

First Roundtable on Investment and Sustainable Development

Agenda

24 October 2018

OECD Conference Centre
Paris, France



■ Background

Enhancing cooperation and coordination between the investment and development communities is crucial and has long been acknowledged by the OECD Committees and the Secretariat. The adoption of the 2030 Agenda for Sustainable Development has changed the global development landscape, singling out the contribution of private investment to the Sustainable Development Goals (SDGs), and called for new forms of OECD engagement to support multilateralism's contributions to achieving the 2030 Agenda and climate change objectives. At its March 2018 meeting, the Investment Committee noted the importance of reinforcing its involvement in the OECD effort in relation to the SDGs (see [OECD Action Plan on the Sustainable Development Goals](#)) and agreed to develop a flexible and inclusive platform such as a Roundtable on Investment and Sustainable Development (ISD), seeking to foster policy discussions and high-quality critical thinking through the active participation of member and non-member countries and a variety of non-governmental actors.

Against this background and along the lines of the successful experience of the Freedom of Investment (FOI) Roundtable, the ISD Roundtable will have three main objectives: a) provide an inclusive platform for discussion and knowledge-sharing on emerging policy issues related with investment and development; b) provide common understanding of policy measures and objectives; and c) discuss support to emerging and developing economies provided in the framework of the investment components of OECD regional programmes and align it with the broader SDGs.

■ Objectives

The first meeting of the Roundtable, scheduled for 24 October in the afternoon during the regular Investment Committee week, aims to identify major policy challenges and themes on investment for sustainable development that can be taken forward in the next biennial (2019-20) cycle. The Chair will introduce the meeting and provide an overview of the main issues and expected outcomes of the new Roundtable. A high-level speaker, possibly from an emerging or developing country, will then share insights on the most pressing items in the investment-for-development agenda and on the value added of the OECD in this regard.

Three interactive sessions will follow, of which two on specific substantive topics and one to brainstorm on the future Roundtable agenda. Panellists will be invited from developed and developing countries' governments, international organizations, private sector, civil society, and academia.

The first session will focus on recent trends of international investment in support of the Financing for Development agenda. An invited keynote speaker will provide perspectives on the role of international investment in the mobilisation of resources for sustainable development and on specific themes on which the OECD investment and development communities can contribute. The Investment Division's contribution to the inaugural OECD *Global Outlook on Financing for Development*, to be launched by the Secretary-General at the UN General Assembly, will provide the background for discussions.

The second session will be devoted to FDI linkages in global value chains, a central policy discussion to the role of investment for sustainable development. The session will feature a keynote address by an external expert and a debate where the OECD Secretariat presents on-going research, with a focus on Southeast Asia.

The third session will be an open discussion to define the work focus of the Roundtable in the years ahead. The Secretariat will map ongoing OECD work on investment and sustainable development and illustrate synergies and collaborations with other Committees, particularly the DAC. Participants are expected to provide feedback to adjust the focus of ongoing activities and deepen engagement with other OECD committees and other institutions. The ultimate goal is to enhance OECD's contribution to support the implementation of the SDGs and climate objectives through investment.

■ Participants

Roundtable participants will include senior government representatives from the investment and the development communities, international organizations such as the World Bank Group, the International Trade Centre and the United Nations, and business, labour and civil society, as well as specially-invited scholars from academia and think-tanks. Such format will allow participants to benefit from a focused exchange of perspectives among specialists and conduct an evidence-based and forward-looking discussion.

■ Contacts

Andrea Goldstein, Senior Economist, OECD Investment Division
(andrea.goldstein@oecd.org; +33 1 45 24 47 97)

Martin Wermelinger, Project Manager/Economist, OECD Investment Division
(martin.wermelinger@oecd.org; +33 1 45 24 96 73)

■ Draft agenda

14:30-15:15	<p>Opening remarks. Investment and Sustainable Development – Rationale, Aims and Prospects</p> <p>Keynote address:</p> <ul style="list-style-type: none">• Anabel Gonzalez, Former Senior Director of the World Bank Group Global Practice on Trade and Competitiveness <p>Chair: Manfred Schekulin, Chair of the OECD Investment Committee</p>
15:15-16:15	<p>SESSION 1. Financing for sustainable development – the role of business investment flows: actors, instruments and data</p> <p>The 2030 Agenda has identified new development goals to achieve, and the Addis-Ababa Action Agenda has created a new landscape to finance their attainment in developing countries. What is the role of business investment flows in this new landscape? How can OECD countries best support business' efforts to the achievement of the SDGs? Answering those questions requires understanding the actual interplay of new actors and new instruments.</p> <p>This session will provide an opportunity to address the following questions:</p> <ul style="list-style-type: none">• What country- and micro-level forces are shaping the broader investment trends, particularly in developing countries?• What economic forces influence investment trends and development outcomes?• Would there be value in monitoring not just the amount of FDI flows, but also their composition?• How can the promotion of responsible business conduct among investors and companies be translated into more investment flows in support of the SDGs?• What other policies can promote investment flows to developing countries? <p>Moderator: Michael Gestrin, Senior Economist, OECD Investment Division</p> <ul style="list-style-type: none">• Mouhamadou Bamba Diop, Directeur de la Planification, Ministry of Finance, Senegal• Gaël Giraud, Chief Economist, Agence Française de Développement• Ruth Mhlanga, Private Sector Policy Advisor, Oxfam GB <p><i>Interactive discussion</i></p>

16:15-16:30 COFFEE BREAK

16:30-17:15 **SESSION 2: FDI Linkages – What Do We Mean? Why Do They Matter?**

In 2015 OECD Ministers requested the OECD to support the implementation of the PFI through the development of indicators. Proposed work responding to this call raised an interest of the Investment Committee to conduct action-oriented policy research on 'FDI qualities'. Prominent dimensions for positive externalities of FDI are supply chain linkages of multinational enterprises (MNEs) with domestic firms, particularly SMEs, in host countries. Recent OECD work in Southeast Asia shows that the extent and depth of MNE-SME linkages vary considerably across countries and sectors and are largely determined by the foreign MNEs' business model, as well as domestic firm capacities. The work in Southeast Asia underlines the need for policies that take these heterogeneities into account and thereby enable broad-based benefits from FDI.

This session will provide an opportunity to address the following questions:

- What is the extent of supply chain linkages between foreign MNEs and domestic firms in host economies? How do they benefit domestic firms?
- What non-discriminatory policies would enhance foreign MNEs' incentives to engage with domestic firms in host economies?
- What policies are needed to enhance local firms' capabilities to leverage linkages with foreign MNEs?

Moderator: **Martin Wermelinger**, Economist, OECD Investment Division

- **Laura Alfaro**, Warren Alpert Professor of Business Administration, Harvard Business School
- **Marion Jansen**, Chief Economist, International Trade Centre
- **Gurmeet Sethi**, VP, Global Strategy and Transitions, Motors & Generators Business Unit, ABB

Interactive discussion

17:15-18:00 **SESSION 3. Developing an Agenda for the ISD Roundtable**

The Secretariat aims at developing a two-year theme-driven, evidence-based agenda for the ISD Roundtable, to reflect common priorities and interests of the investment and development communities and provide guidance for future thematic work of the Investment Division, including its regional programmes.

This session will engage participants in proposing and discussing key policy issues and thematic areas that should feature in the ISD Roundtable agenda.

Moderator: **Andrea Goldstein**, Senior Economist, OECD Investment Division