



Press release: October 12, 2008

TABD welcomes principles for sovereign wealth funds, and calls for greater efforts to open up foreign investment markets

The **Trans-Atlantic Business Dialogue (TABD)** welcomes the **Generally Agreed Principles and Practices (GAPP)** presented on October 11, 2008 by the International Working Group of Sovereign Wealth Funds (IWG). TABD has been a strong proponent of a voluntary approach to setting principles for this important group of institutional investors, and believes that the GAPP have great potential in promoting higher levels of transparency and governance. If successful and implemented consistently among sovereign wealth funds, the GAPP will be a solid basis for greater confidence and trust in participating sovereign investors around the globe.

Speaking on behalf of TABD's Capital Markets Working Group, **Josef Ackermann**, Chief Executive Officer of Deutsche Bank, said: "The GAPP are a remarkable accomplishment. They underline the commitment of the participating nations to greater transparency and good governance of their sovereign wealth funds. Their international investments illustrate the increasing participation of emerging markets in global financial markets, and their growing stake in the system. We are looking forward to a strong support for the GAPP and their implementation by sovereign wealth funds around the globe."

The commitment by the IWG and its members is also an important signal to the governments of countries receiving sovereign wealth fund investments. TABD strongly supports the OECD in its efforts to develop guidance for recipient countries' policies. TABD believes that openness of national and regional markets to foreign investments promotes competition and is a key to market efficiency and the economic success for our economies.

Jim Quigley, Chief Executive Officer of Deloitte Touche Tohmatsu and U.S. Co-Chair of TABD, underlined the need for the OECD to act expeditiously: "The sovereign wealth funds have delivered positively to enhancing confidence in their activities, but this is only one half of the process. Recipient countries must also commit to developing best practices on open and transparent investment regimes. The OECD is uniquely placed to do this. The U.S. and the EU member states are key participants in this important forum, and should play a leading role in this effort."

TABD underlines the importance of key principles for national foreign investment policies, including non-discrimination, transparency, predictability and accountability of policy process. In particular, it should be a matter of principle that governmental interventions in foreign investment transactions should be proportionate and only be made in cases where national security is clearly at stake.

With a view to current national policy debates, **Jürgen R. Thumann**, Managing Director of Thumann & Heitkamp-Verwaltungs GmbH and EU Co-Chairman of TABD, noted: “The current economic and financial market conditions bear the risk of raising protectionist sentiments. The U.S. and the EU and its member states have a special responsibility in resisting such temptations and promoting liberal policies worldwide. Open markets are the backbone of our wealth, and the rules we set must pay tribute to this fact. They must be proportionate, transparent, and predictable.”

TABD and its member companies are active players in advising policy makers on investment issues in the U.S. and the EU and its member states. The U.S.-EU Investment Dialogue has been established as a key instrument in coordinating policy initiatives regarding bilateral issues and third-party relations. TABD will continue to provide its input into the ongoing policy processes.

About TABD: The Trans-Atlantic Business Dialogue is a group of chairmen and chief executives from 32 major American and European companies that serves as the official dialogue between transatlantic business and US Cabinet Secretaries and EU Commissioners. TABD discusses transatlantic business issues, shares recommendations for action, and engages in a dialogue with the US Government and EU Commission on the future of the transatlantic economic relationship. The TABD’s goal is to promote the establishment of a Barrier-Free Transatlantic Market with the free exchange of goods and services, people, capital and ideas.

TABD U.S. Secretariat
1800 K St. NW, Suite 400
Washington, DC, 20006
United States of America
Tel.: +1 202 775 3269
Fax: +1 202 775 3199
E-mail: khauser@tabd.com

TABD EU Secretariat
155 rue de la Loi, bte 54
BE-1040 Brussels
Belgium
Tel: +32 238 5240
Fax: +32 238 5242
E-mail: jbriginshaw@eu.tabd.com

www.tabd.com
