

September 2009

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*Swedish Employment Minister Mr. Sven Otto Littorin, Chair of the OECD Labour and Employment Ministerial Policy Forum (left) with BIAC Secretary General Tadahiro Asami.*

## BIAC Addresses OECD Labour Ministers on Tackling the Jobs Crisis

The current financial and economic crisis remains full of uncertainty. Its impact on jobs is significant, and has become in itself a crisis that we must continue to address.

According to OECD forecasts, the average unemployment rate in the OECD area will reach nearly 10% at the end of 2010 up from 8.3% in June 2009, despite the signals that many economies are showing initial signs of recovery. This is no surprise as emerging green shoots have been primarily driven by government-led fiscal and monetary stimulus measures.

At the same time, private demand remains weak and the economy remains sluggish. The fragile and uncertain nature of the economic recovery compounds the lagging employment recovery.

Such was the backdrop for the OECD Meeting of Labour Ministers that took place on 28-29 September in Paris, during which BIAC and TUAC met together with Ministers from OECD governments, OECD accession countries, as well as Brazil, India and South Africa.

To serve as a basis for the BIAC input to Ministers, BIAC surveyed its Membership on how stimulus measures have impacted employment and social policies in their countries. Dr. Kenjiro Nagasaka, Chairman of the BIAC Employment, Labour and Social Affairs Committee (ELSA) led the BIAC delegation to the Ministerial Consultation, where business delivered a number of key messages from the BIAC Survey results:

1) Business has appreciated the quick and concerted action of governments to implement stimulus measures. These efforts are working to restore financing and compliment company efforts to retain workers in the economic down turn.

2) Access to credit remains a major issue for companies, in particular for SMEs, and therefore financial stabilisation must continue to be a top priority for governments.

3) Companies have made it a priority to retain jobs where possible through measures such as reduced working hours, work sharing, extending unpaid leave and production cut backs. This has been possible in part due to stimulus measures such as income supports, and extension of unemployment benefits, as well as support for education and training and other activation measures.

4) Labour market rigidities and non-wage labour costs continue to pose significant barriers to employment creation – continued structural reform is necessary.

5) Government measures should target the most vulnerable, and in particular youth.

(continued on page 2)

## OECD Labour Ministerial (continued from cover)

In response to the question of whether stimulus measures have been sufficient, BIAC clearly expressed that long term recovery will not be achieved through continued subsidies, income support or public sector job creation alone – this will also intensify challenges of growing deficits. Short term measures must be balanced by the long term goal to restore private sector led growth, which is the necessary basis for sustainable job creation.

These messages were further emphasised by BIAC Secretary General, Tadahiro Asami who addressed the OECD Ministerial Policy Forum on “How Labour Market and Social Policies Best Help Workers to Weather the Storm of the Crisis,” which took place in advance of the Ministerial meeting.

In its concluding remarks to Ministers, BIAC emphasised 5 key principles to guide economic recovery in support of job growth:

- Actions must support job creation;
- Employability must be emphasised over job security with a strong attention to education and training;
- The most vulnerable must be protected;
- Social dialogue is necessary; and
- Protectionism is not the answer.

The OECD should continue to assist governments in the context of the reassessed Jobs Strategy, undertaking analysis on those issues necessary to ensure its relevance going forward. BIAC also encourages continued coordination between the OECD and the ILO, in particular with respect to the ILO Global Jobs Pact. BIAC is working closely with the International Organisation of Employers (IOE) with respect to OECD ILO coordination, and on business engagement in other international fora including the G8 and G20.

Looking ahead, BIAC welcomes the G20’s call to hold an employment and labour ministers meeting in early 2010, including consultation with labour and business, building on the result of the OECD’s Ministerial meeting. BIAC’s statement is available at: [www.biac.org/policystatements.htm](http://www.biac.org/policystatements.htm).

For further information about the Ministerial and BIAC’s work on employment, please contact Nicole Primmer ([primmer@biac.org](mailto:primmer@biac.org)).

