



The Voice of OECD Business

---

## Press Release

### OECD business opposes new regulations on sovereign wealth funds

**Paris, March 31, 2008** – “Governments must avoid hastily conceived new regulations on sovereign wealth funds (SWFs) in their efforts to diminish recent rising public criticism against these investment vehicles,” said Mr. Tadahiro Asami, Secretary General of the Business and Industry Advisory Committee to the OECD (BIAC). “Increased international co-operation, transparency and governance are the keys to successfully alleviating fears and building the trust necessary to permit the positive contributions that SWFs can provide to our economies.”

Speaking on the eve of the first conference of its kind on “*Sovereign Wealth Funds in the Global Investment Landscape*” hosted by the OECD and the City of London with participation by the IMF, Asami highlighted the OECD business communities’ concern that unnecessary regulations could be used as a cover for protectionism and thereby restrict freedom of international investment.

Asami made it clear that host economies have much to gain a lot by keeping their doors open to SWF investment. Most of the sovereign funds have shown themselves to be professionally managed; taking a long-term investment view and operating to achieve financial as opposed to political objectives. Companies have had very positive experiences with SWFs as reliable investors. The sharing of information and experience between OECD, IMF, SWFs and business at the London conference should provide the ground for more informed policy discussions.

BIAC urges the OECD to develop policy guidance for host countries on how to identify and effectively address any substantive risks that SWFs’ may pose for national security while keeping the markets as open as possible for international investment.. The OECD policy guidance for the recipients of SWFs’ investment should be accompanied by an IMF compilation of best practices concerning transparency and accountability by the sovereign funds.

“The more SWFs effectively co-operate with the OECD and the IMF, and the firmer their approach is towards transparency and accountability, the higher the potential benefits from their investments are for our economies,” Asami concluded.

*Founded in 1962 as an independent organisation, the Business and Industry Advisory Committee to the OECD (BIAC) is the officially recognised representative of the OECD business community. BIAC’s members are the major business organisations in the 30 OECD member countries, [www.biac.org](http://www.biac.org).*

*For more information, journalists are invited to contact [Mark Primmer](mailto:Mark.Primmer@biac.org), BIAC Communications Manager. (Tel: +33 1 42 30 09 60).*