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**OECD India Investment Roundtable
Hotel Intercontinental The Grand
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*OPPORTUNITIES AND POLICY CHALLENGES
FOR INVESTMENT IN INDIA*

Roundtable Summary

1. India's attitude towards private enterprises has changed considerably since 1991. There has been steady economic policy reform over the past 13 years, supported by successive governments. India's political commitment to sustain the economic reform process is stronger today than ever before. India is becoming an increasingly important economic actor on the world stage, including through its role as a host and, more recently, a home country for FDI.
2. Investment, both domestic and foreign, is needed to boost sustainable development. At present investment needs in India remain substantial, especially in infrastructure.
3. Total FDI in India has risen in recent years, but remains far below its potential and is relatively low as a percentage of GDP. However, with the removal of many licensing and investment restrictions in various sectors and with improvements in policies towards foreign investment, India's competitive advantages and economic growth are beginning to manifest themselves. In consequence, there is a renewed interest in India by multinational enterprises. At the same time, Indian companies are starting to invest more heavily overseas.
4. Serious challenges remain, including:
 - Improving infrastructure bottlenecks, not least in the energy sector,
 - Ensuring a transparent, level-playing field for public and private-sector players, and minimizing regulatory barriers,
 - Streamlining the interface between government and business by enhancing transparency and reducing discretionary power and remaining pervasive controls.
5. There is a need to encourage further stakeholder dialogue with the private sector and civil society to build consensus for further steps in the reform agenda.
6. Coherence should be ensured between different government departments and also between the central government and the state governments in formulating and implementing/enforcing investment policies.

7. It was suggested that the Government of India and the OECD will seek to co-operate closely to deepen their dialogue on the investment policy framework addressing specific issues that have been identified during the Roundtable discussions, including in the following areas:

- sharing of experience and expertise of OECD and other countries including on effective investment policy framework and procedures;
- exchanging analysis and data, including the compilation of internationally comparable FDI statistics;
- maximising the benefits of FDI for development, for instance in the context of infrastructure;
- corporate responsibility initiatives including the OECD Guidelines for Multinational Enterprises;
- and other areas of relevance to the investment climate such as competition policy, taxation and corporate governance.