

INTERNATIONAL INVESTMENT

35. Ministers undertook a Review of the 1976 Declaration on International Investment and Multinational Enterprises and the related Decisions. They expressed satisfaction that the three related instruments approved in 1976 and revised in 1979, dealing respectively with Guidelines for Multinational Enterprises, National Treatment for enterprises under foreign control and incentives and disincentives for international investment, are making an important contribution to the international investment climate, and to strengthening mutual confidence between multinational enterprises and governments.

36. Noting the growing importance and scope of problems arising from the imposition by Member countries of conflicting requirements on multinational enterprises, Ministers agreed to strengthen bilateral and multilateral co-operation in this area in order to avoid or limit the scope of such conflicts. Accordingly they endorsed a set of general considerations and practical approaches to these problems as set out in paragraphs 23-33 of the Review Report. Ministers also noted the concern over the impact of unitary taxation on international investment and the importance of achieving an early resolution of the problem.

37. Underlining the important role of foreign direct investment between Member countries, Ministers agreed to reinforce the application of the Declaration on International Investment and Multinational Enterprises, including notably the national treatment instrument. They endorsed the recent decision to amend the Code for Liberalisation of Capital Movements in order to cover certain right of establishment measures related to direct investment. They called upon the Organisation to continue to work towards further liberalisation of restrictions on direct investment.