

Towards open and transparent policies for international investment



The Freedom of Investment Process

International investment spurs prosperity and economic development in home and recipient countries. Policy co-ordination helps governments resist protectionist pressures and develop effective policies to respond to genuine concerns raised by foreign international investment.

An intergovernmental forum

The Freedom of Investment (FOI) process, an intergovernmental forum hosted by the OECD Investment Committee, brings together some 55 governments from around the world to exchange information and experiences on investment policies at its regular roundtables. Here, governments set common objectives for open, transparent and non-discriminatory investment policies. Unbiased policy monitoring and analysis support accountability and frank and open exchange. Meetings of the roundtable take place twice a year at the OECD headquarters in Paris.

Setting standards for open and transparent investment policies

Co-operation requires common understanding of policy measures and objectives. FOI roundtables foster this understanding by developing standards that reflect partners' expectations and good policy practice. These standards enshrine the principles of openness, transparency, and non-discrimination shared by participants and rooted in the OECD and other recognised investment instruments. In this spirit, participating governments have agreed, among others, on:

- guidelines for recipient country investment policies relating to national security
- a declaration on sovereign wealth funds and recipient country policies
- guidance on key issues for governments' investment and environmental policies.

Unbiased policy monitoring informs dialogue

Informed dialogue on investment policy requires unbiased, comprehensive and reliable information. Impartial policy monitoring by the OECD, publicly available online, provides policymakers and investors with up-to-date information on the preparation or introduction of new policies in countries that take part in the process.

Acknowledging the roundtable's established investment policy monitoring, G20 Leaders mandated the OECD to track policy developments and to report publicly, jointly with WTO and UNCTAD, on the observance of G20 commitments to openness.

Fostering better policy design and implementation through analysis

The policy environment for international investment evolves quickly. Research and comparative analysis of global practice at the FOI process help governments develop effective policy responses to emerging challenges.

Guided by governments' priorities, the Freedom of Investment roundtable:

- is examining investor-state dispute settlement including remedies, enforcement, costs and arbitrators;
- recently analysed how investment policies interact with green growth goals and environmental policy;
- considered the application of the law of state immunity to government-controlled investors; and,
- investigated national security exceptions in international investment policies.

The Freedom of Investment portal at www.oecd.org/daf/investment/foi provides access to all analysis, guidance and summary reports from the roundtable meetings, and information on forthcoming meetings and projects.



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