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

Navigating Uncertainties Together

5 Business Priorities for OECD Leadership on International Trade

Priorities Paper
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Executive Summary

In an era marked by geopolitical fragmentation, rising protectionism and systemic uncertainty, *Business at OECD* (BIAC) urges governments to take concrete steps to restore confidence in international trade.

Looking ahead to the 2026 OECD Ministerial Council Meeting, business calls for a clear, actionable and shared OECD vision for the future of trade policy. This moment presents a critical juncture to reaffirm the role of market-based economies, align on core principles, promote trade agreements with different regions of the world and commit to necessary reforms that strengthen the rules-based trading system.

Drawing on the practical experience of a regionally diverse business constituency, this paper further outlines five strategic trade policy priorities with concrete recommendations for future OECD work:

- **Level playing field:** The OECD should deepen its monitoring of subsidies, State-Owned Enterprises (SOEs) and export credit practices to identify distortive measures with private sector input. Support measures must be transparent, time-bound and non-discriminatory. The Organisation should promote sunset clauses for industrial support, strengthen implementation of its SOE governance guidelines and advance reform of WTO subsidy rules to ensure a more level playing field.

- **Resilient supply chains:** The OECD should consider a risk-based approach to mapping supply chain vulnerabilities, including geopolitical, cyber and resource risks. It should promote regulatory convergence and consider transparency standards that protect business data. Discussions on sector-specific issues should address critical raw materials, food security, medical supply chains, frontier technologies and labor shortages.

- **Digital trade:** The OECD must advocate for a permanent WTO moratorium on digital duties and oppose forced data localization. It should promote interoperable data regimes and coherent digital regulations, especially for AI, privacy and cybersecurity. Supporting WTO e-commerce negotiations and modernizing digital infrastructure policies will enhance connectivity and competitiveness.

- **Economic security:** To safeguard economic security, the OECD should align export controls and investment screening among Members, ensuring consistency and predictability. It must promote narrowly defined national security exceptions and develop best practices that integrate trade, security and industrial policy, balancing legitimate concerns with innovation and competitiveness.

- **Countering illicit trade:** The OECD should mainstream countering illicit trade into its economic policy work, expanding analysis of both counterfeit and non-counterfeit illicit markets. It should fully implement agreed measures, develop voluntary frameworks and identify other means to counter illicit trade, including online and in Free Trade Zones (FTZs). The OECD should strengthen public-private partnerships and enforcement cooperation to identify emerging threats, protect legitimate commerce and intellectual property, and restore public trust and market integrity.

Beyond the work programme, the enlargement of the OECD provides an essential opportunity to promote open trade and investment. *Business at OECD* supports robust OECD accession processes that prioritize alignment with OECD standards over political considerations. The Organisation should ensure candidate countries implement reforms that enhance market openness, transparency and competitiveness.

Navigating Uncertainties Together

Across borders, businesses perform best in conditions of certainty, predictability and stability. Yet in 2025, geopolitical frictions are on the rise across regions and unilateral and protectionist measures risk fragmenting ties between economies. They threaten industrial competitiveness and erode international norms, challenging the global trading system and world order. These trends risk reversing important gains in economic and social development of recent decades.

At this time of systemic uncertainty, Business at OECD (BIAC) – representing the leading business federations in OECD countries – calls for closer collaboration between governments and the private sector on trade policy at the OECD.

As a successor to the *Marshall Plan* and the *Organisation for European Economic Cooperation* (OEEC), the history of the OECD leaves no doubt that economic cooperation creates mutual long-term benefits essential for shared prosperity, societal progress and common security. For decades, the OECD has provided unique value to the world's market-based democracies, promoting facts, principles and dialogue – including with the private sector – towards the objectives set out in the 1961 *OECD Convention*:

> *"The aims of the Organisation for Economic Co-operation and Development shall be to promote policies designed […] to contribute to the expansion of world trade on a multilateral, non-discriminatory basis in accordance with international obligations."*
>
> – Article 1, Convention on the Organisation for Economic Co-operation and Development[1]

Amid fundamental changes shaping the global trading system in 2025, we recall upfront that the OECD's founders designed this objective to advance an abiding vision for international collaboration and development, rooted in experience: The real economy – and not big government – is the enabler of mutual benefit, essence of connectivity and lynchpin of global well-being.