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## OECD Work on the Economics of Climate Change Assists Climate Change Negotiations

Understanding the most cost efficient ways to cut emissions of greenhouse gases as well as the implications for competitiveness and carbon leakage are some of the most important issues facing world leaders as they prepare for the UN Climate Change conference in Copenhagen in December.

To support this debate, on 18 September the OECD issued its new publication “The Economics of Climate Change Mitigation: Policies and Options for Global Action Beyond 2012” (see page 7) underlining that action to mitigate climate change must be taken at the lowest cost, which can only be done if a cost-effective set of



*OECD Ministerial Policy Forum on “How Labour Market and Social Policies Best Help Workers to Weather the Storm of the Crisis,”*



*BIAC delegation headed by Dr. Kenjiro Nagasaka, the BIAC ELSA Committee Chair, included representatives from the Czech Republic, Finland, Germany, Hungary, Italy, Japan, the Netherlands, Sweden, and Spain.*

policy instruments is applied as broadly as possible across all emission sources. According to the OECD estimations, if a fully-fledged global carbon market is developed in the next decade it would cost about one-tenth of a percent of average world annual GDP growth between 2012 and 2050 to achieve moderately ambitious climate targets. Put differently, this would mean a 4% reduction in GDP in 2050 compared to a scenario where no policy action is taken.

In contributing to the project, BIAC has underlined, among others, the importance of considering both mitigation policies and adaptation to the impacts of climate change, the role that private-led voluntary sectoral initiatives can play, the importance of an innovation-friendly policy environment so that the private sector can make its contribution most effectively, and the challenges involved in trying to attain a global carbon price, underlining the importance of a comprehensive policy approach.

Business remains firmly committed to taking action to combat climate change, and is closely involved in the range of OECD climate change related work. For further information, please contact Hanni Rosenbaum ([rosenbaum@biac.org](mailto:rosenbaum@biac.org)).

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## Eco-Innovation High on the OECD Agenda

More and more, business and policy makers consider innovation as the key to achieving environmental improvements for tackling global challenges. Improving the environmental performance of products and processes is no longer solely focused on end-of-pipe solutions, but is moving to more integrated approaches, building on a combination of technological and non-technological innovations.

To this end, the OECD has developed an ambitious program of work on eco-innovation and sustainable manufacturing issues, which will be a key input to the OECD Innovation Strategy. Among others, the OECD is working on the development of a "sustainable manufacturing toolkit" to help manufacturing companies improve their sustainability performance by providing guidance on benchmarking their products and production processes. BIAC is actively involved in this activity.

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*OECD's ambitious work on eco-innovation and sustainable manufacturing to be key input to the OECD Innovation Strategy.*

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On 4-5 November, the OECD is organising a Global Forum on Eco-Innovation, which will take stock of what is known on policies to support eco-innovation and discuss the following policy challenges: How to make environment and innovation policies mutually supportive? How to induce eco-innovation in the most effective way? How to support the diffusion of eco-innovation, in particular to developing countries? What are the consequences of the economic crisis and the stimulus packages on the existing policies and instruments?

Further information on the Global Forum is available at the following website:

[www.oecd.org/environment/innovation/globalforum](http://www.oecd.org/environment/innovation/globalforum).

If you would like to participate, please contact Hanni Rosenbaum ([rosenbaum@biac.org](mailto:rosenbaum@biac.org))

## OECD Exploring Possible Update to MNE Guidelines

In meetings scheduled for October, OECD working groups are discussing the possibility of updating one of the Organisation's flagship publications, the OECD Guidelines for Multinational Enterprises (MNE). Since the review in 2000, some countries have raised certain subjects that they would like to see updated, including: technical updates, human rights, disclosure, environment, and the development of a risk awareness tool for helping companies in weak governance zones.

Viewed by BIAC and its member organisations as a cornerstone for corporate responsibility, the Guidelines have long been included in the OECD Declaration on International Investment and Multinational Enterprises in order to promote good corporate behaviour, which helps to maximise the benefits from foreign investment for economically, environmentally and socially sustainable development.

