RESTORING TRUST IN BUSINESS
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHY RESTORING TRUST IN BUSINESS MATTERS</td>
<td>4</td>
</tr>
<tr>
<td>YEAR IN REVIEW</td>
<td>6</td>
</tr>
<tr>
<td>CORPORATE GOVERNANCE AND RESPONSIBLE BUSINESS CONDUCT</td>
<td>8</td>
</tr>
<tr>
<td>DEVELOPMENT AND EMERGING ECONOMIES</td>
<td>10</td>
</tr>
<tr>
<td>ECONOMIC POLICY AND REGULATION</td>
<td>12</td>
</tr>
<tr>
<td>EMPLOYMENT, SKILLS AND EDUCATION</td>
<td>14</td>
</tr>
<tr>
<td>ENVIRONMENT AND ENERGY</td>
<td>16</td>
</tr>
<tr>
<td>HEALTH AND WELL-BEING</td>
<td>18</td>
</tr>
<tr>
<td>INNOVATION AND DIGITAL ECONOMY</td>
<td>20</td>
</tr>
<tr>
<td>TAXATION</td>
<td>22</td>
</tr>
<tr>
<td>TRADE AND INVESTMENT</td>
<td>24</td>
</tr>
<tr>
<td>POLICY GROUP STRUCTURE</td>
<td>26</td>
</tr>
<tr>
<td>OUR TEAM</td>
<td>27</td>
</tr>
<tr>
<td>ENGAGEMENT WITH MEMBERS</td>
<td>28</td>
</tr>
<tr>
<td>OUR EXECUTIVE BOARD</td>
<td>29</td>
</tr>
<tr>
<td>OUR CONSTITUENTS</td>
<td>30</td>
</tr>
</tbody>
</table>
PHIL O’REILLY
CHAIR, BUSINESS AT OECD

“Stable, transparent, and predictable legal frameworks are the basis for a level playing field and for a competitive, confidence-inducing business environment.”

RUSSEL MILLS
SECRETARY GENERAL, BUSINESS AT OECD

“Without trust, business cannot deliver on its potential to increase the participation of people in the economy. Trust promotes partnerships. Partnerships allow progress, and progress enables inclusion.”
Why restoring trust in business matters

ANGEL GURRIA
SECRETARY GENERAL, OECD

Effective implementation of key OECD standards, such as the Anti-Bribery Convention, the OECD MNE Guidelines, and Corporate Governance Principles are critical to ensuring trust in business and promoting a level playing field for companies.
HIGH-LEVEL POLICY DIALOGUE

ANNUAL MEETING WITH OECD AMBASSADORS AND SECRETARY GENERAL

- Business organizations and corporate leaders have an opportunity to outline what business needs from OECD in a formal exchange with the OECD Secretary General and Ambassadors at the outset of the year. This year, we shared ways in which business can leverage the digital transformation for economic opportunity and inclusion.

- Led by our Chair Phil O’Reilly and Secretary General Russel Mills, we presented main recommendations from our 2019 Statement to Ambassadors “EXPANDING DIGITAL OPPORTUNITIES: AGREEING PRIORITY ACTIONS”. The exchange centered on understanding digital transformation and the necessary policies to harness benefits for a better future. OECD Secretary General Angel Gurría also identified the importance of availability, awareness, and utilization of digital technologies and for dissemination to go out at the same speed as people can adapt to it.

- We are implementing follow up to these recommendations throughout the year both through our input to OECD committees and expert groups and our engagement in the 2019 OECD Ministerial on the digital transformation.

OUR ANNUAL GENERAL ASSEMBLY IN PARIS

- Executive leaders from our global network of business federations met in Paris in May 2018 to set the strategic directions for our contributions to the OECD. We welcomed our new Secretary General Russel Mills and also discussed the positioning of business in achieving the best outcomes from multilateralism. At the event, participants discussed the overall business climate through our annual Economic Survey.
2018 MEETING OF OECD MINISTERS

- Each year, ministers of trade, finance, and the economy from OECD countries gather in Paris to define approaches to international economic standard-setting and decide on the OECD’s strategic work with governments.

- Working closely with rotating presidencies of the OECD Ministerial Council Meeting, we provide business views to be considered in this context. We also have a seat at the table with ministers from the 36 OECD member countries. In 2018, France chaired the Ministerial exploring ways to reshape the foundations of multilateralism for more responsible, effective, and inclusive outcomes.

As part of our contribution to this Ministerial, we presented core recommendations in our 2018 STATEMENT TO MINISTERS.

- Addressing Ministers of Finance and Foreign Affairs, our Chair Phil O’Reilly called on governments to identify areas that require better informed and effective multilateral governance, working through multi-stakeholder approaches. Addressing Trade Ministers in a session discussing the increasingly critical public perception of open markets, our then Secretary General Bernhard Welschke encouraged governments to address digital aspects of trade including allowing for cross-border data flows as a way to demonstrate the multilateral framework’s ability to deliver results.

The 2018 OECD Forum was held under the theme “What Brings Us Together”. We appointed senior business representatives into
- the Forum, who exchanged with other high-level speakers addressing views on trade, future of work, gender, and finance.

---

OUR ENGAGEMENT WITH THE G20 AND BUSINESS-20 (B20)

- Leaders of the world’s 20 major economies meet annually to address global economic challenges. The B20 informs global policymaking in the G20 through concrete policy proposals and expertise. As G20 mandates the OECD to fulfill several mandates, we provide continuous support to the B20 and the OECD across rotating presidencies.

- In 2018 and 2019, we helped shape the agenda of the Argentinian and Japanese B20 Presidencies.

