

## Putting the Policy Framework for Investment into use



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The purpose of the Investment Newsletter is to share the results of the OECD Investment Committee's work with the wider investment policy community.

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Further information about investment-related work at the OECD and the Investment Committee can be found at [www.oecd.org/investment](http://www.oecd.org/investment).

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The benefits of investment are widely recognised. Private investment expands an economy's productive capacity, drives job creation and income growth and, in the case of international investment, is a conduit for the local diffusion of technological and enterprise expertise. Such benefits drive all governments to put in place policies which aim to mobilise higher investment, but some countries are more successful than others.

Drawing on the body of best policy practices, OECD and non-member governments developed the Policy Framework for Investment (PFI), a tool for investment climate dialogue and assessment.

The 2006 OECD Ministerial meeting called on the OECD to continue to work with non-member governments and other inter-governmental organisations to promote the active use of the PFI. To date, demand to use the PFI has been large, with requests coming from every continent.

This issue of the Investment Newsletter reports on two of these PFI applications. The first is in Africa, where self-evaluation of policies for investment based on the PFI is being piloted and the second is in South East Europe (SEE) where the PFI has inspired the Investment Reform Index which SEE countries can use to measure and communicate progress on investment climate policy reforms.

It also offers a summary of OECD recommendations on the recent changes in China's policies towards cross-border mergers and acquisitions, provides the latest FDI statistics for the OECD area and reports on a new measure of FDI regulatory restrictiveness which, when used in combination with other factors, can contribute to explaining the variations among countries in attracting inward FDI.



*Manfred Schekulin*  
Chair, OECD Investment Committee

## Recent FDI developments in OECD countries

Foreign direct investment flows in OECD countries are estimated to have reached a recent historical peak in 2006, as inflows and outflows of FDI rose by more than 40 per cent compared with 2005. The strong growth in FDI continues to be supported by vigorous economic growth, strong corporate profitability, low borrowing costs and firm equity valuations in most OECD economies.

*FDI inflows to the OECD area have almost doubled over the past three years...*

In 2006 most OECD countries attracted large FDI inflows. Overall, they are estimated to have risen by just over 40 per cent to reach USD 884 billion (see table). This follows several years of strong double digit growth, bringing FDI inflows close to the level reached in 1999. Unlike the latter part of the 1990s the inflows have been more evenly distributed across sectors.

*...with inflows concentrated in a handful of countries*

The United States and the United Kingdom were the world's largest recipients of inward FDI in 2006, together attracting an estimated USD 343 billion from OECD countries. The distribution of inflows, more generally, is highly concentrated within the OECD area. Among the 30 OECD member countries, six economies accounted for about two thirds of total inflows, whereas the lowest quintile overall received close to none in 2006.

Inward Foreign Direct Investment, billion US\$

	2004	2005	2006e
Australia	42.0	-36.8	29.8
Austria	3.7	8.9	-0.2
Belgium	42.1	23.7	54.4
Canada	1.5	33.8	57.0
Czech Republic	5.0	11.0	6.5
Denmark	-10.7	5.0	17.8
Finland	3.5	4.6	2.5
France	31.4	63.5	66.5
Germany	-15.1	32.6	16.8
Greece	2.1	0.6	6.2
Hungary	4.7	6.7	6.2
Iceland	0.7	2.3	1.1
Ireland	11.2	-22.8	14.1
Italy	16.8	19.9	41.2
Japan	7.8	2.8	-11.8
Korea	9.2	4.3	1.1
Luxembourg	77.3	43.7	101.5
Mexico	18.7	18.1	18.8
Netherlands	0.4	43.6	8.1
New Zealand	4.4	2.8	5.5
Norway	2.5	14.5	5.5
Poland	12.4	7.7	12.6
Portugal	2.4	3.1	5.6
Slovak Republic	1.1	1.9	4.5
Spain	24.8	23.0	15.9
Sweden	-1.9	13.7	29.0
Switzerland	0.8	5.8	7.5
Turkey	2.8	9.7	17.2
United Kingdom	56.3	164.5	153.3
United States	133.2	109.8	190.1
<b>Total</b>	<b>490.9</b>	<b>621.7</b>	<b>884.2</b>

