

# RENEWING MOMENTUM FOR REGIONAL INVESTMENT POLICIES IN THE MENA REGION

## AGENDA

### Meeting of Working Group 1 on Investment Policies and Promotion

**Chairs: Hashemite Kingdom of Jordan and Japan**

***Organised by***

The MENA-OECD Investment Programme

***Venue***

OECD Conference Centre, Paris, France  
Room CC1

***Date***

15-16 December 2010

With the reduction of FDI inflows to the MENA region in the wake of the global recession, governments need to give new impetus to their investment policies to bring FDI back to pre-crisis levels and help redynamise growth and employment. The Working Group meeting will discuss how to renew momentum for national and regional investment policies in the MENA region. In parallel to a preliminary assessment of the current national investment policies, members will discuss how to provide better investor protection and enhance investment promotion through regional instruments and address a promising sector for the region, green investment.

### **Background**

The **MENA-OECD Investment Programme** was established in 2005 at the request of 18 economies from the Middle East and North Africa (MENA) region. It aims at improving the investment and business climate in the MENA region and to enhance regional economic integration through policy-dialogue and capacity-building. It manages five thematic working groups (investment, SME, tax, competitiveness and corporate governance) and several networks (Women's Business Forum, Responsible Business Conduct Forum and Business Council), all co-chaired by MENA and OECD countries.

The **Working Group 1 on Investment Policies and Promotion**, co-chaired by Japan and Jordan, helps MENA economies 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. Six meetings of the Working Group and three related meetings on investment treaties have been organised to date.

The Working Group regularly reviews FDI trends in the MENA region and assesses investment policies and promotion strategies. Recently, the impact of the crisis on FDI trends and policies was analysed. In addition, it addresses and draws policy recommendations on thematic issues such as free zones, investment agreements, public-private partnerships, business linkages. From the 2009 Marrakech Ministerial Declaration, it inherited two new topics: regional investment frameworks and green investment.

The next meeting of the MENA-OECD Working Group on Investment Policies and Promotion, to be held on 15-16 December at OECD Headquarters in Paris, will discuss challenges and opportunities in bolstering investment policies. Building on the conclusions of its last meeting in February 2010 in Amman, the Working Group will further explore options to strengthen regional investment frameworks, initiate an assessment of MENA economies' investment policies, and address an emerging topic, the promotion of green investment.

### **Objectives of the meeting**

Based on the mandate adopted at the Marrakech Ministerial Conference in November 2009 and on the conclusions of its last meeting, the Working Group will:

- Discuss the latest investment trends in the region and challenges;
- Analyse ways of strengthening regional investment frameworks through a review of other regional initiatives and a discussion on possible options for the MENA region;
- Discuss how to better promote green investment, in particular through enhancing policy frameworks and analysing the role of incentives;

- Provide and discuss a preliminary assessment of MENA investment policies and promotion using the Business Climate Development Strategy methodology of the MENA-OECD Investment Programme;
- Review the programme for Working Group 1 for 2011 and Phase III of the MENA-OECD Programme for Investment (2011-2015).

### **Participants**

Policy makers and experts in the areas of investment policy, investment promotion and legal investment frameworks, including treaty negotiators, from MENA and OECD economies are invited to participate. Other key partners, who are engaged in activities in these areas, are also invited, including regional institutions, international organisations, academia, NGOs and private sector representatives. Experts from OECD countries and from the Secretariat will also be present at the meeting.

### **Documentation**

Relevant meeting documentation will be available in the meeting room and on our website: [www.oecd.org/mena/investment](http://www.oecd.org/mena/investment).

Background documentation includes:

- Session 1: Regional Investment Frameworks
  - Draft note “Strengthening Regional Investment Frameworks in the MENA Region”
  - Working Paper “The Evolution of International Investment Agreements in the MENA Region”
- Session 2: Promotion of Green Investment
  - Working Paper of the MENA-OECD Task Force on Energy and Infrastructure presenting the private sector’s view on “Spurring Growth of Renewable Energies in MENA Through Private-Sector Investment”
  - Working Party of the Investment Committee, Note by the Secretariat, “Defining and Measuring Green FDI: Preliminary findings and Issues for Discussion”
  - OECD Work on Investment for Green Growth: ([http://www.oecd.org/document/41/0,3343,en\\_2649\\_34889\\_43783465\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/41/0,3343,en_2649_34889_43783465_1_1_1_1,00.html))
- Session 3: Assessing Investment Policies and Promotion in the MENA Region
  - “Preliminary Assessment of Investment Policies and Promotion in the MENA Region”, draft analysis of selected indicators based on the BCDS tool, Work in progress