- In Argentina, we actively participated in B20 taskforces and our chair Phil O’Reilly co-chaired the B20 Argentinian Task Force on Sustainable Food Systems. We also organized our 4th Annual High-Level Joint Session with the B20 and OECD on May 29th, advocating business recommendations to selected G20 Sherpas. We also convened Argentinian B20 taskforces in Paris. Our leadership also participated in the B20 Summit in Buenos Aires and delivered remarks in a panel on trade.

- During the Japanese Presidency, we also partnered with our Japanese member Keidanren to ensure success in this arena.

- In February 2019, we hosted a teleconference to help consolidate B20 business views into the B20 Tokyo Summit recommendations. At the B20 Tokyo Summit, our Chair Phil O’Reilly highlighted the OECD’s role in the current global economy and our Secretary General Russel Mills moderated a panel on the role of business to achieve the SDGs. The Summit was held under the leading theme “SOCIETY 5.0 FOR SDGS” and brought together business leaders from around the world. As we get closer to the G20 Osaka Summit, we will co-host the traditional B20 OECD-Business at OECD joint plenary on 23 May 2019 at the OECD as part of our high-level advocacy to G20 stakeholders. We are already working with the incoming Saudi business community to prepare for the 2020 B20 Presidency.
CORPORATE GOVERNANCE
AND RESPONSIBLE BUSINESS CONDUCT

CONTEXT AND WHY IT MATTERS FOR BUSINESS

- Corruption seriously affects our economies, and erodes trust in business and governments. The OECD’s Anti-Bribery Convention and related instruments make the OECD a key organization in the fight against bribery.

Good corporate governance across all sectors of the economy is a fundamental prerequisite for the long-term sustainability of businesses. The OECD/G20 Corporate Governance Principles provide a globally recognized benchmark towards this goal. The OECD Guidelines on Corporate Governance of State-Owned Enterprises advise countries how to manage more effectively their responsibilities as company owners.

The OECD Guidelines for Multinational Enterprises are the most comprehensive government-backed responsible business conduct instrument. OECD work in this field is an essential part of an open investment environment for business.

\[ \text{SOEs represent over 20\% among the world's largest companies} \]

\[ \text{2\% of global GDP} \]

\[ \text{the annual cost of bribery} \]

\[ \text{it is only 20\% of the analyzed foreign bribery cases} \]

\[ \text{400 cases have been treated up to today by National Contact Points for the OECD} \]

Dr. Klaus Moosmayer, our Anti-Corruption Committee Chair, speaking at the 2019 OECD Global Anti-Corruption & Integrity Forum

Hanni Rosenbaum addressing participants in Italy at the No Corruption Day, hosted by Acciai Speciali Terni
Our outcomes and impact

- In March 2019, our Committee Chair Klaus Moosmayer highlighted the fundamental importance of addressing the fight against corruption to establish trust in business and governments and enable the implementation of the SDGs at the B20 summit in Tokyo. We also called for adherence of all G20 countries to the OECD Anti-Bribery Convention.

- In March 2019, we contributed to the OECD Anti-Corruption and Integrity Forum, an annual high-level venue bringing together around 2000 global experts. Our Committee Chair Klaus Moosmayer spoke at this event on the update of the 2009 Anti-Bribery Recommendation and called for addressing the demand side, recognizing compliance efforts and voluntary self-disclosure, and reflecting the use of technologies.

- At consultations in March 2019 and October 2018, we called for increased transparency of SOEs and supported OECD work on a transparency checklist for internationally active SOEs. We see this as a fundamental first step to address barriers to a global level playing field. We also contributed to the development of the OECD Anti-Corruption and Integrity Guidelines to help states promote integrity in the SOEs they own.

- In February 2019, our Senior Director for Strategy and Policy Hanni Rosenbaum spoke in Italy at the No Corruption Day, hosted by Acciai Speciali Terni, and emphasized the importance of putting national and international commitments into practice.

- In March 2019, we contributed to the OECD Anti-Corruption and Integrity Forum, an annual high-level venue bringing together around 2000 global experts. Our Committee Chair Klaus Moosmayer spoke at this event on the update of the 2009 Anti-Bribery Recommendation and called for addressing the demand side, recognizing compliance efforts and voluntary self-disclosure, and reflecting the use of technologies.

- In December 2018, we contributed to OECD dialogue and analysis on what happened on the demand side to enforcement actions that ended in sanctions for the supply side.

- In March 2018, we presented our “corporate governance proactive agenda”, calling for an effective implementation of the OECD/G20 Principles with due mechanisms in place to review progress and encourage leading practices.

- In March 2019, we contributed to OECD due diligence work in the finance sector, focusing on corporate lending and securities underwriting. We asserted that the specific nature of the finance sector needs to be taken into account and that the mere fact that financial services are provided should not lead to a shifting of responsibilities.

- Throughout the year, we contributed to the implementation of the 2018 OECD Due Diligence Guidance, the first government-backed due diligence guidance on responsible business conduct across sectors in this field. Our input ensured the guidance provides practical support for multinational enterprises, taking into account the complexities of global supply chains. We also deepened our participation in OECD sector-specific work on due diligence in the garment sector and mineral supply chains.

- Throughout the year, we reinforced the need for a shared understanding of the National Contact Points process as a platform where the different parties should come together to identify a future-oriented solution.

Outlook

- On anti-corruption, we will call for continued efforts to establish a global level playing field, public-private cooperation in public procurement and infrastructure projects, and joint action to address both the supply and demand side of bribery. We will also urge governments to explore ways of acknowledging effective compliance systems and voluntary self-disclosure.

