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**DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS  
INVESTMENT COMMITTEE****Revised Declaration on International Investment and Multinational Enterprises**

This document presents the final revised version of the Declaration on International Investment and Multinational Enterprises (“Declaration”) [[OECD/LEGAL/0144](#)], adopted on 27 October 2023.

The full Declaration, including annexes, can be found at <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0144>.

This document is submitted to the Investment Committee *for information*.

Ana Novik, Head, Investment Division ([ana.novik@oecd.org](mailto:ana.novik@oecd.org))

Stephen Thomsen, Deputy Head, Investment Division ([stephen.thomsen@oecd.org](mailto:stephen.thomsen@oecd.org))

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## Revised Declaration on International Investment and Multinational Enterprises

### ADHERENTS:

**HAVING REGARD** to the standards developed by the OECD related to international investment, in particular in the areas of non-discrimination, national security interests, conflicting requirements, investment incentives, responsible business conduct, and foreign direct investment qualities;

**HAVING REGARD** to the Policy Framework for Investment (hereafter, the “PFI”) [C/MIN(2015)5], a tool to support governments in taking a comprehensive and systematic approach for improving investment conditions;

### CONSIDERING that:

- international investment is of major importance to the world economy and has considerably contributed to the development of the domestic economies of Adherents;
- the economies of Adherents are both sources and destinations for international investment;
- the positive contributions of international investment to sustainable development are not always guaranteed and can differ across segments of society and countries, regions and policy areas of sustainable development;
- enhancing the positive contribution of international investment to sustainable development outcomes while minimising adverse impacts is a central concern of investment policymaking;
- to create favourable conditions for investment and enhance its contribution to sustainable development, Adherents should adopt a comprehensive, whole-of-government approach, across all policy areas affecting investment;
- multinational enterprises (MNEs) play an essential role in the investment process, and their activities can substantially affect long-term economic, social and environmental progress, including in addressing climate change and protecting human rights, in both home and host economies;
- international investment treaties are an important component of the framework governing the conditions for foreign investment in many economies, safeguarding the rights of investors while taking into account governments’ right to regulate to confront global and domestic challenges;
- international investment incentives are widely used to influence foreign and domestic investor behaviour and that governments offering incentives are increasingly taking account of their impact on sustainable development;
- investment promotion and facilitation can help to attract and retain investment and enhance its contribution to sustainable development;
- discrimination on the basis of nationality can distort the allocation of capital, reduce competition, and undermine investment attraction efforts;
- certain investments may entail risks to the national security interests of a given country;

- responsible business conduct (RBC) furthers the contribution of investment to sustainable development, and that RBC standards play an important role in creating a level playing field across global markets;
- reliable and sustainable infrastructure enhances economic activity and contributes to sustainable development, lowering production and transaction costs, as well as reducing social and environmental costs;
- international co-operation can improve the foreign investment climate, encourage the positive contribution which multinational enterprises can make to economic, social and environmental progress, and minimise the adverse impacts that may be associated with an enterprise's operations, products and services;
- the benefits of international co-operation are enhanced by addressing issues relating to international investment and multinational enterprises through a balanced framework of inter-related instruments and policy areas;
- while this Declaration does not deal with the right of Adherents to regulate the entry of foreign investment or the conditions of establishment of foreign enterprises, Adherents recognise the value of open conditions for investment.

#### **DECLARE:**

##### **I. That Adherents should:**

- promote predictability, transparency, rule of law, accountability and inclusiveness in investment policy implementation;
- foster coordination across government, including different levels of government, on investment policy;
- engage meaningfully with stakeholders on investment policy, including a balanced approach that facilitates investment consistent with sustainable development.

#### **Foreign Direct Investment Qualities**

##### **II. That Adherents should:**

- take steps to ensure that domestic policy and regulatory frameworks support positive impacts of investment on sustainable development;
- prioritise, facilitate, and promote sustainable development objectives when providing financial and technical support to stimulate investment;
- address information failures and administrative barriers to facilitate and promote investment for sustainable development;
- strengthen the role of development cooperation for mobilising foreign direct investment and enhancing its positive impact on developing countries;
- work together, including in the Investment Committee, to monitor the impacts of foreign direct investment, including as they relate to sustainable development.

### **National Security Interests**

- III. That Adherents should be guided by the principles of non-discrimination, transparency, predictability, regulatory proportionality, and accountability when adopting policies, including specific laws, regulations and administrative practices (hereinafter called “measures”) designed to safeguard national security interests.

### **Responsible Business Conduct**

- IV. That Adherents:

- jointly recommend to multinational enterprises operating in or from their territories the observance of the Guidelines for Multinational Enterprises on Responsible Business Conduct, set forth in Annex 1 hereto, having regard to the considerations and understandings that are set out in the Preface and are an integral part of them;
- should foster co-operation and exchange of information and views on policies for RBC, including practical experience with implementation and the experience gained in the application of the Guidelines, including by providing guidance, training, and capacity building;
- should promote and enable RBC across relevant policy areas, including by promoting RBC through trade and investment policies.

### **Non-discrimination**

- V. That Adherents should:

- establish non-discrimination as a general principle underpinning investment policies and practices, including as related to RBC, foreign direct investment qualities, incentives and disincentives, and other areas covered in this Declaration, and consistent with their development strategy;
- accord to enterprises operating in their territories and owned or controlled directly or indirectly by nationals of another Adherent, treatment under their laws, regulations and administrative practices, consistent with international law and no less favourable than that accorded in like situations to domestic enterprises ("National Treatment"), consistent with their needs to maintain public order, to protect their national security interests, and to fulfil commitments relating to international peace and security;
- ensure that, exceptions to National Treatment, when they are adopted or maintained, be limited and proportional;
- consider whether policy options exist that can substitute for measures deviating from national treatment while achieving the same policy objectives in a more targeted way, giving special priority to limiting inconsistent measures in those areas where most Adherents do not find it necessary to maintain restrictions;
- consider applying National Treatment in respect of economies other than Adherents;
- take steps to ensure that National Treatment is applied at all levels of government.

### **Conflicting Requirements**

- VI. That Adherents should:

- avoid or minimise conflicting regulatory requirements on multinational enterprises by conforming to the principles of international law when contemplating new legislation, action under existing legislation or other exercise of jurisdiction;

- promote co-operation as an alternative to unilateral action to avoid or minimise conflicting requirements and problems arising therefrom. To that effect, Adherents should on request consult one another and endeavour to arrive at mutually acceptable solutions to such problems;
- take into account the general considerations and practical approaches as set forth hereto in Annex 2 on Conflicting Requirements imposed on Multinational Enterprises.

### **International Investment Incentives and Disincentives**

VII. That Adherents should:

- recognise the need to strengthen their co-operation in the field of international investment and thus the need to give due weight to the interests of other Adherents affected by specific measures providing official incentives and disincentives to international investment;
- prioritise sustainable development objectives when providing incentives and make such measures as transparent as possible, so that their cost and effectiveness can be ascertained and investors have a clear understanding of requirements and procedures to benefit;
- regularly engage in improving design, governance, monitoring, and evaluation of these measures and be mindful of the potential impact of incentives on domestic revenue mobilisation and the efficient allocation of capital within and across countries.

### **Consultation Procedures**

VIII. That Adherents should be prepared to consult one another on the above matters in conformity with the relevant Decisions of the Council;

### **Review**

IX. That Adherents will review the above matters periodically with a view to improving the effectiveness of international economic co-operation among Adherents on issues relating to international investment and multinational enterprises.

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*[Annexes not included – the full Declaration, including Annexes, can be found at <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0144> ]*