An important feature of the Guidelines is its special implementation mechanism. Each of the 41 adhering countries has established a National Contact Point (NCP) – government offices charged with promoting the guidelines and handling enquiries in the national context.

Business actively contributed to the development of the Guidelines, and BIAC continues to promote them within the OECD countries as well as among business in non-OECD countries such as in the MENA (Middle East and North Africa) region, where countries already have expressed interest in formally adhering to the instrument and in this way help to attract foreign investment. A BIAC written guide to business on understanding the guidelines was published earlier this year, see

[www.biac.org/pubs/mne\\_guidelines/09-02\\_BIAC\\_Guide\\_to\\_Guidelines.pdf](http://www.biac.org/pubs/mne_guidelines/09-02_BIAC_Guide_to_Guidelines.pdf).

BIAC is engaged in the OECD discussions and will meet in early October with the OECD Investment Committee as well as in forthcoming consultations in order to build and deliver broad business views for these discussions.

For further information and input please contact Peter Heller ([heller@biac.org](mailto:heller@biac.org)).

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*BIAC actively promotes  
OECD's Guidelines for  
Multinational Enterprises  
as a cornerstone for  
corporate responsibility.*

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## OECD to Address Export Restrictions Related to Raw Materials

Over the last few years, prices for commodities such as minerals, metals and agricultural products have risen sharply. At the same time, some governments have increasingly restricted the exports of raw materials, leading to concerns among business and policy makers about raw materials security. In this context, the OECD Trade Committee will hold a one-day conference on 30 October to foster discussion and learn more about the factual and economic aspects of raw materials export restrictions. The focus will

be on two topics: economic impacts of export restrictions and the policy rationale of such measures.

BIAC will actively participate in the conference and encourages the OECD to play an important role in this area. In December 2006, BIAC put forward an ambitious work proposal on raw materials for the OECD, of which work on export restrictions was an important part. In addition, BIAC called upon the OECD to apply its multi-disciplinary analytical skills to increase the understanding of raw materials security, including supply side impediments and barriers to investment in new capacity. BIAC views the OECD as an important forum to encourage cooperation between demand and supply countries, foster implementation of international legislation and help ensure fair trade and competition.

Further information on the raw materials workshop is available at: [www.oecd.org/trade/ntm/rawmaterials](http://www.oecd.org/trade/ntm/rawmaterials).

If you are interested in participating, please contact Hanni Rosenbaum ([rosenbaum@biac.org](mailto:rosenbaum@biac.org)).

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*Increased export restrictions have led to business and policy makers concern about raw materials security.*

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## IEA Ministerial: Responding to Energy Challenges in Partnership

On 14-15 October, Energy Ministers from the 28 member countries of the International Energy Agency (IEA) as well as high-level representatives from China, India and Russia will convene in Paris to discuss and share their views on the key energy and environment challenges facing the world today:

- How can governments ensure energy security and sustainable energy supplies in the wake of the global economic crisis?
- What steps are necessary to improve energy efficiency, promote low-carbon technologies and achieve challenging climate change targets?
- How can these challenges be addressed on a global basis, involving both IEA member countries and other key energy producing and consuming nations?

This 2009 Ministerial meeting also marks the 35th anniversary of the IEA, which was founded during the oil crisis of 1973-74. While the IEA's initial role was to co-ordinate measures in times of oil supply emergencies, the IEA mandate has considerably expanded since then to address a wide range of issues including energy policy making, energy security, market reform, innovation, environmental protection and economic growth.

The Ministerial meeting will also include a brainstorming session with business leaders to discuss government and industry perspectives on how to address current energy challenges in public-private partnership and identify possible areas for future work.

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*Ministerial opening session to include highlights of the upcoming World Energy Outlook 2009, to be released 10 November.*

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## IEA Ministerial (continued page 5)

BIAC is preparing a paper on investment in the energy sector in light of the economic crisis as input to the IEA meeting.

If you would like to get involved in the activities of the BIAC Energy Committee or if you have any questions, please contact Hanni Rosenbaum ([rosenbaum@biac.org](mailto:rosenbaum@biac.org)) or Jonathan Greenhill ([greenhill@biac.org](mailto:greenhill@biac.org)).