- On responsible business conduct, future efforts will focus on capacity building to ensure that businesses can both understand and benefit from the guidance stemming from OECD work. We will outreach to non-member countries to spread good practices of responsible business conduct and ensure a global level playing field for companies investing abroad.

- On corporate governance, future collaboration with OECD will include the implementation of specific business suggestions from our roundtable such as an index of market participation to highlight connections between broad capital market participation and inclusive growth. Continued focus on transparency and good governance of SOEs will also be high on our agenda.
Context and why it matters for business

As global governments work to implement the United Nations 2030 Agenda for Sustainable Development, the OECD has prioritized three focus areas: financing development, policy effectiveness, and building partnerships. Beyond its membership, the OECD leverages its regional programs and country partnerships to engage governments globally. Business has a key role in working with the OECD on best practice to provide expertise on mobilizing private sector finance for development.

750 million youth and adults are illiterate and a staggering 617 million (i.e. 57% of children and adolescents) not able to read or do basic mathematics.
Our outcomes and impact

- In November 2018, as part of our work on export credits we launched a vision paper setting out business priorities for the future of the OECD Arrangement on Officially Supported Export Credits – the global rule book for public export support.

- In September 2018, the OECD launched a new Business Advisory Board for its Middle East and North Africa (MENA) Program. Business at OECD member CEOE has been appointed the inaugural Co-Chair of the Board whose membership includes a range of our national members including Great Britain’s BDI, Portugal’s CIP, and France’s MEDEF. We also serve as an institutional observer in this Board.

- In June 2018, our China Taskforce convened a meeting with the OECD Informal Reflection Group on China. It shared expert advice on the country’s economic growth performance and potential, including the current business climate.

- In March 2018 our Japanese member Keidanren addressed the OECD Southeast Asia Ministerial Conference in Tokyo, detailing the need for investment in high quality infrastructure and a smart regulatory environment to help spur regional economic growth.

Outlook

- Our efforts will focus on improving the investment climate and business environment in China.

- We will promote adherence to OECD best practice and legal instruments beyond OECD countries.
ECONOMIC POLICY, COMPETITION, AND REGULATION

CONTEXT AND WHY IT MATTERS FOR BUSINESS

The OECD, with its widely known Economic Outlooks and Going for Growth report, remains an authoritative source of advice for governments and business on international economic matters. OECD also leads on competition policy by actively encouraging governments to tackle anti-competitive practices through in-depth country reviews and fosters market-oriented reform throughout the world.

The OECD also develops cutting-edge guidance on regulatory reform efforts through administrative simplification, impact assessment, and alternatives to regulation. The OECD Regulatory Policy Outlook regularly maps country efforts to improve regulatory quality. Businesses have a significant opportunity to shape this work and share their expertise with OECD leadership and governments.

Over $780 billion a year, the cost of regulatory divergence for the financial services sector coming from new research we conducted with the International Federation of Accountants (IFAC)
Our outcomes and impact

In February 2019, our Competition Committee Vice-Chair Paul Lugard presented insights to the OECD Workshop on Recent Challenges in Competition and IP in Pharmaceutical Markets in February 2019 informing over 1000 experts from competition agencies participating remotely.

In November 2018, our Competition Committee contributed to OECD discussions on competition and released expert papers on digital zero-price markets, personalized pricing in the digital era, competition law and state-owned enterprises, suspensory effects of merger notifications and gun jumping, the treatment of privileged information in competition proceedings, and excessive pricing in pharmaceuticals.

In June 2018, our Competition Committee contributed to OECD discussions on competition and released expert papers on market concentration, taxis, ridesourcing and ride-sharing services, e-commerce and competition policy, effective consumer-facing remedies, leniency programs, and the non-price effects of mergers.

In June 2018, Darren Hannah, Vice Chair of the Business at OECD Economic Policy Committee addressed the Annual Conference of the OECD Global Forum on Productivity.

In May 2018, we released our annual Economic Policy Survey, setting out business priorities for structural reforms at national level. The latter are reflected in the flagship 2019 OECD Going for Growth publication.

In April 2018, as part of our work on governance we released a major study on Regulatory Divergence: Costs, Fisks, Impacts in financial services in partnership with the International Federation of Accountants. We also presented the report to OECD and governments participating in the OECD Committee on Financial Markets.

We also provided recommendations on macroeconomic and structural policy analysis at the OECD Economic Policy Committee, which gathers top economic policymakers from OECD countries and beyond.

Outlook

We will gather member input to build the next annual Economic Policy Survey.

We will provide a business response to the OECD Economic Outlook and leverage OECD publications and releases to include business views on economic policy.

Dr. Klaus Deutsch, our Economic Policy Committee Chair, Laurence Boone, OECD Chief Economist, Toby Bateman, and Russel Mills in our offices in Paris
EMPLOYMENT, SKILLS, AND EDUCATION

CONTEXT AND WHY IT MATTERS FOR BUSINESS

- Digital transformation and demographic change are having major impacts on the world of work. Productivity gains that come from digital technologies have the potential to tackle issues such as safety and training. Education, skills, and digital literacy are top priorities to prepare for the future of work, and to address related employment transitions. The OECD Jobs Strategy, the latest policy guidance in this field, comes at a critical moment where business needs a whole-of-government approach to employment policy and meaningful social dialogue.

Renate Hornung Draus, our ELSA Committee Chair, addressing participants at the Launch of the new OECD Jobs Strategy in the French Ministry of Labor

Nicole Primmer moderating a panel at the OECD World Forum on Statistics, Knowledge and Policy in Incheon, Korea
Our outcomes and impact

■ In April 2019, our Employment Committee Vice Chair Gulden Turktan spoke at the launch of the 2019 OECD Employment Outlook publication in Berlin, following our substantive input to the chapters.

