



MENA-OECD Investment Programme

Draft Agenda

Working Group 1

“OPEN AND TRANSPARENT INVESTMENT POLICIES”

**12 – 13 September 2005
Manama, Bahrain**

Organised by
MENA-OECD Co-Chairs of Working Group 1

Hosted by
Economic Development Board
Bahrain

MENA-OECD Investment Programme - Working Group 1 “Open and Transparent Investment Policies”

Objectives

Working Group 1 (WG1) supports MENA countries to develop open and transparent investment policies through multi-stakeholder dialogue, experience-sharing and capacity-building in the region, with the support of OECD countries and other partners. WG1 also aims at improving integrity of business transactions in order to reduce uncertainty and risk to domestic and foreign investors in the region.

The purpose of this second meeting of the Working Group is

- to draft the Ministerial Investment Charter “Attracting Investment to MENA Countries – Common Principles and Good Practice”;
- to agree on recommendations to be presented to the November 2005 Investment Ministerial Meeting in the output areas addressed by WG 1.

Main issues

Based on MENA country submissions and input from the private sector and other programme partners, the following outputs will be discussed during the meeting:

- Stocktaking of the regulatory framework for foreign investment and options for reform. Discussion on recommendations from updated report on Regulatory Environment for International Investment in MENA Countries.
- Report on *international investment agreements* involving MENA countries and policy dialogue to enhance common understanding on core investment protection and promotion provisions and procedures. Discussion on conclusions from 27 June Expert Meeting in Rabat.
- Tax and non-tax incentives for investment: discussion on the conclusions of the meeting of the Task Force on Incentives held on 29-30 June 2005.
- Report on assessment of *FDI data availability, and identification of areas for improvements* to increase conformity with international (OECD/IMF) standards for FDI statistics. Discussion on conclusions from the 19 June Task Force meeting; and
- Report on policies and trends in selected MENA countries to *promote integrity in international business* transactions with a view to setting a common framework for regional co-operation – conclusions from the meeting of the Task Force on Business Integrity 27-28 June.

Participants

As in the last meeting of the Working Group 1 in February MENA countries are invited to send experts in the areas of investment policy, investment agreements and bribery of public officials. Experts from OECD countries will be present at the meeting.

As in the previous meeting, other key partners, who are engaged in activities in these areas, are also invited, including World Bank/FIAS, UNCTAD, European Commission/ANIMA and the European Investment Bank, UNIDO, Islamic Development Bank, Arab League, Inter-Arab Investment Guarantee Corporation, Union of Arab Banks, Transparency International, and other participants.

Private sector engagement is essential for the success of the Investment Programme, as they can provide insights to issues affecting investment decisions and serve as a “reality check” for policy reform plans. Representatives from the Arab Business Council, Arab Investors’ Union, Union of Arab Banks, MENA-OECD Business Network, Business and Industry Advisory Committee to the OECD (BIAC), and Business Councils in MENA countries are expected to join the meeting.

Documentation

The following documents will serve as background for the WG1 meeting.

Output 1: Synthesis report on regulatory treatment of international investment in MENA countries

- Investment Climate and Regulation of International Investment in MENA Countries - Draft Report

Output 2: Working with investment treaties

- International Investment Agreements concluded by MENA Countries - Draft Inventory

Output 3: Promoting Integrity in business transactions

- Draft MENA Stocktaking Report

Output 4: Assessing incentives-based strategies to attract investment to the MENA region

- Incentives in the Free Zones
- Incentive-based strategies to attract investment

Output 5: Improving international investment statistics

Other documentation:

- MENA-OECD Task Forces and Expert Groups Draft Conclusions and Recommendations for Working Group 1
- Investment Promotion Agencies and Investment Promotion Guidelines (OECD 2005)
- MENA-OECD Business Day Concept Paper
- MENA-OECD Business network

MENA-OECD Website: www.oecd.org/mena/investment.

