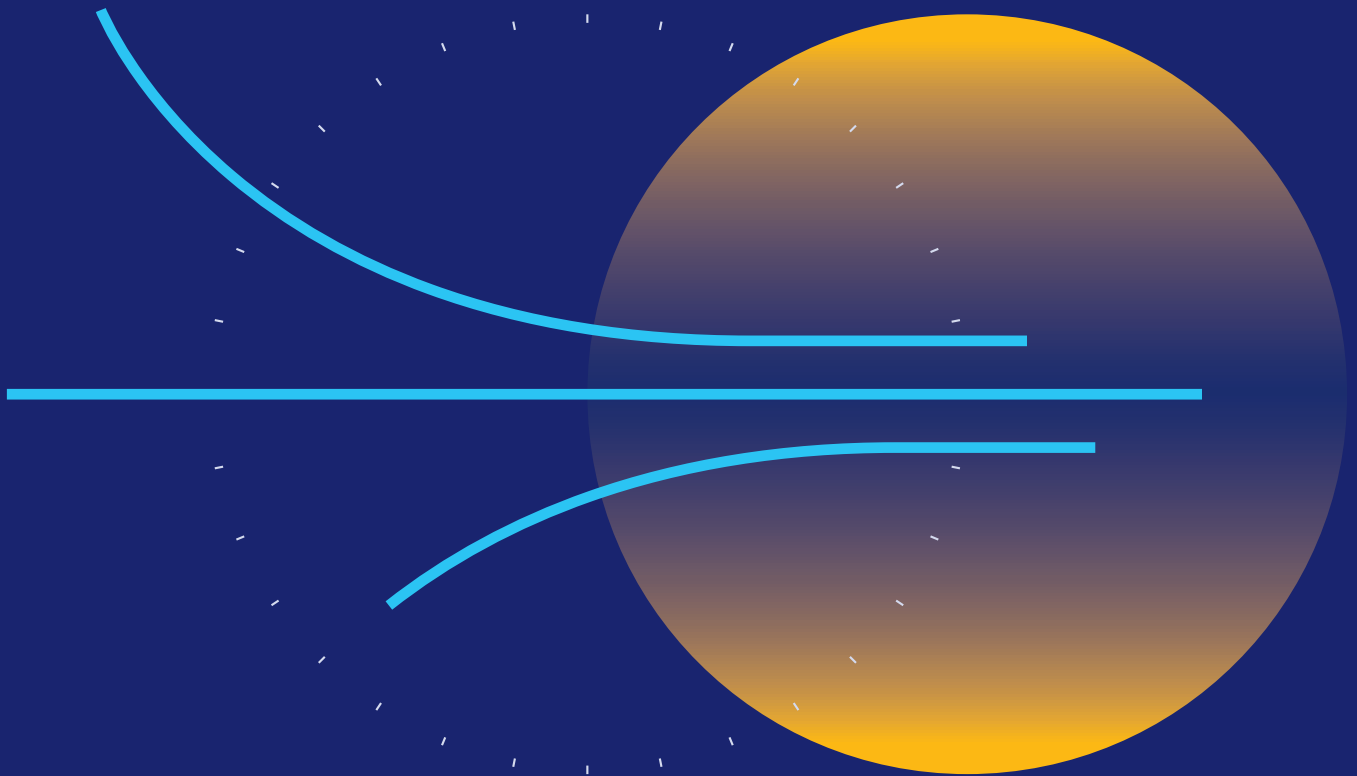


# Meeting of the OECD Council at Ministerial Level

Paris, 3-4 June 2025



## ANNUAL UPDATE ON OECD STANDARD- SETTING



# ANNUAL UPDATE ON OECD STANDARD-SETTING

1. Since its creation, the OECD has developed around 500 legal instruments on a wide array of topics, with 270 in force today.<sup>1</sup> These include flagship standards<sup>2</sup> that have become the international reference point on a particular issue such as the Declaration on International Investment and Multinational Enterprises [[OECD/LEGAL/0144](#)], the Anti-Bribery Convention [[OECD/LEGAL/0293](#)], the Principles of Corporate Governance [[OECD/LEGAL/0413](#)] and global tax standards.

2. There are different categories of OECD legal instruments (see Figure 1): while the vast majority are not legally binding, there is a strong commitment of OECD Members to implementation due to the evidence-based and consensus-based approach to OECD standard-setting as well as structured support for implementation.

**Figure 1. Types of OECD Legal Instruments**

	Adopted by the OECD Council	Adopted directly by the Adherents
<b>Legally binding</b>  <span style="background-color: #c8e6c9; border-radius: 50%; padding: 2px 5px;">12%</span>	<p style="text-align: center;"><b>DECISIONS</b></p> <p style="text-align: center;"><i>Set out specific rights and obligations and can contain obligatory monitoring mechanisms</i></p> <div style="border: 1px solid black; padding: 5px; display: inline-block; margin-bottom: 5px;"> <b>23</b> in force         </div> <p>e.g. Waste, Codes of Liberalisation, Mutual Acceptance of Chemicals Data, National Treatment</p>	<p style="text-align: center;"><b>INTERNATIONAL AGREEMENTS</b></p> <p style="text-align: center;"><i>Free-standing international treaties negotiated within the OECD framework</i></p> <div style="border: 1px solid black; padding: 5px; display: inline-block; margin-bottom: 5px;"> <b>10</b> in force         </div> <p>e.g. Conventions on Anti-Bribery, BEPS, Mutual Administrative Assistance in Tax Matters, Nuclear Energy</p>
<b>Non-legally binding</b>  <span style="background-color: #c8e6c9; border-radius: 50%; padding: 2px 5px;">88%</span>	<p style="text-align: center;"><b>RECOMMENDATIONS</b></p> <p style="text-align: center;"><i>Represent a political commitment to the principles they contain and entail an expectation that Adherents will do their best to implement them</i></p> <div style="border: 1px solid black; padding: 5px; display: inline-block; margin-bottom: 5px;"> <b>178</b> in force         </div> <p>e.g. AI, Good Statistical Practice, Water, Gender, Bid Rigging, Access to Research Data, Digital Security</p>	<p style="text-align: center;"><b>SUBSTANTIVE OUTCOME DOCUMENTS</b></p> <p style="text-align: center;"><i>Solemn text setting out political commitments adopted during Ministerial or other high-level meeting</i></p> <div style="border: 1px solid black; padding: 5px; display: inline-block; margin-bottom: 5px;"> <b>41</b> in force         </div> <p>e.g. digital economy, education, democracy, agriculture, environment</p>
<p><b>18 OTHER OECD LEGAL INSTRUMENTS</b> include Recommendations adopted by the Development Assistance Committee, the Arrangement on Export Credit as well as several sectoral understandings.</p>		

3. This document, prepared by the OECD Directorate for Legal Affairs, presents an annual update on OECD standard-setting activity since the last MCM on 2-3 May 2024.<sup>3</sup>

<sup>1</sup> All OECD legal instruments are available on the [online Compendium of OECD Legal Instruments](#).

<sup>2</sup> OECD standards are all OECD legal instruments as well as other kinds of policy principles and guidelines developed within the OECD framework.

<sup>3</sup> The annual updates to the MCM are an outcome of the 2016-2021 Standard-Setting Review (SSR): see *Standard-Setting Review: Five-Year Report (2016-2021)* [[C/MIN\(2021\)9](#)].

## 1. Standard-Setting Activity from May 2024 to June 2025

### 1.1. Adoption of New and Updated Legal Instruments

4. Following the adoption of 16 new or updated legal instruments in the period covered by the last annual update [[C/MIN\(2024\)11](#)], 15 new or updated legal instruments have been adopted by the Council from May 2024 to June 2025. OECD substantive committees continue working on developing new or updated instruments to respond to evolving policy challenges (see Section 2 and Annex B on Upcoming Work on Standards).

5. Reflecting priorities set by Members, the 15 new or updated OECD legal instruments adopted over the last year aim to improve outcomes for Members and their citizens with regard to five key policy challenges that were highlighted in the [60th Anniversary Vision Statement](#) and the [2024 MCM Statement](#) (see Annex A for more details):

<p><b>1. Supporting well-functioning markets underpinned by a rules-based system to ensure a level playing field</b></p>	<ul style="list-style-type: none"> <li>• Recommendation on Sustainable Lending Practices and Officially Supported Export Credits (technical update)</li> <li>• Arrangement on Officially Supported Export Credits + Sector Understanding on Export Credits for Civil Aircraft (technical update)</li> <li>• Recommendation on the Benchmark Definition of Foreign Direct Investment (update)</li> <li>• Recommendation on Merger Review (update)</li> </ul>
<p><b>2. Maintaining and strengthening the rules-based, inclusive, free and fair multilateral trading system, in particular by reinforcing food security and enhancing environmentally sound recycling at the global level</b></p>	<ul style="list-style-type: none"> <li>• Recommendation concerning Safety Considerations for Applications of Recombinant DNA Organisms in Industry, Agriculture and the Environment (technical update)</li> <li>• Recommendation on Eliminating Government Support to Illegal, Unreported, and Unregulated Fishing (new)</li> <li>• Three Agricultural Codes and Schemes: seed, fruit and vegetables, tractors<sup>4</sup> (update)</li> <li>• Decision on the Control of Transboundary Movements of Wastes Destined for Recovery Operations (technical update)</li> </ul>
<p><b>3. Reaffirming the importance of the digital and green transformations, while promoting sustainable productivity growth</b></p>	<ul style="list-style-type: none"> <li>• Declaration on Protecting and Empowering Consumers in the Digital and Green Transitions (new)</li> <li>• Recommendation on Digital Technologies and the Environment (update)</li> </ul>
<p><b>4. Mainstreaming gender equality and inclusion, as well as improving effectiveness, transparency and accountability in development co-operation</b></p>	<ul style="list-style-type: none"> <li>• DAC Recommendation on Gender Equality and the Empowerment of All Women and Girls in Development Co-operation and Humanitarian Assistance (new)</li> </ul>
<p><b>5. Achieving a sustainable and inclusive economy and society, while preserving the values of democracy, the rule of law and the protection of human rights</b></p>	<ul style="list-style-type: none"> <li>• Recommendation on Human-Centred Public Administrative Services (new)</li> <li>• Recommendation on Information Integrity (new)</li> </ul>

<sup>4</sup> Decision Revising the OECD Schemes for the Varietal Certification or the Control of Seed Moving in International Trade; Decision Revising the OECD Scheme for the Application of International Standards for Fruit and Vegetables; Decision revising the OECD Standard Codes for the Official Testing of Agricultural and Forestry Tractors.

