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Trade and Development Board
Investment, Enterprise and Development Commission
Expert Meeting on the Contribution of Foreign Direct Investment to the
Transfer and Diffusion of Technology and Know-how for
Sustainable Development in Developing Countries,
Especially Least Developed Countries
Geneva, 16–18 February 2011

**Report of the Expert Meeting on the Contribution
of Foreign Direct Investment to the Transfer and
Diffusion of Technology and Know-how for
Sustainable Development in Developing Countries,
Especially Least Developed Countries**

Held at the Palais des Nations, Geneva, from 16 to 18 February 2011

I. Chair's summary

1. The Expert Meeting on the Contribution of Foreign Direct Investment to the Transfer and Diffusion of Technology and Know-how for Sustainable Development in Developing Countries, Especially Least Developed Countries met on 16–18 February 2011 to discuss the role of transnational corporations (TNCs) in the transfer and diffusion of technology, with a particular focus on the needs of the least developed countries (LDCs).

A. Opening statements

2. In his opening remarks, the Secretary-General of UNCTAD noted that simple technologies could make a big difference to LDCs, arguing that such technologies could drastically improve productivity. He cited the examples of drip irrigation used by Indian farmers, which had resulted in a two- or three-fold increase in land yields, and the Ethiopian coffee trademark designation that had allowed the country to successfully negotiate with global producers and upgrade its coffee exports. He noted that TNCs were the key repositories of technology, and emphasized the importance of enabling and proactive leadership by governments in collaborating with TNCs. Elements of such leadership included (a) improving intellectual property rights (IPR) protection; (b) identifying and targeting the right companies and technologies; (c) providing the necessary facilities to accommodate technology transfer by establishing science and technology parks, often in cooperation with universities or using public–private partnerships (PPPs); (d) developing clusters for technology dissemination and local supply capacity; and (e) providing government support in the form of consulting, training, and fiscal incentives for linkages. He particularly stressed the need to help LDCs make use of the existing flexibilities under the Agreement on Trade-Related Aspects of Intellectual Property Rights (the TRIPS agreement), and called for their absorptive capacities to be boosted by focusing official development assistance (ODA) on upgrading skills and on developing entrepreneurship and a competitive private sector.

3. Echoing the above-mentioned remarks, the Chair cited the example of contract farming, through which international agribusinesses brought technologies to LDCs such as farm mechanization and enhanced crop seeds which could help improve agricultural production and feed more people. He also emphasized the strategic role of governments and of international support in facilitating TNC-mediated technology transfer, stating that technological progress was key to achieving the Millennium Development Goals.

4. Introducing the secretariat's issues note (TD/B/C.II/EM.2/2), the Director of the Division on Investment and Enterprise highlighted the wide technological gap between developed and developing countries and the fact that some large TNCs spent more on research and development (R&D) than most developing countries did. He stressed that TNCs played a key role in transferring and diffusing technology to developing countries, and that the overwhelming majority of cross-border technology flows were carried out by TNCs. He also pointed to the increasing role of non-equity modalities, such as franchising, subcontracting, licensing etc. He identified the key policy challenges for technology transfer to developing countries, particularly LDCs. The Director of the Division on Technology and Logistics stressed that the extent to which foreign direct investment (FDI) led to technology transfer and knowledge spillovers to domestic firms depended on several elements: (a) host country conditions such as national policies and capabilities; (b) the strength of domestic innovation systems and the capabilities of local firms; and (c) the industry into which the FDI was flowing. The poorest countries – particularly the LDCs – faced greater challenges in harnessing FDI to help build local technological and innovative capacities. For those countries, more rapid progress in building these capacities was essential in order to raise productivity, stimulate productive transformation and reduce poverty. Both Directors stated that policy was of great importance, and they advocated a

proactive policy agenda in both host and home countries and at both international and national levels.

B. TNCs and the transfer of technology: FDI and non-equity modalities

5. It was noted that technological progress was critical to economic growth and welfare for any country, regardless of its level of development. Some developing countries had made significant technological progress during the past two decades, but the technology gap between rich and poor countries remained wide. Reducing this gap had become a necessary condition for putting developing countries, and particularly LDCs, on a path of sustainable development and poverty reduction. Discussion at the first informal session of the meeting demonstrated that, as major creators of new and advanced technologies and key agents of technology transfer, TNCs could play an important role in this regard.

