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Confederation of
Indian Industry

OECD Global Forum on International Investment
Hotel Intercontinental The Grand
20-21 October 2004, New Delhi, India

*INVESTMENT FOR DEVELOPMENT:
FORGING PARTNERSHIPS*

AGENDA, 20 OCTOBER 2004

The 2004 annual conference of the OECD Global Forum on International Investment (GFII), along with a series of associated events, will be hosted by the Government of India and supported by the Confederation of Indian Industry.

The conference will focus on contributions of international co-operation to enhancing the environment for – and the benefits of – investment in developing countries.

The GFII serves as a platform for continuing dialogue between OECD member-country policy makers – represented through the OECD Investment Committee - and their non-member partners on policy issues relating to investment, both domestic and foreign, in support of development.

20 October, Wednesday

08.00-09.30 Registration

09.30-10.30 Opening remarks

- *Mr. Richard Hecklinger*, Deputy Secretary-General, OECD
- *Shri Dayanidhi Maran*, Minister of Communication and Information, Technology, India

Vote of thanks

- *Mr Phiroz Adi Vandrevala*, Chairman, CII Internet Economy & E-Commerce and Executive Vice President, Tata Consultancy Services

Keynote Speech

- *Ms. Ma Xiuhong*, Vice-Minister, Ministry of Commerce, China

10.30-11.00 Coffee break and press briefing

11.00-13.00 Session 1: OECD Initiative on a Policy Framework for Investment – An operational tool to promote investment for development

Chair: Mr. Manfred Schekulin, Chairman, OECD Investment Committee

Rapporteurs: OECD Secretariat and Global Forum Participant

This session will introduce and review progress with respect to the development of the Policy Framework for Investment with a focus on the role of international co-operation for enhancing the investment environment.

Investment has proven to be a powerful catalyst for innovation, sustainable growth and poverty reduction. Despite positive trends in the past decade, business investment and enterprise development in non-OECD regions continue to fall short of development needs. The Monterrey Consensus identified private capital, including foreign direct investment, as “vital complements to national and international development efforts” and emphasised the need “to create the necessary domestic and international conditions to facilitate direct investment flows”.

In support of the Monterrey Consensus, the OECD launched the *Initiative on Investment for Development* in 2003 in Johannesburg, South Africa. The *Initiative* includes three closely inter-related projects. These involve: 1) the development of a *Policy Framework for Investment*, described below; 2) drawing lessons on the use of ODA in support of countries’ efforts to mobilise investment for development; and 3) sharing the OECD’s experience with investment policy peer reviews as capacity building mechanisms. The *Initiative on Investment for Development* is inspired by values that underpin the Monterrey Consensus: transparency, accountability and respect for human rights, including the right to development.

The OECD has a long history with peer learning, and consensual approaches towards the development of “best practice” across a wide range of policy areas that are relevant from an investment perspective. As such, the OECD is well placed as a forum for countries to share their experiences, to develop common understanding, and to elaborate policy guidance aimed at enhancing the contribution of domestic and foreign investment to development, as called for in the Monterrey Consensus.

Within the context of the OECD *Initiative on Investment for Development*, and in keeping with OECD Members’ commitment to the effective implementation of the Monterrey Consensus, the OECD Investment Committee and its partners have initiated work on a *Policy Framework for Investment*. The *Framework* is intended as a non-prescriptive checklist of issues for consideration by any interested governments engaged in domestic reform, regional co-operation or international policy dialogue aimed at creating an environment that is attractive to domestic and foreign investors and that enhances the benefits of investment to society. The *Framework* could also serve as a reference point for investment promotion agencies, donors as they assist recipient country partners in improving the investment climate, and businesses, trade unions, and NGOs in their dialogue with governments. The Policy Framework for Investment recognises that the needs of countries at different levels of development call for a flexible and non-prescriptive approach that provides constructive policy guidance across a range of areas in order to maximise the contribution of investment to development.

