Education and Integrity & Compliance. In light of the growing uncertainty due to the Russian invasion in Ukraine, the B20 plays an important role in advising the G20, a strategic multilateral platform connecting the world's major developed and emerging economies, on business priorities to secure global economic growth and prosperity. The OECD acts as a strategic advisor to the G20 and implements important mandates on key policy areas, to which we contribute the business perspective.

OECD opening enlargement discussions with 6 countries

In January, the OECD Council decided to open accession discussions with Brazil, Peru, Argentina, Bulgaria, Romania and Croatia. The business community sees the accession discussions as an opportunity to improve the business environment, while at the same time underlining the importance of a rigorous process, which ensures that any potential new member fully lives up to the OECD standards and principles. Following this announcement, our Executive Board developed a statement highlighting our business considerations for the accession process to guide our members as we

Overarching highlights



OECD Ministerial Council Meeting in Paris (June 2022)



Business at OECD (BIAC) delegation for the OECD Ministerial Council Meeting in Paris (June 2022)



Preparatory consultation in Rome (April 2022)



Strengthening sustainable investment policies - Ministerial Council Meeting 2022 side event in Paris (June 2022)



B20 Indonesia delegation visit OECD in Paris (October 2022)



OECD Environment Ministerial Meeting in Paris (March 2022)



OECD Employment and Labour Ministerial Meeting in Paris (June 2022)



OECD Agriculture Ministerial Meeting in Paris (November 2022)



OECD Southeast Asia Ministerial Forum in Ha Noi (October 2022)



SME event in Budapest (March 2022)

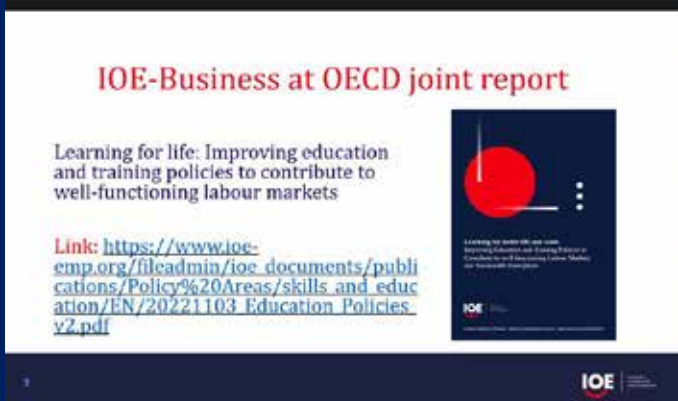


Agile Governance Event, in Washington (March 2022)

Other high-level events



OECD Public Governance Ministerial Meeting in Luxembourg (November 2022)



Joint event with IOE on Education in Geneva (November 2022)



LPK Conference in Lithuania (October 2022)



OECD Workshop: The Future Youth Want in Paris (June 2022)

Selected policy updates

1. Anti-Corruption

Building on its Anti-Bribery Convention and its recently revised [Anti-Bribery Recommendation](#) as well as instruments addressing bribery in the context of SOEs, development aid, and export credits, the OECD has established itself as one of the leading international organizations in the fight against corruption. In addition to our active contribution to two new OECD studies addressing SMEs as well as the impact of the Covid-19 pandemic on corporate compliance, we are developing a report that sheds light on the role of digital technology in the fight against corruption, and which is complemented by a set of company case studies. We also launched an actionable anti-corruption strategy, which will guide our Committee's efforts going forward, and initiated a discussion about promoting 'zero corruption' as the 18th SDG.

2. Anti-Illicit Trade

The OECD work on Countering Illicit Trade focuses on evidence-based research and assists policymakers to map and understand the market vulnerabilities created and exploited by illicit trade. Through our Anti-Illicit Trade Expert Group, business provides structured input to the OECD. Over the last months, we have worked in close partnership with the OECD on several specific projects and have achieved tangible results in the following areas: Addressing Illicit Trade in High-Risk Sectors, Illicit trade in E-Commerce, Dangerous Fakes, and Illicit trade in Free Trade Zones.

