



Policy Framework for Investment (PFI)

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The PFI

ORIGIN

Instrument to support governments in enhancing the investment climate

OBJECTIVE

- Identify the obstacles
- Formulate sound policies and governance structure
- Enable effective implementation and monitoring of policy reforms

PRESENTATION

A checklist of questions in 10 policy areas

How was the PFI developed?

A cooperative process involving:

- A task force of 30 OECD member + 26 non-OECD member countries
(incl. Indonesia, Malaysia, Philippines and Vietnam)
- Inputs from eight specialised OECD Committees
- Business, labour, civil society representatives
- World Bank, UNCTAD and other international organisations
- Meetings in five regions
- Web-based public consultation

10 PFI areas

Market Access & Efficiency

Investment policy

Trade policy

Competition policy

Cost of Inputs and Doing Business

Corporate governance

Financial sector and infra development

Human resource development

Taxation

Public governance

Investment promotion and facilitation

Social Return

Responsible business conduct

Core principles of the PFI

Policy coherence

- Avoid inconsistencies across policy areas

Non-discrimination

- Among firms by size, industry or ownership

Transparency

- In design, implementation and enforcement of policies

Accountability

- Of government agencies

Regular evaluation

- Of impact of policies on the investment climate

How has the PFI been used?

Horizontal Country Reviews	Costa rica, Egypt, Peru, Morocco, Vietnam, India and Indonesia
Regional Dialogue	NEPAD, Investment Compact for SEE, MENA
Sub-national Reviews	Mexico (under discussion)
Thematic Country Reviews	Russia (energy sector), China (RBC), Brukina faso (agriculture)
ODA	Cambodia, Mongolia and Zambia
Capacity building	APEC

Expected benefits from using the PFI and User's Toolkit

PROCESS

- Enhanced whole of government sensitivity to reforms
- Public-private mutual trust

PEER REVIEW

- Policy guidance on best practice
- Validate reform achievements and identify future reform actions

OUTPUT

- International recognition as a better investment destination
- More effective investment policies

PFI can be useful for ASEAN?

- **Provide an opportunity for regional policy dialogue and exchange of good practices**
- **Create a network among investment policy makers from ASEAN and OECD countries**
- **Identify specific reform and capacity building needs as well as regional co-operation needs**
- **Support ASEAN EC goals through mutual learning/ benchmarking/ reform progress monitoring**
- **Record achievements and develop policy library/ database based on experience sharing**

Policy Framework for Investment USER'S TOOLKIT

- PFI TOOLKIT (Home)**
- > About the Toolkit
 - > Implementing the PFI
 - > Measuring Progress

- > Key material
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The User's Toolkit for the **Policy Framework for Investment (PFI)** offers practical guidance on how to implement the PFI. More than just a technical manual, it highlights how the core principles of the PFI influence investment, how the various chapters of the PFI relate to one another and how the PFI can assist in an on-going and iterative process of reform and in fostering public/private dialogue.

Country experiences

 [Indonesia](#)

Indonesia describes how it is using the PFI to improve and implement its investment policies.

 [Viet Nam](#)

Viet Nam used the PFI to assess the strengths and weaknesses of its investment environment as part of a comprehensive review of its investment strategy.


 [Egypt](#)

Egypt was the first country to conduct a formal investment policy review based on the PFI.



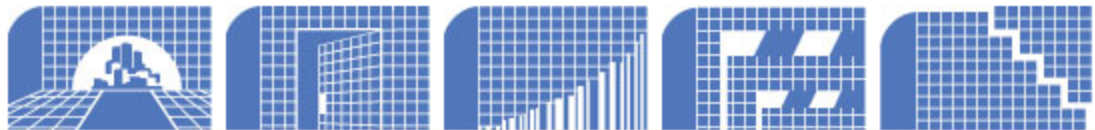
PFI Slideshow

Download this PowerPoint and adapt it to your presentation needs



Your Feedback

Let us know how you are using the





Thank you

About the Policy Framework for Investment and
Toolkit:

www.oecd.org/daf/investment/pfi

www.oecd.org/investment/pfitoolkit