■ In April 2019, we co-hosted with the Walt Disney Company an event on gender inclusion in support of implementation of the OECD Recommendation on Gender Equality.

■ In December 2018, our Secretary General leadership participated in the OECD launch event of the Jobs Strategy alongside French Labor Minister Muriel Penicaud, and emphasized the importance of skills and role of social dialogue – diverse traditions and approaches across jurisdictions. We shaped the OECD Jobs Strategy to promote holistic policies that protect the worker instead of the job, and to recognize the lead role of business in job creation, the importance of diverse forms of work, the need to align social policy with new business models.

■ In November 2018, we participated in the OECD 6th World Forum on Statistics, Knowledge, and Policy, and addressed the importance of good governance across sectors. Our Senior Policy Director Nicole Primmer moderated a panel on measuring the business impact on sustainability and well-being.

■ In October 2018, our Secretary General was appointed as Treasurer of the Global Apprenticeship Network, an initiative advancing business action to implement work based training.

■ Throughout the year, we participated in the France G7 social and education tracks.

Outlook

■ Our future efforts will focus on promoting access to education and training to navigate change and enable individuals to thrive in the digital environment.

■ On education we will focus on the need for both technical and soft skills.

■ Future recommendations will promote reforms of social protection systems to ensure appropriate coverage for all forms of work.
ENVIRONMENT
AND ENERGY

CONTEXT AND WHY IT MATTERS FOR BUSINESS

- OECD work on the environment helps countries design and implement effective policies to address environmental challenges and sustainably manage natural resources. It addresses cutting-edge issues including climate change, resource efficiency and the circular economy, biodiversity, water and transport. The development of OECD high-quality tools and guidance on technical issues play a key role in global discussions on chemicals management, nano- and biosafety. By avoiding duplicative data requirements for chemicals testing, the OECD environment, health and safety program generates cost savings of about 310 million Euros annually for business and governments.

The approximate warming implied by climate pledges under the Paris Agreement – even if fully implemented

MORE THAN
95%

of all manufactured products rely on chemistry and many of these include plastic resins. As for Business at OECD and its members plastics however do not belong into the environment, we have been encouraging OECD to ensure holistic policies in this regard that judge materials and their alternatives on a life-cycle basis and with their societal value assessed.
Our outcomes and impact

- In March 2019, our Environment Committee Chair Hans-Jörn Weddige contributed to the OECD/IEA Climate Change Global Forum. The meeting brought together climate negotiators to discuss ways forward on Article 6 negotiations, aspects of implementation of the Paris Agreement and, in particular, its accounting and transparency dimensions.

- In November 2018, our Chemicals Committee met to coordinate its input to its OECD Environment, Health and Safety Programme. Our Chemicals Committee Chair Jay West led our delegation and conveyed our business messages to the OECD Joint Meeting of the Chemicals Committee.

- In February 2019, our Nanotechnology Expert Group met in Paris to contribute to OECD discussions on the safety of manufactured nanomaterials. Our Committee leadership Karin Wiench headed our 12-person delegation. Earlier in September 2018, the group also contributed input to meetings on Physical Chemical Properties of Nanomaterials and the OECD Scientific Workshop on Grouping of Nanomaterials.

- In October 2018, our Environment and Energy Committee and the Major Economies Business Forum (BizMEF) organized a workshop on Business Engagement in Implementing the Paris Agreement, convening over 50 participants from business, high-level government representatives, and OECD and United Nations Framework Convention on Climate Change. The Workshop discussed a joint Survey Report on Public Private Partnership in Nationally Determined Contributions Implementation that was subsequently presented at the Conference of the Parties (COP24) in Katowice.

- In May 2018, business representatives participated in the OECD Conference on Plastics in a Circular Economy: Design of Sustainable Plastics from a Chemicals Perspective and several members conveyed perspectives, speaking in various panels.

Outlook

- We will continue to contribute to the development of OECD instruments for chemical testing to avoid duplication and produce cost savings for industry.

- We will identify and promote policies that are economically efficient and environmentally effective in discussions across the OECD.
HEALTH AND WELL-BEING

CONTEXT AND WHY IT MATTERS FOR BUSINESS

OECD work on health has become a reference for governments and health stakeholders. Whether it is on providing policy guidance on access to innovation and related regulations or policy recommendations to address risk factors for Non Communicable Diseases, the OECD’s reports are widely-quoted and influential in national policymaking. Our members have an opportunity to shape dialogue and ensure that recommendations look at health policies and interventions not as cost containment measures but as potential levers for economic growth and social prosperity.

Thomas Cueni, our Health Committee Chair, Ali Karami Ruiz, and Laurent Scheer, our Health Committee Vice Chair, discussing with our Health Committee members

Despina Spanou, Director for Digital Society, Trust and Cybersecurity, European Commission, Nicole Denjoy, our Health Committee Vice Chair, Mark Pearson, Deputy Director, Employment, Labour, and Social Affairs Directorate, OECD, and Matthieu Boudes during our Forum on Digital Health and Partnerships at the OECD
In December 2018, we organized our 3rd Forum on Health focusing on Digital Health and Partnerships. Through this event, we outlined policy proposals the OECD can take forward to leverage digital technologies and improve health outcomes for patients and consumers. The event featured the participation of the OECD Secretary General, who called for partnerships to achieve progress. Through our cross-sectoral perspectives we showed that health investments and multi-stakeholder efforts are powerful engines for economic prosperity.

In June 2018, together with the OECD, we organized a roundtable with the G20 on obesity and nutrition. We underscored that product reformulation is one among a series of business-led initiatives to tackle obesity.

