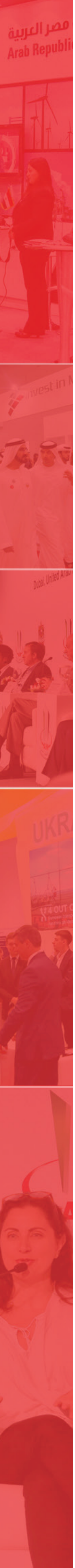


وزارة الاقتصاد
MINISTRY OF ECONOMY

تحت رعاية كريمة من
صاحب السمو الشيخ محمد بن راشد آل مكتوم
نائب رئيس الدولة رئيس مجلس الوزراء حاكم دبي

Under the Patronage of
H.H. Sheikh Mohammed Bin Rashid Al Maktoum
UAE Vice President, Prime Minister and Ruler of Dubai

AIM
ملتقى الاستثمار السنوي
Annual Investment Meeting

AIM 2018 OVERVIEW

CONFERENCE PROGRAMME

International trade and foreign direct investment (FDI) was long dominated by companies and investors from developed markets, mainly European, American and Japanese operators. Their target was mainly developed markets and to a lesser extent developing countries, then often with the purpose of low-cost sourcing. Starting with China in the 1990s, developed market operators discovered that FDI was not only an option but a necessary complement to exports. In a short period of time, a multitude of new markets emerged – notably in the Middle East –, many requiring intensive market cultivation and presence. As a result, FDI in emerging markets grew rapidly, not least in manufacturing operations, but also in a host of services sectors such as transports and communications. In 2016, emerging markets received 40 percent of global FDI.

The last decade has seen a large number of rapidly expanding, multinational companies originating from emerging markets. On Fortune's Global 500 list, based on revenues, some 30 percent of companies originate from the developing world. Many of these companies are now establishing a global presence, including through FDI in developed countries. A number of recent high-profile acquisitions in Europe and the US have involved operators from emerging markets. In 2016, emerging markets operators accounted for nearly 30 percent of global FDI.

In parallel, political attention given to challenges with global ramifications such as climate change, environmental degradation and the shrinking supply of clean water and air has intensified. There is a broad consensus view that solutions to these problems need both political and corporate involvement. The diffusion of technology, innovations, awareness and skills is key to successfully overcome global threats and challenges. Here, FDI linking developed and emerging markets may have a leading role.

2018 CONFERENCE TOPICS

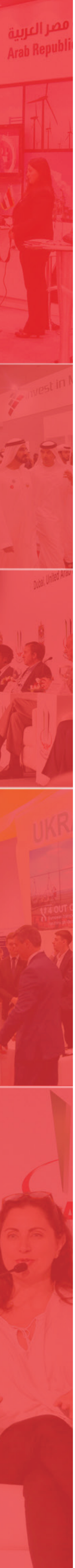
DAY ONE - 9 APRIL 2018

Global Leaders Debate

Seen as an engine of economic growth, FDI is considered to contribute to the increase of domestic capital, job creation and raising incomes while promoting technology and skill transfer. As countries continue to compete to attract foreign direct investment, it is evident that the effects FDI can have on a host country are advantageous. However, the spillovers can also have less desired consequences, including increased inequality, unfair competition between foreign and domestic companies as well as other negative environmental outcomes.

The Global Leader's Debate will explore how foreign direct investment can be used as a vehicle to drive sustainable development. The limelight session will uncover the ways in which governments can promote FDI linkages between developed countries and emerging markets, with a view of bolstering sustainable development, ensuring equality of opportunity, and an unbiased regulatory landscape.

The high-level panel will convene Heads of State, Academia, Heads of International Institutions and Investors from Developing and Mature Economies.



A New Wave of Economic Opportunity & Digital Innovation: The Promise of Blockchain

His Highness Sheikh Hamdan Bin Mohammed Bin Rashid Al Maktoum launched the Dubai Blockchain Strategy last October 2016. The strategy establishes a roadmap for the introduction of Blockchain technology for Dubai and the creation of an open platform to share the technology with other cities across the globe. In line with UNSDG's, The Dubai Blockchain Strategy will place Dubai Government as the first Blockchain powered government worldwide. The strategy is built on three main pillars, which include government efficiency, industry creation and international leadership.

