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Development-centred globalization:

Towards inclusive and sustainable growth and development

Round Table 2 Promoting investment, trade, entrepreneurship and related development policies to foster sustained economic growth for sustainable and inclusive development

UNCTAD XIII

Held at the Qatar National Convention Centre, Doha, on 22 April 2012

Summary prepared by the UNCTAD secretariat

1. Round Table 2, part of the UNCTAD XIII proceedings, benefited from the participation of 40 Ministers from developed, developing and transition economies, as well as heads of international organizations. Participants discussed how investment and enterprise development policies could facilitate building productive capacity and integration into global value chains to support sustainable economic development.
2. Ministers focused on ways and means to harness investment and enterprise development policies for sustainable and inclusive development. They provided guidance for the secretariat on future work priorities and confirmed the role of UNCTAD as the United Nations' focal point for investment, enterprise and development.
3. Ministers said that the World Investment Forum was the key forum for all investment stakeholders and noted the continuing widening of the participating investment community, including sovereign wealth funds. Ministers expressed appreciation for UNCTAD's research and analysis, including the *World Investment Report*, the Global Investment and Policy Trends Monitors, the investment information system and the work carried out in the field of international investment agreements. They expressed support for

UNCTAD's technical assistance work, including through the Investment Policy Reviews and the Investment Facilitation Compact.

4. Ministers reported on the challenges they faced in harnessing investment and entrepreneurship for inclusive and sustainable development. While some challenges were experienced by a large and diverse number of countries, others were grounded in the development contexts faced by particular countries. Properly grounding entrepreneurship and investment policy in development strategy was considered an important and cross-cutting response in this regard.

5. Ministers shared ideas and experiences relating to specific policies used to foster responsible foreign investment and to maximize its role in mobilizing domestic investment, entrepreneurship and productive capacity-building. Countries could obtain valuable guidance from UNCTAD's new investment policy framework for sustainable development (IPFSD), which offered concrete suggestions for investment and related policies. Countries expressed their interest in using IPFSD for the improvement of investment climates. Ministers requested UNCTAD to support countries' efforts to improve investment climates through technical assistance using IPFSD as guidance.

6. Ministers benefitted from the report of the International Investments Agreements (IIA) Annual Conference, which offered suggestions on ways and means to improve the IIA regime for promoting responsible investment and to strengthen the development dimension of such agreements. Delegates encouraged UNCTAD to continue its work in this area, providing concrete policy options for developing countries in formulating investment policies at the international level as part of IPFSD. Ministers expressed interest in the development of a set of core principles for investment policies.

7. Ministers concurred that, while providing appropriate security for investors was one key dimension in mobilizing foreign direct investment (FDI), domestic policies to create an attractive investment climate remained decisive. They agreed that further work at the international level could assist in promoting better quality FDI capable of enhancing development and job creation and skills upgrading.

8. A transparent, informed and predictable approach to the development of national and international investment policies was considered particularly important for the private sector, the ultimate source of foreign investment – domestic investment was deemed to be as important as foreign investment.

9. Entrepreneurship promotion was also a vital component of economic growth and development. It had the potential to contribute to specific sustainable development objectives, including employment for women and youth. Growth-oriented entrepreneurs could also contribute to structural transformation and building new industries. Ministers agreed that with the inclusion of entrepreneurship as part of the development policy agenda, there was an opportunity to better link investment and private-sector development to the goals of inclusive and sustainable development, including through the promotion of investment and entrepreneurial activity in green growth.

10. In this regard Ministers expressed appreciation for UNCTAD's new entrepreneurship policy framework that aimed to assist policymakers in designing national entrepreneurship development strategies. Important areas brought up by participants for the development of investment and enterprise included access to finance; education and training; strong, but facilitating rules and regulations for business; facilitating business linkages; corporate governance and social responsibility; and protection of intellectual property rights. A number of other policy areas were crucial for the maximization of development benefits of investment and enterprise. Among other topics, they discussed the link between investment and trade and suggested that UNCTAD further explore this nexus.

11. The Round Table brought to light the benefits that could be derived from international cooperation with respect to harnessing investment and enterprise policies for sustainable development. Ministers noted that multilateral engagement could help by allowing for the sharing of experiences and best practices, bringing the world towards a more coordinated and coherent international investment regime, and contributing to finding a common understanding on the way forward for national entrepreneurship and investment policies.