Outward Foreign Direct Investment, billion US\$

	2004	2005	2006e
Australia	17.5	-39.8	29.9
Austria	7.4	9.4	-0.04
Belgium	33.5	22.9	49.9
Canada	43.2	34.1	35.7
Czech Republic	1.0	0.9	1.5
Denmark	-10.4	8.1	19.6
Finland	-1.1	2.7	0.0
France	57.0	115.6	89.9
Germany	1.9	45.6	71.7
Greece	1.0	1.5	4.8
Hungary	1.1	1.3	1.2
Iceland	2.6	6.7	2.9
Ireland	15.8	12.9	15.5
Italy	19.3	41.7	32.9
Japan	31.0	45.8	39.3
Korea	4.7	4.3	6.6
Luxembourg	81.7	52.4	73.7
Mexico	4.4	6.2	1.8
Netherlands	17.3	119.4	32.4
New Zealand	1.1	-0.3	-1.0
Norway	3.5	3.4	15.2
Poland	0.8	1.5	1.1
Portugal	8.0	1.1	1.8
Slovak Republic	0.2	0.1	0.4
Spain	60.6	38.7	83.5
Sweden	11.9	26.0	27.4
Switzerland	26.9	42.8	79.9
Turkey	0.9	1.0	0.5
United Kingdom	94.9	101.1	57.5
United States	244.1	9.1	246.9
<b>Total</b>	<b>781.8</b>	<b>716.1</b>	<b>1022.4</b>

Sources: OECD Balance of Payments Statistics and OECD International Investment Statistics.

e) Estimates for 2006 are based on an unweighted extrapolation of the figures in the first three quarters of the year.

*Historically, FDI outflows from OECD countries exceed the level of inflows*

Outflows of FDI from OECD countries also rose sharply in 2006 to reach an estimated USD 1022 billion (see table). The United States and France were the world's most active outward investors in 2006, with their combined flows totalling USD 337 billion, due largely to some large foreign corporate takeovers by companies domiciled in these countries. As with inflows, the distribution of outward FDI is concentrated among a small number of OECD countries.

In aggregate, the OECD area continues to be a bigger outward than inward international investor. The net level of FDI flows to the OECD area are estimated to have risen slightly from USD 95 billion in 2005 to USD 138 billion in 2006.

**For further reading on this topic:**

OECD work on FDI statistics:  
[www.oecd.org/daf/investment/statistics](http://www.oecd.org/daf/investment/statistics)

## China's new rules on cross-border mergers and acquisitions

In recent years, OECD co-operation with China in the field of international investment has focused on policies towards cross-border mergers and acquisitions. Since the publication of the last OECD Investment Policy Review of China, the Ministry of Commerce posted on its website a new set of Regulations on the Acquisition of Domestic Enterprises by Foreign Investors. This article examines the latest developments in China's policies towards cross-border mergers and acquisitions. It is based on a supplement to the 2006 IPR of China.

*The OECD recommends more open, transparent and non-discriminatory investment policies in China*

The OECD 2006 *Investment Policy Review* of China analysed *Interim Provisions on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors* and welcomed the additional transparency they brought. The report also proposed further measures to liberalise cross-border M&A regulations, including relaxation of foreign ownership restrictions and fully opening capital markets to foreign investor participation.

Since the *Investment Policy Review* of China was published, the Ministry of Commerce posted in Chinese on its website a new set of *Regulations on the Acquisition of Domestic Enterprises by Foreign Investors*. And in late 2006 the National Development and Reform Commission published its new policy towards cross-border mergers and acquisitions.

*What has changed?*

Some of the main points in the new policy include:

- An indication that priority will be given to the quality rather than the quantity of foreign investment;
- A statement that emerging monopolies by foreign-invested enterprises are posing a potential threat to China's economic security and that foreign businesses are harming Chinese enterprises' capacity for innovation;
- Provisions for increased supervision of sensitive acquisitions to ensure that what are termed "critical industries and enterprises" remain under Chinese control.

*A first interpretation*

On certain criteria, the new *Regulations* represent a further opening toward international investment. They allow for the first time and in line with standard international practice for the acquisition or merging of a Chinese domestic company by an overseas company through equity exchanges.

The *Regulations* also increase transparency in some areas by requiring parties to a cross-border acquisition to disclose information on their affiliation, the purpose of the acquisition, whether the appraisal results conform to fair market value and on the use of special-purpose entities overseas by Chinese domestic firms making acquisitions in China. The latter is an important change, in view of the generally unrecorded, but widespread practice of "round-tripping" by Chinese companies seeking to benefit from incentives offered to foreign investors.

