



The Voice of OECD Business

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Paris, 23 June 2008

Dear Mr. Gurría,

I would like to congratulate you for the Declaration on 'Sovereign Wealth Funds and Recipient Countries' that the Ministers issued at the recent Ministerial Council Meeting. BIAC is convinced that this statement will have a profound, positive impact on markets and policy makers as it reflects continued high-level commitment to open markets for foreign investment.

As we highlighted in our Statement to the OECD Council Meeting at Ministerial Level on June 3, 2008, the litmus test for the OECD policy guidance for recipient countries policies towards foreign investment will be its effective implementation by the governments. To help ensuring that countries live up to their commitments made in the OECD Declaration, the OECD must monitor countries' policies and exercise peer pressure when countries fail to comply with the OECD's standards.

In our view, the OECD needs to strengthen the existing peer review mechanism in the area of investment to monitor member countries policies. The strengthened system should involve more thorough research, requesting detailed information from countries and publication of the results. It should be applied to all OECD member countries as well as other major non-member recipient countries of foreign investment.

In this respect, BIAC calls on you to ensure that the OECD will provide the funding that is necessary for establishing an effective peer review system. Only credible monitoring through peer reviews can ensure the practical relevance and success of the excellent OECD policy guidance on how to keep our markets open for investment.

Your continued strong leadership in promoting the work programme on 'Freedom of Investment' will be critical for ensuring that the OECD countries will effectively implement the principles for recipient countries' policies towards foreign investment that the Ministers endorsed in the Declaration.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'T. Asami', written in a cursive style.

Tadahiro Asami  
Secretary General

Mr. Angel Gurría  
Secretary-General  
Organisation for Economic Co-operation and Development

cc: Ms. Thelma Askey