3. China and emerging economies

Since 2007, the OECD has engaged with China as a 'key partner' in holding policy dialogues, taking into account members' relations with China as a cooperation partner, economic competitor,

and systemic rival. In the context of China's economic pressures on Lithuanian business and their OECD business partners at the outset of the year, we called on the OECD to reinforce its efforts to obtain credible commitments from China to adhere to international standards and processes of our market economies. We have also proactively engaged in leadership dialogue with selected OECD Directors and have strengthened our cross-cutting efforts with the Trade Committee. In this context, we proactively engaged on a joint project to provide guidance on an OECD trade strategy to deal with non-likeminded governments.

4. Competition

OECD analysis on competition considers and disseminates best practices based on expert dialogue in the OECD Competition Committee. Our advocacy underlines the importance of acting consistently and proportionately in accordance with due process, best practice, and with respect to the objectives of effective enforcement of competition laws. In the context of our active in-person participation, our Competition Committee has submitted a series of written contributions for the OECD Competition committee meetings. Additionally, early November, the Committee organized a high-level webinar 'Stuck in Neutral? Competition Enforcement and Competitive Neutrality in a Political World', in which more than 200 members participated.

5. Corporate Governance

The G20/OECD Principles, which were last revised in 2015, are recognized as the leading global standard to guide policymakers and regulators in devising effective institutional, legal and regulatory frameworks for the corporate governance of listed companies.

In the context of the current revision of the Principles, we organized a roundtable in May, which gathered high-level business and OECD representatives to discuss key topics in the context of the review, including climate change, board committees, and the capital market. We also spoke at a high-level OECD roundtable on climate change and corporate governance in June, which served as a side-event for the OECD Ministerial Council Meeting. In addition, we contributed written inputs to a public consultation and provided business comments on the OECD/G20 Principles at a high-level consultation in December. We also represented business at regional consultations in Asia and Latin America to ensure that the Principles remain relevant and the review addresses the challenges business and other stakeholders face today.

6. Development

The OECD Development Assistance Committee provides a forum for the world's major donor countries to develop statistics, analysis as well as tools to improve the investment climate and foster reform in developing countries. To support OECD efforts to scale up private financing for development, we contributed to discussions on private sector instruments, which leverage official development aid for the crowding in of private finance. We continued to underscore the important role that foreign direct investment and private sector engagement can play to foster economic development and the spread of responsible and sustainable practices in the developing world.

7. Digital Economy Policy

The ongoing OECD work on digital transformation is a cross-cutting theme impacting most of our policy areas. We have actively contributed to the development and implementation of a range of OECD global standards for digital policy and related analysis across disciplines. Throughout the year, we have provided business input to OECD guidance related to broadband connectivity, digital security risk, the protection of children online, privacy,

enhanced access to data, blockchain, protecting consumers online, and Artificial intelligence (AI). Trusted government access to data held by the private sector continues to be a priority issue, for which the OECD high-level principles will be launched at the Ministerial in December. In March, we hosted a webinar including over 130 participants to present business evidence related to trusted government access, including impacts on the free flow of data with trust. In May, we delivered the final report for our special project on Trustworthy AI, including case studies highlighting the implementation of AI tools developed by business in line with the OECD AI Principles. We are now actively preparing for the next OECD Digital Ministerial meeting, which will take place in Spain in mid-December focusing on “long-term recovery and economic growth by building a trusted, sustainable, and inclusive digital future.” We are actively engaging in this Ministerial process, including by organizing a series of business stakeholder events to highlight our priorities for digital economy policy.

8. Economic Policy

The OECD Economic Policy Committee provides analysis and recommendations on macro-economic issues and structural reforms. Our engagement focuses on promoting an enabling policy environment that supports private sector-led growth and open markets while encouraging reforms that increase productivity and economic growth. We have contributed to the OECD's analysis of the economic impact of the war in Ukraine as well as recovery efforts from the Covid-19 crisis. In November, our Economic Policy Committee was held in person with OECD experts to discuss the overall economic outlook, challenges related to inflation, and developments on minimum wages.

9. Education and skills

Modernizing education curricula, investing in teachers, and addressing digitalization and skills gaps are key themes of our work on education. In March, our Colombian Member ANDI together

with our Education Committee Chair, Charles Fadel, led our delegation at the OECD Skills Summit, which took place in Cartagena, Colombia, emphasizing our business priorities to address the skills gap. In November, we launched a joint report with the International Organization of Employers (IOE) addressing how impactful education policies can contribute to increase employment and support sustainable enterprises, which includes a number of country studies. We are also working together with our trade union counterpart, TUAC, on a joint paper addressing teachers' continuing professional learning and development. We are actively involved in preparations for the 7-8 December OECD Education Ministerial meeting, which focuses on "Re-building an inclusive and equitable society through education".