On the other hand, the 2006 *Regulations* add a new screening requirement on cross-border M&A transactions in which the foreign investor obtains controlling rights of a domestic enterprise and the acquisition involves a major industry, has or may have an impact on national economic security, or may result in the transfer of famous trademarks or traditional Chinese brands. This new layer of screening is in addition to the examination and approval process based on the Catalogues for Guidance of Foreign Investment Industries.

Implementing regulations defining terms such as "national economic security", "famous" and "traditional" trademarks, and the criteria to be used by the Chinese government agencies charged with the application of the new screening procedures have yet to be published.

Until details on how the new *Regulations* on cross border M&A will be implemented are made public, it is hard to assess whether the additional procedures will prove to be more or less restrictive in meeting their objectives than using existing remedies. This regulatory uncertainty could have a discouraging effect on international investment into China.

**For further reading on this topic:**

OECD (2006), *Investment Policy Review of China: Open Policies Towards Mergers and Acquisitions*.

The full text of this report is available online at: [www.oecd.org/daf/investment/development](http://www.oecd.org/daf/investment/development)

### Ask the economists: Made in China. Is the game changing?

Will China remain open to foreign investment? What sort of foreign investors will Chinese companies be? Will they play by international rules? And what will be the effect of China's involvement in other economies? These were some of the questions asked of OECD economist and China investment expert Ken Davies during an online debate organised in December 2006.

Read the questions and answers from this debate at [www.oecd.org/asktheeconomists](http://www.oecd.org/asktheeconomists).

## Piloting the Policy Framework for Investment in African countries

In December 2006, in partnership with NEPAD, a roundtable on Mobilising Private Investment in Africa in Support of Development explored how to make the most of the African Peer Review Mechanism (APRM) and tested the Policy Framework for Investment (PFI) as a self-diagnostic tool to prepare an Action Plan within the APRM process. This article explains the objectives of OECD co-operation with Africa in the field of investment and the outcomes of the Brazzaville roundtable.

*Promoting investment for growth and sustainable development is the core mission of the NEPAD-OECD Africa Investment Initiative*

The NEPAD-OECD Africa Investment Initiative aims to mobilise private investment for poverty reduction, job creation and sustainable development in Africa by:

- Supporting African countries' own efforts to design, advance and implement a result-oriented national reform agenda to improve the investment climate through regional co-operation; and
- Raising the profile and image of Africa as a place in which to invest, and giving an African voice in international dialogue on policies for investment.

### *The Brazzaville roundtable*

The Initiative's roundtable was hosted by the government of the Republic of Congo – chair of the African Union in 2006 - on 12 and 13 December last year in Brazzaville.

The objectives and discussions at the roundtable focussed on:

- How to make the most of the African Peer Review Mechanism (APRM) process to identify local obstacles to mobilising investment;

- African countries' early experiences with the APRM and how OECD can support NEPAD efforts in this area; and
- The role of donors in support of African investment climate reforms, including infrastructure development.

### *The PFI and the APRM process*

As a component in addressing these issues, Zambia and Rwanda tested the PFI, using the chapters on investment policy and investment promotion and facilitation as a basis for a self-evaluation to prepare an Action Plan within the APRM process.

Some African countries represented at the roundtable thought the PFI offers a source of inspiration for modifying aspects of the APRM investment-related content and process. But the PFI is not by any means a substitute for the APRM. It was recognised that there is a need to develop a handbook of methodologies on how the PFI can be used in an African country context.

### *Strengthening Africa's peer review process*

Dr Kouassi, the APRM Secretariat Executive Director, agreed that there would be value in engaging with the OECD, where the concept of peer reviews has been used for more than 40 years, to see how Africa's own peer review process could be strengthened. In a similar context, NEPAD Secretariat Executive Head, Prof Mucavele, called for regional consultative processes to draw lessons from African countries developing investment policies and highlighting best practices.

These ideas are being developed into an agenda for the next NEPAD-OECD Africa Investment Initiative roundtable, which is tentatively scheduled for autumn 2007 in Zambia.

