

MENA-OECD Working Groups 1 & 2 on Investment Policy and Investment Promotion

28-29 October 2008

- Conclusions -

The joint meeting of Working Group 1 on Investment Policy and Working Group 2 on Investment Promotion of the MENA-OECD Investment Programme was held on 28-29 October 2008 in Paris, France.

The Working Group:

1. Investment Policy

- Received country presentations on changes to national legislation regulating domestic and foreign direct investment in the MENA region and in OECD countries and noted the importance of maintaining consistency with international investment agreements;
- Welcomed an update on the OECD's Freedom of Investment project and encouraged making stronger use of its results with respect to the design of investment entry regulations in MENA countries;
- Cautioned against measures that would reverse trends to liberalization and openness in MENA and OECD countries to investment;
- **Action:** Supported a call for MENA Ministers to re-emphasize the importance of transparency, predictability, and accountability as key principles guiding the regulation of private investments in the MENA region;
- **Action:** Agreed to consider implementing a process of peer review on investment openness beginning with one MENA country;

2. Free Economic Zones

- Received an update by the OECD Secretariat on investment incentives and free economic zones in the MENA region;
- Noted several emerging trends in the design of free economic zones including an emphasis on promoting sector specific development and greater involvement of the private sector in the management of zones;

- Reaffirmed the notion that investment incentives in free economic zones or otherwise should be consistent with the conclusions of the MENA Task Force on Incentives which *inter alia* include increased transparency, maximized efficiency, an assessment of costs and benefits, and use of sunset clauses;
- **Action:** Agreed to proceed with the development of best practice guidelines on the design of free economic zones in the MENA region;

3. Public Private Partnerships

- Received a preliminary update by the OECD Secretariat on public private partnership projects in the MENA region;
- **Action:** Agreed to proceed with the development of best practice guidelines on the design of PPP projects in the MENA region;

4. BCDS / Work Programme

- Stressed the importance of proceeding with the implementation of the Business Climate Development Strategy (BCDS) in selected countries;
- Welcomed progress on the development of investment policy and investment promotion indicators as a component of the BCDS;
- **Action:** Agreed to provide feedback to help finalise the indicators for investment policy and promotion before the end of 2008.