10. Employment, Labor and Social Affairs

Labor markets have been significantly impacted by the Covid-19 pandemic, the macro-economic shift of the global economy, as well as the war against Ukraine, underlining the importance of fact-based analysis and insights for a better labor market policy to be informed by private sector insights. In June, our Board member Dr. Gerhard Braun represented us at the OECD Labor Ministerial meeting, where we contributed to discussions on dynamic labor markets, addressing the double skills gap of re and up-skilling, fostering youth employment, and ensuring inclusion and diversity. In addition to our youth campaign, which received high political visibility at the OECD Ministerial Council Meeting, we initiated a new campaign called "Business Needs You," which outlines how collective action can address labor shortages and equip people with skills. It also presents recommendations that the OECD and its governments can implement to promote re and up-skilling policies and lifelong learning, create a better workplace environment, and attract talent and skills.

11. Environment, Energy and Chemicals

The OECD contributes to global policy discussions on environmental sustainability to foster

solutions that are economically efficient and environmentally effective. As OECD Environment Ministers convened in March this year, we elevated concerns about energy security and transitions in the context of the Russian invasion of Ukraine, and released cross-cutting key messages on Ensuring a Resilient and Healthy Environment for All. On climate change, we contributed to the OECD Horizontal Project on Building Economic and Climate Resilience, and ensured early business input to the Inclusive Forum on Carbon Mitigation Approaches – an OECD flagship project launched at the Ministerial Council Meeting. On resource efficiency, we advocated joint key messages on addressing the plastics challenge, and took active steps to ensure the OECD Decision on the Control of Transboundary Movements of Wastes Destined for Recovery Operations can be used by business to its full potential. As the OECD also conducts technical work to enhance chemical and bio-safety, which generates over 300 million Euros annually in cost savings by avoiding duplicative data requirements, we have contributed on-the-ground business expertise, including on the safety of novel foods and feeds, harmonization of regulatory oversight for biotechnology, and manufactured nanomaterials.

12. Food and Agriculture

As a part of our Food and Agriculture Committee's ongoing "Peace for Food" campaign, a new project that addresses the challenges for global food security through dedicated stakeholder dialogue, on October 5 we organized a high-level in person Roundtable, in Paris. Participants took stock of current food markets, in the context of the food crisis, and discussed which policies are needed to ensure progress in agriculture innovation and tackling climate and sustainability challenges. The event contributes to identifying concrete targeted and effective transformative solutions to the key challenges facing the agriculture sector. Following the meeting, we prepared a synthesis report, which served as our contribution to the 2022 OECD Meeting of Agriculture Ministers, which took place on November 3-4. As for next steps for the Peace for Food campaign, together with AgriFood Lithuania and our

Lithuanian member LPK, we organized the largest AgriFood Forum in the Baltic States in November.

13. Governance and regulatory policy

Our Governance and Regulatory Policy Committee contributes to the OECD's work on developing a global vision for regulatory policy and governance, and advocates for competitive and transparent regulations that support business, entrepreneurship, and innovation. Our main priority this year is to contribute to the OECD Public Governance Ministerial meeting, which took place in Luxembourg in November under the overarching theme of reinforcing democracy. To prepare for the Ministerial, we organized several joint webinars with our digital experts on combatting mis and dis-information as well as digital rights. We submitted a written contribution to the Ministerial meeting with input from many member organizations and businesses. A delegation chaired by Dr. Yilmaz Argüden attended the meeting in person.

14. Health and well-being

The Covid-19 pandemic has placed considerable burdens on our health systems and has demonstrated clear areas for improvement. Earlier this year, we launched a global campaign to showcase what our national business organizations and their corporate affiliates have been doing to foster health resilience. We had tangible opportunities to communicate the messages from this campaign, starting at the OECD Ministerial Council Meeting in June 2022 and continuing as we build momentum for our forthcoming Health Forum. The OECD Health Committee also contributes to work on pharmaceutical transparency. Given what is at stake for our members, particularly in the field of intellectual property, our Health Committee plans a proactive engagement strategy to make sure business views are duly reflected. We will also contribute to a draft report focusing on making simplified nutritional food labeling policies and will consolidate industry input

to present options for consumers to make informed choices through digital solutions and the promotion of public-private partnerships.