Draft Agenda

Monday, 12 September 2005

9:00 Registration

OPENING SESSION

9:30 Opening remarks

- **Sh. Mohamed bin Essa Al-Khalifa**, Chief Executive, EDB, Bahrain

SESSION I Introduction by the Co-Chairs

09:45-10:15 Presentations:

- Introduction: **Dr. Maen Nsour**, Chairman JIB, Jordan
- **Mr. Shuichiro Megata**, Minister, Permanent Delegation of Japan to the OECD

SESSION II Review of Progress Achieved in the Agreed Outputs Areas

10:15 – 18:00 The purpose of the session is to discuss the results achieved so far in the output areas and to agree on conclusions that could be presented to the Investment Ministerial Meeting in November 2005. The MENA country leading the Output area together with the OECD Secretariat will briefly introduce each output followed by a general discussion.

10:15 – 11:30 Regulatory Framework for International Investment in MENA Country Governments (Output 1)

Introduced by **Mr. Fawaz Al Nahar** and **Mr. Adnan Al Awneh**, JIB, Jordan and **Mr. Rainer Geiger**, OECD Secretariat

Open discussion

International investment is hampered by screening of FDI entry, foreign ownership ceilings in certain sectors, exceptions to national treatment and performance requirements. Transparency of investment-related policies and regulations is important.

The OECD Secretariat presented already a draft report on "*Regulatory Environment for International Investment in MENA Countries*" at the first Investment Steering Group meeting in June/July 2004. The report provided a synthesis of available information from MENA countries and from other sources, including the IMF, World Bank, and UNCTAD. It has been updated with inputs provided by MENA governments and the results of an investor survey. The report remains work in progress. The Working Group is invited to discuss the first set of conclusions that has emerged from this exercise.

11:30 – 11:45 Refreshments

11:45 – 12:45 Working with Investment Treaties (Output 2)

Introduced by **Ms. Ousmoi**, and **Mr. Abdou El Azizi**, Ministry of Finance and Privatization, Morocco and **Alexander Böhmer**, OECD Secretariat

Open discussion

Country delegates will be provided with a summary of an Expert Meeting on Investment Treaties conducted in Rabat on 27 June.

Following this, participants are invited to discuss the draft ‘Inventory of International Investment Treaties’ prepared by the Expert Group and agree on the conclusions and next steps proposed by the Expert Group.

13:00 – 14:30 Lunch

14:30 – 16:00 Promoting Integrity in Business Transactions (Output 3)

Introduced by **Mr. Emad Madadha**, General intelligence Department, Jordan and **Mr. Frédéric Wehrle**, OECD

Open discussion

Discussion on the report prepared by the Task Force on Integrity which met in Bahrain on 27-28 June.

Participants will be invited to comment on the report and decide on recommendations and next steps.

16:00 – 16:30 Refreshments

16:30 – 18:00 Drafting an Investment Charter for the MENA Region

Presentations

- **Dr. Maen Nsour**, Chairman JIB, **Jordan**
- **Mr. Rainer Geiger**, Deputy-Director, OECD Secretariat

Participants will be invited to discuss a draft Investment Charter which will be circulated before the meeting.

DINNER

Tuesday, 13 September 2005

SESSION II

Review of Progress Achieved in the Agreed Outputs Areas (cont'd)

10:00-11:00 Continuation of Session II

10:00 – 10:30 Assessing Incentives-Based Strategies to Attract Investment (Output 4)

A report on the Task Force meeting held on 29-30 June will be presented by **Bahrain** and the **OECD Secretariat**. Participants will be invited to comment.

10:30 – 11:00 Improving Foreign Direct Investment Statistics (Output 5)

Introduced by **Dr. Mohammed Omran**, Ministry of Investment, Egypt and **Ms. Ayse Bertrand**, OECD Secretariat

Report on assessment of *FDI data availability, and identification of areas for improvements* to increase conformity with international (OECD/IMF) standards for FDI statistics. Conclusions from the 19 June Task Force meeting will be discussed.

Conclusions and Next Steps

11:00 – 13:00 Presented by the Co-Chairs of Working Group 1

The Co-chairs will present the conclusions of the meeting and recommendations for the Working Group's report to the Steering Group scheduled for 4 October 2005.

13:00 - 14:30 Lunch

*Joint networking lunch with WG2 delegates
Venue: meeting premises.*

Contact persons

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