### **For further reading on this topic:**

*Background information on the NEPAD-OECD Africa Investment Initiative and the complete documentation for the Brazzaville roundtable are available on the website at [www.oecd.org/daf/investment/africa](http://www.oecd.org/daf/investment/africa)*



From left to right: Prof Mucavele, Executive Head NEPAD Secretariat, Minister Moussa, Ministère d'État, du Plan, de l'Aménagement du Territoire, de l'Intégration Économique et du NEPAD, Republic of Congo and Mr Akasaka, Deputy Secretary General OECD.

## Mapping the road from policy recommendation to policy impact: Investment Reform Index for South East Europe

South East Europe's relatively well qualified and inexpensive workforce, virtually unrestricted trade access to the EU and abounding natural beauty give it enormous potential as an investment location. The Investment Compact supports SEE governments' efforts to leverage these assets and to address the obstacles to mobilising investment. A main pillar of this work is the Investment Reform Index (IRI), the first comprehensive application of the Policy Framework for Investment (PFI), which SEE countries can use to measure and communicate progress on investment climate policy reforms. This article explains what the IRI is, who takes part and how it was developed.

### *What is the Investment Reform Index?*

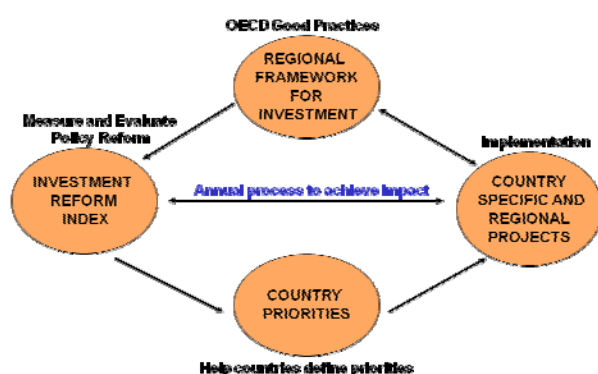
The Investment Reform Index (IRI) for South East Europe (SEE) is the first comprehensive application of the PFI. It covers 8 of the 10 PFI policy topics. These are: investment policy, investment promotion and facilitation, tax policy, competition policy, trade policy, human resource development, regulatory reform and anti-corruption and business integrity.

### *How is the IRI developed?*

Each of these policy topics is divided into sub-dimensions. For example, the sub-dimensions of tax policy are corporate tax regime, tax administration, compliance costs and transparency. Sub-dimensions are then further divided into indicators informed by the annotations to the PFI questions and structured around five levels of policy reform. Measurement is based on a combination of inputs from OECD analysts, SEE governments, private sector experts and existing published materials and condenses over 400 indicators to calculate the overall score for each policy topic.

The IRI, however, is not solely about measurement. Rather, it is the output of a monitoring and evaluation process that also involves the definition of country priorities, coaching in implementation of priorities and OECD good practices (see Figure).

### The Investment Reform Index Process



### *Snapshot on the 2006 IRI policy findings*

The results of the IRI provide an informed basis for SEE governments to evaluate the strengths and weaknesses of their investment climates and to communicate progress achieved in implementing policy reforms. The main points from the IRI 2006 report include:

- The SEE area is making considerable progress in reforming its investment, trade and

taxation policies. But more could be done to achieve far-reaching reform, particularly in those areas not directly related to the European Union accession process, such as public governance, competition policy and human resource development;

- Reforms are not proceeding at the same pace and some SEE countries still need to make further efforts in establishing the basic legal and institutional framework for key policy topics related to investment;
- The gap between the leading reformers in the region – Bulgaria, Croatia, Montenegro, Romania, Serbia – and other SEE countries is widening; and
- SEE governments are not always pursuing a consistent approach to policy making, sending conflicting signals to investors. For example, while countries have reduced tariffs and abolished import and export licenses, they have not yet addressed high non-tariff barriers to trade and burdensome customs procedures.

### ***About the Investment Compact***

*The Investment Compact is an initiative of the Stability Pact for South East Europe (SEE) and the OECD. It aims to assist SEE countries to improve their investment climate and encourage private sector development. The SEE countries are: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, FYR Macedonia, Moldova, Montenegro, Romania and Serbia.*

### *Catalysing the momentum for reform*

The IRI also aims to support governments in the SEE area to transform priorities for investment climate reform into action. Accordingly, based on the IRI results in 2006, each SEE country has defined six policy priorities to address within a year. Progress on fulfilment of these priorities will be measured during a new evaluation cycle in 2007 and published in the next IRI report.