It is estimated that the government adoption of Blockchain technology could contribute to the savings of up to 114 MTons of Co2 emissions as well as redirect up to 25 million hours of economic productivity annually. The strategy is expected to introduce a robust system for enabling the creation of new businesses utilizing the technology. Moreover, the strategy will work to enhance safety and security. This session will explore the promise of the Dubai Blockchain Strategy and what opportunities its implementation will hold for both public and private sector, focusing on key industries including banking and fin-tech, energy, healthcare, e-commerce, transportation, smart cities and tourism.

Creating Value Through Technology: Areas and Industries

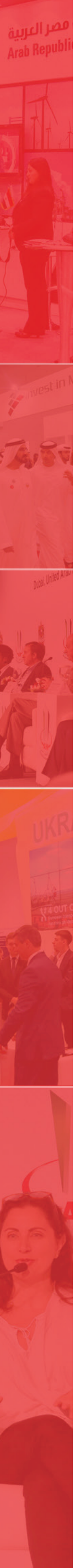
As policymakers begin to implement frameworks and policies effective in attracting responsible FDI inflows with a goal to foster inclusive and sustainable societies, it is important to look at the industries and areas where FDI can be expected to provide the most value in view of sustainable development, in emerging markets.

This session will look closely at how emerging technologies are reshaping industries while advancing our ability to reach our sustainability objectives. Industries explored will include Finance, Agriculture, Energy and Healthcare.

DAY TWO - 10 APRIL 2018

Industry 4.0 Competing for Technology Investment

Developing countries often compete for investment that involves lower levels of technology and value add that investors would locate in their home countries or in other developed countries. This session will explore how governments can capture more sophisticated investment with a higher technology content. Examples of successful case studies that can be discussed include Dubai, the Czech Republic, Malaysia, Thailand and Brazil, all of whom have been able to successfully attract advanced investment after initially competing on the basis of low costs.



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The Changing Face of FDI: The Future of Productivity and Growth

A key driver for advanced investment is the availability of a workforce with the specific skills that match investor requirements now and into the future. With labor market disruption being a growing trend in the global workforce and economy, there is an urgent need for adult skilling, reskilling and up-skilling.

This session will explore how multi-stakeholder collaboration and investment can optimize the potential of the adult workforce. It will identify how emerging market governments can better understand and anticipate investor needs, creating the types of skills that investors require. Conversely, it will analyze the role that foreign investors play in developing their local workforce and how they help to advance the skill base of the countries in which they operate.

The scope for public-private-partnerships (PPP) between governments in emerging markets and investors from developed countries

Public-private partnership is a tool increasingly used by governments to shore up private investment for building and managing public infrastructure, such as railroads, motorways, bridges and tunnels, utilities such as power generation stations, and schools and hospitals. It is a long-term contract (usually 50-25 years) between the government and, typically, a consortium of private investors and construction firms, which receive payment by user fees such as tolls or availability payments from the government over the contract period.

PPPs have received a lot of attention lately for claimed successes as well as claimed failures. They have gained traction for being cost-effective and allowing for rapid construction of needed infrastructure, particularly motorways. But the alleged superiority of PPPs is also disputed on a number of counts: for example, some governments may borrow money for infrastructure projects more cheaply than private investors. And by being extremely complex, PPPs require a whole array of competencies in procurement, negotiation, financing and governance by the partners involved.