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## OECD E-commerce Consumer Protection Conference to be held in Washington

“Empowering E-Consumers: Strengthening Consumer Protection in the Internet Economy” will be the focus of the OECD’s upcoming meeting taking place December 8<sup>th</sup> – 10<sup>th</sup> in Washington, D.C. The meeting is a follow up to the 2008 OECD Seoul Ministerial on the Future of the Internet Economy.

The conference will be hosted by the United States Federal Trade Commission. Topics on the agenda include:

- E-commerce trends and the outlook
- E-commerce regulatory frameworks
- Mobile commerce
- Consumer-to-consumer transactions
- Digital products issues
- Participative web issues
- Children’s protection online
- Accountability in E-commerce

The meeting is being organised to recognise the 10 year anniversary of the OECD Guidelines for Consumer Protection in the Context of Electronic Commerce, with a view towards examining application of the Guidelines over the past 10 years and to identify areas where revisions may be necessary. The conference will also address what obstacles and opportunities have developed for consumers and industry alike in the on-line marketplace.

Business will be represented on the agenda across all issue areas. BIAC is also preparing a written submission to highlight how business and consumers interact on-line and how business initiatives support this crucial relationship for electronic commerce.

Please contact Nicole Primmer ([primmer@biac.org](mailto:primmer@biac.org)) if you are interested in participating in this meeting, or in contributing to the development of the BIAC written position.

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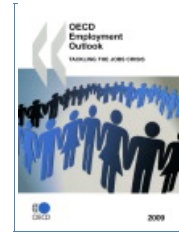
*The meeting is being organised to recognise the 10 year anniversary of the OECD Guidelines for Consumer Protection in the Context of Electronic Commerce.*

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## Recent OECD Publications

### OECD Employment Outlook 2009 - Tackling the Jobs Crisis

This 2009 edition of the OECD Employment Outlook provides an annual assessment of labour market developments and prospects in member countries. This issue focuses on the jobs crisis in particular and looks at steps taken by governments to help workers and the unemployed. It recommends ways of preventing current high levels of unemployment becoming entrenched.



### The Financial Crisis - Reform and Exit Strategies

The financial crisis required governments to make massive interventions in their financial systems. This book sets out priorities for reforming incentives in financial markets as well as for phasing out these emergency measures.



### The Economics of Climate Change Mitigation Policies and Options for Global Action beyond 2012

Against the background of a projected doubling of world greenhouse gas emissions by mid-century, this book explores feasible ways to abate them at least cost. Through quantitative analysis, it addresses key climate policy issues including: an ideal set of climate policy tools; the size of the economic and environmental costs of incomplete country or sector coverage of climate change mitigation policies; how to concretely develop a global carbon market; the case for, and what we can reasonably expect from, R&D and technology support policies; and the incentives for major emitting countries to join a climate change mitigation agreement.



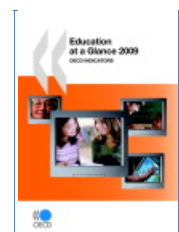
### OECD Communications Outlook 2009

The OECD Communications Outlook 2009 presents the most recent comparable data on the performance of the communication sector in OECD countries and on their policy frameworks. The data provided in this report map the eight years of competition for many OECD countries that fully opened their market to competition in 1998. The 2009 edition analyses the communications sector over the years following the "dot com bubble" crisis and explores future developments.



### Education at a Glance 2009 - OECD Indicators

The 2009 edition of Education at a Glance: OECD Indicators enables countries to see themselves in the light of other countries' performance. It provides a rich, comparable and up-to-date array of indicators on the performance of education systems and represents the consensus of professional thinking on how to measure the current state of education internationally.