### **For further reading on this topic:**

*The full text of the Investment Reform Index 2006, as well as information about the work and meetings of the Investment Compact, can be accessed online at:*  
[www.investmentcompact.org](http://www.investmentcompact.org)

## Measuring FDI regulatory restrictiveness

There are many forms of regulatory barriers which may restrict inward FDI and an extensive literature that tries to measure their importance. Typically, these studies use a summary indicator of overall FDI restrictions rather than focussing on each type of barrier. The OECD has recently updated and extended to more countries its measure of inward FDI regulatory restrictiveness. This article outlines how it is calculated, the results and the caveats associated with interpreting the indicator.

### *The scope of the FDI restrictiveness index*

The OECD's FDI regulatory restrictiveness index aims to measure statutory discrimination against foreign investment in three forms. These are limitations on foreign ownership; special screening procedures which only apply to foreign investors; and post-entry management and other operational restrictions.

The indicators are primarily based on information generated in the context of the implementation of the Code for Liberalisation of Capital Movements and the National Treatment Instrument for Foreign Controlled Enterprises.

The scores given attempt to capture the relative importance of the restriction. Ownership restrictions, for example receive a high score while screening and notification procedures on inward FDI receive a low score. When each of these scores is added up the index ranges between 0 and 1, with 0 representing full openness and 1 a prohibition of FDI.

The FDI restrictiveness measure is calculated for 29 OECD and 13 non-member countries, covering 9 sectors and 11 sub-sectors. The scoring is made at the industry level and the national average is calculated by weighting the industry scores.

### *The countries most open to FDI tend to be in Europe*

Among OECD countries, the most open tend to be in Europe, with intra-European Union FDI inflows

virtually unrestricted and minimal overt restrictions on inflows from non-EU countries. There is greater variation in FDI restrictiveness among the non-OECD countries measured, and the degree of restrictiveness is on average higher than in the OECD area (see figure).

On an industry basis, the pattern of restrictions is broadly similar across countries, with the electricity, transport, telecommunications and finance sectors less open to inward FDI than the manufacturing, tourism, construction and distribution sectors.

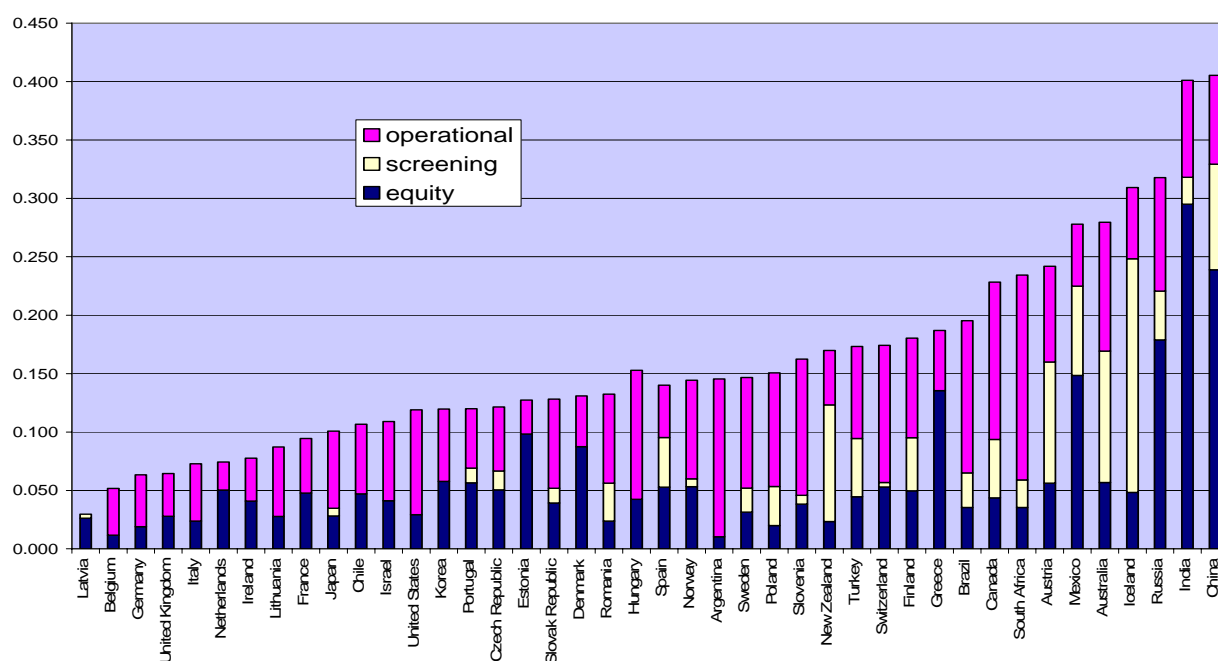
### *Interpreting the FDI restrictiveness measures requires caution*

