



**United Nations Conference
on Trade and Development**

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Trade and Development Board
Investment, Enterprise and Development Commission
Multi-year Expert Meeting on Investment for Development
Third session
Geneva, 2–4 February 2011
Item 2 of the provisional agenda

Provisional agenda and annotations

I. Provisional agenda

1. Election of officers
2. Adoption of the agenda and organization of work
3. Public investment and development
4. Adoption of the report of the meeting

II. Annotations to the provisional agenda

Item 1. Election of officers

1. It is recommended that the expert meeting elect a Chair and a Vice-Chair-cum-Rapporteur.

Item 2. Adoption of the agenda and organization of work

2. The provisional agenda for the expert meeting is reproduced in chapter I above. A detailed programme will be available one week before the meeting.

Documentation

TD/B/C.II/MEM.3/7 Provisional agenda and annotations

Item 3. Public investment and development

3. In its session on 10 July 2008, the Trade and Development Board decided that the Investment, Enterprise and Development Commission should convoke a multi-year expert meeting on investment for development, the third session of which should deal with public investment and development.

4. The purpose of this meeting is to bring together experts, government policymakers, representatives from transnational corporations (TNCs), academics, and representatives of civil society organizations, to address the development implications of public investments on promoting pro-poor growth and sustainable development, boosting countries' competitiveness, generating employment, and reducing social and income disparities. As investment levels are low, particularly in least developed countries (LDCs) caught in the poverty trap, there is a need to increase public investment, not only to meet certain critical needs, but also to trigger a rise in private investment (both foreign and domestic) that is lacking due to poor infrastructure, ineffective delivery of services, and the absence of a skilled labour force. In this context, the meeting will examine how policies at the national, regional and international level can boost public-private partnership in main and strategic industries, for the purposes, inter alia, of promoting infrastructure development, mitigating climate change, and increasing agricultural production. The meeting will look both at private-sector investment (domestic and foreign) and at public-sector investment. With regard to domestic investment, a further breakdown will be made between private and public investment.

5. Over the past three decades, there has been a gradual change in the role of public and private investments in promoting development and economic growth. While the achievement of a more dynamic economic growth requires a greater role for the private sector and a stronger partnership between public and private investment, the recent financial crisis has revived the importance of public investment in stimulating aggregate demand. At the outset of the meeting, participants will examine how public and private investments (both foreign and domestic) have evolved, and what their impact has been on growth and development. They also will look at what the ideal levels of public investment, private domestic investment and private foreign investment are for maximizing growth without crowding each other out.

6. The meeting will discuss case studies on the partnerships between public and private investment in three specific industries – infrastructure, agriculture and climate change (see the next three paragraphs) – which were identified as key industries in the second session of this expert meeting with regard to enhancing synergies between domestic and foreign investments.

7. Infrastructure is an area in which a close association between public and private investment can substantially help in meeting local development needs. As developing countries' investment requirements in the area of infrastructure far exceed the amounts that can be invested by the public sector, governments have opened up infrastructure industries and services to much greater involvement by the private sector, including by TNCs.

8. The expansion and revitalization of agricultural production is crucial for developing countries, both to meet the rising food needs of their populations, and to lay the foundations for economic diversification and development. Both public and private investments can contribute to the development of the agricultural sector, and there is considerable potential for interaction between the two. Public-private partnerships (PPPs) are essential for the advancement of agriculture, to meet global challenges in food security and to provide solutions along the entire agricultural value chain.

9. There is considerable potential for interaction between public and private investments in mitigating the effects of climate change, especially in areas such as renewable power generation. Given that renewable energy technologies are not yet price-competitive with traditional, more carbon-intensive technologies, their use by private firms often requires some form of PPP.

10. Based on case studies, the meeting will consider how policies at the national, regional and international level can enhance synergies from public-private partnerships. As the sectors where interaction between public and private investment is most likely to occur tend to be politically sensitive, with many stakeholders potentially being affected, there is a need to properly manage the interactions between investors, governments, and civil society.

11. To facilitate the discussions, the UNCTAD secretariat has prepared an issues note on the interaction of foreign direct investment (FDI) and domestic investment. In addition, experts are encouraged to prepare brief papers on the subject under discussion. These papers will be made available at the meeting in the form and language in which they are received.

Documentation

TD/B/C.II/MEM.3/8 Partnering public and private investment for development

Item 4. Adoption of the report of the meeting

12. The report of the expert meeting will be submitted to the Investment, Enterprise and Development Commission at its next session. The expert meeting may wish to authorize the Rapporteur, under the authority of the Chair, to prepare the final report after the conclusion of the meeting.

Inputs from experts

Experts nominated by member States are encouraged to submit brief papers (up to five pages in length) as contributions to the work of the meeting. The papers should draw on experts' relevant experience of the national public sector and of public-private partnerships, and should be submitted to the UNCTAD secretariat in advance of the meeting. The papers will be made available at the meeting in the form and language in which they are received.

Experts are requested to submit papers by 25 January 2011. Papers should be forwarded to Mr. Masataka Fujita, Head, Investment Trends and Issues Branch, Division on Investment and Enterprise, Palais des Nations, CH-1211 Geneva 10, Switzerland; fax: +41 22 917 0122; e-mail: masataka.fujita@unctad.org.