6. In developing or updating standards, the standard-setting working methods of the OECD have continued to improve in line with the findings of the *Standard-Setting Review: Five-Year Report (2016-2021)* [[C/MIN\(2021\)9](#), section 3.2], including by:

- *Enhancing co-operation across policy communities to ensure cross-fertilisation and a horizontal approach to the OECD standard-setting activity:* one of the OECD's strengths as a standard-setter is its capacity to leverage different areas of technical expertise to tackle cross-cutting issues and this is becoming increasingly relevant as the number of horizontal policy challenges increases. In this context, substantive committees have been exploring different ways to leverage the multi-disciplinary and multi-stakeholder nature of the OECD to improve the quality and effectiveness of OECD standards (see examples in paras. 16-19 of Annex A).
- *Updating Council on standards on an ad hoc basis to provide an opportunity for high-level strategic discussion and top-down guidance:* Council has received general updates on flagship legal instruments to take stock on progress outside of the regular discussions on new or updated instruments and reporting cycles (see examples in paras. 20-22 of Annex A).

## 1.2. Supporting Dissemination and Implementation of OECD Standards

7. Over the past year, reports on the implementation, dissemination and continued relevance of 11 Recommendations were presented to substantive committees and/or Council. Reflecting priorities set by Members, the reports confirmed that the concerned Recommendations have been successful to improve outcomes for Members and their citizens with regard to four key policy challenges that were highlighted in the [60th Anniversary Vision Statement](#) and the [2024 MCM Statement](#) (see Annex A for more details):

	<b>Report on the implementation of:</b>
<i>1. Supporting open trade and transparency, by reducing vulnerabilities and countering practices that undermine international rules as well as guarding against disruptions in global supply chains</i>	<ul style="list-style-type: none"> <li>• Recommendation on Countering the Illegal Trade of Pesticides</li> <li>• Recommendation on Sustainable Lending Practices and Officially Supported Export Credits</li> <li>• Recommendation on the OECD Due Diligence Guidance for Responsible Business Conduct</li> <li>• Recommendation on Guidelines on Anti-Corruption and Integrity in State-Owned Enterprises</li> <li>• Recommendation on Countering Illicit Trade: Enhancing Transparency in Free Trade Zones</li> </ul>
<i>2. Harnessing the potential of science, innovation and digitalisation for economic growth and social and digital inclusion</i>	<ul style="list-style-type: none"> <li>• Recommendation concerning Guidelines on Cryptography Policy</li> </ul>
<i>3. Improving effectiveness, transparency and accountability in development co-operation to achieve sustainable development</i>	<ul style="list-style-type: none"> <li>• Recommendation on Policy Coherence for Sustainable Development</li> <li>• DAC Recommendation on Ending Sexual Exploitation, Abuse and Harassment in Development Co-operation and Humanitarian Assistance: Key Pillars of Prevention and Response</li> </ul>
<i>4. Building a sustainable and inclusive economy where all can experience prosperity and better lives, including by fostering good governance and enhancing environmental integrity</i>	<ul style="list-style-type: none"> <li>• Recommendation on Consumer Protection in the field of Consumer Credit</li> <li>• Recommendation on Effective Public Investment Across Levels of Government</li> <li>• Recommendation on the Assessment of Projects, Plans and Programmes with Significant Impact on the Environment</li> </ul>

8. Committees have also continued to develop innovative tools, practices and working methods to support the implementation and dissemination of OECD standards, including by:

- *Reporting to Council on related legal instruments in a joint report to provide a comprehensive overview of implementation, enable a more strategic reflection and support efficiency:* while minimising the burden on Adherents and the Secretariat, the preparation of joint reports to Council is increasingly becoming a feature of the standard-setting activity of the Organisation (see examples in paras. 38-40 of Annex A).
- *Developing measurement tools to assess more regularly the state-of-play of alignment with OECD standards and to support implementation of OECD standards:* in addition to developing guidance documents to support implementation, committees are increasingly working on measurement tools, such as indicators and surveys, to more easily assess the state-of-play of Adherents' alignment with legal instruments and thus their impact, as well as to support their implementation (see examples in paras. 41-43 of Annex A).
- *Co-ordinating with other international organisations in order to avoid duplication, ensure complementarity and develop mechanisms for peer learning:* the global impact of OECD standards builds on the Organisation's ability to co-ordinate with other international organisations to avoid duplication, identify synergies and draw on multidisciplinary expertise not only in the development of OECD standards, but also in their dissemination and implementation (see examples in paras. 44-46 of Annex A).

### 1.3. Continued Relevance of OECD Standards

9. In addition to the regular reporting to committees and Council on the implementation, dissemination and continued relevance of specific OECD legal instruments, the 2016-21 Standard-Setting Review (SSR) resulted in mechanisms for more regular reviews of the stock of instruments.<sup>5</sup> The key highlights over the period covered to improve the continued relevance of OECD standards are as follows:

- *Leveraging the stocktaking on all standards undertaken by a committee as part of the process for the renewal of its mandate to sequence upcoming standard-setting activities:* in line with the SSR, committees are now required to discuss the relevance and impact of the legal instruments under their responsibility, and to identify possible follow-up actions to be undertaken, when reviewing their mandate. As part of this exercise, committees have sequenced upcoming actions to ensure that the work is prioritised in a timely manner and managed within available resources (see paras. 48-49 of Annex A for more information).
- *Conducting a comprehensive review of the standards under the responsibility of a committee to maintain their relevance over time:* outside the mandatory stocktaking as part of their mandate renewal, committees have also conducted comprehensive reviews of their standards on an *ad hoc* basis, including through roadmaps (Investment Committee) and dedicated items in meetings (Environment Policy Committee and Public Governance Committee) (see paras. 50-52 of Annex A for more information).
- *Consolidating several legal instruments to provide a comprehensive standard in a given policy area:* in order to provide a comprehensive standard in a given policy area, an option considered by committees is the consolidation of several legal instruments into a single one to avoid overlaps, maintain relevance and ensure coherence (see paras. 53-54 of Annex A for more information).

---

<sup>5</sup> See, in particular, Progress Report on Standard-Setting Review [[C/MIN\(2018\)11](#)] and Standard-Setting Review: Five-Year Report (2016-2021) [[C/MIN\(2021\)9](#), Section 3.2].

## 2. Upcoming Work on Standards

10. Looking ahead, committees are currently developing new or updated legal instruments across several key policy challenges that were highlighted in the [60th Anniversary Vision Statement](#) and the [2024 MCM Statement](#) (see Annex B for more details):

	Upcoming new or updated legal instruments
<i>Promoting more resilient systems for future generations, by building a sustainable and inclusive economy and society where all can experience prosperity, including by protecting human health and prioritising energy transition</i>	<ul style="list-style-type: none"> <li>• Recommendation on Promoting Child Well-Being in Times of Profound Change (new)</li> <li>• Recommendation on Sustainable Transport (consolidation)</li> <li>• Decision-Recommendation on the Assessment of Chemical Effects on Human Health and the Environment (consolidation)</li> <li>• Recommendation on the Governance of Critical Risks (update)</li> <li>• Recommendation on Effective Public Investment Across Levels of Government (update)</li> <li>• Recommendation on Sustainable Tourism Development (consolidation)</li> </ul>
<i>Fostering a human-centric and rights-oriented digital transformation that benefits all and advances environmental sustainability, including by harnessing the benefits and addressing the risks of artificial intelligence in the labour market</i>	<ul style="list-style-type: none"> <li>• Recommendation on Artificial Intelligence in the Labour Market (new)</li> </ul>
<i>Supporting open markets, achieving a global level playing field and guarding against disruptions in global supply chains which are key to sustainable and inclusive growth</i>	<ul style="list-style-type: none"> <li>• Recommendation on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence (update)</li> <li>• DAC Recommendation on Untying Official Development Assistance (update)</li> </ul>

11. In the longer term, planned OECD standard-setting activities focus on:

- **Infrastructure:** following the approval by Council of the High-Level Approach to Enhance and Better Integrate OECD Work on Infrastructure (HLA) in March 2024, work is ongoing to develop an overarching legal instrument, setting high-level principles on sustainable and quality infrastructure, which would be complemented by existing as well as new/updated sectoral Recommendations,<sup>6</sup> with the aim to clarify the OECD's overall approach to infrastructure and enhance its coherence and effectiveness.
- **Emerging technologies:** recognising the need for international principles on responsible development and use of quantum technologies, the Digital Policy Committee (DPC) and Committee for Scientific and Technological Policy (CSTP) have started the work to reflect the potential technology benefits and risks, as well as the associated challenges and opportunities of quantum technologies into a Recommendation.<sup>7</sup> In addition, the Working Party on Biotechnology, Nanotechnology and Converging Technologies (BNCT) and the CSTP, started the development

<sup>6</sup> The Recommendations on Private Sector Participation in Infrastructure, on the Governance of Infrastructure, on Principles for Public Governance of Public-Private Partnerships and on Effective Investment Across Levels of Government.