In June 2018, we addressed the OECD Health Committee and provided business recommendations to tackle Antimicrobial Resistance and needed interventions to boost R&D in this area and stewardship efforts. We also showcased initiatives based on behavioral insights and health literacy that can help populations adopt healthier lifestyles and choose balanced choices.

In March 2018, we participated in the first OECD Expert Group on pharmaceuticals and medical devices. Our insights provided feedback to governments on cutting-edge topics related to new technologies and their absorption. Our Committee Chair Thomas Cueni also addressed the OECD Health Committee in December 2018 as governments consider projects for future work in this area.

In October 2018, we participated in the OECD expert group on public health and presented business actions to address the ongoing opioids crisis, provided feedback on OECD analysis on alcohol abuse, the return of physical activity, and multi-stakeholder involvement in food reformulation and simplified labelling scheme initiatives.

In June 2018, we will organize our 4th annual Forum on Health, showcasing how business contributions can help achieve the Sustainable Development Goals on health, innovation, and partnerships.

We will provide proactive policy perspectives on how to achieve innovation in a sustainable way, and how to increase health literacy for better consumer choices.

Holistic health policies can be powerful drivers for productivity and growth.

Achieving a healthier lifestyle could prevent 80% of all cases of heart disease, strokes, and diabetes type 2.

the return on investment within five years for investments in programs focusing on improving lifestyle behaviors including increased physical activity.

83% of survival gains from cancer since the 1990s—just two decades ago—are attributable to new treatments, including medicines.

80% of all cases of heart disease, strokes, and diabetes type 2
INNOVATION AND DIGITAL ECONOMY

THE POLICY CONTEXT AND WHY IT MATTERS FOR BUSINESS

- The OECD develops evidence-based policy advice on the contributions of digitalization and science & innovation to our economies and societies. This include work on access to data, the next production revolution, Internet of Things (IoT) and Artificial Intelligence as well as government investment in research and innovation. Its annual related OECD Science, Technology and innovation (STI) Scoreboard includes 200 indicators covering more than 40 advanced and emerging economies.

The Digital transformation is a major opportunity for our economies and societies impacting all sectors. Business leads this transformation and requires enabling policy frameworks to support digital innovation and diffusion. The OECD Going Digital Integrated Policy Framework and the supporting Going Digital Toolkit furnish comprehensive policy guidance to positively advance the digital transformation. OECD work on digital economy policy provides an evidence base measurement to guide effective policy action and implementation. This requires a whole-of-government and truly multi-stakeholder approach, a step-change across many points on the policy agenda, which builds further trust in business and delivers increased value to society.

As innovations raise new challenges and opportunities, the OECD examines digital business models including e-commerce, big data, internet of things and artificial intelligence with an aim to protect and empower digital consumers. Digitalization requires appropriate policy frameworks for the governance of data, data protection and cyber security, all critical issues, to harness the benefits of data driven economies. The OECD Privacy Guidelines, Guidance for Digital Security Pisk and the new Guidance for Artificial Intelligence, developed through a multi-stakeholder process, underpin OECD as the leading policy institution for these critical fields.

Recent projects have also focused on raising global awareness about product safety challenges and enhancing information sharing and global coordination of product recalls and leveraging behavioral insights.

Expected economic impact of Internet of Things (IoT) will add BETWEEN \(2.7\) TRILLION USD \(6.2\) TRILLION

Gabriela Ramos, Pussel Mills, Paul Nowak, Marc Pottenberg, and Jane Coffin during OECD Going Digital Summit, Stakeholders Panel
Our outcomes and impact

- Throughout the year, we effectively shaped the outcome of the OECD Going Digital Integrated Policy Framework and served as member of its related Steering Group.

- Throughout the year, we ensured the new OECD Guidance for Human Centric Trustworthy AI reflects business priorities as a lead innovator.

- In April 2019, our Innovation Committee Chair Rick Johnson presented two policy papers including our business priorities to the OECD High-Level Roundtable on Science, Technology and Innovation Policies for Society. The meeting convened Vice-Ministers and senior innovation representatives from more than 40 countries.

- In April 2019, our Consumer Policy Expert Group Chair Pierre Chalançon participated in OECD discussions including a roundtable on digital assistants and e-commerce, and online consumer ratings. The delegation he led also contributed to consumer product safety discussions related to the Internet of Things and Artificial Intelligence.

- At the March 2019 OECD Going Digital Summit we had over 10 business speakers present and 60+ participants, including our Secretary General who was featured on the Stakeholders Panel.

- In March 2019, we teamed with our US member USCIB and the OECD in Washington DC on a conference to address implementation of the OECD Going Digital project, featuring remarks from our CDEP Co-Chair Julie Brill.

- In December 2018, our CDEP Co-Chair Makoto Yokozawa and business representatives spoke in the OECD Global Forum on Digital Security and Prosperity emphasizing the importance of implementation of the OECD Guidance on Digital Security Risk.

- In November 2018, our Consumer Policy Chair Pierre Chalançon and several members spoke at the OECD/EC Conference Consumer Policy Conference on the Internet of Things, Artificial Intelligence and Product Safety discussing potential ways forward for policy-makers.

- In October 2018, our SMEs Expert Group released its Policy Priorities for Entrepreneurship at the OECD Working Party on SMEs.

Outlook

- Efforts will strengthen international cooperation in research and innovation.

- We will coordinate business input for the 2nd phase of the OECD Going Digital project, which will include a focus on Artificial Intelligence, through the OECD AI Observatory, Blockchain, and data governance.

