STRENGTHENING INVESTMENT POLICIES BEYOND THE CRISIS

Meeting of Working Group 1 on Investment Policies and Promotion

AGENDA

Organised by
The MENA-OECD Investment Programme

Under the patronage of
the Minister of Industry and Trade
and hosted by
The Jordan Investment Board

Venue
Landmark Hotel
Amman, Jordan

Date
15-16 February 2010
Background

The Working Group 1 meeting will be held on 15-16 February 2010 in Amman under the patronage of H.E Minister of Industry and Trade, Eng. Amer Hadidi and the affiliated institution, the Jordan Investment Board. It will be jointly chaired by Jordan and Japan. It is the first meeting of the MENA-OECD Investment Programme after the Ministerial Conference held in Marrakech in November 2009. During the Conference, Ministers and heads of delegations from 16 MENA and 22 OECD countries adopted the Marrakech Declaration on Investment and Governance. This Declaration sets out the principles and actions of the MENA-OECD Investment Programme in the medium term. It underlines the importance of establishing attractive business climates for achieving higher levels of economic development and growth in the Arab region, while suggesting concrete actions on how to achieve this. The Declaration provides strong political support for pursuing economic reforms.

Objectives

Working Group 1 on Investment Policy and Promotion of the MENA-OECD Investment Programme helps MENA countries to develop open and transparent investment policies and effective investment promotion strategies and activities through multi-stakeholder dialogue, experience-sharing and capacity-building in the region, with the support of OECD countries and other partners.

The purpose of this meeting is to:

i) discuss investment policies beyond the crisis;
ii) analyse ways of strengthening regional investment frameworks;
iii) consider the launch of a joint regional learning exercise on investment policies and promotion;
iv) extend the work undertaken on economic zones; and
iv) review the programme for Working Group 1 in 2010-2011 in line with the mandate of the Marrakech Declaration.

Participants

MENA and OECD members of Working Group 1 are invited to send experts in the areas of investment policy, investment promotion, legal investment frameworks at the national, regional and international level, and free economic zones. Other key partners, who are engaged in activities in these areas, are also invited, including regional institutions, international organizations, NGOs and private sector representatives. Experts from OECD countries and from the Secretariat will be present at the meeting.

Documentation

The relevant meeting documents together with a more detailed agenda will be distributed to participants in advance of the meeting. For more information about the Programme please visit our website:

www.oecd.org/mena/investment
Monday 15 February 2010

9:00 - 09:30 Introductory remarks
- Mr. Issa Gammoh, Chief Executive Officer, Jordan Investment Board, Chair of Working Group 1
- H.E. Mr. Takeshi Yagi, Minister, Deputy Permanent Representative, Permanent Delegation of Japan to the OECD, Chair of Working Group 1
- Mr. Alexander Böhmer, Head, MENA-OECD Investment Programme

09:30 - 11:15 Session 1: Investment policies beyond the crisis – IPA’s experiences in crisis and post-crisis investment attraction strategies

Chair of the session: Mr. Elias Farraj, Advisor to the Chief Executive Officer, Jordan Investment Board

This session will provide participants the opportunity to report on the impact of the crisis on investment flows in their respective economies and the policies adopted in response to the crisis. It will also address post-crisis recovery investment issues. Participants representing Investment Promotion Agencies (IPA) and government officials in charge of investment issues will be invited to exchange views on what investment measures were undertaken to mitigate the effects of the crisis and what post-crisis measures are envisaged to re-attract foreign investment.

This session will also request for validation of the country progress matrixes prepared for the Ministerial Conference in Marrakech in November 2009. All matrixes have been compiled in a report entitled “Investment Reforms in the MENA Region: Country Progress 2006-2009” to be made available as a regional assessment report.

- Investment policy responses to the crisis
  Impact of the crisis and responding investment policy measures
  Mr. Alexander Böhmer, Head, MENA-OECD Investment Programme
  Presentation of the report “Investment Reforms in the MENA Region: Country Progress 2006-2009”
  Ms. Marie-Estelle Rey, Policy Analyst and Project Coordinator, MENA-OECD Investment Programme

- Investment promotion tools responding to the crisis
  Promoting foreign direct investment in medium-size, low-budget cities in emerging markets
  Mr. Joerg Simon, Senior Investment Advisor, Millennium Cities Initiative, the Earth Institute, Columbia University
  Crisis and post-crisis investment measures
  Mr. Barry Condron, Director, Strategy Partners, Ireland

- Country presentations [Countries representatives are invited to present their post-crisis investment promotion strategies]
  Jordan: Dr. Bashar Zubi, Jordan Investment Board
  Morocco: Ms. Safae Sijilmassi Idrissi, Chef du Service de la Coopération, Agence marocaine de développement des investissements
  Bahrain: Mr. Sudhakar Raju, Bahrain Institute of Banking and Finance

11:15 - 11:30 Coffee Break
Session 2: Assessing investment policies and promotion through the BCDS tool

Chair of the session: Mr. Elias Farraj, Advisor to the Chief Executive Officer, Jordan Investment Board

The MENA-OECD Investment Programme developed a tool to assess the business climate in MENA countries and assist countries in reform prioritisation and implementation. This tool, the Business Climate Development Strategy (BCDS), contains 12 dimensions and one is dedicated to investment policies and promotion. Egypt and Morocco have been the pilot countries to conduct the BCDS assessment. With a view to get a regional overview of the investment policies in the region and identify joint emerging issues, MENA countries will be encouraged to fill in the grids of the investment dimension of the BCDS tool. This assessment will allow the programme to conduct joint learning exercises.