6. It was noted that TNCs were major players in global technology generation, accounting for about half of the world's total R&D expenditure and more than two thirds of the world's business R&D. Panellists at the session emphasized the key role of TNCs (whether they were large conglomerates or SMEs and whether they were from the North or the South) as active agents in transferring useful technologies to developing countries. TNCs could transfer and diffuse technology of many kinds, including a wide range of hard and soft elements. These included technologies embodied in capital goods, as well as production, organizational, managerial and other skills. As noted by the UNCTAD Secretary-General at the opening of the meeting and by experts during the session, the useful technologies transferred to LDCs were often not cutting-edge techniques, however relatively simple technologies could help to drastically improve productivity.

7. Non-equity activities, such as franchising, licensing and contract manufacturing, as well as contract farming, were also important for technology transfer, and could also bring some indirect benefits to the domestic economy. Indeed, presentations made by a number of panellists showed that the developing economies that were the most successful in building up domestic technological capabilities did so by relying mainly on the externalized channels of technology transfer. The electronics industry in East and South-East Asia, highlighted at the meeting, provided a revealing example.

8. Sharing their experiences with regard to best practice, panellists also emphasized the importance of embedding technological innovation in a coherent national development framework and of consistently upgrading local firms' participation in internationally integrated value chains. Since some FDI in the extractive industries did not necessarily result in significant transfer of technology despite the capital- and skill-intensive nature of these industries, governments may consider how FDI flows into the primary sector could be used to develop local capacities and other sectors for diversification. The importance of non-equity forms in facilitating effective transfer of technology and know-how was reaffirmed. Experts stressed the need for an open FDI regime with active participation by domestic firms in the outsourcing activities by TNCs which were likely to accelerate in the future.

9. Country experiences discussed at the session showed that low-income countries had the potential to become significant recipients of TNC-mediated technology transfer, but that they also faced many challenges and difficulties, such as their unattractiveness to high-technology and innovation-oriented FDI, and the low absorptive capacity of domestic firms. The successful experiences of large emerging economies with their national innovation systems attracted much attention, and these were discussed further at a later stage of the meeting dealing with policy issues.

C. TNCs and the diffusion of technology: linkages and spillovers

10. This session discussed the issue of diffusion of technology through foreign affiliates of TNCs. Panellists noted the fact that R&D investment was still concentrated in a few developed countries. As a consequence, most developing countries were highly dependent on North–South knowledge transfer for their technological development. The panellists who made presentations on country experiences (India and Senegal) confirmed that view, and noted that FDI was seen in those countries not only as a source of finance but also as an important means of narrowing the technology gap. It was noted that the internationalization of R&D by TNCs opened up new opportunities for developing countries to enhance their own innovative capabilities. It was pointed out that a number of economies were emerging as R&D locations for TNCs, most notably Brazil; China; China, Taiwan Province of; Israel; Malaysia; Mexico; the Republic of Korea; and Singapore. It was noted that the enforcement of intellectual property rights was a key factor in where TNCs chose to locate R&D centres.

11. Although it was acknowledged that there were many channels for technology transfer (e.g. trade, movement of personnel), the discussion focused on the role of TNC affiliates, and especially on the “spillover” effects – that is to say, improvements in the productivity of local firms as a result of the presence of foreign firms. TNCs could diffuse technology and skills to the local economy thanks to interactions between foreign affiliates and domestic firms through demonstration, competition, linkages and labour mobility. Indeed, substantial evidence from case studies had shown that FDI created the potential for technology-diffusion effects, or spillovers. However, mixed evidence from macro/industry-level studies regarding the significance of spillovers had shown that these were not automatic. It was emphasized that such spillover effects were dependent on the absorptive capacity of the local firms and on the TNCs’ operational strategy with regard to the use of technology, both of which were affected by government policies.

12. It was noted that TNCs were increasingly adopting non-equity contractual arrangements to manage their global value chains. These allowed TNCs to avoid taking risks associated with committing capital, but in exchange compelled them to invest in the interface with their contractual counterparts. Such an interface created more opportunities for technology spillovers. Another related aspect was the decentralization of TNC networks. More independent affiliates in a decentralized network provided more opportunities for technology transfer and thus could be more beneficial to the host country.