15. International Investment and Responsible Business Conduct

The OECD takes a leading role in promoting markets for international investment, while emphasizing the importance of enhancing sustainability aspects of private investment. In this context, the Organization builds on its Freedom of Investment Roundtable as well as several legal instruments. In addition, the OECD has launched a new work stream exploring the 'future of investment treaties', and is in the process of developing a new multi-year implementation plan for the organization's [FDI Qualities project](#), to which we are actively contributing. Relatedly, we participated in the launch of the new OECD FDI toolkit, which aims to leverage the positive impacts of FDI on sustainable development, and expressed our readiness to partner with the OECD on future projects at the Roundtable on Investment and Sustainable Development in October. In our consultations with the OECD Investment Committee, as well as in a dedicated roundtable with OECD leadership in April, we further emphasized the importance of ensuring sound investment safeguards in an ever-changing and increasingly challenging international investment environment.

With its [Guidelines for Multinational Enterprises](#), the OECD hosts the most comprehensive multilaterally agreed responsible business conduct instrument, which is supported by a unique implementation mechanism and which is also serving as an important reference in emerging due diligence legislation. Further to an extensive OECD stocktaking process last year to assess the relevance of the Guidelines in the evolving global context, the OECD has embarked on a targeted update of the instrument. We are actively contributing to the discussions about potential updates to ensure practical and realistic approaches and to make sure that the Guidelines can continue to serve as an important standard in the global arena. To that end, we have developed, in liaison with other relevant *Business at OECD* Committees, several position papers, which have been presented during dedicated consultations

with the OECD Working Party on RBC in June, September and November. In addition to the Guidelines update, our Committee is actively involved in the preparations for the 2023 Ministerial Meeting on RBC, which will be held on 14-15 February in Paris, feeding in private sector needs and business realities.

16. Small and medium-sized enterprises

Small and medium-sized enterprises (SMEs) and entrepreneurs have been at the front line of the global energy crisis and post-pandemic recovery will not mean a return to business as usual for them. Policies therefore need to adapt to the new challenges facing our economies and societies. As labor markets have been significantly impacted and the geopolitical situation has created new challenges, we aim to identify how SMEs are addressing the energy crisis and what policies are needed to help them weather this storm. In this regard, we launched a succinct *Business at OECD SME Survey* to identify and illustrate how the energy crisis is impacting global SMEs, and what decisions and policy actions should be taken to address the challenges SMEs are facing. We have also continued our active involvement in the OECD Digital for SMEs Global Initiative.

17. Tax

Throughout the year, we have worked closely with the OECD to provide technical advice to advance major OECD initiatives, including the OECD/G20 project on Addressing the Tax Challenges Arising from the Digitalization of the Economy (consisting of Pillar One which focuses on profit re-allocation and Pillar Two which focuses on a global minimum tax). Between February and June, we have submitted a series of detailed responses to the OECD on its rolling Pillar One public consultation. Our comments called for practicality and administrability, including further simplification and the need for a transition period. We emphasized that Pillar One needs to follow economic principles to achieve its stated objectives of re-allocating the taxing rights of residual profits, and that having broad early certainty is paramount to the success of Pillar One. We have also submitted our response to the

Pillar Two Implementation Framework consultation, where we stressed the need for efficiency, consistency across jurisdictions, reduced complexity, minimal compliance costs, and reasonable safe harbors.

In parallel, our Tax Committee is advancing on several other work streams, including taxation of mobile workforce, tax and environment, tax and development, and the digitalization of tax systems. We also continue to lead business input related to the OECD/G20 Common Reporting Standard as well as Value Added Tax, including as they relate to emerging technology issues such as cryptocurrencies. We have also continued to organize international tax conferences together with our Member organizations, including BDI, USCIB, and Keidanren.

18. Trade

OECD work on trade shapes international policy making by raising awareness of existing barriers to fair international competition – be it through research on global value chains, trade in value-added, or the flow of services. Building on its evidence-based analysis, the OECD provides Trade Ministers with actionable policy recommendations and acts as a knowledge partner to international bodies, including the WTO, the G7 and G20, UNCTAD and APEC. In 2022, which was marked by the Russian war in Ukraine, we actively contributed to OECD discussions on defending our common values, security and the global rules-based order, while ensuring an open rules-based trade and investment system. As many businesses are highly concerned about efforts to control global value chains, localize production, erode investment safeguards, and decouple economies, we actively contributed to the OECD debate on strengthening supply chain resilience. We also continued to focus on our Building Back Better Trade recommendations. These combine long-standing trade policy objectives with new insights - including those garnered during the pandemic - to propose a fresh set of trade priorities attuned to the practicalities of doing business in an increasingly climate conscious, integrated and digitized 21st century.

