

7th OECD IPA Network Meeting

Investment promotion & facilitation for sustainable regional development

Agenda

17 October 2022
9:00 – 18:00

OECD Conference Centre
Paris, France

Supported financially by the Investment Promotion Agencies of Costa Rica, Germany, Ireland, the Netherlands and the United Kingdom, and the State Secretariat for Economic Affairs of Switzerland

■ Background

Governments across the world are seeking to attract foreign direct investment (FDI) to support development objectives, such as creating jobs, fostering productivity, enhancing skills and innovation, and supporting the digital and low-carbon transitions. In a world of highly fragmented production lines, multinational firms do not just choose countries or sectors, they select regions. FDI can therefore play a major role in promoting regional development, but it can likewise exacerbate existing regional disparities, as foreign investors are often attracted to leading regions with larger markets and better infrastructure and services.

Beyond natural resource seeking FDI, attracting investment outside of the main economic hubs is thus a major challenge for many governments and investment promotion agencies (IPAs) in particular. Using FDI as a catalyst to promote sustainable regional development requires coherent strategies and an appropriate institutional setting, which relates to how public agencies share responsibilities and coordinate activities across different levels of government and jurisdictions. The national IPA, the subnational agencies and the local authorities all play an important role in attracting, facilitating and servicing foreign investors while also fostering regional development. Regions' development policies can also be better aligned to IPA strategies. But policy coherence and effective coordination are key to optimise efforts and avoid a race to the bottom.

The 7th OECD IPA Network Meeting will be held in-person at the OECD Conference Centre on the theme of ***Investment Promotion and Facilitation for Sustainable Regional Development***.

■ Objectives

The purpose of the workshop is to hold evidence-based discussions and peer-learning exchanges on current challenges and opportunities related to FDI, regional development and sustainability. It will discuss how FDI can support regional development with perspectives from IPAs and other stakeholders. Ongoing OECD research will also be presented at the event.

The workshop will pave the way for additional research and discussions on the link between investment promotion and regional development, including by further mainstreaming OECD's broader expertise on regional development policy and governance.

■ Participants

Participants will include IPA representatives and policymakers from OECD and partner countries as well representatives from academia, the private sector, civil society and international organisations.

■ Contacts

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■ Website

www.oecd.org/investment/investment-promotion-and-facilitation.htm

The OECD IPA Network

The OECD works with IPAs to conduct analytical work and facilitate peer-learning in investment promotion and facilitation. In 2016, the OECD IPA Network was created to bring together senior IPA representatives and policymakers from OECD and partner countries to benefit from OECD analysis, share experiences and exchange on good practices.

The Network is chaired by Achim Hartig, Managing Director at Germany Trade and Invest. It is advised closely by a Steering Group composed of IPA representatives from Canada, Costa Rica, the Czech Republic, Finland, Ireland, Luxembourg, the Netherlands and the United Kingdom.

PLENARY MEETING

FOREIGN DIRECT INVESTMENT IN SUPPORT OF REGIONAL DEVELOPMENT: OPPORTUNITIES, CHALLENGES AND THE ROLE OF INVESTMENT PROMOTION & FACILITATION

9:00-9:15	ARRIVAL OF PARTICIPANTS
9:15-9:30	WELCOMING REMARKS <ul style="list-style-type: none">• Antonio Gomes, Deputy Director, Directorate for Financial and Enterprise Affairs, OECD <p><i>Chair and moderator:</i> Achim Hartig, Chair, OECD IPA Network; Managing Director, Germany Trade & Invest</p>
9:30-10:30	SESSION 1.A. TRENDS AND PERSPECTIVES ON FDI DISTRIBUTION ACROSS REGIONS <ul style="list-style-type: none">• Fares Al Hussami, Economist, Investment Division, OECD• Riccardo Crescenzi, Professor of Economic Geography, London School of Economics• Martin Kaspar, Head of Corporate Development, Fränkische Industrial Pipes <p>Open discussion</p>
10:30-10:45	COFFEE BREAK
10:45-12:10	SESSION 1.B. ROLE, PERSPECTIVE AND EXPERIENCE OF IPAS <ul style="list-style-type: none">• Deepak Bagla, President, WAIPA; CEO & Managing Director, Invest India• Hilde van der Meer, Commissioner, Netherlands Foreign Investment Agency• Martin Shanahan, CEO, IDA Ireland• Tim News, Managing Director for Levelling Up, UK Department for International Trade• Jihane Lmimouni, Head, Directorate for the Investment Commission, Moroccan Investment and Export Agency• Wojciech Tyborowski, Director, Invest in Pomerania (Poland) <p>Open discussion</p>
12:10-12:30	CONCLUDING REMARKS <ul style="list-style-type: none">• Achim Hartig, Chair, OECD IPA Network; Managing Director, Germany Trade and Invest• Dorothee Allain-Dupré, Head, Regional Development and Multilevel Governance Division, OECD• Ana Novik, Head, Investment Division, OECD

Questions for discussion:

- *Is FDI contributing positively to regional development? Or is it exacerbating regional disparities?*
- *What are the main determinants of FDI at the regional level? Did they evolve in the COVID-19 recovery context and the risks related to global supply chains?*
- *What are the key challenges/opportunities for investors to locate in remote or less developed areas?*
- *What is the role of policymakers and IPAs (both national and subnational) to attract FDI in regions and support regional development?*

FOCUS SESSIONS – BY INVITATION ONLY

14:00-15:30

SESSION 2: THE ROLE OF IPAs IN PROMOTING SUSTAINABLE REGIONAL DEVELOPMENT: STRATEGIES, GOVERNANCE AND COORDINATION MECHANISMS

Different governance mechanisms exist across countries when it comes to promoting and facilitating investment at national and subnational level. While in some countries, the national IPA takes a prominent role in attracting FDI in regions, others rely on subnational agencies and local authorities. Investment promotion initiatives need to take into account local and regional specificities, but institutional coordination is required to avoid redundant activities, a misuse of public resources, inconsistent messages to investors, harmful competition across regions, and ultimately less FDI.

This session, open to OECD IPAs only, is a continuation of the morning sessions. It will explore the strategic approach, governance settings and coordination mechanisms of investment promotion in support of regional development. It will be fuelled by the results of the recent *OECD survey on investment promotion and regional development*.

15:45-17:15

SESSION 3: STRATEGIC FDI PRIORITISATION AND TOOLS FOR MONITORING & EVALUATION ADDRESSING THE CHANGING GLOBAL FDI LANDSCAPE: NEW APPROACHES

To adapt to the changing global landscape, IPAs are increasingly asked to go beyond the basic metrics related to FDI – such as investment value or the number of jobs created – and integrate other important aspects, such quality of jobs, climate change, and sustainable development. Better access to novel data and technology also offers new opportunities for targeting investors and evaluating their possible contribution to the local economy. These forces can influence IPA's changing prioritisation strategies and the ways they monitor and evaluate their activities.

This session, open to OECD IPAs only, will centre on this reorientation in IPA investment prioritisation and M&E strategies. In particular, the session will feature experiences of IPAs that have introduced, or plan to introduce, a sustainability scoring mechanism to support their investment attraction. It will also discuss other emerging tools allowing IPAs to measure more directly firms' sustainability footprint, building on the most recent developments in this area.

17:15-18:00

THE WAY FORWARD – BY INVITATION ONLY