13. It was stated that among the factors affecting the degree of technology diffusion, policy was the key factor, in particular in the areas of education, R&D, investment, trade and competition. Delegates commented on the importance of IPR protection. It was noted that rather than hindering the spread of technology, a well-functioning patent system could serve as a source of technological knowledge that assisted and encouraged innovation in related areas.

14. Panellists sounded a note of caution over the use of subsidies to encourage spillovers from FDI: these only made sense if local absorptive capacity existed. Furthermore, such subsidies should be targeted at the most efficient spillover channels, namely joint R&D, training, and linkages, among others. One panellist noted that in order to avoid a “subsidy game” in the competition to attract FDI, policy coordination among developing countries was desirable. Another area of policy coordination suggested in the meeting was South–South cooperation for technology transfer.

15. During the interactive debate, delegates and panellists discussed other means by which developing countries could access the technology of TNCs. A number of participants noted that non-equity modalities of TNC participation in host countries, for example licensing and franchising, were important for technology transfer. Franchising was mentioned in particular, by a number of delegates, as a fast-expanding modality with positive impacts on skills development. It was also noted, however, that franchising was

often consumption-oriented, and might therefore not fit into developing countries' more production-oriented development plans.

16. Some participants also noted the potential role of public-sector entities as partners for foreign TNCs. One delegate noted that it was often public-sector entities that had the necessary absorptive capacity to benefit from the relationship with TNCs. It was highlighted that in this case the public sector could play an important role in facilitating additional linkages with private-sector firms in order to expand the benefits of technology transfer. PPPs were mentioned as one vehicle through which this could be accomplished.

D. Factors affecting technology transfer and diffusion: lessons from successful cases

17. It was stated that a wide range of economic, strategic and policy factors determined the degree of technology transfer and diffusion. The Chair noted that the successful examples of technology transfer and diffusion presented at the session (in economies such as the Dominican Republic and Taiwan Province of China) were very revealing of the variety of policies and enabling conditions offering important practical lessons for developing countries, especially LDCs. They showed that successful technology transfer did not happen on its own, but required the active participation of both home and host governments.

18. Experts noted, in particular, that beyond ensuring an enabling institutional environment for foreign investment and innovation activities, policymakers needed to consider how to build up the capacity of local firms to absorb foreign technology and a certain level of domestic R&D capability. One expert noted that businesses – including foreign investors thinking of making investments with a high level of embedded technology – were highly risk-averse. Thus, in order to expedite the commercialization of R&D, one needed to empower and incentivize the generators of the technology, including universities. Similarly, in order to attract these investments to developing countries, policymakers must create the opportunities for technology transfer to occur, by establishing a clear and stable framework for foreign investment and innovation activities.

19. Indeed, the importance of recipient countries' policy environment in attracting high-tech investments was repeatedly stressed. IPR regulations, in particular, were highlighted as a crucial element in attracting foreign investments with high-tech components. One delegate noted that research in his country had found that foreign investors with projects containing potentially high levels of technology transfer were the most sensitive to the IPR laws of the host country. In that context, another delegate cited a study showing that policy choices that imposed requirements on foreign affiliates – such as local sourcing requirements or technology transfer mandates – deterred investment and technology transfer rather than facilitating them.

20. Given the inherently asymmetric bargaining power and the centrality of contractual arrangements in technology transfer, experts favoured a proactive policy approach aimed at making the playing field level. Moreover, some experts argued that in order to gain the most from FDI and technology transfer, the government may need to ensure a level playing field between TNCs and local firms. The example of the notebook computer industry in Taiwan Province of China was given, to highlight the importance of policy sequencing in building up local capabilities. The role of TNCs, through FDI and non-equity partnerships in this example, was regulated in the economy, progressing from first allowing export-processing to later creating targeted science-based parks, and in the meantime allowing local firms to build up their capacities. Governments could further help level the playing field between TNCs and local firms by pushing for lock-in contract terms and providing arbitration services.