- As part of the OECD Expert Group, Business at OECD Experts will be actively engaged in the review of the OECD Privacy Guidelines.
TAXATION

CONTEXT AND WHY IT MATTERS FOR BUSINESS

- Taxation remains a key issue and core competency of the OECD’s multilateral consensus building agenda. Inefficiency in tax policy design and practice reduces after-tax returns harming investment, entrepreneurship and innovation. The OECD “digital tax” project has evolved into a broader review of the entire cross border transfer pricing and international tax system. The project may result in changes more fundamental and broad reaching than those stemming from the previous G20-mandated OECD project on base erosion and profit shifting. BEPS implementation and monitoring of the latter project continues to be a vital workstream of our efforts with the OECD.

Alan McLean, our Tax Committee Deputy Chair, Monika Wünneemann, Pascal Saint Amans, Russel Mills, and Christian Schleithoff at the International Tax Conference in Berlin
**Our outcomes and impact**

- In March 2019, we submitted a comment letter as part of the OECD Public Consultation on the tax challenges of digitalization project. During the meeting, we stressed the need for deep and principled consensus for the project to have lasting success in the coming decades and reiterated our constructive participation throughout the process.

- In March 2019, we participated in the OECD Global Forum on Value Added Tax in Melbourne Australia, where consensus was reached in endorsing an OECD report on the role of digital platforms in the collection of Value Added Tax and Goods and Services Tax on online sales.

- In January 2019, we released a list of Guiding Principles that should be embedded in any solution for the tax challenges of digitalization OECD project. The principles advocate for avoiding ring-fencing of the digital economy, mitigating instances of double taxation, and improving dispute resolution mechanisms.

- In 2018 we organized joint conferences on taxation with member organisations including with Keidanren in Tokyo, Japan in October, with our German member BDI in Berlin in November, and in June with our US member USCIB in Washington, D.C, as well as with BusinessEurope and ICC in Munich.

- Throughout the year we monitored the implementation of Country-by-Country Reporting (CbCR), Master File, and Local File requirements. In September 2018 we participated in a joint OECD workshop on CbCR implementation in China.

- We provided comprehensive comments on the OECD’s transfer pricing of Financial Transactions drafts.

**Outlook**

- Reaching multilateral consensus on the tax challenges of the digitalization project will be a key focus of our tax-focused work between now and the end of 2020.

- Our Tax Committee will exchange with OECD and governments on efforts to mitigate tax uncertainty, ensure effective implementation of the BEPS recommendations, and promote best practices for engaging with tax authorities in developing countries through OECD initiatives.

- The Country by Country Reporting 2020 review will come into focus in the coming months.
TRADE AND INVESTMENT

CONTEXT AND WHY IT MATTERS FOR BUSINESS

OECD work on trade shapes international policy making by raising awareness of existing problems and barriers and providing the analytical framework for multilateral trade – be it through research on global value chains, trade in value-added, or the flow of services. The OECD Trade Facilitation Indicators and the Services Trade Restrictiveness Index allow governments to benchmark their performance and to prioritize needed reforms. Further, the Organization also manages a program on officially supported export credits. As OECD acts as knowledge partner to the WTO and to the G7 and G20, it strongly influences debates among the world’s most important economies. The OECD is also an increasingly influential source of policy advice to support the private sector’s role in delivering food and water security, and undertakes work on innovation and productivity, sustainability, and nutrition.

Foreign direct investment is an integral part of a growth-oriented international economic system. It spurs public prosperity and economic development in home and recipient countries. Yet, FDI liberalization remains an unfinished agenda in various parts of the world and across sectors. The overall environment for international investment remains volatile, and misconceptions about the value of investment in the public discourse are often insufficiently addressed. Business needs a forceful defence from the OECD to underpin the value of an open international trade and investment environment. We have a major opportunity to work with the OECD and governments in identifying positive policy solutions across these areas.

Winand Quaedvlieg, our Investment Committee Chair, and Soichiro Sakuma, our Investment Committee Vice Chair, providing business perspectives at OECD Investment Consultation.
Our outcomes and impact

- In April 2019, our Trade Committee met to discuss business contributions to ongoing OECD work, including data localization, digital trade and market openness. A special focus was on the OECD’s digital trade agenda and its contributions to WTO e-commerce initiative. We also presented our Considerations for Trade and Investment policy paper to the OECD Investment Committee and at a reception with OECD Trade Committee representatives.

- In November 2018, the Food and Agriculture Committee exchanged views with OECD Trade and Agriculture Director Ken Ash on the need to support innovation and productivity growth in the food and agriculture sectors and to have a balanced approach to nutrition issues.

- In October 2018, our members participated in the annual meeting of the OECD Food Chain Analysis Network to discuss new policy approaches to improving public data about nutrition, and potential policy solutions.

- In October 2018, through a joint session with both our Trade and Investment Committees, we identified business priorities to better understand trade and investment linkages and subsequently presented them to relevant OECD bodies.

- In October 2018, our Trade Committee Vice Chair Pat Ivory and USCIB’s Eva Hampl addressed trade policymakers at the OECD Global Forum on Trade highlighting policy recommendations in the areas of cross-border data flows and digital trade.

- In March 2018, we launched our “proactive investment agenda” calling on the OECD to focus on implementation of its Policy Framework for Investment and the Declaration on International Investment and Multinational Enterprises, among other key instruments.

- In March 2018, we issued a paper highlighting the key principles that should be in place for any investment resolution system. This effort underscores the fundamental importance of well-designed investment protection mechanisms.

- As countries are increasingly reviewing their screening policies, we underlined the importance of implementing the OECD Guidelines for Recipient Country Investment Policies relating to National Security to achieve national security goals with minimal impact on investment.