While the Policy Framework for Investment is addressed to governments, it is to be seen in the broader context of other converging international initiatives to improve the investment climate, including the OECD Guidelines for Multinational Enterprises.

Presentation

- Progress towards the development of the Policy Framework for Investment, *Mr. Luis Escobar*, Coordinador de Organismos Internacionales, Ministerio de Hacienda, Chile, and Co-chair of the Task Force for the Policy Framework for Investment (15 minutes)

Discussants

- India's experience with improving policy coherence for fostering an attractive environment for investment, *Dr. Rajesh Chadha*, Chief Economist, National Council of Applied Economic Research, India (15 minutes)
- General discussion (75 minutes)

13.00-15.00 **Lunch**

15.00-16.15 Session 2: Harnessing the Potential of ODA – Investment Synergies for Development

Co-chairs: *Mr. Kai Hammerich*, President of World Association of Investment Promotion Agencies (WAIPA) and *Mr. Mardjoko*, Deputy Chairman, Indonesian Investment Coordinating Board

Rapporteurs: OECD Secretariat and Global Forum Participant

The Millennium Development Goals and the Monterrey Consensus recognise that ODA cannot be the only, and in many countries not even the main, source of poverty alleviation. Private investment from domestic as well as foreign sources is needed to finance sustainable development. The question arises as to whether ODA and investment can be employed jointly in ways that amplify their individual contributions to development – if, in other words, important synergies between the two can be achieved.

This session will focus on two potential alleys for synergies, namely the use of ODA to enhance the investment climate and ODA-backed public-private partnerships in developing countries.

- ODA/investment synergies: the main issues and challenges, *Mr. Richard Manning*, Chairman of OECD Development Assistance Committee (15 minutes)

Discussants

- The business perspective, *Mr. Cameron Rennie*, Director of Sustainable Livelihoods Programme, World Business Council on Sustainable Development (10 minutes)
- The African perspective, *Ambassador Aluko-Olokun*, NEPAD Steering Committee member, Nigeria (10 minutes)
- The donor perspective, *Mr. Pierre Jacquet*, Executive Director for Strategy, Agence française de Développement (10 minutes)
- General Discussion (30 minutes)

16.15-16.45 Coffee break

16:45-18.00	Session 3: Promoting corporate responsibility – defining the roles of government and business
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Co-chairs: Dr. Uddesh Kohli, Chairman of Consultancy Development Centre and Mrs. Anna-Maj Hultgard, Deputy Director, Ministry for Foreign Affairs, Sweden

Rapporteurs: OECD Secretariat and Global Forum Participant

Corporate responsibility lies at the heart of the current debate on globalisation. Yet, as OECD Investment Committee work has shown on many occasions, responsible corporate conduct is closely linked to responsible conduct by other actors, especially by governments in home and host countries alike.

This session looks at how government/corporate roles fit together and at how major corporate responsibility instruments deal with this crucial interface.

The expected output will be a written record of different points of view on how government and business responsibilities fit together. This record could be incorporated into the Policy Framework on Investment and used to complement similar initiatives being undertaken by companies that have endorsed the UN Global Compact.

- Key Note presentation, *Professor Leon Zurawicki*, Marketing and Management, University of Massachusetts (15-20 minutes)

Discussants

- OECD Guidelines' approach to government/corporate responsibility linkages, OECD Investment Committee member, *Mr. Tillman Braun*, Deputy Head, Federal Ministry of Economics and Labour, Germany, (8-10 minutes)
- Indian perspective on corporate and home/host country responsibilities, *Ms. Anuradha Tuli*, Partner, PriceWaterhouseCoopers (8-10 minutes)
- The NGO perspective, *Mr. Viraf M. Mehta*, Chief Executive, Partners in Change (8-10 minutes)

General Discussion (30 minutes)

<p><i>20.0 Dinner, hosted by the Mr. Kamal Nath, Minister for Commerce and Industry, Government of India</i></p>