21. Furthermore, it was argued that in order for capacity-building to succeed, governments must prioritize their efforts and encourage open innovation systems. Governments could also play an important role in providing focal points for investment and innovation activities. A number of experts highlighted the important role that technology-transfer centres and industrial parks had played in their countries. These parks were highly successful in attracting investors and inducing technology transfer to local firms, when coupled with a good regulatory framework and targeted incentives. However, the promotion of local partners' abilities to upgrade their technological capacity was the key to ensuring adequate transfer of technology and a more equitable sharing of its benefits.

22. It was noted that investments with high technology-transfer potential may come from unexpected places. One expert highlighted the potential importance of South-South FDI in disseminating technology throughout the developing world. FDI from developing countries, surprisingly diverse in terms of both geography and industry, was expanding fast, and therefore offered increasing opportunities for technology transfer, especially to LDCs. The greater propensity of TNCs from the South to engage in joint ventures with local partners, and their possession of technology that is more easily absorbed, made their FDI even more attractive. Furthermore, it was argued that SMEs in the developing world, which often played a more important role in their home economies but had largely refrained from internationalizing, could be important agents of such South-South technology transfer. In order for this to be realized, however, policy developments needed to occur both in home countries – to encourage and assist SMEs to internationalize, and in host countries – to target and facilitate these investments. In particular, investment promotion agencies in developing countries should pay more attention to SME investors.

23. Beyond attracting foreign investors, experts noted that a primary factor in the success of technology transfer was the capacity of local institutions to facilitate the process. One potential approach, which had been taken in Ukraine, was the adoption of multi-year national programmes of innovation promotion and innovative infrastructure development, as well as the pursuit of PPPs in order to gain access to needed technologies. Another approach which was mentioned by a number of experts was to build up human capital by means of general education spending and targeted occupational training, or by engaging TNCs in developing domestic skills needed for working with high-tech investors. One expert suggested that the training and certification of technology-transfer professionals in developing countries – with the help of expertise from developed countries such as that provided by the Association of European Science and Technology Transfer Professionals – was a possible way forward.

24. In cases where domestic firms were not yet capable of absorbing technologies brought by TNCs' foreign affiliates, governments could still play an important role in mediating the interface between TNCs and local firms. The Government of Cameroon, for example, was seeking to build up the technological capabilities of local firms – especially in the agriculture sector – by establishing research centres through linking their research institute with foreign affiliates in the country.

E. Innovation systems, technology transfer and innovation performance in developing countries

25. This session discussed the question of how national and subnational innovation systems could promote successful technology transfer through various channels (including FDI) and contribute to technological and innovative development in developing countries. One expert presented the case of integrated chip-producing firms operating in clusters in three advanced Asian economies (Malaysia, the Republic of Korea, and Taiwan Province of China), comparing their performance and the policy frameworks used in each country. The conclusion was that the performance of the national integrated chip producers in Malaysia lagged significantly behind the performance in the Republic of Korea and in Taiwan

Province of China. There were two fundamental policy differences that explained the lagging performance in Malaysia: (a) the effective ex-ante vetting, monitoring, and ex-post appraisal of policy measures and performance of firms in the Republic of Korea and Taiwan Province of China, where Malaysia did none of this; and (b) the persistence of severe human-capital deficits in Malaysia not countered by policy action. There were three important lessons for other developing countries from these three countries' experience. Firstly, countries needed to achieve a solid macroeconomic–microeconomic coordination and ensure that macroeconomic disruptions did not destabilize firm-level technological upgrading. This had proved important in all three countries cited. Secondly, they should realize the importance of the vetting, monitoring and appraisal processes for progressively eliminating policy errors and achieving upgrading over time. And thirdly, human capital was of central importance to success in all three cases; indeed, this applied to all countries.