Selected key publications and web links

Additional publications are available on our website (<https://www.businessatoecd.org/>)

January

- Contribution to the public online consultation on the Draft Recommendation on the Role of Government in Promoting Responsible Business Conduct [[Download](#)]

February

- Pillar One comment to revenue sourcing and nexus [[Download](#)]
- Statement to Annual Consultation with Ambassadors [[Download](#)]
- Statement on the invasion of Ukraine by Russia [[Download](#)]
- Comments on the proposed Draft Recommendation on FDI Qualities for Sustainable Development [[Download](#)]

March

- Contribution to the OECD Environment Ministerial [[Download](#)]
- Pillar One comment to Amount A: Draft Model Rules for Tax Base Determinations [[Download](#)]
- OECD Working Party on RBC meeting - speaking points [[Download](#)]

April

- Trusted Government Access to Personal Data Held by the Private Sector [[Download](#)]
- SME survey report 2022 [[Download](#)]
- Supporting tourism recovery and looking ahead with global solutions [[Download](#)]
- Statement on the OECD accession process [[Download](#)]
- Pillar One comment to extractives exclusion [[Download](#)]
- Pillar One Comment to Scope [[Download](#)]
- Comments to OECD's Public Consultation on the GLoBE Implementation Framework [[Download](#)]
- Considerations for the consultation with the OECD Investment Committee [[Download](#)]
- Considerations for the consultation with the OECD Working Party on RBC [[Download](#)]

May

- Anti-illicit Trade Expert Group Roadmap 2022-2024 [[Download](#)]
- 2022 Business Barometer [[Download](#)]
- Pillar One comment to regulated financial services exclusion [[Download](#)]

June

- Health Resilience campaign 'Stronger Together' [[Download](#)]
- Thought-starter on ESG considerations in business decisions [[Download](#)]
- Contribution to 2022 OECD Ministerial Council Meeting [[Download](#)]
- Activity Update from May 2021 to May 2022: How we delivered value to our members [[Download](#)]
- Statement to the OECD Employment Ministerial Meeting [[Download](#)]
- Business considerations on the follow-up to the stocktaking exercise of the OECD MNE Guidelines [[Download](#)]
- Pillar One comment to tax certainty related issues [[Download](#)]
- Pillar One comment to tax certainty Amount A [[Download](#)]
- Policy recommendations for SME recovery and long-term resilience [[Download](#)]
- Business considerations for the June OECD RBC meetings [[Download](#)]

- Business considerations on the follow-up to the stocktaking exercise of the OECD MNE Guidelines [[Download](#)]

July

- Business for Youth campaign [[Download](#)]
- Implementing OECD AI principles: Challenges and Best Practices [[Download](#)]
- Why OECD work on anti-corruption matters to business [[Download](#)]

August

- Tax Committee continued engagement with OECD on Pillar One and Pillar Two [[Download](#)]

September

- Business Needs You Campaign - Equip people, attract talent, reduce shortages [[Download](#)]

October

- 60th anniversary brochure [[Download](#)]
- B20, *Business at OECD*, and IOE publish a joint paper [[Download](#)]
- *Business at OECD* and ASEAN-BAC submit recommendations to OECD and ASEAN Ministers [[Download](#)]
- Peace for Food Synthesis report [[Download](#)]
- Written Input on Draft Revisions to the G20/OECD Principles of Corporate Governance [[Download](#)]

November

- Zero Corruption Manifesto [[Download](#)]
- Zero Corruption Brochure [[Download](#)]
- Contribution to the OECD Global Forum & Public Governance Ministerial Meeting [[Download](#)]
- Principles for the Digitization of Tax Affairs [[Download](#)]
- Best Practices for engaging with tax administrations in developing countries [[Download](#)]
- Blockchain Expert Group Informal Activity Report 2022 [[Download](#)]

December

Publications forthcoming.



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

Tel: +33 (0)1.42.30.09.60
Email: contact@biac.org