All are available online at: [www.oecdbookshop.org](http://www.oecdbookshop.org)

## Upcoming Events

October	5	<b>BIAC Consultation with the OECD Working Group on Bribery's Open Study Group</b>
	5-6	OECD Workshop and Policy Dialog on TBT: Promoting Good Practices in Support of Open Markets
	5-6	OHCHR Consultation on business and human rights: Operationalising the "Protect, Respect, Remedy" framework (Geneva, Switzerland)
	5-6	Tax e-Audit Task Group (tbc)
	6	OECD Task Force on Health-Specific Purchasing Power Parities
	7	<b>Meeting of the BIAC MNE Committee and Consultation with the OECD Investment Committee</b>
	7-8	OECD Working Group on Chemical Accidents
	7-8	Meeting of OECD Health Accounts Experts and Correspondents for Health Expenditure Data
	8-9	Meeting of OECD Health Data National Correspondents
	12-13	OECD Working Party on Information Security and Privacy (WPISP)
	12-13	OECD Conference: What Works on Quality of Teaching in Higher Education (Istanbul)
	13	<b>Meeting of the BIAC Task Force on Health Care Policy</b>
	14	OECD ICCP Technology Foresight Forum on "Cloud Computing: The Next Computing Paradigm?"
	15	<b>BIAC/TUAC Consultation with the OECD EPC Working Party 1 on Structural Reforms</b>
	15-16	OECD Committee for Information, Computer and Communications Policy (ICCP)
	19-20	OECD Annual Meeting of Sustainable Development Experts (AMSDE)
	19-20	OECD Working Group on Harmonisation of Regulatory Oversight in Biotechnology
	19-21	OECD Network on International Indicators of Educational Systems (INES)
	19-22	OECD Competition Committee, Working Party No. 3 on Enforcement and Co-operation (WP3), Working Party No. 2 on Competition and Regulation (WP2)
	19-22	OECD Committee on Consumer Policy
	20	<b>Meeting of the BIAC Energy Committee</b>
	20	<b>Meeting of the BIAC Environment Committee</b>
	20-23	OECD 29 <sup>th</sup> SIDS Initial Assessment meeting (SIAM29) (The Hague, Netherlands)
	21	<b>Meeting of the BIAC Executive Board and Reception with OECD Leadership</b>
	21	Consultation with OECD ELSA Committee
	22	OECD Environment Policy Committee
	22 or 23	<b>Consultation with OECD on Anti-Bribery in South Africa (Johannesburg or Pretoria)</b>
	21-23	Workshop and Meeting of the OECD Committee for Scientific and Technological Policy (CSTP)
	26-27	OECD Regional Conference on Promoting Public Sector Integrity (Istanbul, Turkey)
	26-30	<b>Meeting of the Business Members and Meeting of the Pilot Group Phase II of the OECD Project on Taxation of Collective Investment Vehicles</b>
	27	<b>Meeting of the BIAC Expert Group on Nanotechnology</b>
	28-30	6 <sup>th</sup> Meeting of the OECD Working Party on manufactured Nanomaterials
	28	OECD Workshop on the Impacts of the Crisis on Global Value Chains