26. Another expert argued that circumstances differed significantly between middle-income developing countries and LDCs. In the former, formal R&D and innovative activities could drive productivity growth, and greater exposure to foreign technology via FDI and trade could lead to increasing knowledge spillovers to local firms. These countries required quite traditional industrial and science and technology policies aimed at backing winners and accumulating engineering and design skills within R&D activities. In LDCs, by contrast, exposure to the different channels of technology transfer was less effective in generating successful inward technology transfer. Local entrepreneurs were required to identify activities that could be profitably exploited by local firms, through the process of self-discovery. FDI was unlikely to help in the self-discovery process, and was unlikely to lead to technology transfer as a joint product of the investment. In fact, a number of conditions needed to be satisfied in order to turn the potential benefits of FDI for the host country into actual benefits. The LDCs required a proactive policy approach to promoting technology transfer. Different types of policies could be used, including improving framework conditions and capabilities under an innovation systems framework, placing formal requirements on the types of technology brought into the country, and promoting joint ventures with local firms. The example of a Swiss project to transfer technology from a Swiss SME to a Tanzanian one illustrated the difficulty of matching information on the international demand and supply for technology at the firm level. Specialized agents that could link the two together were needed. However, there was no single policy that would work in all cases, and tailoring of policies and measures to local circumstances was essential for developing countries.

27. Another speaker described technological and innovative development in Ghana. He outlined the main challenges that the country faced, and the policy actions that it was taking to achieve its development goals. The key goals included economic and export diversification, increased value addition in agriculture and improved food security, using the new oil industry for development, improving the competitiveness of local industries and reducing current account deficits, and generating greater employment. Achieving these goals would require a strong national innovation system to improve the country's technological and innovative performance. As part of the policymaking process, the *Science, Technology and Innovation Policy (STIP) Review of Ghana*, undertaken in collaboration with UNCTAD and the World Bank in 2009, helped to identify a number of constraints to improving technological and innovative performance. These included, inter alia, a poor institutional configuration, lack of an explicit innovation policy, lack of technology/innovation incubation facilities, limited funding of R&D, weak linkages between the R&D system and the private sector, and a weak science and innovation culture. Ghanaian policymakers were making various efforts to improve the science, technology and innovation system. With respect to FDI, the speaker argued that more of it was needed in agriculture to help drive higher agricultural productivity and to help stimulate agricultural technology upgrading, in part for increased production, food security and poverty reduction, and in part to help lay a base for industrialization. Ghana was making

progress, but much more needed to be done in strengthening some key areas of its innovation systems. Its efforts also needed strong international support to be successful.

28. Experts raised the question of whether African countries could successfully emulate the experiences of Malaysia, the Republic of Korea, and Taiwan Province of China in ensuring that macro instability did not disrupt firm-level technological development or create binding financing constraints on successful firms, especially with respect to the very high actual cost of credit for firms in many African countries. It was also argued that political developments could either support or hinder technological development in a country. Experts agreed that agricultural development was extremely important for Africa. Concerns about FDI in land that did not necessarily promote increased agricultural productivity or technological upgrading, and the importance of awareness by policymakers to this potential, were noted.

29. One expert argued that strong IPR protection helped to promote foreign investment, and that patent production was associated with economic growth, stressing that intellectual property could be seen as a tool for development. He also argued that technology transfer should be voluntary and made on mutually agreed terms between the two parties involved. Another expert noted that IP protection was only one element of the innovation system, and that many other elements were important too in determining the innovative performance of a country. TNCs and FDI were not the only channels of technology transfer open to developing countries. For example, there were also possibilities for technology transfer from SMEs that did not compete internationally and were not TNCs. It was agreed, however, that this avenue of technology transfer might have limits to its scalability. The self-discovery process in LDCs was a problem in light of the generally weak entrepreneurial base in LDCs. The idea of smart specialization was flagged, through which the State supports entrepreneurial self-discovery. There were many historical cases where developing countries had successfully discovered activities for competitive exploitation through self-discovery. Success in designing transfer mechanisms could help developed countries to fulfil their obligations under TRIPS article 66.2. Some developed countries were currently facing difficulties regarding how to go about meeting those obligations.

30. The issue of the real extent of linkages between TNCs and research institutes in Ghana was raised as a concrete example of whether such linkages were common in African countries. One expert argued that linkages of this sort were generally weak in the country, although there were a few cases where foreign TNCs were working in collaboration with local research institutes to solve production issues that the TNCs faced locally.