A number of important qualifications regarding the FDI regulatory restrictiveness scores apply. The measures do not capture non-policy institutional restrictions, or policies that may indirectly impinge on FDI, such as product market regulations. Nor is the extent of actual enforcement of restrictions factored into the calculations. Nonetheless, when the indices are used in combination with other variables they contribute to explaining variations among countries in attracting FDI.

### **For further reading on this topic:**

See *OECD Working Papers on International Investment*, No. 2006/4, available at: [www.oecd.org/investment](http://www.oecd.org/investment).

**FDI Regulatory Restrictiveness by Type of Restriction**



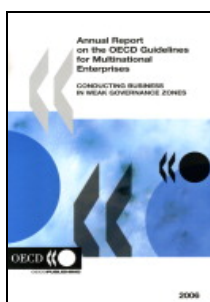
## Selected investment publications

### Investment for Development: 2006 Annual Report



Investment for Development provides a record of the OECD Investment Committee's co-operation programmes with non-member economies and their results. These extensive co-operation activities are organised around three dimensions: global events, regional initiatives and dialogue with individual countries. This report documents how these initiatives help to strengthen implementation capacities and best practices among non-members, drawing on the broad applicability of the principles and expertise the OECD has developed in the area of international investment, including the positive contribution of responsible international business. The full report, which includes some of the background analytical work developed under the OECD Investment Committee's investment policy work programme with non-member economies over the past year can be downloaded at: [www.oecd.org/daf/investment/development](http://www.oecd.org/daf/investment/development).

### 2006 Annual Report on the OECD Guidelines for Multinational Enterprises *Focus on: Conducting business in weak governance zones*



The *Guidelines* are recommendations on international business conduct in such areas as labour, environment, consumer protection and the fight against corruption. The recommendations are made by the adhering governments and, although they are not binding, governments are committed to promoting their observance. This book provides an account of what the 39 adhering governments have been doing to enhance the contribution of the *Guidelines* to the improved functioning of the global economy. One highlight of this reporting period was the completion of guidance for companies operating in weak governance zones, offering considerations in such areas as obeying the law and observing international instruments; political activities; knowing clients and business partners; and speaking out about wrongdoing.

### Investment Reform Index 2006. Progress in Policy Reforms to improve the Investment Climate in South East Europe



The Investment Reform Index (IRI) is a tool which SEE countries can use to measure – and communicate progress on policy reform to improve the business climate. The IRI allows SEE countries to benchmark progress relative to their peers in the region. Structured around the Policy Framework for Investment, it provides direction on how to make improvements within each policy dimension through adopting good practices. The full report containing quantitative and qualitative data, final evaluation scores and policy recommendations can be downloaded at: [www.investmentcompact.org](http://www.investmentcompact.org).

### International Direct Investment Statistics Yearbook (forthcoming)



Driven by technological change, global competition and the ongoing liberalisation of markets, international investment plays a key role in the process of global economic integration. Reliable statistics are essential for a meaningful interpretation of investment trends for the purpose of policy analysis and decision. Internationally comparable, historical data makes it possible to measure the degree of economic integration and competitiveness of markets and its evolution over time. This Yearbook gathers detailed statistics on international investment to and from the OECD area over the past twenty years. Comparative tables and charts for direct investment flows and stocks by geographical area and industry sector complement the information included for individual countries.