<p>Venue: The Oberoi Hotel</p>

<p><i>Transfer to the venue is facilitated by coaches from the Hotel Intercontinental The Grand. Coaches will leave for the Oberoi at 19.15 hrs.</i></p>
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21 October, Thursday

The following three sessions will run in parallel (09.00-13.00)

09.00-13.00 Session 1: Consultation of the Task Force for a “Policy Framework for Investment”: Trade Policy and Competition Policy
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Hotel Intercontinental The Grand, Crystal Ballroom 1

Co-chairs: *Mr. Luis Escobar*, Coordinador de Organismos Internacionales, Ministerio de Hacienda, Chile and *Mr. Shuichiro Megata*, Minister, Permanent Delegation of Japan to the OECD, co-chairs of the Task Force

Rapporteurs: OECD Secretariat and Global Forum Participant

This session will represent the second working meeting on a Policy Framework for Investment arranged by the Task Force since its creation in Paris in June 2004 as part of the on-going work towards developing a Policy Framework for Investment. The session will focus on two of the policy areas identified by the Task Force during its first plenary meeting in Paris on 17 June 2004 for inclusion in the Framework, trade policy and competition policy. The first part of the session will focus on trade policy and the second on competition policy. Although this session is being organised as a round-table discussion among Members of the Task Force, experts on the policy areas being discussed will be invited to contribute to the discussions.

The expected output for this consultation of the Task Force will be a written record of different points of view and concrete examples of experience with respect to trade and competition policies for improving the investment environment. Comments are invited on the background documentation circulated via the Task Force’s dedicated EDG before the meeting, as well as any additional submissions posted by Members of the Task Force. In addition to the Members of the Task Force present, invited participants will include Asian government investment officials, key players from the private-sector, representatives from APEC, the Asian Development Bank, ASEAN, UNESCAP, UNCTAD and other interested GFII participants.

09.00-10.45 A Policy Framework for Investment: Trade Policy

- Introduction of the background note by the Secretariat (15 minutes)
- General discussion (90 minutes)

10.45-11.15 Coffee break

11.15-13.00 A Policy Framework for Investment: Competition Policy

- Introduction of the background note by the Secretariat (15 minutes)
- General discussion (90 minutes)

09.00-13.00 Session 2: Maximising ODA-Investment Synergies for Development

Hotel Intercontinental The Grand, Crystal Ballroom 2

Chair: Mr. Richard Manning OECD Development Assistance Committee Chairman

Rapporteurs: OECD Secretariat and Global Forum Participant

The purpose of this session is to promote a dialogue between key stakeholders – donors, developing countries and business – with the purpose of identifying what constitutes effective uses of ODA in promoting productive private investment.

The session will take as its starting point a presentation of donor strategies for achieving ODA/investment synergies by the development agencies of two OECD countries and be followed by the perspective of domestic and international investors. Subsequently, the national experiences of two developing countries will be reviewed. In support of the presentations, background reports prepared by the OECD Secretariat, including on the basis of consultant studies will be tabled. Following the two sets of reviews of country experiences, the floor will be opened to a brief general discussion.

09.00-10.45: The perspective of donors and companies

- The ODA/investment strategies of Germany, *Ms. Tatjana Chahoud*, German Development Institute (15 minutes)
- The ODA/investment strategies of France, *Mr. Pierre Jacquet* Agence française de Développement and *Mr. Dominique Bocquet*, Delegate to OECD Development Assistance and Investment Committees (15 minutes)
- What needs to be done about the investment climate, and how? Experiences from corporate Poland, *Mr. Ryszard Pospieszynski*, Polska Telefonii Cyfrowa (15 minutes)
- Experiences with public private partnerships in developing countries, *Mr. Godfrey Zaribwende*, Chairman of Uganda National Association of Building & Civil Engineering Contractors (15 minutes)
- General discussion (30-45 minutes)