Today, just as at the Organization's founding over 60 years ago, the greatest contribution the OECD and governments can make is to center on a core mission: That is to enable buyers and sellers from across the globe to come together and freely exchange goods and services. For this, our businesses need to be able to compete on the merits of their products, services and ideas, and as free from government intervention as possible – at home and in foreign markets.

At this critical juncture, the OECD and governments must not lose sight of the central role of the private sector for trade; for our economies; for our societies. Following the approaches of state-led models, planned economies and top-down governance is not the answer. Instead, the OECD and its Members must once again showcase that individual initiative and economic freedom provide our citizens with opportunity and enduring prosperity worthy of imitation.

We need a real global commitment – backed by concrete policy action – to reinforce market-driven competition and reduce distortive interventions. This is key to boosting growth, productivity and consumer welfare in OECD countries.

Thirty years after the multilateral rules-based trading system was established with the WTO at its core, it has become regrettably clear that the promotion of open, free and non-

[1] Convention on the Organisation for Economic Co-operation and Development | OECD

discriminatory trade on a global scale is not as easily realizable as many had hoped just a few decades ago. Global trade liberalization through multilateral negotiations has been too limited, too slow, too disconnected from the evolving needs of 21st-century business models.

Over the past two decades, global trade and industry have fundamentally transformed: Businesses have been operating through more diversified supply chains, leveraging automation and digital technologies and responding to evolving consumer and labor demands globally. This progress requires more than a return to past models – it calls for a renewed commitment to market economy principles, adapted to modern challenges.

More than ever, competitive distortions must be challenged. For many years, increasing government intervention and state-led models have been gaining traction, eroding open market principles and unleveling the playing field. This has caused imbalances and uncertainty across the globe:

- While some governments shield strategic sectors through tariff and non-tariff measures, business needs fair and open market access.
- While some governments pursue market dominance via industrial policy, business needs clear rules and disciplines on subsidies, SOEs and technology transfers.
- While some governments expand domestic regulations extraterritorially, business needs regulatory coherence that respects international norms.
- While some governments use trade for national security aims, business needs transparency and predictability in security exceptions and investment screening.
- While some governments leverage trade for political influence, business needs a recommitment to open markets as engines of prosperity.
- While some governments fail to address the growing incentives for illicit trade, business needs stronger enforcement and cooperation to protect legitimate markets.

For decades, the WTO *Most-Favored-Nation* (MFN) tariff system and *National Treatment* were foundational pillars for international business transactions; in recent years they have been fundamentally challenged. It must be an immediate top priority for OECD governments to advance WTO reform with urgency in ways that address longstanding concerns and reposition the WTO at the core of the international trading system.

The 14th WTO Ministerial Conference (MC14) in March 2026 presents a decisive opportunity to reach consensus on a meaningful, comprehensive, multilateral reform agenda – this must be a wake-up call to preserve the integrity and future relevance of the global rules-based trading system.[2]

Where multilateral progress is proving difficult, plurilateral approaches must provide viable interim steps. The OECD should ensure effective collaboration and advocate for restraint in unilateral and retaliatory measures among its Members.

This is more important than ever, as some "non-like-minded" governments increasingly present their economic models as systemic alternatives and counterweights to the OECD's market-based democracies. The weaponization of trade dependencies, economic coercion and hybrid warfare bring challenges that lie well beyond the reach of existing international rules. These shared external challenges call for deeper alignment among strategic partners at the OECD.