- **Presentation of the BCDS tool and the grid on investment policies and promotion**
  
  *Mr. Alexander Böhmer, Head, and Ms. Marie-Estelle Rey, Policy Analyst and Project Coordinator, MENA-OECD Investment Programme*

- **Moroccan experience in conducting the BCDS assessment**
  
  *Mr. Brahim Qermane, Conseiller auprès du Premier Ministre, Maroc*

- **Discussions**

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<td>11:30 - 12:00</td>
<td>Session 2: Assessing investment policies and promotion through the BCDS tool</td>
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<td>12:00 - 12:30</td>
<td>Address from H.E Minister of Industry and Trade, Eng. Amer Hadidi</td>
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<td>12:30 - 14:30</td>
<td>Lunch offered by the Jordan Investment Board</td>
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Session 3: Strengthening regional investment frameworks

Chair of the session: H.E. Mr. Takeshi Yagi, Minister, Deputy Permanent Representative, Permanent Delegation of Japan to the OECD

Ministers in Marrakech mandated the Programme to pursue analysis of ways to strengthen regional investment frameworks, including screening the effectiveness of regional investment protection instruments with a view to promoting intra-regional investment flows. This session will therefore provide an updated overview of international investment agreements in the region and analyse other regional investment frameworks. Participants will be invited to share country experiences in their treaty practice and related emerging issues, as well as in investment regional frameworks. Discussions will explore the opportunity of carrying further analysis on the emergence of regional investment frameworks in the MENA region.

- Overview and characteristics of the bilateral and regional investment agreements in the MENA region
  Ms. Marie-Estelle Rey, Policy Analyst and Project Coordinator, MENA-OECD Investment Programme

- MENA regional investment tools
  - Investment-related instruments of the Arab League
    Dr. Mohamed Al-nsour, Counselor, Head Of Pan Arab Free Trade Area Division, Arab League

- Investor protection in bilateral and regional investment agreements
  Mr. Dany Khayat, Lawyer, Mayer Brown, Paris

- National investment treaty negotiation strategies
  - Modernizing the negotiation framework of international investment agreements (IIAs) in Egypt
    Mr. Moataz Ahmed, Senior Economist, General Authority for Investment (GAFI), Egypt
  - Morocco: investment treaty negotiations – practices and strategy
    Mr. Brahim Germane, Conseiller auprès du Premier Ministre, Maroc
  - Jordan: accession to the Energy Charter Treaty and regional approaches
    Eng. Mahmoud Al-Ees, Director of Planning Department, Ministry of Energy & Mineral Resources, Jordan

15:45 - 16:00 Coffee Break

16:00 - 17:00 Session 3: Cont’d

- Other regional investment frameworks and strategies
  - Analysis of regional investment agreements from other regions
    Ms. Sophie Wernert, Policy Analyst, MENA-OECD Investment Programme
  - Japan’s practice on investment agreements and its scope for investment promotion in the Asia-Pacific Region
    Mr. Hajime Matsumura, Deputy Director, International Economy Division, Ministry of Foreign Affairs, Japan
  - Recent developments on EU investment competencies
    Mr. André Von Walter, Conseiller, Direction Générale de la Mondialisation, du Développement et des Partenariats, Ministère des Affaires Étrangères et Européennes, France
### Tuesday 16 February 2010

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<th>Time</th>
<th>Session 3: Cont’d</th>
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<tr>
<td>9:00 - 10:30</td>
<td>• Discussions on the possible ways and options for strengthening regional investment frameworks</td>
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<th>Time</th>
<th>Session 4: Designing economic zones for effective investment promotion</th>
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<tr>
<td>10:30 - 11:15</td>
<td>Chair of the session: H.E. Mr. Takeshi Yagi, Minister, Deputy Permanent Representative, Permanent Delegation of Japan to the OECD</td>
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<td>10:30 - 11:15</td>
<td>Economic zones have long been used by governments as a policy instrument to promote FDI by offering a more competitive business environment. There has been a recent shift on how economic zones are designed to allow them to achieve broader development objectives. From classical tax exemptions, economic zones now offer innovative and wider incentives. This session will provide an update on best practices in economic zones development and analyse how economic zones can be a useful tool to mitigate the socio-economic impact of the current crisis.</td>
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<td>10:30 - 11:15</td>
<td>Participants will be invited to provide an update on the recent developments in economic zones and showcase examples from their countries in the Handbook for Economic Zone Development to be prepared for the next Working Group 1 Meeting.</td>
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<td>11:15 - 11:30</td>
<td>• Designing effective economic zones</td>
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<td>11:15 - 11:30</td>
<td>Mr. Alexander Böhmer, Head, MENA-OECD Investment Programme</td>
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<td>11:15 - 11:30</td>
<td>• Discussions</td>
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<th>The work programme for 2010-2011</th>
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<td>11:30 - 12:50</td>
<td>The working group will review topics for discussion and activities for 2010-2011 which may include the following:</td>
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<td>• Research, analysis and consensus-building on a regional investment framework.</td>
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<td>• Outcomes of the joint learning exercise on investment policies and promotion using the BCDS tool and opportunity of peer learning.</td>
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<td>• Green growth and investment: WG1 may wish to explore this topic, in particular the standards, practices and investment opportunities in green growth.</td>
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<td>• Follow-up of the work on FEZs.</td>
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<td>• Dates for next Working Group 1 meeting.</td>
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<td>12:50 - 13:00</td>
<td>• Mr. Issa Gammoh, Chief Executive Officer, Jordan Investment Board</td>
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