- In October 2018 and March 2019, we contributed to the dialogue on the new OECD project on FDI qualities, underlining that it should refine analysis on the benefits coming from FDI for host and home countries, but should not lead to an unhelpful categorization of what is “good” or “bad” FDI.

- The growing importance of SOEs that invest globally raises concerns regarding impacts for a global level playing field. Throughout the year, we called upon the OECD to increase transparency on SOEs and identify ways to eliminate unfair market distorting practices and special treatment given to them.

Outlook

- On trade, our engagement with OECD will discuss topics including digital trade and OECD contributions to WTO e-commerce talks, trade in goods and services, customs facilitation and regulatory coherence.

- On investment, we will focus on investment screening and national security, trade and investment interlinkages, investment issues in relation to internationally active state-owned enterprises as well as the role of investment for development.
POLICY GROUP STRUCTURE

CORPORATE GOVERNANCE AND RESPONSIBLE BUSINESS CONDUCT
- Anti-corruption Committee
- Corporate Governance Committee
- Responsible Business Expert Group

DEVELOPMENT AND EMERGING ECONOMIES
- China Expert Group
- Development Committee

ECONOMIC POLICY AND REGULATION
- Competition Committee
- Economic Policy Committee
- Finance Committee
  - Private Pension Expert Group
- Governance and Pregulatory Policy Committee

EMPLOYMENT, SKILLS, AND EDUCATION
- Education Committee
- Employment, Labor and Social Affairs Committee

ENVIRONMENT AND ENERGY
- Chemicals Committee
  - Biotechnology Expert Group
  - Nanotechnology Expert Group
- Environment & Energy Committee
  - Water Expert Group

HEALTH AND WELL-BEING
- Health Committee

INNOVATION AND DIGITAL ECONOMY
- Consumer Policy Committee
- Digital Economy Policy Committee
- Innovation and Technology Committee
- Small & Medium Sized Enterprises Committee

TAXATION
- Taxation & Fiscal Policy Committee

TRADE AND INVESTMENT
- Food and Agriculture Committee
- International Investment Committee
- Trade Committee
  - Export Credits Expert Group
  - Raw Materials Expert Group
OUR TEAM

RUSSEL MILLS
Secretary General

HANNI ROSENBAUM
Senior Director, Strategy and Policy

ALI KARAMI-RUIZ
Senior Director, Strategic Engagement and Communications

NICOLE PRIMMER
Senior Policy Director

DOMINIK KÜMMERLE
Policy Manager

FREDERIK LANGE
Policy Manager

SATOSHI SHIBATA
Policy Expert

KYLE AUDET
Policy Expert

CHARLES CRESPEL
Communications and Policy Advisor

JASMINE PUOTI
Executive Assistant to the Secretary General

SALETTE BELLAVOINE
Assistant to Policy Directors; Administration and IT Support

SORRELL STEWART
Assistant to Policy Directors; Communications Support
MEETINGS WITH BUSINESS AT OECD MEMBERS IN PARIS AND ABROAD

- We conduct regular visits to our national business organizations and host business delegations in Paris to exchange top business priorities with our members and observers, and identify how they correspond with OECD work.

- Over the last eight months, we have conducted a series of visits to our national member organizations, including to the US, Korea, Japan, Germany, France, Poland, Slovak Republic, Italy and Canada.

- Through these meetings, the Secretary General has strengthened ties with member organization leadership, and identified ways to increase participation in our policy work. Member outreach planning for the 2nd half of 2019 is underway. Our efforts will focus on encouraging additional corporate and member organization participation in our policy groups, our strategic initiatives, and OECD-wide projects.
OUR EXECUTIVE BOARD
## OUR CONSTITUENTS