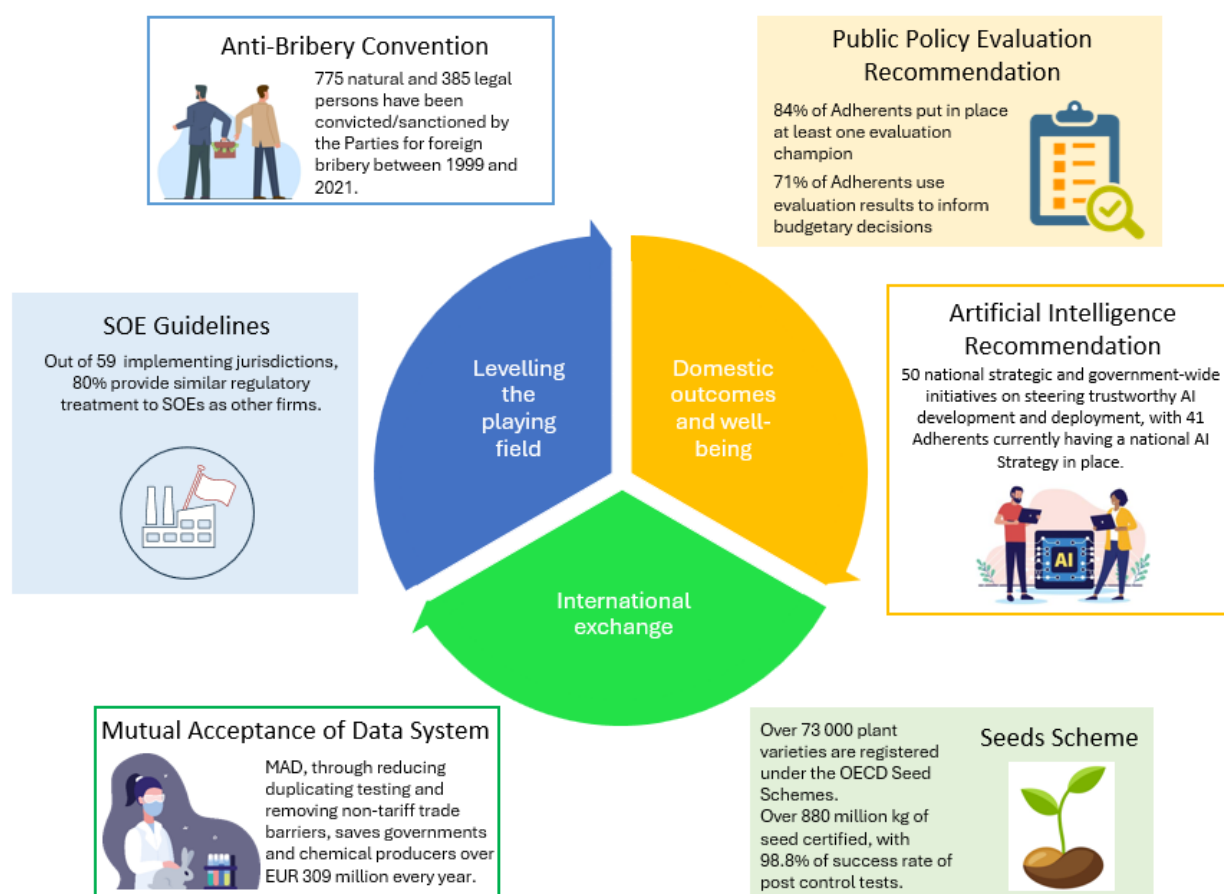
<sup>7</sup> Building on OECD's work on quantum, including the [quantum technologies policy primer](#).

of a new Recommendation on responsible innovation in synthetic biology<sup>8</sup> to guide policymakers, and indirectly other relevant stakeholders and the public, in the field.

- **Clean energy transition:** the Environment Policy Committee (EPOC) started the work to update and consolidate four existing Recommendations related to energy<sup>9</sup> aligning them with more recent OECD work on the environmental relevance of the energy sector, in close co-ordination with the International Energy Agency (IEA).

12. In addition to the development of new or updated legal instruments, the Secretariat is also working on the development of a screening mechanism to assess the key transboundary impacts of new and updated Recommendations, beyond and within OECD Member countries. The aim of this new mechanism would be to position the OECD at the forefront of supporting countries in developing and implementing coherent standards across policy areas to ensure that they are mutually reinforcing in the pursuit of sustainable development.

**Figure 2. Concrete impact of OECD standards**



<sup>8</sup> Multidisciplinary in essence, synthetic biology enables the design, redesign, manufacture and modification of living systems for bio-product development and has the potential to transform the current industrial landscape and to address societal challenges.

<sup>9</sup> The Recommendations concerning the Reduction of Environmental Impacts from Energy Production and Use [OECD/LEGAL/0149], on the Reduction of Environmental Impacts from Energy Use in the Household and Commercial Sectors [OECD/LEGAL/0157], on Coal and the Environment [OECD/LEGAL/0173], and on Environmentally Favourable Energy Options and their Implementation [OECD/LEGAL/0221].

### 3. Conclusions

13. The standard-setting activity is one of the core functions of the OECD and one of the most tangible ways in which the Organisation has a concrete impact for Members and their citizens (see Figure 2). Although the vast majority of OECD standards are not legally binding, their high level of implementation can be attributed to the fact that OECD standards are evidence-based, adopted by consensus and implementation is supported through toolkits and periodic reviews. The relevance and impact of OECD standards are also subject to regular review to ensure that they continue to serve their purpose and bring added value. In this way, through the adoption and implementation of standards, the OECD has been able to consistently deliver positive outcomes by levelling the global playing field, facilitating international exchanges and driving improvement in public policy.

## Annex A. OECD Standard-Setting Activity between May 2024 and June 2025

### 1. New or Updated OECD Legal Instruments

#### 1.1. Addressing Key Policy Challenges through OECD Standard-Setting

1. 15 new or updated legal instruments have been adopted in the period covered.

New or Updated Legal Instruments adopted during the period covered
Arrangement on Officially Supported Export Credits [ <a href="#">OECD/LEGAL/5005</a> ] + Sector Understanding on Export Credits for Civil Aircraft (ASU) [ <a href="#">OECD/LEGAL/5011</a> ]
Decision Revising the OECD Schemes for the Varietal Certification or the Control of Seed Moving in International Trade [ <a href="#">OECD/LEGAL/0308</a> ]
Decision Revising the OECD Scheme for the Application of International Standards for Fruit and Vegetables [ <a href="#">OECD/LEGAL/0346</a> ]
Decision revising the OECD Standard Codes for the Official Testing of Agricultural and Forestry Tractors [ <a href="#">OECD/LEGAL/0334</a> ]
Decision on the Control of Transboundary Movements of Wastes Destined for Recovery Operations [ <a href="#">OECD/LEGAL/0266</a> ]
Declaration on Protecting and Empowering Consumers in the Digital and Green Transitions [ <a href="#">OECD/LEGAL/0504</a> ]
DAC Recommendation on Gender Equality and the Empowerment of All Women and Girls in Development Co-operation and Humanitarian Assistance [ <a href="#">OECD/LEGAL/5022</a> ]
Recommendation on Sustainable Lending Practices and Officially Supported Export Credits [ <a href="#">OECD/LEGAL/0442</a> ]
Recommendation on the Benchmark Definition of Foreign Direct Investment [ <a href="#">OECD/LEGAL/0363</a> ]
Recommendation on Merger Review [ <a href="#">OECD/LEGAL/0333</a> ]
Recommendation on Human-Centred Public Administrative Services [ <a href="#">OECD/LEGAL/0503</a> ]
Recommendation concerning Safety Considerations for Applications of Recombinant DNA Organisms in Industry, Agriculture and the Environment [ <a href="#">OECD/LEGAL/0225</a> ]
Recommendation on Information Integrity [ <a href="#">OECD/LEGAL/0505</a> ]
Recommendation on Eliminating Government Support to Illegal, Unreported, and Unregulated Fishing [ <a href="#">OECD/LEGAL/0507</a> ]
Recommendation on Digital Technologies and the Environment [ <a href="#">OECD/LEGAL/0380</a> ]

2. Reflecting priorities set by Members, the new or updated OECD standards adopted over the last year aim to improve outcomes for Members and their citizens on five key policy challenges that were highlighted in both the [60th Anniversary Vision Statement](#) and the [2024 MCM Statement](#).

1	<i>Supporting well-functioning markets underpinned by a rules-based system to ensure a level playing field</i>
---	--

3. Following the modernisation of the *Arrangement on Officially Supported Export Credits* [[OECD/LEGAL/5005](#)] (Arrangement), including the *Sector Understanding on Export Credits for Civil Aircraft* (ASU) [[OECD/LEGAL/5011](#)] and the *Sector Understanding on Export Credits for Ships* (SSU) [[OECD/LEGAL/5016](#)] which was undertaken in the period covered by the last annual update [[C/MIN\(2024\)11](#)], the Arrangement and the ASU were last updated in September 2024. The Arrangement

is a “gentlemen’s agreement” amongst its Participants<sup>10</sup> whose main aim is to place limitations on the financing terms and conditions to be applied when providing officially supported export credits and tied aid. Since it first came into existence in 1978, the Arrangement and its Sector Understandings, including the ASU, have been regularly updated to reflect Participants’ policy needs as well as market developments and to level the playing field among them.