F. Promoting technology transfer and dissemination: coherent policies matter

31. Panellists at the session acknowledged the important role that TNCs had played in technology development, transfer and dissemination in various areas, including low-carbon technologies. Presenting successful country experiences (Brazil and China), they noted that technology transfer by TNCs provided important contributions to value creation and productivity gains in host developing countries, and that advantages could take place at different levels. Experts stressed that creating a conducive regulatory environment was crucial in order to enhance technology transfer – including the development of promotion, protection and facilitation policies. However, as one expert noted, where the goal of policymakers was to promote the transfer of technologies, this could imply for TNCs a loss of critical ownership advantages. This was particularly the case when technologies were transferred to direct competitors. Furthermore, merely attracting knowledge did not guarantee innovation. There was also a need to develop domestic demand for new technologies. The challenge for host countries was therefore to find a balanced policy approach.

32. The creation of innovation networks was highlighted by experts as an important element in the promotion of technological innovation. Successful country examples had shown that technology platforms could play an important role, for instance through dissemination of information, matchmaking activities, policy advocacy (e.g. in the areas of intellectual property or financing), and facilitation of different modes of technology transfer (e.g. by means of international joint ventures or technology trading). These platforms could take different forms, such as high-tech industrial parks, production promotion centres, or government demonstration activities. During the discussion, the potential promotion of technology transfer through public procurement was highlighted, too. As was stressed by one of the panellists, information (e.g. on the demand side) was crucial in order for these technology transfer incentives to have a real effect. Without a correct match with domestic technological demand, incentives were likely to have only a marginal or even a negative impact.

33. Participants also discussed the role of IPR regimes in the light of attracting and disseminating technologies through FDI. Participants indicated that IPR could play an important role in affecting TNCs' investment decisions. However, it was also stated that the IPR regime was only one of many determinants for FDI, and that its role often depended on the technology intensity of the sector and investment projects, and the general attractiveness of the host country. One panellist pointed to a potential dilemma between the protection of TNCs' ownership advantages on the one hand and the promotion of technology diffusion on the other. The question was then how host countries could best benefit from the creation of a strong IPR regime. Policymakers should seek a balanced approach, taking both specific benefits to and challenges for the host country into account while avoiding counterproductive measures that discouraged investment and technology transfer, such as mandates for technology transfer or policies that discriminated against technologies based on the nationality of the patent holder and/or on where a technology was developed.

34. Participants agreed that one of the most important elements of a conducive environment for technology transfer was the creation of absorptive capacities in the host economy. Diffusion of technologies should be demand-driven. Governments needed to actively support the adoption of new technologies by domestic firms. In particular, the strengthening of SMEs was important in this respect, but it also required strong political leadership, good governance, and support for researchers. Again, information was central, for example when the technological gap was so big that technology transfer was not likely to take place.

35. It was stated that technology transfer to LDCs was particularly challenging because in general, LDCs had a low level of technological capacities, a small entrepreneurial sector and a lack of market information. To overcome such constraints, a proactive policy agenda at both the international and the national level was needed, including solid protections for IPR, as well as coherence and synergy between FDI policy and other relevant policies (especially entrepreneurship policy, SME policy, industrial policy, science and technology policy, and human resources development policy). Policy coordination and international support were crucial in that regard.

36. It was noted that capacity-building for technology transfer to LDCs should be further strengthened. Appreciation was expressed that UNCTAD's Division on Investment and Enterprise had always shown a strong commitment to investment in the poor, for the poor and with the poor. As one of the experts indicated, international debate on this topic, for example at the current expert meeting, had already made an important contribution. Other important contributions in this area by UNCTAD (and by other international organizations) were acknowledged too, and some delegates requested further work by UNCTAD in areas such as capacity-building activities for technology transfer in LDCs through FDI.

G. Conclusion

37. In his concluding remarks, the Director of the Division on Investment and Enterprise stressed that the overall objective of the expert meeting had been achieved. Over a period of two and a half days, participants had systematically assessed the contribution of FDI to the transfer and diffusion of technology for sustainable development in developing countries, especially LDCs. In addition, they had had fruitful discussions on policy options and best practices to enhance the technological contributions of TNCs. The discussions had shed more light on the important issue of technology transfer via FDI and other TNC activities.