11.15-13.00: Developing country experiences

- Vietnamese experiences with ODA/investment strategies, *Mr. Nguyen Ba Cuong*, Head, Investment Promotion & International Cooperation Division, Foreign Investment Agency, Vietnam (15 minutes)
 - Comments by *Dr. Le Thuc Duc*, Senior Research Officer, Vietnam Institute of Economics (10 minutes)
 - Comments by *Mr. Toru Nomura*, Chief Representative in New Delhi, Japan Bank for International Cooperation, Japan (10 minutes)
- The African perspective: Ugandan experiences with ODA/investment, *Mr. Arthur Bwire*, Assistant Director, Uganda Investment Authority (15 minutes)

- Comments by *Mr. Rajeev Mathur*, CUTS, India (10 minutes)
- General discussion (45 minutes)

<p>09.00-13.00 Session 3: Government Responsibility and Corporate Responsibility – OECD and non-OECD Perspectives</p>

Hotel Intercontinental The Grand, Royal Room

Co-chairs: Mr. *Monkid Mestassi*, Secretary-General, Ministry of Economic Co-operation, Morocco, and *Mr. Rainer Geiger*, Deputy Director, DAF, OECD

Rapporteurs: OECD Secretariat and Global Forum Participant

OECD and non-OECD participants contribute their distinctive perspectives on how government and corporate responsibilities interact. The purpose of this session will be to describe how the OECD Guidelines for Multinational Enterprises have been used to discuss corporate responsibility issues in specific instances and how non-OECD countries could take advantage of the process created by the Guidelines.

09.00-10.45: The OECD Guidelines for Multinational Enterprises in practice

- Public/private linkages in the context of the implementation of the OECD Guidelines in a "specific instance": *Mrs Anna-Maj Hultgard*, Deputy Director, Ministry for Foreign Affairs, Sweden (15 minutes)
- Business Perspective, *Mr. Alexander Böhmer*, Senior Policy Manager, Business and Advisory Committee to the OECD, (BIAC) (15 minutes)
- *Mr. Prakash G. Apte*, Director, Indian Institute of Management, Bangalore, India
- Trade union perspective, *Ms. Veronica Nilsson*, Trade Union Advisory Committee to the OECD (15 minutes)
- General discussion (45 minutes)

11.15-13:00 The OECD Guidelines for Multinational Enterprises and non-OECD countries

- How corporate and government responsibilities intersect: *Ms. Halina Ward*, Director, Corporate Responsibility for Environment and Development, International Institute for Environment and Development (15-20 minutes)
- Non-OECD country perspectives: *Mr. Yung-Ming Chiang*, Section Chief, Industrial Development and Investment Centre, Ministry of Economic Affairs, Chinese Taipei (7-8 minutes)
- NGO perspective, *Mr. Viraf M. Mehta*, Chief Executive, Partners in Change (15 minutes)
- General discussion (45 minutes)

13.00-15.00 Lunch and Press conference

15.00-16.30 Concluding Session (in plenary): The Way Ahead

Hotel Intercontinental The Grand, Crystal Ballroom

- Reports by each session chair, followed by open discussion (90 minutes)

16.30-17.00 Coffee break

17.00-17.30 Summary by *Mr. Richard Hecklinger*, DSG, OECD and an Indian representative (to be determined)

22.00 **Visit to Information Technology/Business Process Outsourcing centre (HEROITES), Gurgaon, organised by the Confederation of Indian Industry (CII)**

Registered delegates to assemble at 2030 hrs at the entrance to Hotel Intercontinental The Grand for transfer to HEROITES by coach

21 October (afternoon)-22 October

A Regional Workshop on Strategic Marketing for Investment will be organised in the same venue by the World Association of Investment Promotion Agencies in partnership with IBM Business Consulting Services-PLI. This capacity-building workshop is intended only for Asian IPA officials.

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