4. The *Recommendation on Sustainable Lending Practices and Officially Supported Export Credits* [[OECD/LEGAL/0442](#)] aims at ensuring that officially supported export credits do not contribute to the build-up of unsustainable external debt in lower countries by defining recommended practices for Adherents when they are considering the provision of official export credit support to public sector obligors or guarantors in these countries. When reporting to the Council on the implementation, dissemination and continued relevance of the Recommendation, the Working Party on Export Credits and Credit Guarantees (ECG) proposed to Council that the reference to the World Bank’s debt limits policy contained in the Recommendation be updated to ensure alignment between the standards of the two organisations, providing another example of the synergies between the OECD and another international organisation.

5. Foreign Direct Investment (FDI) is a key driver of economic and financial integration, and internationally comparable FDI statistics are an important input into economic and financial analysis and policymaking. As early as 1983, the OECD adopted the first Benchmark Definition of FDI (the “Benchmark Definition”) which sets the global standard for the compilation of FDI statistics. The *Recommendation on the Benchmark Definition of Foreign Direct Investment* [[OECD/LEGAL/0363](#)], which calls on Adherents to take steps to bring their statistical methodology in line with the Benchmark Definition, was updated in 2025 to reflect the fifth edition of the Benchmark Definition, which is fully consistent with the International Monetary Fund (IMF) Balance of Payments and International Investment Positions Manual, 6th Edition (BPM6) and the general economic concepts set out by the United Nations’ 2008 System of National Accounts (SNA).<sup>11</sup> This fifth edition introduces new and revised presentations to enhance the analytical usefulness of FDI statistics, such as the classification of FDI by purpose of investment, and includes detailed guidance and numerical examples to support statistical offices in the compilation and communication of FDI statistics.

6. Mergers and acquisitions between companies can affect prices, quality and product availability if they lessen competition in the marketplace. Recognising that merger reviews are an important tool for governments to prevent consumer harm and maintain competitive markets, the *Recommendation on Merger Review* [[OECD/LEGAL/0333](#)] was adopted by the Council in 2005 to level the playing field by contributing to greater convergence of merger review procedures, including co-operation among competition authorities. Almost 20 years since its adoption, the Recommendation was updated in 2025 to provide a more relevant policy reference for Adherents, in particular by strengthening the provisions on merger notification and review procedures, as well as including principles on merger review analysis.

2

*Maintaining and strengthening the rules-based, inclusive, free and fair multilateral trading system, in particular by reinforcing food security and enhancing environmentally sound recycling at the global level*

7. Building on the work that resulted from the tight co-operation with the World Health Organization (WHO), the Food and Agriculture Organization of the United Nations (FAO), other relevant international organisations and stakeholders, the *Recommendation concerning Safety Considerations for Applications*

<sup>10</sup> Australia, Canada, the European Union, Japan, Korea, New Zealand, Norway, Switzerland, Türkiye, the United Kingdom, and the United States.

<sup>11</sup> In March 2020, the United Nations Statistical Commission endorsed a process for updating the SNA as recommended by the Inter-secretariat Working Group on National Accounts. This has spawned the process of updating all the international statistical manuals, including the IMF BPM and the Benchmark Definition.

of *Recombinant DNA Organisms in Industry, Agriculture and the Environment* [[OECD/LEGAL/0225](#)] sets principles on international co-operation in biosafety and food/feed safety regulation that aim at promoting a common understanding of the safety issues raised by applications of recombinant DNA organisms and at providing the basis for the protection of health and the environment, the promotion of international commerce and the reduction of national barriers to trade in the field of biotechnology. In order to maintain its continued relevance, on a proposal by the Chemicals and Biotechnology Committee (CBC), through the Working Party on the Harmonisation of Regulatory Oversight in Biotechnology (WP-HROB) and the Working Party for the Safety of Novel Foods and Feeds (WP-SNFF), the Recommendation was updated to take account of biotechnology developments, scientific advances, increased knowledge and current safety practice and regulatory systems developed by Adherents.

8. Illegal, unreported and unregulated (IUU) fishing and fishing-related activities in support of such fishing (such as transshipment and the provisioning of personnel, fuel and other supplies at sea) seriously undermine and threaten the sustainability of fisheries and the ocean economy as well as the livelihoods of coastal communities, result in losses of important tax revenue and divert fish away from local markets that depend on local seafood. The *Recommendation on Eliminating Government Support to Illegal, Unreported, and Unregulated Fishing* [[OECD/LEGAL/0507](#)] calls on governments to eliminate government support to IUU fishing and fishing-related activities in support of such fishing, notably by putting in place measures to avoid allocating support to those engaged in IUU fishing and fishing-related activities and withhold and withdraw support when appropriate, and exclude fishing and fishing-related activities occurring outside of the jurisdiction of a coastal State and outside the competence of a relevant Regional Fisheries Management Organisation or Arrangement (RFMO/A) from fisheries support.

9. With the aim to facilitate international trade, the four [OECD Agricultural Codes and Schemes](#),<sup>12</sup> simplify the certification procedures for seeds, fruits and vegetables, forest reproductive material and tractors to enhance market confidence and transparency through quality control measures, inspections and improved product traceability. The *Seeds Schemes*, which provide an international framework for the certification of agricultural seed moving in international trade, the *Fruit and Vegetables Schemes*, which provide an international harmonised quality inspection system, and the *Tractor Codes*, which are a set of rules and procedures for the official testing of agricultural and forestry tractors, were updated during the period covered. The aim is for those instruments to continue playing a pivotal role in ensuring product quality and integrity by enhancing market openness and access, increasing trust and market transparency, reducing technical barriers to trade (TBTs), and facilitating product traceability to enable countries to trade with assurance in the quality of agricultural goods, thereby strengthening market confidence globally.

10. The *Decision on the Control of Transboundary Movements of Wastes Destined for Recovery Operations* [[OECD/LEGAL/0266](#)] establishes rules that facilitate the trade of recyclables in an environmentally sound and economically efficient manner, using a simplified procedure and a risk-based approach to assess the necessary level of control of materials. The control system established under the Decision is closely interlinked with the [Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal](#). The Decision was amended in 2024 to reflect the lack of consensus on how to update the rules for e-waste shipped between Members in light of the Basel Convention e-waste amendments. Accordingly, as of 1 January 2025, each Adherent may apply controls to the transboundary movements of e-waste, in conformity with its domestic legislation and international law, while committing to inform the OECD Secretariat of their controls for e-waste to ensure transparency.

---

<sup>12</sup> Decision Revising the OECD Schemes for the Varietal Certification or the Control of Seed Moving in International Trade [[OECD/LEGAL/0308](#)]; Decision revising the OECD Standard Codes for the Official Testing of Agricultural and Forestry Tractors [[OECD/LEGAL/0334](#)]; Decision revising the OECD Scheme for the Application of International Standards for Fruit and Vegetables [[OECD/LEGAL/0346](#)]; Decision establishing the OECD Scheme for the Certification of Forest Reproductive Material

3

*Reaffirming the importance of the digital and green transformations, while promoting sustainable productivity growth*

11. With consumer spending accounting for about 60% of GDP in OECD Member countries on average, the *Declaration on Protecting and Empowering Consumers in the Digital and Green Transitions* [[OECD/LEGAL/0504](#)] (adopted during the 2024 meeting of the Committee on Consumer Policy at Ministerial level) recognises that sound consumer policy and enforcement are needed to address the challenges of the digital and green transitions. The Declaration underscores the need to act against both current and emerging harms consumers face online, encourage businesses to adopt fair practices, and commit governments to protect all consumers, placing a particular emphasis on those who may be particularly vulnerable, such as children, older consumers and infrequent internet users.

12. Advances in digital technologies underscore their growing role in advancing climate resilience, including by increasing energy efficiency, managing scarce resources and empowering consumers to make environmentally sustainable choices. At the same time, digital transformation, including growing data generation and use, can carry an environmental footprint that needs to be managed, such as greenhouse gas emissions, energy demand increases, raw material extraction, land and water use and pollution, among other aspects. With the aim to support national efforts to establish, improve and review digital policies that enhance environmental sustainability, the *Recommendation on Digital Technologies and the Environment* [[OECD/LEGAL/0380](#)] was updated in 2025 to reflect technological and policy developments since its adoption in 2010 and further align the green and digital “twin transitions”.

4

*Mainstreaming gender equality and inclusion, as well as improving effectiveness, transparency and accountability in development co-operation*

13. Recognising that development co-operation operates in an environment of geopolitical tensions and unprecedented global challenges, including a pushback against whole of society inclusion and gender equality, the *DAC Recommendation on Gender Equality and the Empowerment of All Women and Girls in Development Co-operation and Humanitarian Assistance* [[OECD/LEGAL/5022](#)] aims to provide a comprehensive framework that can incentivise, support and guide Adherents in their capacity as donors, and as cross-government and international community stakeholders, to implement more comprehensive, coherent and aligned measures to promote gender equality and the empowerment of all women and girls globally.

5

*Achieving a sustainable and inclusive economy and society, while preserving the values of democracy, the rule of law and the protection of human rights*

14. Public administrative services are both a way for people to exercise their rights, as well as gain access to important information, support and decisions which impact their lives and livelihoods, and for governments to ensure the effectiveness of their policies. The *Recommendation on Human-Centred Public Administrative Services* [[OECD/LEGAL/0503](#)] aims to guide Adherents in the development of reliable and trusted public administrative services, which focus on the needs, experiences, expectations, and perspectives of individuals or communities as the primary consideration, including by considering values such as fundamental freedoms, equality, equity, fairness, rule of law, social justice, data protection and privacy, as well as democratic rights.

15. The digital transformation of societies has reshaped how people interact and engage with information. Advancements in digital technologies and novel forms of communication have changed the way information is produced, shared, and consumed, locally and globally and across all media. Recognising the role that governments can play in supporting an environment where a plurality of

information sources, views, and opinions can thrive, the *Recommendation on Information Integrity* [OECD/LEGAL/0505] aims to establish a wide-ranging policy framework for Adherents to address threats posed by information manipulation and to put in place measures that promote information integrity in line with the universal human rights of freedom of opinion and expression.

## 1.2. Improvements to OECD Standard-Setting Working Methods

16. In developing or updating legal instruments, the **standard-setting working methods of the OECD** have continued to improve in line with the findings of the *Standard-Setting Review: Five-Year Report (2016-2021)* [C/MIN(2021)9, section 3.2], including by:

*Enhancing co-operation across policy communities to ensure cross-fertilisation and a horizontal approach to the OECD standard-setting activity*

17. One of the OECD's strengths as a standard-setter is its capacity to leverage different areas of technical expertise to tackle cross-cutting issues and this is becoming increasingly relevant as the number of horizontal policy challenges increases. In this context, while the consultation of other policy communities on draft new/updated instruments is already a regular feature of the OECD standard-setting activity, substantive committees have been exploring additional ways to leverage the multi-disciplinary and multi-stakeholder nature of the OECD to improve the quality and effectiveness of OECD standards.

18. For example, in light of the growing focus on digital aspects across different policy areas, the Secretariat updated the Digital Policy Committee (DPC), at its November 2024 meeting, on the standard-setting activities with a digital policy aspect pursued by other OECD bodies. This provided the DPC an opportunity to provide feedback on the ongoing work of the Public Governance Committee (PGC) on the *Recommendation on Information Integrity* [OECD/LEGAL/0505], of the Employment, Labour and Social Affairs Committee (ELSAC) on the *draft Recommendation on Artificial Intelligence in the Labour Market* and the *draft Recommendation on Promoting Child Well-Being in Times of Profound Change*, in anticipation of the Committee's consultation on these drafts.

19. Similarly, the Secretariat of the Environment Policy Committee (EPOC) presented to the Committee for Agriculture (COAG) at its October 2024 meeting proposals for two new Recommendations in the area of deforestation and climate change adaptation. At its April 2025 meeting, the COAG was further updated on relevant work underway across the OECD, including the standard-setting activity.

20. In the same vein, at their joint meeting in March 2025, the Bureaux of the Regulatory Policy Committee (RPC) and the Environment Policy Committee (EPOC) discussed key topics of relevant to both committees, including the standard-setting work related to climate action, in view of enhancing their co-ordination. As part of this update, the Bureau of EPOC presented the upcoming work on the EPOC-led Horizontal Project on Climate and Economic Resilience (Net Zero +) which will include a stocktake of OECD standards of relevance to climate action across OECD bodies.

*Updating Council on standards on an ad hoc basis to provide an opportunity for high-level strategic discussion and top-down guidance*

21. There are regular opportunities for the Council, through its Executive Committee, to review the OECD-standard setting activity, namely when new/updated instruments are proposed for adoption, when an implementation report is proposed for declassification, as part of the mandate renewal discussion<sup>13</sup> or the present annual update to the MCM. In addition to these regular opportunities, the Council has benefited from general updates on flagship legal instruments to take stock on progress made outside existing reporting cycles.

<sup>13</sup> As a result of the SSR, committees report to Council every five years on their standard-setting work as a whole.

22. For example, in the period covered, the Council was updated on the OECD Mutual Acceptance of Data (MAD) System,<sup>14</sup> which includes two legal instruments namely the *Decision concerning the Mutual Acceptance of Data in the Assessment of Chemicals* [OECD/LEGAL/0194] and the *Decision-Recommendation on Compliance with Principles of Good Laboratory Practice* [OECD/LEGAL/0252], and complements the implementation of a number of other legal instruments, including the *Decision concerning the Minimum Pre-Marketing Set of Data in the Assessment of Chemicals* [OECD/LEGAL/0199] and the *Decision-Recommendation of the Council on the Systematic Investigation of Existing Chemicals* [OECD/LEGAL/0232]<sup>15</sup>. This update included information on ongoing workstreams, including the amendments of the OECD Test Guidelines by the Chemical and Biotechnology Committee (CBC) since 2020, as well as on the standard-setting work related to the MAD system, in particular the ongoing revision of the *Decision-Recommendation on Compliance with Principles of Good Laboratory Practice* [OECD/LEGAL/0252]. The update also provided an opportunity to confirm the growing impact of the MAD system for Member countries, including on savings (with an approximate EUR 309 million every year).<sup>16</sup>

23. Similarly, at its April 2025 meeting, the Investment Committee (IC) discussed a proposal to update the Council on the implementation of the *OECD Codes of Liberalisation of Current Invisible Operations* [OECD/LEGAL/0001] (CLCIO) and of *Capital Movements* [OECD/LEGAL/0002] (CLCM). The proposed update, which should take place in the course of 2025, will highlight their role as key legal instruments in advancing international co-operation on capital movements and services. The CLCM is the only international standard dedicated to openness and transparency in capital flow policy as its primary purpose, covering all inward and outward cross-border transactions; while the CLCIO covers cross-border trade in services. Structured peer reviews and regular updates of Adherents' positions ensures OECD standards in the area of capital flows are upheld, such as transparency and standstill. In addition, the Codes serve as a platform for dialogue on international capital flows and their management, including in the G20, and as a benchmark for capital flow governance.

## 2. Supporting Dissemination and Implementation of OECD Legal Instruments

### 2.1. Reports on Implementation of OECD Standards

24. Over the past year, the following reports on the implementation, dissemination and continued relevance of 11 Recommendations were presented to substantive committees and/or Council:

Reports on the Implementation of:	Committee(s)	Reference
Recommendation on Countering the Illegal Trade of Pesticides	CBC	<a href="#">C(2024)96</a>
Recommendation on Policy Coherence for Sustainable Development	DAC/PGC	<a href="#">C(2024)92</a>
Recommendation on Sustainable Lending Practices and Officially Supported Export Credits	ECG	<a href="#">C(2024)90</a>

<sup>14</sup> See [Saving costs and lives in chemicals management](#).

<sup>15</sup> A proposal by the CBC to consolidate these two legal instruments and strengthen them is expected to be transmitted to the Council for adoption in 2025.

<sup>16</sup> See OECD (2019), *Saving Costs in Chemicals Management: How the OECD Ensures Benefits to Society*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264311718-en>.

Recommendation on the Assessment of Projects, Plans and Programmes with Significant Impact on the Environment	EPOC	<a href="#">C(2024)93</a>
DAC Recommendation on Ending Sexual Exploitation, Abuse and Harassment in Development Co-operation and Humanitarian Assistance: Key Pillars of Prevention and Response	DAC	<a href="#">DCD/DAC(2024)33/FINAL</a>
Recommendation on the OECD Due Diligence Guidance for Responsible Business Conduct	IC	<a href="#">C(2024)152</a>
Recommendation on Guidelines on Anti-Corruption and Integrity in State-Owned Enterprise	CGC	<a href="#">C(2025)18</a>
Recommendation on Consumer Protection in the field of Consumer Credit	CMF	<a href="#">C(2025)25/REV1</a>
Recommendation on Effective Public Investment Across Levels of Government	RDPC	<a href="#">C(2025)76</a>
Recommendation on Countering Illicit Trade: Enhancing Transparency in Free Trade Zones	TC	<a href="#">C(2025)49</a>
Recommendation concerning Guidelines on Cryptography Policy	WPDS	<a href="#">DSTI/DPC/DS(2024)1/FINAL</a>

25. Reflecting priorities set by Members, the eleven reports confirmed that the Recommendations have been successful to improve outcomes for Members and their citizens with regard to four key policy challenges that were highlighted in the [60th Anniversary Vision Statement](#) and the [2024 MCM Statement](#).

<b>1</b>	<i>Supporting open trade and transparency, by reducing vulnerabilities and countering practices that undermine international rules as well as guarding against disruptions in global supply chains</i>
----------	--

26. Pesticides are among the most regulated products in the world and their illegal trade undermines national legislations and governments' risk reduction schemes, impacts human health, food chain safety and the environment and distort the pesticide market, leading to reduced revenue for legitimate pesticides producers as well as reduced income for governments through evaded taxes. The Report on the implementation of the *Recommendation on Countering the Illegal Trade of Pesticides* [[OECD/LEGAL/0446](#)] finds that Adherents have established various and diverse new procedures to counter illegal pesticides domestically, and strengthened existing national procedures aimed at countering the illegal trade of pesticides, particularly by improving compliance procedures and import checks, and increasing enforcement options. The Report concludes that the Recommendation remains relevant in allowing for concerted international efforts from Adherents to address the illegal trade in pesticides and a more efficient use of national and international resources.

27. Recognising that lower income countries have often struggled with large external debts that can overwhelm their ability to reduce poverty or provide essential government functions, the Report on the implementation of the *Recommendation on Sustainable Lending Practices and Officially Supported Export Credits* [[OECD/LEGAL/0442](#)] confirms that the Recommendation has supported open trade and a level-playing field, with a near total implementation of the provisions by Adherents, ensuring that officially supported export credits do not contribute to the build-up of unsustainable external debt in lower income countries. Although official export credits are predominantly provided in support of exports to middle- and high-income countries, the volume of business with countries covered by the scope of the Recommendation has increased in recent years in terms of number of transactions and total credit value. For considering support for those transactions, Adherents have implemented procedures to take into account IMF/World

Bank country-specific debt sustainability analyses and debt limits policies. The Report also highlights how the introduction by the Development Assistance Committee (DAC) of the measures set out in the Recommendation into its criteria for a loan to qualify as official development assistance (ODA) has served to disseminate the Recommendation within DAC members and beyond.

