



## NEPAD/OECD INVESTMENT INITIATIVE

*Imperial Resort Beach Hotel  
Entebbe, Uganda*

*25-27 May 2005*



### **Investment for African Development: Making it Happen**

*Roundtable organised under the joint auspices of NEPAD and the OECD Investment Committee,  
sponsored by the Government of Uganda,  
with the co-operation of JICA and JETRO of Japan*

#### **Concluding remarks by Co-Chairs:**

**Mr Mathale, Director-NEPAD Secretariat, and Mr Akasaka, OECD Deputy Secretary-General\***

This Roundtable organised under the joint auspices of NEPAD and the OECD Investment Committee reinforced the impetus of the Africa-OECD Investment Initiative launched in Johannesburg in November 2003.

The aim of the Roundtable was to assess public policies and help build capacities to attract private investment for African development. It follows up to the first conference jointly held by NEPAD and OECD in Addis Ababa last March on the emerging African framework for promoting public and corporate sector integrity.

Roundtable participants found that while grave problems continue to affect a number of African countries, many have been making progress in the recent period in mobilising private investment, both foreign and domestic, for growth and job creation. Clearly, sound policies matter and have been paying off.

Participants felt that OECD countries have a major economic contribution to make to African development. Trade and investment is the surest solution to growth and job creation. This was also stressed by the President of Uganda in his address to the Roundtable.

Roundtable participants identified various avenues through which African countries can build on their current efforts, and on contributions from OECD and other international organizations, to further improve the investment climate. Technical assistance and funding are put forward by development institutions and other undertakings such as Investment Climate Facility for Africa and recent proposals by Japan and the European Union. But “peer” review as encouraged by NEPAD and used by the OECD since its inception – in conjunction with multilaterally endorsed policy principles – can be used to the advantage of African countries to strengthen their own policy agenda and capacities.

Promoting “whole of government”, coherent approaches to investment across tax, competition, trade, corporate governance and the other public policies, together with timely and effective implementation, were key challenges discussed by Roundtable participants. The Roundtable provided an opportunity for further consultation on OECD Investment Committee’s work which is being undertaken with its African and other partners on developing a *Policy Framework for Investment* – a non-prescriptive and

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\* These remarks concern the first two days of the Conference only.

comprehensive checklist of policy issues for consideration by governments wishing to improve the investment climate.

The need to address obstacles for more active private sector participation in infrastructure was the subject of particular attention by Roundtable participants, and the discussion focused on regulatory, capacity constraints and lack of adapted financing mechanisms. One or two specific projects critical to the business environment to East Africa will be monitored by an informal contact group and could inform on-going work on investment frameworks and processes.

A public record of the Roundtable discussion will be made. Other follow-ups could include the following:

- the network of Africa and OECD country officials and other practitioners which has been established throughout this and previous events will continue to serve as a steering committee for the work in the context of the NEPAD-OECD Investment Initiative;
- co-operation between NEPAD and OECD Investment Committee in the coming 2 to 3 years should focus on the quality of regulatory governance in the area of private investment. Creating a level playing field for all investors, a predictable regulatory environment and due process for businesses were considered of central importance and to benefit both foreign and domestic investment.
  - African countries will be invited to correct, complete and jointly review the stocktaking of FDI measures presented at the Roundtable, with a view to making it public as a contribution to transparency and improving perception of Africa;
  - Self-evaluation of investment policy effectiveness by volunteering countries and peer dialogue on options for further action were initiated at the Roundtable and should be deepened and expanded to more countries and regions in Africa. It was suggested that tools such as the *Policy Framework for Investment* can serve as useful reference points in this evaluation and dialogue process.
- OECD development agencies will be invited to engage in the Initiative. One lesson from a recent OECD Development and Investment Committees' report to 2005 OECD Ministerial is that in the area of supporting developing countries' efforts for improving the investment climate, ODA can be more focused and better co-ordinated.
- The results of this strengthened work programme under the Initiative will be fed within the broader Mutual Review process involving NEPAD and OECD.