# Working Group 1: Renewing Momentum for Regional Investment Policies in the MENA Region

## AGENDA

### Wednesday 15 December 2010

09:00 - 09:30 Registration

09:30 - 10:00 Opening remarks

- **H. E. Ms. Dina Kawar**, Ambassador, Embassy of the Hashemite Kingdom of Jordan in France, Chair of Working Group 1
- **Mr. Tsutomu Himeno**, Deputy Permanent Representative, Permanent Delegation of Japan to the OECD, Chair of Working Group 1
- **Ms. Carolyn Ervin**, Director, Directorate for Financial and Enterprise Affairs
- **Mr. Alexander Böhmer**, Head, MENA-OECD Investment Programme

10:00 - 11:15 Introduction: FDI trends in the MENA region and challenges

*The FDI levels in the MENA region have fallen in the wake of the world economic crisis, but impact varied across countries and signs of recovery appear. Despite the FDI downturn due to external factors, MENA economies still face some persisting policy challenges in attracting and benefiting from FDI. This session will provide an overview of FDI trends in the MENA region and discuss policy gaps. Representatives of MENA economies will also have the opportunity to present domestic investment prospects and policies.*

**Mr. Anthony O'Sullivan**, Head, Private Sector Development Division, OECD

FDI prospects in the MENA region

**Mr. Emmanuel Noutary**, ANIMA/Invest in Med

**Tour de table:** statements by participating MENA economies

*What are the domestic investment trends in 2010 and forecasts for 2011?*

*What are the recent major investment policy and promotion measures undertaken?*

11:15 - 11:45 Coffee Break

11:45 - 12:30

**Session 1: Regional Investment Frameworks: Towards coherence and awareness-raising**

*During the 2009 Marrakech Conference, Ministers mandated the MENA-OECD Investment Programme to “pursue analysis of ways to strengthen regional investment frameworks”. In their last meeting in February 2010, Members of the Working Group agreed to expand the stocktaking analysis on the evolution of international investment agreements in the MENA region highlighting the complexity, overlap and possible lack of efficiency of existing frameworks. This session will further analyse the advantages and feasibility of strengthening regional investment frameworks, study other regional initiatives and approaches towards regional instruments, and discuss possible options for the region.*

Chair of the session: **Mr. Hajime Matsumura**, Deputy Director, International Economy Division, Economic Affairs Bureau, Ministry of Foreign Affairs, Japan

- The economic case for stronger regional investment frameworks  
**Mr. Alexander Böhmer**, Head, MENA-OECD Investment Programme

*Example of a regional investment instrument*

- The ASEAN Comprehensive Investment Agreement (ACIA): possible lessons learned for the MENA region?  
**Mr. Rizar Indomo Nazaroedin**, Director for Regional Cooperation, Investment Coordinating Board, Indonesia

12:30 - 14:00 Lunch

14:00 - 15:30 **Session 1 (cont'd)**

*Approaches towards regional investment instruments*

- Japan’s experience and perspectives towards international investment frameworks: regional cooperation with ASEAN countries  
**Mr. Hajime Matsumura**, Deputy Director, International Economy Division, Economic Affairs Bureau, Ministry of Foreign Affairs, Japan
- Towards a comprehensive European international investment policy  
**Ms. Marta Busz**, Services and Investment Unit, DG Trade, European Commission

*Strengthening regional investment frameworks in the MENA region*

- The MENA international investment agreements landscape  
**Ms. Marie-Estelle Rey**, Policy Analyst, MENA-OECD Investment Programme
- Analysis of existing regional agreements in the MENA region  
**Ms. Carol Khouzami**, Senior Legal Advisor, Office of the Minister of Finance, Lebanon
- Potential advantages of regional legal frameworks on the promotion and protection of investment  
**Professor Hadi Slim**, Law Professor, Université de Tours

- Commentaries from the private sector  
**Mr. Saïd Hanafy**, Legal associate, Orascom Development Holdings, Egypt

**15:30 - 16:00** Coffee break

**16:00 - 18:00** Session 1: (cont'd)

*Possible options for strengthening regional investment frameworks*

- Modernisation of existing regional agreements  
**Mr. Salah Idris**, Head, Investment and Finance Section, League of Arab States
- Moroccan experience in negotiating investment provisions in free-trade agreements  
**Ms. Amina Ousmoï**, Chef du Service Europe du Nord et de l'Est, Direction du Trésor et des Finances Extérieures, Ministère de l'Économie et des Finances, Maroc

**Tour de table:** statements by participating MENA economies

*What are the next steps for the Working Group on strengthening regional investment frameworks? (please refer to the issue note)*

Conclusion

**Professor Ibrahim Fadlallah**, Arbitrator, Emeritus Professor, Université Paris X

## Thursday 16 December 2010

9:00 - 10:45

### Session 2: Addressing the challenges of promoting green investment in the MENA region

*Green investment perspectives in the MENA region are promising and timely. Some countries are already setting up policies and frameworks to create a favourable environment for green investment, but obstacles and challenges remain. Responding to the Marrakech Ministerial Mandate and building on the OECD work on green growth and investment, the session will address the policy barriers and the role of incentives in promoting green investment. In particular, perspectives of the private sector investing in this area will be discussed and MENA representatives will be given the opportunity to present their current initiatives in attracting green FDI.*