Several options are available for obtaining publications:

- Additional information and links can be found via the investment portal on the OECD website: [www.oecd.org/investment](http://www.oecd.org/investment)
- Subscribers and readers at subscribing institutions can access the online edition via the online library: [www.sourceoecd.org](http://www.sourceoecd.org)
- Non-subscribers can purchase the PDF e-book and/or paper copy via our Online Bookshop: [www.oecd.org/bookshop](http://www.oecd.org/bookshop)
- Government officials can find the PDF e-book via the publication locator on OLISnet: [www.oecd.org/OLISnet](http://www.oecd.org/OLISnet)
- Accredited journalists can obtain password access via the Newsroom: [www.oecd.org](http://www.oecd.org)

## Forthcoming events

30 March, 2007, Paris

### Roundtable on Investment Protectionism

The fourth roundtable on Freedom of Investment, National Security and "Strategic" Industries will consider policies towards takeovers by foreign government-controlled entities and the challenge of identifying the ultimate beneficiary owner and the relevance of nationality in that context, as well as the main procedural considerations for investment regulators. Find out more at [www.oecd.org/daf/investment](http://www.oecd.org/daf/investment).

Contact: Hans Christiansen [+33(0)145248817]

26-27 April 2007, Melbourne

### APEC-OECD High Level Public-Private Policy



#### Dialogue on the Policy Framework for Investment

Following on from the APEC-OECD Seminar on the Policy Framework for Investment (PFI) hosted by Viet Nam in September 2006, Australia will

host a two-day APEC Public Policy Dialogue on the PFI in Melbourne on 25-26 April 2007. The main purpose of this event will be to discuss practical ways of making use of the PFI as an effective policy tool to improve the investment climate.

The Melbourne meeting will present the initial results of a project that is developing and testing a methodology for using the PFI as a framework for guiding policy choices in Viet Nam. Based on these findings and the priorities identified by the self-assessment of Viet Nam's investment climate, an independent and fuller report on Viet Nam's investment reform strategies against the PFI will be undertaken. This will involve the identification of Viet Nam's investment policy capacity building needs for implementation over the short- to medium-term.

The methodology used for Viet Nam will offer valuable lessons into how PFI assessments could be conducted within APEC and how the PFI might be used as the basis for regional peer learning and dialogue in APEC on investment climate reform.

Contact: Marie-France Houde [+33(0)145249126]

18-20 June 2007, Paris, France

### Annual Meeting of the National Contact Points and Roundtable on Corporate Responsibility

National Contact Points (NCPs) – government offices who are responsible for encouraging observance of the OECD Guidelines for Multinational Enterprises – will meet in Paris to take stock of their experiences during the seventh year of implementation since the June 2000 Review. The accompanying Roundtable on Corporate Responsibility will provide an opportunity for NCPs to share views and obtain ideas from experts, the business community and other stakeholders on enhancing the effectiveness of the Guidelines: [www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines).

Contact: Marie-France Houde [+33(0)145249126]

## News in brief

### Roundtable on Freedom of Investment, National Security and "Strategic" Industries

On 6 December 2006, delegates from OECD member countries, China, Russia, Brazil, South Africa and other countries adhering to the Declaration on International Investment and Multinational Enterprises, as well as invited private sector experts, met in Paris to examine the national frameworks used for addressing security and other essential concerns in the field of international investment, and how they are seen from the investors' perspective. The roundtable also focussed on the treatment of national security in international investment agreements, regulations and private sector approaches bearing on cross-border takeovers and the regulatory treatment of state-controlled enterprises.

For a summary of the discussions visit: [www.oecd.org/daf/investment](http://www.oecd.org/daf/investment)

### Global Forum on International Investment

The OECD's annual Global Forum on International Investment (GFII) took place in Istanbul on 6-7 November 2006. The main topic of the 2006 GFII was international investor participation in infrastructure. Participants discussed experiences so far with private sector involvement in the infrastructure sector, and tried to establish success criteria, including regarding the domestic investment climate, modes of public-private co-operation and responsible business conduct. The GFII also piloted the use of the PFI in Egypt and Costa Rica through the review of the findings of a self assessment based on the investment policy, investment promotion and facilitation and trade policy chapters of the PFI.

For a summary of the discussions visit: [www.oecd.org/daf/investment](http://www.oecd.org/daf/investment)

## DID YOU KNOW...

...that a 2006 survey of Fortune Global 500 firms showed that 41% of the respondents indicated that their companies use the OECD Guidelines as a reference in the area of human rights?

This survey which was conducted by the UN Secretary-General's Special Representative for Business & Human Rights, can be accessed online via the Guidelines website [www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines).