

**MENA Caucus of the OECD Policy Framework for Investment (PFI)
Update Task Force**

Luncheon Consultation

Agenda

16 October 2014

12:30-14:00

OECD Headquarters, Meeting Room CC5
2, rue André Pascal, 75775 Paris Cedex 16

BACKGROUND

Mobilising private investment that supports inclusive economic growth and sustainable development is a priority issue for the OECD. It is also a central pillar of the MENA-OECD Investment Programme (the Programme) and its regional Working Group on Investment Policy and Promotion, which supports MENA (Middle east and North Africa) countries to develop open and transparent investment policies and effective investment promotion strategies through dialogue, experience-sharing and capacity-building.

The Policy Framework for Investment (PFI) forms the backbone of the OECD's investment policy work, including in the MENA region, and is one of the most comprehensive and systematic approaches for improving investment conditions ever developed. Adopted in 2006 by a task force comprised of representatives from 60 countries, the PFI covers issues for policy makers in numerous policy areas that affect the business climate. The PFI has been road-tested through OECD Investment Programmes in over 25 countries, including in Egypt (2014, 2010 and 2007), Jordan (2013), Morocco (2009 and 2010) and Tunisia (2012). The Association of Southeast Asian Nations (ASEAN) and the Southern African Development Community (SADC) are also currently using the PFI to promote peer learning on regional investment policy and policy harmonisation among their members.

Updating the PFI

Since the PFI was adopted in 2006, new forces have reshaped the global investment landscape, including the global economic and financial crisis, which started in 2008 and from which many economies have still not recovered, the emergence of new major outward investors within the G20, the spread of global value chains, and signs that pressures for investment protectionism are on the rise. Numerous lessons have also been learnt through the use of the PFI, particularly in developing and emerging economies. To reflect new global economic fundamentals and modernised approaches to investment policy making an update of the PFI was launched in 2013 and is due for completion in 2015. The update is taking place through an inclusive process led by an international taskforce co-chaired by Finland and Myanmar. Taking advantage of OECD Regional Investment Programmes and Initiatives, consultations have been held with various regional economic communities, including ASEAN in Indonesia and SADC in South Africa. Regional development banks and other partners, international organisations such as UNCTAD and the World Bank Group, civil society and OECD stakeholders (BIAC, TUAC, OECD Watch), as well as the many OECD committees competent for the specialised PFI chapters, are also participating in these consultations. The aim of this meeting is to hold similar consultations with MENA countries.

Investment Country Profiles Project

A new project on *Investment Country Profiles* is currently being developed based on the PFI. It will aim at providing, with the support of the MENA-OECD Investment Programme and participating countries, an overview of investment policies and promotion. The objective is to promote on-going and future reforms fostering the investment climate and to reinforce policy dialogue on key challenges.

MEETING OBJECTIVE

In line with other regional consultations, the objective of this meeting is to gather the views and experiences on the use of the PFI in the MENA region. Policy representatives from Egypt, Jordan, Morocco and Tunisia, adherents to the *OECD Declaration on International Investment and Multinational Enterprises*, delegates from the Investment Committee and OECD investment experts will discuss the PFI and issues for improvement in the draft revised *Investment Policy and Investment Promotion* dimension Chapters. The meeting will also provide the opportunity to present and discuss the *Investment Country Profiles Project*.

MEETING DOCUMENTATION

- PFI draft revised *Investment Policy and Investment Promotion* Chapters and PFI Update Concept Note
- *Investment Country Profiles Project* Concept Note

Agenda

16 October 2014, 12:30-2:00 pm, Meeting Room CC5, OECD Headquarters, Paris

12:30-12:45 Opening

The opening session will present the rationale of the meeting and the objectives and process of the update of the PFI:

- **H.E. Okko-Pekka Salmimies**, Ambassador to the OECD, Finland, Co-Chair of the PFI Update
- **Mr. Mike Pfister**, Senior Policy Analyst, Investment Policy Review Unit, Investment Division, Directorate for Financial and Enterprise Affairs, OECD
- **Ms. Marie-Estelle Rey**, Senior Advisor, MENA-OECD Investment Programme, Global Relations Secretariat, OECD

12:45-13:45

Session 1 – Update of the PFI: Countries’ experiences and views on the Investment Policy and Investment Promotion Chapters

This session will provide the opportunity for representatives from Egypt, Jordan, Morocco and Tunisia to share their countries’ experiences with the PFI and express their views on the draft revised investment policy and promotion chapters of the PFI. In this respect, they will address issues that could be improved in the updated PFI. Focus will be placed on selected policy dimensions including:

- *Investment Policy: a) Striking a balance between policy flexibility and investment protection; and b) improving dispute settlement mechanisms.*
- *Investment Promotion and Facilitation: Integrating Global Value Chains through business linkages.*

Presenters: **Ms. H  l  ne Fran  ois**, Legal Analyst, Investment Policy Review Unit, Investment Division, Directorate for Financial and Enterprise Affairs, OECD and **Ms. Marie-Estelle Rey**, Senior Advisor, MENA-OECD Investment Programme, Global Relations Secretariat, OECD

Moderator: **Mr. Stephen Thomsen**, Head of Investment Policy Review Unit, Investment Division, Directorate for Financial and Enterprise Affairs, OECD

13:45-14:00

Session 2 – Presentation of the *Investment Country Profiles* Project

The MENA-OECD Investment Programme is launching a project on Investment Country Profiles, Based on the PFI, the project will provide an overview of investment policy and promotion in participating countries; a tool for peer review and monitoring of investment policies; and an opportunity to implement the updated PFI in the MENA region. Following the presentation, representatives from Egypt, Jordan, Morocco and Tunisia will be invited to provide feedback and express their interest in participating in the project.

Presenter: **Mr. Robert Ley**, Advisor to the MENA-OECD Investment Programme, Former Deputy Director for Financial and Enterprise Affairs, OECD

Conclusions: **Ms. Marie-Estelle Rey**, Senior Advisor, MENA-OECD Investment Programme, Global Relations Secretariat, OECD

About the OECD and the MENA-OECD Investment Programme

The **OECD** is a unique forum where 34 member governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and help governments address emerging policy issues such as finding new sources of growth, building skills, and restoring public trust in government and business. The OECD provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies. It increasingly engages with a number of non-members who have become important actors in today's global economy.

The **MENA-OECD Investment Programme** was launched in 2005 at the request of Middle East and North African (MENA) governments to support investment policy reforms for growth and employment in the region. Participating economies include Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestinian Authority, Qatar, Saudi Arabia, Tunisia, United Arab Emirates and Yemen. Today, the Programme convenes representatives of these 18 MENA governments, OECD member countries and emerging economies to exchange good practices in a wide range of policy areas, leveraging the OECD model of policy dialogue and peer learning. It provides a platform for dialogue with civil society, the business community and academia to collectively identify priority business climate reforms and support their implementation.

Key contacts

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