At the same time, the OECD must take care to avoid perceptions of rigidity, exclusivity or initiatives that risk alienating non-Members, as the "north-south" political divide narrative re-

[2] While the purpose of this paper is not to comment on matters related to WTO governance, *Business at OECD* (BIAC) underlines that a comprehensive reform plan should strengthen the WTO Secretariat's capacity for initiative, advance efficient rule-making, ensure stricter monitoring and notification processes and reform dispute settlement. As the voice of those who engage in trade should effectively guide the WTO, a formal role for business and potentially other stakeholders is needed.

emerges in key debates. The Organization must have a much more powerful voice to encourage timely negotiation and ratification of trade agreements with different regions of the world. In a context where some countries may be drawn toward state-capitalist models, the OECD must credibly underline that market-based approaches are the most effective path to sustainable economic collaboration and development.

However, even among "like-minded" OECD countries long-standing trade principles have been challenged. Recent trade framework agreements introduce tariff increases unprecedented in recent history, including in strategic sectors and where zero-for-zero tariffs have long been the norm. While some countries and industries have seen mitigating outcomes, others have come under disproportionate pressure. In addition to increasing costs, these developments have created an uncertain and unpredictable environment impacting decision-making capacity in the international business community.

As fundamental uncertainties persist in the business community, we urge OECD Member governments to chart a clear, actionable and truly shared vision for the future of trade policy, looking to the 2026 OECD Ministerial Council Meeting.

A shared vision for the governance of international markets endorsed by all OECD Members should be instrumental to restore cross-border business confidence. This is even more important, as the OECD's joint way forward on key policy issues – including tariffs, trade, tax and a sustainable transition – remains regrettably undefined when clarity is most needed.

In this regard, we underline that the OECD remains uniquely positioned to promote collaboration among governments – based on a shared understanding of the evolving threats to the integrity of global trade and informed by business realities.

We must work together to rebalance long-standing and emerging approaches in trade policy, reconciling the following key principles:

- *Mutual benefit & global collaboration*, ensuring that non-discriminatory market access commitments are upheld, without undermining the essential multilateral disciplines of the global trading system;
- *Strategic differentiation & non-discrimination*, recognizing the diversity of policy approaches among countries, while maintaining the OECD's longstanding commitment to national treatment and a level playing field;
- *Rules-based foundations & effective enforcement*, reaffirming the centrality of clear, transparent and enforceable international trade rules as the cornerstone of open, non-discriminatory sustainable and legitimate global commerce;
- *Economic sovereignty & integration*, safeguarding legitimate national interests, while deepening economic interdependence – without over-dependence – that fosters shared prosperity and resilience;
- *Transactionalism & long-term cooperation*, addressing urgent trade imperatives in a way that strengthens – rather than erodes – the integrity of global trade and the trust, predictability and stability on which business depends.

More than ever, we must navigate uncertainties together. Business at OECD stands ready to work closely with the OECD and its Member governments on the way forward in a continued, constructive, committed manner.

A new shared vision will also provide a strategic compass for the OECD Work Programme, guiding the Organisation's concrete actions, priorities and resource allocation toward long-term goals. This *Business at OECD* paper identifies five strategic business priorities and specific recommendations, which should be key elements of the future OECD trade agenda.

5 Priorities for OECD Work on Trade

Level Playing Field

What Business Needs

Our companies depend on open, rules-based competition as the basis for global trade and investment. Yet in many sectors, market outcomes are distorted by government measures that tilt the playing field, such as preferential treatment for state-owned enterprises (SOEs), subsidized export credit terms and discriminatory tax policies. While targeted support may be justified in times of crisis or transition, measures that are discriminatory, opaque, or persistent undermine competitiveness, crowd out private investment and fuel overcapacity. Too often, government support does not go to the most advanced or promising business innovations, slowing the economic progress needed to drive societal change. In our market-based economies, governments should work with the private sector to design industrial policies that are proportionate, transparent and temporary, ensuring competitive neutrality to avoid market distortion and harm to international trade.

What Role for the OECD

The OECD should step up its work to increase transparency and discipline in all forms of government support, drawing on its expertise in subsidies, SOEs and export credits. The Organisation should guide members to ensure support measures are targeted, non-discriminatory and time-bound, ideally with sunset clauses and clear exit strategies. Building on its long-standing work on competitive neutrality, the OECD should also foster consensus on reforming the *WTO Agreement on Subsidies and Countervailing Measures* and strengthening governance standards for SOEs. Above all, these efforts should help restore trust in the global trading system and ensure businesses compete on merit rather than state backing.

Recommendations for OECD Work

- **Transparency on government support.** Many subsidies, SOE advantages and export credit practices remain opaque, making it difficult to assess their impact. The OECD should expand monitoring and peer review with private sector input to identify distortive measures in key sectors and value chains.

- **Export credit discipline.** In some markets, export credit terms are used strategically to secure advantage, distorting competition and risking a subsidy race. The OECD should continue efforts to ensure competition is based on the quality and price of goods and services, not on the favorability of financial support. While the recent modernization of the *Arrangement on Officially Supported Export Credits* achieved important milestones, practical implementation remains uneven.

- **SOE competitive neutrality.** SOEs in several countries continue to benefit from preferential treatment, distorting trade and investment. The OECD should strengthen guidance and peer review to ensure SOEs operate on a commercial basis and comply with international trade rules. This includes increasing transparency on the advantages SOEs enjoy and promoting implementation of the *OECD Guidelines on Corporate Governance of State-Owned Enterprises*.

Resilient Supply Chains

What Business Needs

Building resilient supply chains is a strategic imperative. For this, business needs enabling conditions – not prescriptive mandates – to better anticipate, prepare and adapt. Recognizing that existing systems were built for efficiency and that resilience has an economic cost, governments should work closely with the private sector to move beyond diagnosing problems and start delivering realistic, market-driven diversification options. Policy-making should support broader sourcing strategies, facilitate trade at the border, accelerate investment in critical infrastructures – including energy, transport and digital networks – ensure access to skilled talent and support technology adoption. Excessive regulatory divergence and overreach not only raise compliance burdens but also leads to instabilities and erode agility, particularly for SMEs. At its core, the resilience agenda is also a competitiveness agenda.

What Role for the OECD

The OECD should continue to emphasize that greater inter-regional diversification – not less – enhances businesses' ability to cushion supply chain shocks, including those originating domestically. Building on its *Supply Chain Resilience Review*, the OECD should more actively promote timely negotiation and ratification of trade agreements with diverse regions. It should engage closely with *Business at OECD* through the *Critical Supply Chains Forum* to ensure analytical work is sector-specific, forward-looking and actionable – addressing distinct risk profiles, anticipating emerging vulnerabilities and promoting regulatory interoperability for rapid adaptation. The OECD should also champion co-designed policy frameworks that align public and private efforts, rather than imposing top-down mandates that risk fragmentation and inefficiency. It should also encourage adherence to the WTO TBT Agreement and promote the use of international standards.

Recommendations for OECD Work

- **Public-private dialogue.** The OECD should maintain structured engagement with the private sector – especially via the *Critical Supply Chains Forum* – to identify risks and co-develop solutions. These often touch on competitiveness and require input from trade, industrial policy, innovation, infrastructure and energy policy communities.
- **Risk-based approach.** The OECD should consider adding a cross-sector risk-based lens for supply chain resilience. Mapping cross-cutting vulnerabilities – such as exposure to geopolitical tensions, cyber threats, or resource dependencies – can help develop more targeted research, data tools and policy solutions.
- **Regulatory divergence.** Excessive heterogeneity in technical standards and non-tariff measures increase costs and slows adaptation. The OECD should promote evidence-based regulatory convergence and risk-based compatibility, streamline procedures, eliminate overreach and prevent market fragmentation. Timely notification and continued support for WTO TBT/SPS workstreams remain vital to ensure transparency, scientific integrity and regulatory predictability.
- **Responsible transparency.** As governments seek greater supply chain visibility, the OECD should help define transparency standards that protect confidential business information. OECD democracies can lead by example – advancing transparency grounded in trust, predictability and strong safeguards. This includes preventing forced disclosure, clarifying government access to proprietary data and promoting voluntary, anonymized data sharing.
- **Global outreach.** The OECD should more actively promote its supply chain work in international and local policy fora to boost visibility, drive alignment and accelerate uptake of its evidence-based recommendations.

Resilient Supply Chains – Recommendations for Sector Work

Many companies have demonstrated remarkable resilience in the face of major disruptions in recent years – from global health crises to geopolitical shocks. However, sector-specific work remains essential, as different industries face unique regulatory, logistical and resource-related challenges that require tailored solutions. A one-size-fits-all approach risks overlooking critical vulnerabilities and opportunities for targeted improvement. The OECD should continue to engage closely with the private sector to ensure its work reflects the distinct realities and demands of individual sectors.

- **Critical raw materials.** While diversification is the watchword, the critical minerals world has largely moved in the opposite direction in recent years - particularly in refining and processing.[3] Taking a full supply chain perspective, the OECD should work in close partnership with the International Energy Agency (IEA) and other partners to help governments understand future supply trends and effectively address concentrations with urgency.

- **Food security:** The OECD should strengthen work on agri-food supply chains by identifying trade vulnerabilities, promoting open and predictable trade and supporting diversification. Priorities include tackling export restrictions, improving policy transparency and investing in sustainable, climate-resilient food systems.

- **Medical supply chains.** The OECD should build on its *Conferences on Medical Supply Chains* to strengthen public-private dialogue and promote resilient and diversified supply systems.

- **Trade impact of frontier technologies.** Artificial intelligence and quantum computing hold promising potential to optimize trade logistics, strengthen the resilience of complex supply chains and facilitate the transition to paperless trade. The OECD should leverage its data, tools and expertise to explore and enable the emerging applications of AI and quantum technologies in transnational supply chains.

- **Labour shortages.** Labour and skills gaps are a major challenge in OECD countries. Services trade helps fill critical skill needs and support operations during disruptions. The OECD should promote policies that enable skilled mobility, mutual recognition of qualifications and remote service provision via interoperable digital systems.

- **Trade-compatible sustainability measures.** The OECD should help ensure that emerging sustainability-related regulations – such as CBAM systems, mandatory due diligence frameworks and responsible business conduct standards – are designed and implemented in ways that support resilient and open supply chains. This includes assessing trade impacts, promoting coherence across jurisdictions and leveraging the *OECD MNE Guidelines* without creating unnecessary barriers to trade. This also includes achknowledging the growing role of independent verification and assurance providers in supporting regulatory compliance across jurisdictions.

Across sectors, supply chain agility is driven by coherent, cross-border regulation.

Digital Trade

What Business Needs

Businesses increasingly depend on digital and digitally enabled technologies, transactions and services to improve efficiency, resilience and market reach. Yet, while digital markets are global, regulation remains fragmented at the national or regional level. Restrictions on cross-border data flows, forced data localization and diverging digital standards undermine innovation, raise costs, create uncertainty and reduce competitiveness. Without trusted frameworks and greater international cooperation, the benefits of digital trade cannot fully materialize. Trusted data flows are also the foundation for responsible development and deployment of Artificial Intelligence, which depends on diverse, high-quality data to drive innovation across sectors. Governments must work with the private sector to ensure policies promote openness, interoperability and trust, while avoiding unnecessary barriers that fragment the digital economy.

What Role for the OECD

The OECD should remain a leading voice for open and trusted digital markets, enshrining principles of non-discrimination, transparency, interoperability and the avoidance of unnecessary trade restrictions. It should continue to press for a permanent moratorium on customs duties for electronic transmissions, support high-standard WTO e-commerce negotiations and provide data-driven evidence on the costs of digital trade restrictions. The OECD's cross-cutting work on data governance, privacy, cybersecurity and digital standards can help align regulatory approaches, reduce friction and enable seamless, trusted cross-border data flows.

Recommendations for OECD Work

- **Moratorium on digital duties.** The expiry of the WTO Moratorium on electronic transmissions would raise costs, fragment digital markets and harm competitiveness. The OECD should urge Members to secure a permanent moratorium, backed by evidence on the economic harm of imposing such duties.

- **Data localization.** Forced data localization increases cyber risks, limits efficiency and disadvantages smaller firms. The OECD should highlight these costs, promote global interoperability of data regimes and encourage agreements that protect personal data while enabling cross-border flows. This is particularly critical for Artificial Intelligence, where access to diverse datasets across jurisdictions is essential to developing effective, unbiased and globally relevant systems.

- **WTO e-commerce negotiations.** Slow progress on WTO e-commerce talks risks leaving divergent national rules to proliferate. The OECD should support a high-standard outcome covering the full digital economy, including trusted data flows, interoperability and avoidance of unnecessary digital trade barriers.

- **Digital policy coherence and legal certainty.** Fragmented regulations on data, AI, digital goods, privacy and cybersecurity can pose significant costs to businesses and potentially serve as non-tariff barriers. The OECD should promote risks-based, coherent and interoperable regulatory approaches that support innovation while fostering trust. Regulatory simplification is key. Modernizing legacy policies, removing regulatory inefficiencies and actively fostering innovation, will boost investment and expedite 5G-6G adoption, thus enhancing cross-border connectivity and digital trade. This also includes addressing fragmented approaches to digital labelling, which risk undermining consumer information and creating new barriers to trade.

Economic Security

What Business Needs

Business recognizes the importance of safeguarding national security, protecting critical infrastructure and preventing the misuse of sensitive technologies, including through technology transfers. A strong multilateral trading system is essential for economic security, with the benefits of cooperation still vastly outweighing the costs of confrontation. However, overly broad or uncoordinated trade and investment restrictions – such as expansive export controls, investment screening, or extraterritorial measures – can create uncertainty, raise costs and disrupt legitimate commercial activity. Inconsistent approaches among like-minded economies further fragment markets and weaken collective resilience. Governments should work closely with the private sector to design proportionate, transparent and predictable measures that address genuine security risks without undermining open markets, competitiveness and supply chain continuity.

What Role for the OECD

The OECD should serve as a Forum for like-minded countries to align trade and economic security policies, ensuring they remain proportionate, evidence-based and compatible with international trade rules. Building on its cross-committee expertise, the OECD can help identify best practices in investment screening and export controls and promote coordination to prevent conflicting measures among Members. Rather than intervening in company-level supply chain risk management, the OECD should support governments in creating stable economic environments that enable businesses to manage supply chain risks effectively. The OECD should also engage with *Business at OECD* to ensure that business realities and sector-specific risk profiles inform the design of economic security strategies.

Recommendations for OECD Work

- **Economic cooperation to support secure and resilient trade**. In the face of rising national security concerns, strong economic cooperation is essential to uphold rules-based trade and ensure the resilience of global supply chains. The OECD should promote collaborative approaches among Members to reinforce open markets while addressing legitimate security objectives.
- **Coordination of security measures.** Divergent national approaches to export controls and investment screening increase compliance burdens and disrupt supply chains. The OECD should facilitate alignment among like-minded Members to ensure consistency, proportionality and predictability.
- **Clarity on national security exceptions.** Broad or vague definitions of "national security" risk being used as disguised trade barriers. The OECD should promote clear, narrowly focused criteria in line with principles of non-discrimination, transparency and proportionality.
- **Integration of trade, security and industrial policies.** Treating trade and security in isolation can lead to conflicting objectives and unintended consequences. The OECD should promote whole-of-government strategies that also integrate industrial and competitiveness policies, encourage cross-border collaboration to share best practices and ensure that security measures do not stifle R&D, innovation, or the development of a competitive ecosystem.

Countering Illicit Trade

What Business Needs

Illicit trade must be treated as a core issue in global commerce, not a peripheral concern: It fuels inflation, diverts consumers toward unsafe and counterfeit goods and erodes public trust. Illicit trade also distorts markets, undermines competitive advantage, brand reputation and market value of legitimate businesses. As global supply chains reorganize and protectionism rises, illicit operators exploit regulatory gaps, offering cheaper, faster and unregulated alternatives that undercut legitimate businesses. These dynamics have intensified since the COVID-19 pandemic, with firms facing higher costs, delays and compliance burdens. The result is diminished competitiveness, damaged brand value and lost market share as counterfeit and pirated goods accounted for up to 2.3% of global trade in 2021. No trade discussion – whether in policy forums, negotiations, or boardrooms – is complete without addressing illicit trade.

What Role for the OECD

The OECD should mainstream countering illicit trade into its trade and economic policy work. Building on its *Working Party on Countering Illicit Trade*, the Organisation should deepen analysis of how illicit markets interact with trade distortions, supply chain vulnerabilities and regulatory fragmentation. It should promote stronger enforcement cooperation, support evidence-based policymaking and help governments design trade frameworks that close loopholes exploited by criminal actors. By integrating illicit trade into broader trade discussions, the OECD can help restore market integrity and strengthen resilience. Given causal links between illicit trade, taxation and consumer welfare in many industries, this work should also be closely coordinated with the respective OECD Committees.

Recommendations for OECD Work

- **Broaden the OECD's analysis of illicit trade:** The OECD should continue to deepen the trade community's understanding of the scope and impact of illicit trade on legitimate commerce. While its work on transparency in Free Trade Zones, postal networks and e-commerce platforms is seminal, it should be expanded to establish standards for governments to implement effective controls that deter supply chain abuse. The OECD should also examine the online sale and distribution of non-counterfeit illicit products that bypass long-standing legal frameworks designed to protect consumers from fraud and health risks. This should also include an assessment of methods of conformity assessment, accreditation, and market surveillance.

- **Broaden efforts to counter illicit trade across marketplaces:** The illicit trade in counterfeit goods, including through e-commerce and online marketplaces, is a significant threat and growing trend in globalized and innovation-driven digital economies. The OECD should continue to advance efforts to develop an international, voluntary non-binding framework for countering illicit trade in counterfeit goods on online marketplaces.

- **Broaden the scope of illicit trade:** The OECD's analysis should include non-counterfeit illicit products, a particularly poorly understood and rapidly expanding threat for the integrity of global markets.

- **Broaden and deepen public-private partnerships:** Public-private partnerships have demonstrated benefits for governments to comprehend and address the complexities of business models and the large-scale impact that illicit trade poses. The OECD should continue to foster the development of effective public-private partnerships across governments and industries to counter illicit trade, in line with the innovative public-private partnership established with *Business at OECD*.

Promoting Trade through OECD Accession

The desire for a better future and wellbeing through economic prosperity and competitiveness unites people across the world. By broadening the reach of established standards, principles and good practices for the governance of markets, the enlargement of the OECD provides an essential opportunity to promote open trade and investment.

Business at OECD and its Members support a robust accession process with indispensable on-the-ground insights. For the business community operating in and with OECD accession candidate countries, the enlargement process should result in tangible benefits for doing business in and with candidate countries.

