

Investment policies
related to national
security:
New policies to
manage new threats?

Agenda

13 March 2018

OECD Conference Centre – CC15
Paris, France

A workshop hosted by the Freedom of Investment Roundtable

■ Venue

OECD Conference Centre, CC15
2, rue André-Pascal
75016 Paris, France

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■ Recommended reading

Guidelines for recipient country investment policies relating to national security (2009)
Investment policies related to national security – a survey of country practices (2016)

- Presentations by lead speakers and comments by discussants are limited to 7 minutes. Interventions from the floor should be brief.

- An increasing number of countries have recently been **re-evaluating** their investment policies and introduced explicit policies to protecting their national security against threats that may be associated with inward investment. In 2017 alone, at least nine countries that participate in the Freedom of Investment Roundtable took such policy measures, and several further countries have announced changes.

Since 2006, the OECD investment policy community has been hosting an **inclusive dialogue** on international investment policies to build common understanding on investment policies that reconcile openness for foreign investment with governments' duty to protect their country's national security.

In 2009, governments that participated in the dialogue on investment policies agreed on *Guidelines for recipient country investment policies relating to national security* in which they set out **guiding principles** for governments that considered or introduced investment policies designed to safeguard national security.

The upcoming **tenth anniversary** of these guidelines coincides with the steep increase in the number of new policies or reforms of existing policies related to national security.

Design and implementation of policies related to national security have given rise to controversy about the **legitimacy and use** of these policies. Sometimes seen as protectionist, trigger of controversies, and proxy in debates about the merits of globalisation, investment policies related to national security are at risk of being misconstrued or instrumentalised.

The workshop "*Investment policies related to national security: New policies to manage new threats?*" is a first step to **enhance understanding** of the current trend in policymaking in this area, with the overall purpose to inform policy choices and to enhance transparency and mutual trust.

The workshop will bring together investment policy-makers from the 58 countries that participate in the Freedom of Investment (FOI) Roundtables, experts in the design and implementation of investment policies related to national security, as well as businesses and other specialists that interact with these policies. The layout of the workshop is intentionally limited in a first instance to gather views from diverse governments and stakeholders on current policy developments. It is not a public event and, thus, beyond government representatives, participation is on invitation only.

■ Workshop schedule

14:30 – 14:40 Introductory remarks

Frédéric Wehrlé / Joachim Pohl, Investment Division, OECD

The introductory session will set out the purpose of the workshop, the current policy context, and the structure of the discussions.

14:40 – 15:30 What drives reform of investment policies related to national security?

Recent years have seen a significant upward trend in the introduction of new investment policies related to national security or reform of existing mechanisms. Little is known about the drivers for this activity:

Have new threats emerged that existing policies did not address? Has the origin or nature of threats changed? Are countries rebalancing their degree of openness with new perceptions of national security imperatives?

Do the new policies reflect changes in the pattern of international investment, in which investors from emerging economies play a growing role?

Are countries learning from implementation and others' examples and adjust?

Policy-makers and practitioners from governments will offer insights on what drives the changes in investment policies related to national security concerns, and why the number of policy changes in this area is growing so rapidly at this time.

Chair

Ana Novik, Head, Investment Division, OECD.

Panellists

Stacia Sowerby, Deputy Director, Office of Investment Security, Treasury Department, United States.

Lola Fadina, Deputy Director, Department for International Trade, United Kingdom.

Valérie Liang-Champrenault, Cheffe Bureau Multicom 2, Direction générale du Trésor, Ministère de l'Économie et des Finances, France.

Carlo Pettinato, Head of Unit, Directorate General for Trade, European Commission.

15:30 – 16:20 Are explicit investment policies needed to protect national security interests? If yes, how should they be designed to reconcile competing objectives?

There is wide recognition that countries have the prerogative to protect their national security when they consider it under threat from inward investment. Governments that participated in the OECD-hosted dialogue on investment policies related to national security adopted in 2009 Guidelines that help countries strike the right balance between being open to foreign investments and managing national security risk.

The Guidelines reflect what was generally held to be good policy at the time and they have informed policy making since then.

Based on the views expressed in the preceding session, this panel will try to elucidate the following questions:

Are the policies that are now proposed and adopted required and appropriate to meet countries' current and future national security needs?

What impact may policies invoking national interests have on other countries and businesses?

What can be done to design these policies in a way that reconciles openness with national security needs?

Chair

Ana Novik, Head, Investment Division, OECD.

Panellists

Matt Dooley, Senior Advisor, Investment Review Division, Innovation, Science and Economic Development Canada.

