

European Union



Organisation for Economic
Co-operation and Development



North-West
Investment Agency



**OECD WORKSHOP
INVESTMENT AND BUSINESS CLIMATE IN THE RUSSIAN FEDERATION:
A REGIONAL PERSPECTIVE**

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GLOSSARY OF SELECTED TERMS AND INSTRUMENTS

Session I: Business and Investment Climate in the Russian Federation Regions: Setting the Stage¹

Checklist for Foreign Direct Investment Incentive Policies (OECD 2003)	It proposes a checklist to assess the costs and benefits of using incentives to attract foreign direct investment, to provide operational criteria for avoiding wasteful effects and to warn against the pitfalls and risks of excessive reliance on incentive-based strategies.
Codes of Liberalisation of Capital Movements and Liberalisation of Current Invisible Operations (OECD, 1961 and subsequent updates)	They constitute legally binding rules, stipulating progressive, non-discriminatory liberalisation of capital movements, the right of establishment and financial services and other current invisible transactions (mostly services). Implementation of the Codes, in particular by removal of restrictions on cross-border capital flows and trade in services and the concomitant lifting of country reservations against the Codes, involves "peer pressure" exercised through policy reviews and country examinations to encourage unilateral rather than negotiated liberalization.
Declaration on International Investment and Multinational Enterprises (OECD 1976 and subsequent revisions)	<p>A policy commitment by adhering countries (*) to improve the investment climate, encourage the positive contribution multinational enterprises can make to economic and social progress and minimise and resolve difficulties which may arise from their operations. It consists of four elements, each of which has been underpinned by a Decision by the OECD Council on follow-up procedures:</p> <ul style="list-style-type: none">• Guidelines for Multinational Enterprises (see below)• National Treatment• Conflicting requirements• International investment incentives and disincentives <p>(*) All 30 OECD member countries and eight non-member countries (Argentina, Brazil, Chile, Estonia, Israel, Latvia, Lithuania, Romania and Slovenia) have subscribed to the Declaration.</p>

¹ For further details on concepts listed and OECD instruments, see www.oecd.org/daf/investment/.

<p>Foreign investor survey (OECD, 2005)</p>	<p>Carried out on behalf of the OECD in the first half 2005, in co-operation with the Association of European Businesses and the OECD Business and Industry Advisory Council (BIAC). 102 firms with foreign ownership operating in Russia responded on questions concerning in particular on access on information and implementation of investment policies.</p>
<p>Guidelines for Multinational Enterprises (OECD, last revision in 2000)</p>	<p>Recommendations addressed by governments of adhering countries (see Declaration on International Investment and MNE) to multinational enterprises operating in or from these countries. They provide voluntary principles and standards for responsible business conduct in a variety of areas including employment and industrial relations, human rights, environment, information disclosure, combating bribery, consumer interests, science and technology, competition, and taxation</p>
<p>Investment Policy Review of the Russian Federation (OECD, 2004)</p>	<p>Prepared by the OECD in co-operation with the Russian Ministry of Economic Development and Trade and the Central Bank, the report was endorsed by the OECD Investment Committee in 2004. It reviews progress in Russia investment policy and proposes policy options for further reform.</p>
<p>Policy Framework for Investment (OECD 2003)</p>	<p>As a part of a broader OECD Initiative on Investment for Development, the Framework is intended as a non-prescriptive checklist of issues for consideration by governments engaged in domestic reform, regional co-operation or international policy dialogue aimed at creating an environment that is attractive to domestic and foreign investors and that enhances the benefits of investment to society. The Framework covers ten policy areas: investment policy; investment promotion and facilitation; trade, competition and tax policies; corporate governance; corporate responsibility and market integrity; human resources development; infrastructure development and financial services; and public governance.</p>