This session will examine the scope for PPPs with foreign investors – which in most cases originate from developed countries – *as a means for emerging economies to build and manage their public infrastructure.*

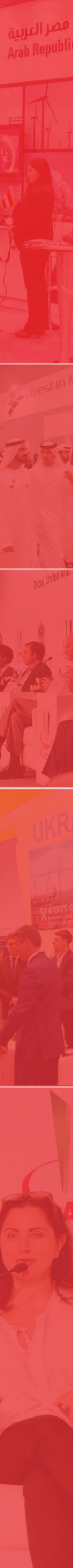
Developing a Sustainable FDI Promotion Strategy

The UN Sustainable Development Goals have become a cornerstone of many conferences and events focused on Sustainable Development. Many large corporations like Danone, Unilever, Siemens, Safaricom, Solarworld, Symantec and others have clear commitment to one or several SDGs. Today SD goals and objectives can be found in all sectors and not only renewable energy. In short Sustainable Development is no longer a hype of 'window dressing' by large multinational enterprises, but has become profitable for many companies.

However, for many IPAs it is difficult to implement SD in their daily practice in attracting FDI. There is a lack of clear Guidelines, but also the tough competition climate in which any investment (sustainable or not) and jobs created are the most important benchmark to reach for IPA's. This session explores how to integrate Sustainable Development (SD) goals in your FDI promotion strategy and how to attract/identify companies that have SD goals as one of their key pillars for their international expansion. What are some of the practices that IPAs can adopt and where do IPAs require clear guidelines and clear objectives?

For instance, investment promotion activities may focus on companies that can support sustainable development and growth. Target companies will comprise not only the major multinational enterprises but also smaller specialist companies. The process may also include targeting non-profit organizations and associations who have the expertise and commitment to support sustainable development.

The session brings together key experts and leaders in the field of FDI and corporate expansion.



Incentives for Sustainability

Incentive policies to attract FDI for decades have been based on the simple notion that FDI is good and that the more investment a company makes and the more jobs they create the better the investment and the more incentives they should get. Across Europe, North America and OECD countries incentive policies have been based on a simplistic formula around the size of capital investment and job creation nuanced by where the investment locates ("regional policy") and the sector of the investment ("industrial policy"). In developing countries, incentive policies have been further simplified, being based on the establishment of Free Zones where any company that invests in the Zone avails of the tax and customs incentives with very limited criteria for which companies can invest.

Incentive policies are under fire. The World Bank and major professional services companies have found that incentives often make minimal difference to where companies invest. **IncentivesMonitor.com** has tracked nearly 200$ billion of incentives for specific inward investment projects with the average incentive over 40,000$ per job created and in many cases %40-30 of capital investment is given back to the company in the form of an incentive. The lost tax revenue from Free Zones is unknown but runs into 100$s billions. Incentive policies around the world are geared up to attract footloose multinational enterprise not necessarily to support SMEs.

This panel will explore whether or not Sustainable Development has the answers to how incentives policies can change. The expert panelists will discuss the different concepts of Sustainable Development and if and how they can be incorporated into incentives and free zone policies.

The panelists will discuss how incentives can be used to ensure they do actually make a difference and maximize benefits for the country - not just the company.

DAY THREE - 11 APRIL 2018

Regional Focus: Africa, Latin America & Asia

The world is changing at an accelerated pace due to a myriad of developments such as technological progress, (geo) political developments and climate change. Change brings with it uncertainty and risks, which influence investment decisions.

Government needs to address both change and investor sentiment via policy decisions and legal frameworks. It is the duty of government to create an ecosystem that allows both society and the economy to thrive.

A clear understanding of domestic and international risks is as pivotal for government to make wise decisions as it is for investors to choose the right projects. For government, the policy choices are manifold from protectionist policies to a free trade ideology. Money talks; therefore, investors have the freedom of choice as to where they want to place their investments.

This leaves us with the question of how prepared the various regions are to deal with these issues.

"Regional Focus" will analyze a region's economic landscape, dissecting the risks, challenges and opportunities of the nations making up the region. The session will assess the economic landscape of national economies and its resulting impact on the regional economic ecosystem, while identifying areas and industries where economic growth can be expected.

The forum will convene key policy-makers, institutional and non-institutional investors, as well as heads of international institutions, political economists and key experts. They will debate and predict challenges and opportunities.