38. Country experiences presented at the meeting demonstrated that TNCs had played a crucial role in transferring and diffusing technology to the developing world. The meeting had highlighted a number of successful cases from many developing countries – from large emerging economies such as Brazil, China and India, to LDCs such as Madagascar and Senegal. It was stated that the rich and valuable country experiences discussed at the meeting could and should be transferred to other countries. To support that process – as emphasized by participants at the meeting – UNCTAD should further strengthen its work in the area of promoting technology transfer through FDI.

II. Organizational matters

A. Election of officers

(Agenda item 1)

39. At its opening plenary meeting, the expert meeting elected the following officers:

Chair:	Mr. Roberto Flores Bermúdez (Honduras)
Vice-Chair-cum-Rapporteur:	Mr. Shiro Konuma (Japan)

B. Adoption of the agenda and organization of work

(Agenda item 2)

40. At its opening plenary meeting, the expert meeting adopted the provisional agenda for the session (contained in document TD/B/C.II/EM.2/1). The agenda was thus as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Foreign direct investment, the transfer and diffusion of technology, and sustainable development
4. Adoption of the report of the meeting

C. Outcome of the session

41. At its opening plenary meeting, the expert meeting agreed that the Chair should summarize the discussions.

D. Adoption of the report of the meeting

(Agenda item 4)

42. Also at its opening plenary meeting, the expert meeting authorized the Vice-Chair-cum-Rapporteur, under the authority of the Chair, to finalize the report after the conclusion of the meeting.

Annex

Attendance*

1. Representatives of the following States members of UNCTAD attended the expert meeting:

Algeria	Iraq
Angola	Kazakhstan
Azerbaijan	Kuwait
Bahrain	Madagascar
Bangladesh	Montenegro
Belarus	Morocco
Benin	Nigeria
Bhutan	Oman
Brazil	Philippines
Burundi	Pakistan
Cameroon	Poland
Central African Republic	Russian Federation
China	Saudi Arabia
Côte d'Ivoire	Senegal
Cyprus	Slovenia
Dominican Republic	Suriname
Ecuador	Switzerland
Ethiopia	Thailand
France	Togo
Georgia	Trinidad and Tobago
Ghana	Ukraine
Haiti	United Arab Emirates
Honduras	United States of America
India	Viet Nam
Iran (Islamic Republic of)	Zimbabwe

2. The following intergovernmental organizations were represented at the session:

African, Caribbean and Pacific Group of States
African Union
European Union

3. The following United Nations organization was represented at the session:

International Trade Centre UNCTAD/WTO

4. The following specialized agencies and related organizations were represented at the session:

International Labour Organization
International Telecommunication Union
United Nations Industrial Development Organization
World Health Organization

* For the list of participants, see TD/B/C.II/EM.2/Inf.1.

5. The following non-governmental organizations were represented at the session:

General category

Ingénieurs du monde

World Association of Former United Nations Interns and Fellows

6. The following panellists were invited to the expert meeting:

Mr. Guy **Rajemison Rakotomaharo**, Ambassador, Permanent Representative of Madagascar, Geneva

Mr. Gankhuyag **Ochirkhuyag**, Vice-Chair, Foreign Investment and Foreign Trade Agency, Mongolia

Mr. Roger **Strange**, Professor, University of Sussex

Mr. Ari **Kokko**, Professor, Copenhagen Business School, Denmark

Mr. Anil **Bhardwaj**, Secretary-General, Federation of Indian Small and Medium Enterprises

Mr. Baye Elimane **Gueye**, Chief, Bureau for Private Sector Support, Senegal

Ms. Sarianna **Lundan**, Professor, Bremen University, Germany

Mr. Laurent **Miéville**, Head of Technology Transfer, University of Geneva, Switzerland

Ms. Tatiana **Lisitsa**, Deputy Director, Investment and Innovation Policy Department, Ministry of Economy, Ukraine

Mr. Héctor Rafael **González**, Managing Director, International Offices, Centre for Export and Investment, Dominican Republic

Mr. Dennis S. **Tachiki**, Professor, Tamagawa University, Japan



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Corrigendum

Paragraph 38

For the last sentence *substitute*

To support that process – as emphasized by participants of the meeting – UNCTAD should further strengthen its work in the area of promoting FDI that leads to voluntary technology transfer.