28. In order to strengthen the positive impact to society and avoid adverse impacts, responsible business conduct is a key component to ensuring inclusive and sustainable economic growth and globalisation. As underscored by the 2024 Report to Council, the *Recommendation on the OECD Due Diligence Guidance for Responsible Business Conduct* [[OECD/LEGAL/0443](#)] continues to be useful in creating certainty and a level playing field for business regarding their responsibilities to conduct due diligence for responsible business conduct in order to avoid and address adverse impacts related to workers, human rights, the environment, bribery, consumers and corporate governance that may be associated with their operations, supply chains and other business relationships. Certainty on responsible business expectations and coherence around a single standard is especially relevant in the current legal and policy landscape as many Adherents are adopting supply chain due diligence legislation and other policy approaches. The Recommendation calls on Adherents to promote the use and implementation of the OECD Due Diligence Guidance for Responsible Business Conduct which provides practical support to enterprises on the implementation of the *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct* [[OECD/LEGAL/0144](#)].

29. In response to an expanding body of evidence suggesting that state-owned enterprises (SOEs) may be particularly exposed to corruption risks, the *Recommendation on Guidelines on Anti-Corruption and Integrity in State-Owned Enterprises* [[OECD/LEGAL/0451](#)] became the first international standard to offer Adherents support in addressing corruption and promoting integrity in the enterprises they own or control. The 2025 Report to Council concludes that the Recommendation remains highly relevant in providing guidance to help policy makers evaluate and improve the legal, regulatory and institutional framework for the ownership and governance of state-owned enterprises, contributing to maintain a global level playing field and high standards of integrity and business conduct. In terms of opportunities for improvement, the Report highlights the need to strengthen the oversight and monitoring of compliance by SOEs and shareholding entities with anti-corruption and integrity regulatory requirements. Specifically, it suggests starting with the enhancement of data collection and analysis mechanisms to help Adherents assess the effectiveness of their corporate governance or other regulatory frameworks, bridging the gap between regulation and practice.

30. Free Trade Zones (FTZs) are designed to facilitate legitimate trade by offering businesses advantageous tariffs and lighter regulations. While helping emerging economies to attract foreign investment and generate jobs and growth, they have also been exploited for illicit activities, including counterfeit goods, smuggling, and money laundering. As highlighted by the 2025 Report to Council, the *Recommendation on Countering Illicit Trade: Enhancing Transparency in Free Trade Zones* [[OECD/LEGAL/0454](#)] remains highly relevant in today's global economy, where illicit trade continues to pose significant risks to economic stability, national security and public health. The Recommendation's emphasis on enhanced transparency, implementation of the Code of Conduct, and rollout of the Certification Scheme remains critical in recognising the risks, identifying and understanding and ultimately mitigating them to ensure that FTZs operate with integrity. In particular, Adherents have stressed the importance of the Recommendation as a standard to improve the operation of FTZs in trading partners, thus enhancing trust and facilitating trade.

## 2

*Harnessing the potential of science, innovation and digitalisation for economic growth and social and digital inclusion*

31. The fifth review of the *Recommendation concerning Guidelines on Cryptography Policy* [[OECD/LEGAL/0289](#)] provided an opportunity to the Digital Policy Committee's Working Party on

Digital Security (WPDS) to confirm the continued relevance of the Recommendation in supporting Adherents to promote the use of cryptography in order to foster confidence in digital technologies, without unduly jeopardising public safety, law enforcement, and national security. A joint report on the implementation, dissemination and continued relevance of all digital security-related Recommendations will be presented to Council in 2027.

## 3

*Improving effectiveness, transparency and accountability in development co-operation to achieve sustainable development*

32. With the significant rise in interconnected economic, environmental, social and geopolitical crises, effectively tackling global challenges to achieve sustainable development requires mechanisms to adjust policy in light of negative impacts, to maximise benefits while addressing trade-offs, and to effectively work across sectors in a whole-of-government approach. The 2024 Report to Council on the implementation of the *Recommendation on Policy Coherence for Sustainable Development (PCSD)* [[OECD/LEGAL/0381](#)] finds that Adherents' efforts to implement and disseminate the Recommendation have taken place in an increasingly challenging context, as underscored by global events such as the COVID-19 pandemic, the climate emergency and the escalation of regional conflicts which have brought into sharp relief the interconnectedness of different policy areas. The Report finds that Adherents have made continued efforts to implement PCSD, particularly through political commitment, strategic vision and stakeholder engagement. However, significant gaps in the implementation of the Recommendation remain, namely in efforts to address the transboundary and long-term impacts of policies.

33. Embodying an ambitious standard to build systems best fit to prevent and respond to sexual exploitation, abuse and harassment (SEAH), the 2024 Report following five years of implementation of the *DAC Recommendation on Ending Sexual Exploitation, Abuse and Harassment in Development Co-operation and Humanitarian Assistance: Key Pillars of Prevention and Response* [[OECD/LEGAL/5020](#)] underscores that the DAC Recommendation has served to mobilise changes for ending SEAH in development co-operation and humanitarian assistance. This is evidenced by an increase in the establishment of SEAH policies and mechanisms, co-ordination across actors and stakeholders, or inclusion of SEAH prevention and response in partnership and funding agreements. For example, a majority of Adherents report that their institution provides easy, safe, accessible, context-sensitive reporting and complaint mechanisms, which are confidential and anonymous, for individuals and communities. Five United Nations entities – all major development co-operation actors – are Adherents to and have aligned their policies with the DAC Recommendation: the United Nations Children's Fund (UNICEF), the United Nations High Commissioner for Refugees (UNHCR), the United Nations Population Fund (UNFPA), the United Nations Office for Project Services (UNOPS) and the World Food Programme (WFP). A [Toolkit](#) to support implementation of the DAC Recommendation was also published in 2024.

## 4

*Building a sustainable and inclusive economy where all can experience prosperity and better lives, including by fostering good governance and enhancing environmental integrity*

34. Access to affordable consumer credit is a vital part of a modern and inclusive financial services system as it enables consumers to achieve many of their goals and objectives. At the same time, consumer protection issues relating to consumer credit are high on the public agenda of many countries. Recognising the importance of effective regulation of consumer credit products and services, the need to promote fair treatment of consumers via affordable and suitable credit products and to prevent over-indebtedness which is detrimental for both consumers and businesses, the *Recommendation on Consumer Protection in the field of Consumer Credit* [[OECD/LEGAL/0150](#)] has proven useful in providing Adherents with best practice approaches that cover the life cycle of consumer credit transactions – including before, during and after the point of sale – as underscored by the 2025 Report to Council. At the same time, Adherents

identified a number of recent developments and emerging trends in consumer credit markets, such as the increasing use of artificial intelligence and machine learning in lending decisions, that warrant a revision of the Recommendation and the Council invited the Committee on Financial Markets, through the Working Party on Financial Consumer Protection, Education and Inclusion, to develop a proposal in this regard.

35. Improving the future economic, social and environmental outcomes of people, firms and places requires investing in the drivers of productivity and well-being. Recognising that public investment plays a catalysing role in many ways – notably by creating the public goods upon which private investment depends, boosting private sector activity through investment in research and innovation, as well as providing co-ordination and signalling role, especially where private investment is being under-supplied – the *Recommendation on Effective Public Investment Across Levels of Government* [OECD/LEGAL/0402] aims at helping Adherents at all levels of government to assess the strengths and weaknesses of their public investment capacity and set priorities for improvement to foster investments that support national and regional development, long-term growth and wellbeing. The 2025 Report to Council highlights that ten years since the adoption of the Recommendation and five years after the first implementation report, Adherents have implemented several policy reforms aligned with the Recommendation by adopting integrated investment strategies and implementing mechanisms to co-ordinate public investment among levels of governments. Still, the assessment of the implementation of the Recommendation shows that there remains room for improvement in key areas of public investment. For example, the Report finds that while the majority of Adherents adopted strategies for special areas, only a few Adherents include targeted objectives for specific places and territories in their regional development or investment strategies. Further, while inter-municipal co-ordination has become more widespread, regional level co-operation mechanisms remain less common. Recognising that global trends have highlighted the growing importance of co-ordinated action across levels of government, the Regional Development Policy Committee (RDPC) proposed to Council that a revision of the Recommendation be undertaken, aiming at strengthening the multi-level governance dimension of the Recommendation.

36. Environmental assessment is a cornerstone of environmental policies – a process of systematic analysis and evaluation of environmental impacts of a proposed activity, consultation with affected parties and development of measures to mitigate the identified negative impacts in implementing the activity. Since its adoption in 1979, the *Recommendation on the Assessment of Projects, Plans and Programmes with Significant Impact on the Environment* [OECD/LEGAL/0172] has become one of the fundamental pillars of the set of OECD legal instruments in the area of environment by providing for environmental assessment as part of the planning, development and decision-making process for projects, plans and programmes. While the 2024 Report to Council concludes that most Adherents implement the Recommendation’s provisions, it also highlights that some Adherents have important implementation gaps, particularly with respect to sectoral coverage of environmental assessment of projects, plans and programmes, consideration of alternatives and public participation. The Report recognises that the Recommendation continues to be relevant, particularly in areas where implementation gaps persist, and that no further revisions are necessary in the short-to-medium term.

## **2.1. Supporting the Implementation and Dissemination of OECD Standards through innovative tools, practices and working methods**

37. Over the past year, committees have continued to develop innovative tools, practices and working methods to support the implementation and dissemination of OECD legal instruments, including by:

*Reporting to Council on related legal instruments in a joint report to provide a comprehensive overview of implementation, enable a more strategic reflection and support efficiency*

38. In order to provide a comprehensive overview of implementation, enable a more strategic reflection, support efficiency and ease in information gathering, while minimising the burden on Adherents and the Secretariat, the preparation of a joint report to Council on the implementation, dissemination and

continued relevance of related legal instruments is increasingly becoming a feature of the standard-setting activity of the Organisation.