Gonzalo García Andrés, Deputy Director General for International Investment and Trade in Services, Ministry of Economy, Industry and Competitiveness, Spain.

Mark Plotkin, Partner, Covington & Burling LLP.

Christoph Sprich, Federation of German Industries (BDI).

Winand Quaadvlieg, Chair of the BIAC Investment Committee, Business and Industry Advisory Committee to the OECD (BIAC).

16:20 – 16:30 How can the OECD-hosted investment policy community help countries design investment policies related to national security?

Speaker

Ana Novik, Head, Investment Division, OECD

Based on the previous panel discussions, the concluding session will seek to identify ways in which the OECD-hosted investment policy community can help countries design investment policies related to national security that reconcile openness, transparency and non-discrimination with countries' current and future needs to safeguard their national security.

■ Speaker biographies



Matthew Dooley is a senior advisor to the Investment Review Division of Innovation, Science and Economic Development Canada. In this role, he participates in the review of complex foreign investment transactions. Previously, he held the position of director responsible for policy development related to foreign investment reviews and, prior to joining the public service, he was a lawyer practicing in corporate finance and mergers and acquisitions.



Lola Fadina is the Deputy Director for Investment at the UK Department for International Trade (DIT). An experienced UK civil servant, she has held a variety of positions within government, with a strong focus on EU and international issues. Before joining DIT in 2016, Lola was joint head of the Maritime Environment and Safety (EU and Safety) Division at the UK Department for Transport. During her time at DfT she also held posts in the fields of environment, cleaner fuels and vehicles, and aviation. From 2013-2015, she worked on secondment to the European Commission. Lola holds a degree in Environmental Sciences and Business Management from the University of Westminster.



Valérie Liang-Champrenault heads the Office of Investment in the General Directorate of the Treasury in the Ministry of Economy and Finance of France.



Gonzalo García Andrés is a policy economist at the Spanish Ministry of Economy, Industry and Competitiveness. He has worked at the Treasury on financial regulation, stability and markets for ten years. He was Managing Director for International Finance with responsibilities over IMF, MDBs and EIB (member of the Board). He has been Economic and Commercial Counselor in Washington D.C. Gonzalo also authored the book "*Por un cambio en la economía*" (RBA Editions, 2016).



Carlo Pettinato heads the Unit responsible for investment policy in the European Commission's DG Trade. Previously, he was Deputy Head of Unit in charge of trade relations with Latin America. He started his EU career in the trade defence department of DG Trade and then became EU negotiator on investment issues in the WTO, OECD, ASEM, and for the EU-Chile and EU-Mercosur negotiations (1998-2004). Between 2005 and 2011, he was economic counsellor in the EU Delegations to Jamaica (Kingston) and Central America (Managua).

Carlo studied Political Sciences at the University of Florence and specialised in International Economics. He holds a Master in Public Administration from Solvay Business School and has been guest lecturer at Bocconi University and the College of Europe.



Mark E. Plotkin, a partner in the Washington, DC office of Covington & Burling, navigates cross-border transactions through the Committee on Foreign Investment in the United States (CFIUS). His clients include Fortune Global 500 companies as well as state owned enterprises and sovereign funds throughout Asia and the Middle East. A graduate of Yale College and Harvard Law School, Mr. Plotkin is a member of the Council on Foreign Relations and an adjunct professor at Georgetown University.



Winand L.E. Quaedvlieg, Head of the Brussels Office of VNO-NCW, is responsible for the overall EU lobby of VNO-NCW. He was previously Deputy Director of the International Economic Affairs in VNO-NCW and responsible for international trade and investment policy and international corporate social responsibility. He chairs BIAC's Investment Committee since 2012.

Winand was a member of the Commission on European Integration of the Advisory Council on International Affairs of the Dutch Ministry of Foreign Affairs, Vice Chair of the BusinessEurope International Relations Committee, and lecturer on EU External Economic Policy at Leiden University. He studied law in Nijmegen and Nancy and was nominated Officer in the French Ordre National du Mérite in 2011.



Stacia Sowerby is Deputy Director in the Office of Investment Security at the U.S. Treasury Department. Prior to joining the U.S. Treasury Department in 2011, Stacia practiced corporate law at Sullivan & Cromwell LLP, primarily advising on cross-border mergers and acquisitions.



Dr. Christoph Sprich is Senior Manager at the Federation of German Industries (BDI) and responsible for the topics globalization, global competitiveness, and foreign direct investment. Before, he worked in the BDI department for innovation policy. In his academic career, he gave lectures on the transition to market economies in Central and Eastern Europe and did research on the epistemological foundations of economics.

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