<b>October</b>	29-30	OECD Committee on Industry, Innovation and Entrepreneurship (CIIE)
	29	<b>Meeting of the BIAC Trade Committee</b>
	29	<b>Meeting of the BIAC Tax Committee</b>
	29	<b>Meeting of the BIAC Raw Materials Committee and Joint Session with the Trade Committee</b>
	30	<b>Meeting of the BIAC Tax Bureau Meeting</b>
	30	OECD Workshop on Raw Materials
<b>November</b>	2-3	OECD Workshop on "Trade Policy Implications of Different Policy Responses to Societal Concerns"
	3	<b>Meeting of the BIAC Task Force on Corporate Governance and Consultation with OECD</b>
	4-5	OECD Global Forum on Sustainable Development (Eco-innovation)
	5	<b>BIAC/TUAC consultation with the OECD on Corporate Governance of State-Owned Enterprises (SOE)</b>
	5	OECD Group on Regulatory Policy Meeting
	11-12	Annual Ministerial Meeting of the OECD Africa Investment Initiative and Expert Roundtable on Energy Investment in Africa (Johannesburg, South Africa)
	16 or 17	<b>Consultation with the OECD Export Credit Group (ECG) and the Participants to the Arrangement on Officially Supported Export Credits (exact date tbc)</b>
	18-20	Second Meeting of the OECD Task Force on Hazard Assessment
	19-20	OECD Task Force for the Safety of Novel Foods and Feeds
	22-23	MENA-OECD Business Forum and Ministerial Conference (Marrakech, Morocco)
	23	<b>Meeting of the BIAC Committee on Agriculture and Consultation with the OECD Agriculture Committee</b>
	24	<b>BIAC Consultation with OECD Ambassadors</b>
24-25	<b>BIAC Education Committee Meeting and Consultation with the OECD EDPC</b>	
<b>December</b>	1-2	OECD Meeting of the Working Party on Nanotechnology (WPN)
	2-4	OECD Working Group on Waste Prevention and Recycling (WGWPR)
	7-8	OECD Network on Early Childhood Education and Care
	7-8	OECD Global Forum on International Investment "Beyond the Crisis: International investment for a Stronger, Cleaner, Fairer Global Economy"
	8-10	OECD Conference on Empowering E-Consumers: Strengthening: Consumer Protection in the Internet Economy (Washington, D.C.)
	14-15	OECD Working Party on Communication Infrastructures and Services Policy (WPCISP)
	14-18	<b>Meeting of the Business Members and Meeting of the Pilot Group Phase II of the OECD Project on Taxation of Collective Investment Vehicles</b>
	16-17	Working Party on the Information Economy (WPIE)

## New ICC Secretary General Meets BIAC



On 23 September, BIAC Secretary General Tadahiro Asami welcomed the new Secretary General of the International Chamber of Commerce (ICC), Mr. Jean Rozwadowski, to the BIAC offices, where Mr. Rozwadowski met with BIAC's policy staff. Discussions focused on the current policy agenda as well as upcoming international events including the G20 and the Copenhagen Climate Change Conference.

Similar to BIAC's advisory role at the OECD, the ICC has top-level consultative status at the United Nations. Recognising the importance of each institution's work, both Mr. Rozwadowski and Mr. Asami pledged to develop closer co-ordination and co-operation between Secretariats, both headquartered in Paris.

BIAC looks forward to developing this further under Mr. Rozwadowski's leadership.

## BIAC Secretariat News

### New BIAC Policy Manager Welcomed

In mid-August, Mr. Peter Heller assumed the duties of BIAC Policy Manager replacing Mr. Dirk Manske, who has taken up a new position at VDI, the Association of German Engineers in Düsseldorf, Germany.



Mr. Heller, previously an Economic Consultant and Policy Advisor within the Confederation of Danish Industries (DI), is responsible for BIAC's work on economic policy, international investment, trade, corporate governance, corporate social responsibility, as well as bribery and corruption.

On behalf of the BIAC Secretariat, we wish Mr. Manske great success in his new position, and extend a warm welcome to Mr. Heller.

### New Assignments

In early September, BIAC announced that Policy Consultant Mr. Jonathan Greenhill is to take over BIAC's work on Non-Member Economies Committee and Task Forces on China, MENA, Russia, and other OECD Accession and Enhanced Engagement countries. Mr. Greenhill will also lead BIAC recruitment activities of Observer and Associated Expert Group organisations.

For further information on the BIAC Secretariat, please contact Mark Primmer ([mark.primmer@biac.org](mailto:mark.primmer@biac.org)).

## BIAC Secretariat

**Mr. Tadahiro Asami**  
Secretary General

**Ms. Nicole Primmer**  
Senior Policy Manager

**Ms. Hanni Rosenbaum**  
Senior Policy Manager

**Mr. Peter Heller**  
Policy Manager

**Mr. Jonathan Greenhill**  
Policy Consultant

**Mr. Mark Primmer**  
Communications Manager

**Ms. Marie-Thérèse Dos Reis**  
Administrative Assistant

**Ms. Salette Bellavoine**  
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**Ms. Nathalie Mazier**  
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