39. In 2017 and 2022, joint reports on the implementation of the *OECD Gender Recommendations*<sup>17</sup> were presented to the MCM by the Employment, Labour and Social Affairs Committee (ELSAC) and the Public Governance Committee (PGC) [[C/MIN\(2017\)7](#) and [C/MIN\(2022\)7](#)]. The next joint Report on the implementation of the Gender Recommendations, scheduled for 2027, will cover all four Gender Recommendations. Similarly, a joint report on the implementation, dissemination and continued relevance of the seven *OECD Digital Security Recommendations*<sup>18</sup> will be presented to Council in 2027.

40. Building on this trend, the Report on the implementation of the *Recommendation on the OECD Due Diligence Guidance for Responsible Business Conduct* presented to Council in 2024 [[C\(2024\)152](#)] included a proposal to group the reporting to Council for all five *Due Diligence Recommendations*<sup>19</sup> into a single report for the next reporting cycle in order to provide a comprehensive overview of implementation and enable a more strategic reflection on OECD due diligence legal instruments.

*Developing measurement tools to assess more regularly the state-of-play of alignment with OECD standards and to support implementation of OECD standards*

41. In addition to developing guidance documents, committees are also increasingly working on measurement tools to assess the state-of-play of Adherents' alignment against Recommendations and thus their impact, as well as to support their implementation.

42. Following up on the proposal to develop **indicators** to measure the implementation of the *OECD Digital Security Recommendations* [[C\(2022\)145](#)], the Digital Policy Committee (DPC)'s Working Parties on Digital Security (WPDS) and on Digital Economics, Measurement and Analysis (WPDEMA) are combining their expertise to create a reliable and public international policy database on best digital security policy practices. The aim of this database is to provide Adherents and other stakeholders with (i) a platform to share information on the status of digital security policies; (ii) a resource for policy analysis and public policy-making; and (iii) a tool for self-assessment and benchmarking against the

<sup>17</sup> The OECD Gender Recommendations are the OECD Recommendation on Gender Equality in Education, Employment and Entrepreneurship [[OECD/LEGAL/0398](#)], which is under the responsibility of the ELSAC; the OECD Recommendation on Gender Equality in Public Life [[OECD/LEGAL/0418](#)], which is under the responsibility of the PGC; the Recommendation on Improving the Gender Balance in the Nuclear Sector [[OECD/LEGAL/0496](#)], which is under the responsibility of the Steering Committee for Nuclear Energy and the DAC Recommendation on Gender Equality and the Empowerment of All Women and Girls in Development Co-operation and Humanitarian Assistance [[OECD/LEGAL/5022](#)], which is under the responsibility of the DAC. Each Committee is responsible for the development and ultimately the approval of the sections of the Report related to their respective Recommendation. The 2017 and 2022 Reports covered the ELSAC and PGC Recommendations as the two other instruments were adopted after the Reports were finalised.

<sup>18</sup> The seven digital security-related Recommendations are the: Recommendation concerning Guidelines for Cryptography Policy [[OECD/LEGAL/0289](#)]; Recommendation on Electronic Authentication [[OECD/LEGAL/0353](#)]; Recommendation on Digital Security of Critical Activities [[OECD/LEGAL/0456](#)]; Recommendation on Digital Security Risk Management [[OECD/LEGAL/0479](#)]; the Recommendation on National Digital Security Strategies [[OECD/LEGAL/0480](#)]; Recommendation on the Digital Security of Products and Services [[OECD/LEGAL/0481](#)]; Recommendation on the Treatment of Digital Security Vulnerabilities [[OECD/LEGAL/0482](#)].

<sup>19</sup> The five Due Diligence Recommendations are the: Recommendation on Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas [[OECD/LEGAL/0386](#)]; Recommendation on the Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector [[OECD/LEGAL/0427](#)]; Recommendation on the OECD-FAO Guidance for Responsible Agricultural Supply Chains [[OECD/LEGAL/0428](#)]; Recommendation on the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector [[OECD/LEGAL/0437](#)]; and Recommendation on the OECD Due Diligence Guidance for Responsible Business Conduct [[OECD/LEGAL/0443](#)].

Recommendations, for comparison of digital security best policy practices across Adherents and to support peer learning and exchange of experiences among them. The data would be collected at regular intervals to allow better understanding of policy trends and patterns over time, more strategic allocation of resources, as well as benchmarking and comparisons of the evolution of policies and best practices across Adherents over time and would be used to inform the 2027 Report to Council on implementation.

43. Similarly, for the development of implementation Reports, the data is often collected by the Secretariat through **surveys**, which are specifically tailored to capture the current state of implementation of a Recommendation, as well as its dissemination and continued relevance. For example, to prepare the second Report on the implementation of the *Recommendation on Public Procurement* [[OECD/LEGAL/0411](#)] which will be presented to Council over the course of 2025, the Secretariat designed a dedicated survey which was distributed to Adherents in 2024. The quantitative data from the Survey was analysed using statistical methods to identify trends, measure the extent of implementation of the Recommendation and assess progress made since the 2019 Report to Council [[C\(2019\)94/FINAL](#)]. Key metrics used included the percentage of Adherents having adopted specific practices recommended by the Recommendation, as well as the frequency and scope of those practices. The Secretariat validated the quantitative data, conducting follow-up with individual Respondents to clarify outstanding issues and ensure the analysis represents the most accurate data available on the subject.

*Co-ordinating with other international organisations in order to avoid duplication, ensure complementarity and develop mechanisms for peer learning*

44. The global impact of OECD standards builds on the Organisation's ability to co-ordinate with other international organisations (IOs) to avoid duplication, identify synergies and draw on multidisciplinary expertise not only in the development of OECD standards, but also in their dissemination and implementation. In this regard, the present update mentions several examples of linkages between OECD standards and the work of other IOs (see above the *Recommendation on Sustainable Lending Practices and Officially Supported Export Credits*; *Recommendation on Eliminating Government Support to Illegal, Unreported, and Unregulated Fishing*; *Recommendation on the Benchmark Definition of Foreign Direct Investment*; *Recommendation concerning Safety Considerations for Applications of Recombinant DNA Organisms in Industry, Agriculture and the Environment*).

45. There are many ways to support the co-ordination between the OECD and other IOs, including through the participation of OECD Members in other IOs, the participation of other IOs in OECD work and/or meetings of OECD bodies, as well as the co-operation at Secretariat-level. For example, to foster the dissemination of the *Declaration on supporting the implementation of the new Global Framework on Chemicals - For a Planet Free of Harm from Chemicals and Waste* [[OECD/LEGAL/0502](#)] the International Institute for Sustainable Development provided a reference on its [website](#), highlighting the importance of this legal instrument in reaffirming a shared position by governments on how to support implementation of the [Global Framework on Chemicals – For a Planet Free of Harm from Chemicals and Waste](#) which was adopted at the Fifth International Conference on Chemicals Management in Bonn, Germany on 25-29 September 2023.

46. Recognising the work of the OECD in the field of media support and the information environment, the Intergovernmental Council of the International Programme for the Development of Communication of the United Nations Educational, Scientific and Cultural Organization (UNESCO) endorsed the Development Co-operation Principles on Relevant and Effective Support to Media and the Information Environment [[DCD/DAC\(2024\)15/FINAL](#)] and encouraged its Member States to consider them in reviewing and implementing their own policies and contribute extrabudgetary support to UNESCO to enable its engagement and co-ordinating role in implementation of the Principles<sup>20</sup>.

<sup>20</sup> See [Principles for effective support to the media sector - UNESCO Digital Library](#).

### 3. Continued Relevance of OECD Legal Instruments

47. In order to ensure the continued relevance and impact of OECD legal instruments, the 2016-21 SSR resulted in more regular reviews of the stock of instrument,<sup>21</sup> in particular in the context of the renewal of committee mandates or development of the biennial Programme of Work and Budget. In addition, the In-Depth Evaluation (IDEs) has increasingly included analysis of the standard-setting activity of a committee, proposing dedicated IDE recommendations. These regular reviews have provided the opportunity to take stock of the standard-setting activity of individual committees in a comprehensive manner and foresee new activities to improve the relevance and impact of OECD legal instruments. Key findings over the period covered include:

*Leveraging the stocktaking on all standards undertaken by a committee as part of the process for the renewal of its mandate to sequence upcoming standard-setting activities*

48. In line with the findings of the SSR, a stocktaking on all standards under the responsibility of a committee is undertaken as part of the process for renewing the committee's mandate every five years. This ensures that committees have regular discussions on the relevance and impact of their legal instruments, as well as on the areas where the OECD could develop new legal instruments on emerging and cutting-edge issues, and identify any follow-up actions that may be needed.

49. In the period covered, several committees have reviewed or are in the process of reviewing their stock of legal instruments as part of their mandate renewal process. This has provided an opportunity for them to devise a work plan on their standard-setting activity with a sequenced timeline to ensure that the work is prioritised in a timely manner and managed within available resources. In particular, some of them proposed adjusted timelines for their standard-setting work to better sequence their workload for the next five years as follows:

- With 10 legal instruments under its responsibility, the Competition Committee will report to Council on one legal instrument in 2025, two legal instruments in 2026 as well as in 2027 and three legal instruments in 2028, in addition to working on a proposal to revise one Recommendation in 2025 and to review the relevance another one in 2026.
- With 13 legal instruments under its responsibility, the Committee for Scientific and Technological Policy (CSTP) will report to Council on three legal instruments in 2025, three in 2026 and two in 2027, in addition to discussing how to support further dissemination and follow-up for one instrument as part of its 2025-26 Programme of Work and Budget, as well as working on two possible new Recommendations.
- With five legal instruments under its responsibility, the Employment, Labour and Social Affairs Committee (ELSAC) will report to Council on one legal instrument in 2026 and two legal instruments in 2027, in addition to working on two possible new Recommendations in 2025 and one possible new Recommendation in 2026.