Chair of the session: **Mr. Bashar Al-Zu'bi**, Senior Advisor to the CEO, Jordan Investment Board, Jordan

- OECD work on investment for green growth  
**Ms. Céline Kauffmann**, Water and Climate Change Projects Manager, Investment Division, OECD
- Presentation of the Working Paper of the MENA-OECD Task Force on Energy and Infrastructure: the private sector's view on spurring growth of renewable energies in MENA through private-sector investment  
**Mr. Andrew Moorfield**, Managing Director, Head of Oil & Gas, Lloyds Banking Group
- Presentation of a case study exploiting solar energy in Morocco  
**Mr. Philippe Costerg**, Deputy Director Solar Photovoltaic, Total

10:45 - 11:15

Coffee Break

11:15 - 12:30

### Session 2: (cont'd)

- MENA economy presentations  
Attracting foreign investment in the renewable energy sector in Jordan  
**Mr. Bashar Al-Zu'bi**, Senior Advisor to the CEO, Jordan Investment Board, Jordan  
The new green strategy of Morocco  
**Mr. Brahim Qermane**, Chargé de mission auprès du Premier ministre, Maroc
- The initiatives of the Union for the Mediterranean (UpM) to promote green investment: The Mediterranean Solar Plan and the Mediterranean Carbon Fund  
**Mr. Julien Aubert**, Responsable affaires économiques et financements de projets, Mission Union pour la Méditerranée

**Tour de table:** statements by participating MENA economies

*What are the next steps for the Working Group on the promotion of green investment?*

*What specific issues should be addressed?*

12:30 - 14:00

Lunch

**14:00 - 16:00** **Session 3: Assessing investment policies and promotion in the MENA region**

*The investment components of the Business Climate Development Strategy (BCDS), an innovative approach of the MENA-OECD Investment Programme to assess the business environment in selected economies, has been validated by members of the Working Group. The BCDS is currently being implemented in Egypt and Morocco. Building on the Country Progress Reports prepared for the 2009 Marrakech Ministerial Conference, the MENA-OECD Investment Programme is preparing a preliminary assessment of the MENA investment policies and promotion strategies. The aim of the session is to explain the BCDS methodology on investment, present the results of the investment assessment in Egypt and Morocco and explore ways to extend this work to all the MENA economies based on the preliminary assessment.*

Chair of the session: **Mr. Bashar Al-Zu'bi**, Senior Advisor to the CEO, Jordan Investment Board, Jordan

- BCDS methodology: the investment dimension  
**Mr. Alexander Böhmer**, Head of Unit, MENA-OECD Investment Programme
- Presentation of the BCDS dimension on investment from Egypt and Morocco  
**Dr. El Sayed Torky**, Advisor to the Minister of Investment, Egypt  
**Ms. Amina Benjelloun**, Chargée de mission auprès du Premier ministre, Directrice du Pôle promotion économique, Ministère des Affaires économiques et générales, Maroc
- Preliminary evaluation of investment policies in the MENA region  
**Ms. Marie-Estelle Rey**, Policy Analyst, MENA-OECD Investment Programme  
**Ms. Sophie Wernert**, Consultant, MENA-OECD Investment Programme
- **Tour de table:** statements by participating MENA economies  
*What are the next steps in completing the assessment of MENA investment policies?*

**16:00 - 17:00** **Closing**

*This closing session will present the conclusions of the meeting and discuss future work. The MENA-OECD Investment Programme has a renewed mandate for an additional period of five years (phase III 2011-2015). MENA representatives will be given opportunities to propose some key investment issues to be addressed within the Working Group 1 in the future.*

- Conclusions of the meeting and Work programme for phase III of the MENA-OECD Investment programme (2011-2015)
- Closing remarks by the Chairs

**OECD Secretariat**

**Mr. Alexander Böhmer**

Head

MENA-OECD Investment Programme

Private Sector Development Division

Tel.: (33) 1 45 24 1912

E-mail: [alexander.boehmer@oecd.org](mailto:alexander.boehmer@oecd.org)

**Ms. Marie-Estelle Rey**

Policy Analyst and Project Co-ordinator

MENA-OECD Investment Programme

Private Sector Development Division

Tel.: (33) 1 45 24 81 46

E-mail: [marie-estelle.rey@oecd.org](mailto:marie-estelle.rey@oecd.org)

**Ms. Sophie Wernert**

Policy Analyst

MENA-OECD Investment Programme

Private Sector Development Division

Tel.: (33) 1 45 24 94 84

E-mail: [sophie.wernert@oecd.org](mailto:sophie.wernert@oecd.org)

**Mr. Joshua Yeremiyew**

Events Coordinator

MENA-OECD Investment Programme

Private Sector Development Division

Tel.: (33) 1 45 24 98 91

E-mail: [joshua.yeremiew@oecd.org](mailto:joshua.yeremiew@oecd.org)

2, rue André-Pascal

75775 Paris Cedex 16, France

Fax: (33) 1 44 30 61 74