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>MEMBERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>Australian Chamber of Commerce and Industry – ACCI</td>
</tr>
<tr>
<td>Austria</td>
<td>Federation of Austrian Industries – IV</td>
</tr>
<tr>
<td>Belgium</td>
<td>Federation of Enterprises in Belgium – FEB</td>
</tr>
<tr>
<td>Canada</td>
<td>Canadian Chamber of Commerce – CCC</td>
</tr>
<tr>
<td>Chile</td>
<td>Confederation for Production and Commerce – CPC</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Confederation of Industry of the Czech Republic – SP</td>
</tr>
<tr>
<td>Denmark</td>
<td>Confederation of Danish Industry – DI</td>
</tr>
<tr>
<td>Denmark</td>
<td>Danish Employers’ Confederation – DA</td>
</tr>
<tr>
<td>Estonia</td>
<td>Estonian Employers’ Confederation – ETTK</td>
</tr>
<tr>
<td>Finland</td>
<td>Confederation of Finnish Industries – EK</td>
</tr>
<tr>
<td>France</td>
<td>French Business Confederation – MEDEF</td>
</tr>
<tr>
<td>Germany</td>
<td>Confederation of German Employers – BDA</td>
</tr>
<tr>
<td>Germany</td>
<td>Federation of German Industries – BDI</td>
</tr>
<tr>
<td>Greece</td>
<td>Helleneic Federation of Enterprises – SEV</td>
</tr>
<tr>
<td>Hungary</td>
<td>Confederation of Hungarian Employers and Industrialists – BUSINESSHUNGAPY</td>
</tr>
<tr>
<td>Hungary</td>
<td>National Association of Entrepreneurs and Employers – NAFE – VOSZ</td>
</tr>
<tr>
<td>Iceland</td>
<td>Confederation of Icelandic Enterprise – SA</td>
</tr>
<tr>
<td>Ireland</td>
<td>İbec</td>
</tr>
<tr>
<td>Israel</td>
<td>Manufacturers’ Association of Israel – MAI</td>
</tr>
<tr>
<td>Italy</td>
<td>Assonime</td>
</tr>
<tr>
<td>Italy</td>
<td>Confindustria</td>
</tr>
<tr>
<td>Italy</td>
<td>Italian Banking Insurance and Finance Federation – FeBaf</td>
</tr>
<tr>
<td>Japan</td>
<td>Keidanren</td>
</tr>
<tr>
<td>Korea</td>
<td>Federation of Korean Industries – FKI</td>
</tr>
<tr>
<td>Latvia</td>
<td>Employers’ Confederation of Latvia – LDDK</td>
</tr>
<tr>
<td>Lithuania</td>
<td>Lithuanian Confederation of Industrialists – LPK</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>The Voice of Luxembourg’s Industry – FEDIL</td>
</tr>
<tr>
<td>Mexico</td>
<td>Employers Confederation of the Mexican Republic – COPARMEX</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Confederation of Netherlands industries and Employers VNO-NCW</td>
</tr>
<tr>
<td>New Zealand</td>
<td>BusinessNZ</td>
</tr>
<tr>
<td>Norway</td>
<td>Confederation of Norwegian Enterprise – NHO</td>
</tr>
<tr>
<td>Poland</td>
<td>Employers of Poland – PPP</td>
</tr>
<tr>
<td>Portugal</td>
<td>Confederation of Portuguese Business – CIP</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>National Union of Employers – PLUZ</td>
</tr>
<tr>
<td>Slovenia</td>
<td>Association of Employers of Slovenia – ZDS</td>
</tr>
<tr>
<td>Spain</td>
<td>Confederation of Employers and Industries of Spain – CEOE</td>
</tr>
<tr>
<td>Sweden</td>
<td>Confederation of Swedish Enterprise – SE</td>
</tr>
<tr>
<td>Switzerland</td>
<td>Swiss Employers Confederation</td>
</tr>
<tr>
<td>Switzerland</td>
<td>économiesuisse</td>
</tr>
<tr>
<td>Turkey</td>
<td>Turkish Confederation of Employer Associations – TISK</td>
</tr>
<tr>
<td>Turkey</td>
<td>Turkish Industry and Business Association – TUSIAD</td>
</tr>
<tr>
<td>Turkey</td>
<td>Union of Chambers and Commodity Exchanges of Turkey – TOBB</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Confederation of British Industry – CBI</td>
</tr>
<tr>
<td>USA</td>
<td>U.S. Council for International Business – USCIB</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>OBSERVERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>Union Industrial Argentina</td>
</tr>
<tr>
<td>Brazil</td>
<td>National Confederation of Industry – CNI</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>Organization of Bulgarian Industrial Association – AOE</td>
</tr>
<tr>
<td>Colombia</td>
<td>Asociacion Nacional de Empresarios de Colombia – ANDI</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>Unión Costarricense de Cámaras y Asociaciones del Sector Empresarial Privado – UCCAEP</td>
</tr>
<tr>
<td>Croatia</td>
<td>Croatian Employers’ Association – CEA</td>
</tr>
<tr>
<td>India</td>
<td>Confederation of Indian Industry – CII</td>
</tr>
<tr>
<td>India</td>
<td>Federation of Indian Chambers of Commerce and Industry – FICCI</td>
</tr>
<tr>
<td>Peru</td>
<td>National Confederation of Private Business Institutions – CONHEP</td>
</tr>
<tr>
<td>Russia</td>
<td>Russian Union of Industrialists and Entrepreneurs – PSPP</td>
</tr>
</tbody>
</table>
### ASSOCIATE EXPERT GROUPS

- AquaFed
- Association of Chartered Certified Accountants - ACCA
- Bureau of International Recycling - BIR
- Computer & Communications Industry Association - CCIA Europe
- Confederation of European Waste-to-Energy Plants - CEWEP
- Cosmetics Europe
- CropLife International
- Digitaleurope
- EIPMA
- Eurométaux
- EuropaBio
- European Association of Mining Industries, Metal Ores and Industrial Minerals - EUROMINES
- European Banking Federation - EBF
- European Chemical Industry Council - CEFIC
- European Coordination Committee of the Radiological, Electromedical and Healthcare IT Industry - COCIR
- European Federation of Pharmaceutical Industries' Associations
- European Irrigation Association - EIA
- European Retail Round Table - ERT
- European Telecommunications Network Operators Association - ETNO
- FoodDrinkEurope
- GS1
- GSMA
- ICI Global
- Insurance Europe
- Inter-American Association of Telecom Enterprises - ASIET
- International Aluminium Institute - IAI
- International Chamber of Shipping - ICS
- International Council on Mining and Metals - ICMM
- International Federation of Accountants - IFAC
- International Federation of Industrial Energy Consumers - IFIEC
- International Federation of Pharmaceutical Manufacturers & Ass - IFPMA
- International Federation of the Phonographic Industry - IFPI
- International Fertilizer Industry Association - IFA
- International Fragrance Association - IFRA
- International Seed Federation
- MedTech Europe
- Satellite Operators Association - ESOA - EMEA
- The Brewers of Europe
- The European Cement Association - CEMBUREAU
- Union of European Beverages Associations - UNESDA
- World Employment Confederation - WEC
- World Federation of Advertisers - WFA
- World Federation of Advertisers - WFA
- World Savings and Retail Banking Institute - WSBI
- World Steel Association
Established in 1962, Business at OECD stands for policies that enable businesses of all sizes to contribute to growth, economic development, and societal prosperity. Through Business at OECD, national businesses and employers’ federations representing over 7 million companies provide and receive expertise via our participation with the OECD and governments promoting competitive economies and better business.