To this end, the trusted, long-term alignment with OECD standards and principles must take priority over political considerations. To ensure the ability, capacity, willingness and responsibility of candidate countries to fully implement all OECD standards and principles, a thorough OECD assessment of the current economic and legal environment is indispensable.

As the OECD's institutional private sector stakeholder, *Business at OECD* stands ready to support this effort as the informed, trusted and collaborative resource. As previously done for the "Round of 5" (Brazil, Bulgaria, Croatia, Peru, Romania), we are ready to contribute to the market openness review of the "Round of 3" (Argentina, Indonesia, Thailand):

- **Argentina:** Argentina should align its tariff and tax policies with OECD standards and eliminate exceedingly high import tariffs and discriminatory tax policies that favour domestic producers in selected sectors. Argentina's continuous support for the *WTO Moratorium on Application of Customs Duties on Electronic Transmissions* must be safeguarded. In alignment with WTO national treatment obligations, cost-containment measures on pharmaceutical products should be reviewed. Procurement regulations should be reformed to remove barriers for foreign suppliers and the country should be encouraged to become a signatory to the *WTO Plurilateral Agreement on Government Procurement*. Argentina should further support WTO initiatives to improve trade facilitation, ratify the *Istanbul Convention* and implement the *ATA Carnet System*. Argentina's Express Courier restrictions create market access barriers for OECD exporters, while the customs practice of detaining shipments in "channels" can cause unjustifiable delays. Law No. 19.550 currently limits the ability of foreign companies to participate in local enterprises or engage in ongoing commercial activities and a modernization of this law should remove longstanding obstacles to foreign investment. Argentina should also improve the transparency and openness of its trade and investment policy decision-making. In addition, Argentina should raise its intellectual property standards up to the required internationally by TRIPs, in particular, strengthening its patent system by aligning guidelines to global standards, protecting test data and adopting PCT.

- **Indonesia:** Significant concerns remain on import tariffs and taxes on certain goods and services, additional import levy increases, as well as Indonesia's unique importation withholding tax regime. Export and import restrictions impact several sectors and may not be in line with Indonesia's WTO commitments. The *Commodity Balance* raises trade policy concerns. Protectionist regulations, product certification requirements and local content requirements are applied to various key sectors and industries. Data localization measures and restrictions on foreign e-commerce create undue market barriers. Indonesia must lift the application of customs formalities on electronic transmissions and support permanent renewal of the WTO moratorium on electronic transactions. While high import tariffs incentivize illicit trade in specific sectors, supervision and enforcement can generally be improved. While comprehensive trade barriers are bottlenecks for attracting foreign investment in various industries, foreign ownership caps and capital requirements are applied to several sectors.
- **Thailand:** Significant concerns persist around high import tariffs, discriminatory excise regimes and complex customs procedures that hinder trade and investment. Tariff and non-tariff barriers – including licensing restrictions, quota mechanisms and burdensome certification requirements – affect key sectors such as alcohol, food, pharmaceuticals and digital services. Thailand's tax system adds further complexity, with inconsistent treaty implementation and discriminatory practices, especially in alcohol and tobacco. Withholding tax and APA adjustments require reform to align with international standards and reduce uncertainty for cross-border operations. Digital trade faces growing constraints from data localization mandates and restrictions on cross-border data flows and e-commerce. New regulations – including the Royal Decree on Digital Platforms and the Draft Platform Economy Act – introduce uncertainty for digital businesses. Foreign investment is limited by opaque regulations, ownership caps and the Foreign Business Act, which restricts market access. Weak IP enforcement, including gaps in copyright protection and trademark registration, further undermines competitiveness. Thailand should support the WTO moratorium on electronic transmissions and harmonize standards with international norms – such as OIV for wine and spirits and UN ECE for automotive – to improve market access and trade predictability.

Business at OECD (BIAC) National Members

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

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

www.businessatoecd.org
@BusinessatOECD
Business at OECD

Tel: +33 (0)1 42 30 09 60
communications@biac.org