*Conducting a comprehensive review of the standards under the responsibility of a committee to maintain their relevance over time*

50. Outside the mandatory stocktaking as part of their mandate renewal, committees have also conducted comprehensive review of their standards on an *ad hoc* basis, including through roadmaps (Investment Committee) and dedicated items in meetings to discuss the standards under their responsibility (Environment Policy Committee and Public Governance Committee).

<sup>21</sup> See, in particular, Progress Report on Standard-Setting Review [[C/MIN\(2018\)11](#)] and Standard-Setting Review: Five-Year Report (2016-2021) [[C/MIN\(2021\)9](#), Section 3.2].

51. Following the update of the *Declaration on International Investment and Multinational Enterprises* [[OECD/LEGAL/0144](#)]<sup>22</sup> (the “Declaration”) and the approval by the Investment Committee (IC) of a forward-looking roadmap for its continued work related to the Declaration in October 2023, the IC has been working on following up on the roadmap. In the period covered, the IC discussed a proposal to review four Recommendations related to National Treatment<sup>23</sup> to avoid overlaps with the Declaration as updated in 2023 and submitted a proposal to Council to abrogate them based on the fact that many of the principles embodied in these Recommendations are now covered in the Declaration. The IC was particularly concerned that keeping the four Recommendations despite the overlaps would send confusing signals to accession candidate countries and non-Members wishing to adhere to the Declaration and related legal instruments. Accordingly, the four Recommendations were abrogated by the Council in March 2025.<sup>24</sup>

52. At the February 2025 meeting of the Environment Policy Committee (EPOC) at senior level, the Secretariat provided delegates with a progress update on ongoing and planned work on OECD standards related to the environment since the last update provided to the Committee in May 2024. This included an overview of ongoing work to develop new or updated OECD legal instruments under its responsibility and other standard-setting work under the 2025-2026 Programme of Work and Budget (PWB). Similarly, at the October 2024 meeting of the Public Governance Committee (PGC), the Secretariat provided an update on PGC standard-setting activity, in addition to reporting on recent work conducted by the subsidiary bodies as well as PGC’s contributions to horizontal work.

*Consolidating several legal instruments to provide a comprehensive standard in a given policy area*

53. In order to provide a comprehensive standard in a given policy area, an option considered by committees is the consolidation of several legal instruments into a single one, in order to avoid overlaps, maintain relevance and ensure coherence.

54. For example, in the period covered, work has started on the review of relevance of the *Recommendation concerning the Application of the Polluter-Pays Principle to Accidental Pollution* [[OECD/LEGAL/0251](#)] (hereafter the “1989 Recommendation”) under the joint responsibility of the Chemicals and Biotechnology Committee (CBC) and Environment Policy Committee (EPOC) which calls on Adherents to apply the Polluter-Pays Principle<sup>25</sup> in case of accidental pollution at hazardous

<sup>22</sup> The text of the Declaration was last updated in 2023. This followed the update of the Guidelines on Multinational Enterprises on Responsible Business Conduct which are set out in Annex 1 to the Declaration in May 2023.

<sup>23</sup> Recommendations concerning Member Country Exceptions to National Treatment and National Treatment related Measures concerning Investment by Established Foreign-Controlled Enterprises [[OECD/LEGAL/0233](#)]; on Member Country Exceptions to National Treatment and National Treatment related Measures concerning the Services Sector [[OECD/LEGAL/0247](#)]; on Member Country Exceptions to National Treatment and National Treatment related Measures in the Category of Official Aids and Subsidies [[OECD/LEGAL/0250](#)]; on Member Country Exceptions to National Treatment and Related Measures concerning Access to Local Bank Credit and the Capital Market [[OECD/LEGAL/0255](#)].

<sup>24</sup> To note that the IC decided not to include in its proposal a further *Recommendation related to Member Country Measures concerning National Treatment of Foreign-Controlled Enterprises in OECD Member Countries and Based on Considerations of Public Order and Essential Security Interest* [[OECD/LEGAL/0226](#)], as the Recommendation contains procedural elements that remain an important complement to the *Third Revised Decision concerning National Treatment* [[OECD/LEGAL/0263](#)], which the IC may review together at a later stage.

<sup>25</sup> The PPP emerged for the first time on the international stage in the *Recommendation on Guiding Principles concerning International Economic Aspects of Environmental Policies* [[OECD/LEGAL/0102](#)] adopted by the Council in 1972, as an economic principle for allocating costs of pollution control. After the Council abrogated the 1972 Recommendation in 2023, two OECD Recommendations dedicated to the PPP remain in force: the *Recommendation on the Implementation of the Polluter-Pays Principle* [[OECD/LEGAL/0132](#)], under the sole responsibility of EPOC, which is one of the OECD’s fundamental standards and

installation.<sup>26</sup> This follows the consolidation of the legal instruments related to chemical accidents which resulted in the adoption by Council of the *Decision-Recommendation concerning Chemical Accident Prevention, Preparedness and Response* [[OECD/LEGAL/0490](#)] in June 2023. In order to provide a comprehensive legal instrument on chemical accidents, the CBC and EPOC are considering the integration of the relevant provisions of the 1989 Recommendation in the Decision-Recommendation. Not only this consolidation would help strengthen the Decision-Recommendation but it would also ensure coherence within the set of OECD legal instruments as the 1989 Recommendation is no longer up-to-date.

---

provides that the PPP represents for Adherents the basic principle for the allocation of costs for pollution prevention and control measures implemented by public authorities, as well as the 1989 Recommendation.

<sup>26</sup> As foreseen in the work plan devised by the CBC and EPOC as part of the review of the relevance of the legal instruments under their responsibility in the context of their latest mandate renewal [see respectively [C\(2024\)72](#) and [C\(2023\)122](#)].

## Annex B. Upcoming Work on Standards

1. Committees are currently developing new or updated legal instruments that aim to address key policy challenges that were highlighted in the [60th Anniversary Vision Statement](#) and the [2024 MCM Statement](#):

*Promoting more resilient systems for future generations, by building a sustainable and inclusive economy and society where all can experience prosperity, including by protecting human health and prioritising energy transition*

2. This includes work on:

- a new *Recommendation on Promoting Child Well-Being in Times of Profound Change*, which aims to support Adherents in the development of policies, tools and integrated service delivery mechanisms that enable all children, including adolescents, to thrive;
- the *Recommendation on Sustainable Transport*, which consolidates two Recommendations related to transport from 1974 and 2004,<sup>27</sup> with a focus on sustainable urban transport, spatial planning, sustainable long-distance travel and freight;
- the *Decision-Recommendation on the Assessment of Chemical Effects on Human Health and the Environment*, which consolidates three legal instruments related to chemical risk assessment<sup>28</sup> into a single act covering data requirements and risk assessment methodologies of both new and existing chemicals;
- the update of the *Recommendation on the Governance of Critical Risks* [[OECD/LEGAL/0405](#)], which aims to support Adherents to better assess, prevent, respond to, recover and learn from the effects of major disasters and crises;
- the revision of the *Recommendation on Effective Public Investment Across Levels of Government* [[OECD/LEGAL/0402](#)], which aims at helping Adherents at all levels of government to assess the strengths and weaknesses of their public investment capacity, a critical shared responsibility across levels of government; and
- the *Recommendation on Sustainable Tourism Development*, which consolidates a Recommendation and a Decision-Recommendation related to tourism from 1965 and 1985<sup>29</sup>, with the aim to provide a comprehensive framework to support the design and implementation of effective policies to support sustainable tourism development, taking into account the post-pandemic global tourism context.

*Fostering a human-centric and rights-oriented digital transformation that benefits all and advances environmental sustainability, including by harnessing the benefits and addressing the risks of artificial intelligence in the labour market*

<sup>27</sup> The Recommendations on Traffic Limitation and Low-Cost Improvement of the Urban Environment [[OECD/LEGAL/0131](#)] and on Assessment and Decision-Making for Integrated Transport and Environment Policy [[OECD/LEGAL/0325](#)].

<sup>28</sup> The Recommendation establishing Guidelines in Respect of Procedure and Requirements for Anticipating the Effects of Chemicals on Man and the Environment [[OECD/LEGAL/0154](#)], the Decision concerning the Minimum Pre-marketing Set of Data in the Assessment of Chemicals [[OECD/LEGAL/0199](#)], and the Decision-Recommendation on the Systematic Investigation of Existing Chemicals [[OECD/LEGAL/0232](#)].

<sup>29</sup> The Recommendation on Government Action to Promote Tourism [[OECD/LEGAL/0068](#)] and the Decision-Recommendation on International Tourism Policy [[OECD/LEGAL/0222](#)].

3. Work is ongoing to develop a new *Recommendation on Artificial Intelligence in the Labour Market*, which aims to promote the human-centred and responsible use of safe, secure and trustworthy AI in the labour market, helping countries seize the associate benefits and address the risks, complementing the Recommendation on Artificial Intelligence [[OECD/LEGAL/0449](#)].

*Supporting open markets, achieving a global level playing field and guarding against disruptions in global supply chains which are key to sustainable and inclusive growth*

4. Work is ongoing to:

- update the *Recommendation on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence* [[OECD/LEGAL/0393](#)] which promotes coherence and a level playing field for officially supported export credits with a view to achieving a high level of environmental and social performance of new and existing projects and to reducing the potential for trade distortions; and
- revise the *DAC Recommendation on Untying Official Development Assistance (ODA)* [[OECD/LEGAL/5015](#)], which sets objectives, principles and procedures to untie ODA in order to increase its effectiveness.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

OECD  
**MINISTERIAL  
COUNCIL MEETING**  
2025

[www.oecd.org](http://www.oecd.org)

OECD Paris  
2, rue André-Pascal, 75775 Paris Cedex 16  
Tel.: +33 (0) 1 45 24 82 00