

WTO CHAIRS PROGRAMME (WCP) ANNUAL CONFERENCE

21 JUNE 2023, 10:15–11:45 A.M.

Session on Investment Facilitation for Development

In today's integrated global economy, **expanding investment flows, like trade flows, depends on simplifying, speeding up and coordinating processes, not just liberalizing policies**. Indeed, in many cases the bottlenecks, inefficiencies, and uncertainties that investment facilitation seeks to address arise from unnecessary red tape, bureaucratic overlap, or out-of-date processes which serve no clear policy purpose but can be costly for everyone concerned and act as a deterrent for investments. Investor surveys conducted in recent years have highlighted the **importance that investors attach to investment facilitation measures** when deciding where to invest.

In this context, negotiations on an Investment Facilitation for Development (IFD) Agreement started at the WTO with the explicit objective of improving the transparency of investment measures, streamlining investment-related administrative procedures and promoting international cooperation, as a means of **facilitating foreign direct investment (FDI) flows between Members, particularly to developing and least-developed country Members, with the aim of fostering sustainable development**.

True to this objective and acknowledging the challenges faced by developing and LDC Members, the future IFD Agreement includes comprehensive special and differential (S&DT) treatment provisions, modelled on those of the WTO Trade Facilitation Agreement. It is complemented by an Investment Facilitation **Needs Assessments process** to assist developing and LDC Members in identifying their possible implementation gaps, assessing their technical assistance and capacity building (TACB) needs and priorities, and categorizing the Agreement's provisions in categories A, B, and C in view of their future implementation. Importantly, through its TACB provisions and needs assessment process, the IFD Agreement will play a key role in anchoring and consolidating domestic reform processes to improve the investment climate and related governance in participating Members.

The WTO Chairs Network could provide a platform to conduct on-the-ground research on the importance of creating a transparent and predictable domestic environment to attract FDI. WTO Chairs' research could also help show how the implementation of investment facilitation commitments – at the regional level, such as the AfCFTA Investment Protocol or ASEAN Investment Facilitation Framework, and multilateral level – can help developing and least-developed countries attract higher value-added, greener and more sustainable investment. Also, many WTO Chairs have built close relations with business associations and MSMEs in their countries, which could help them analyse, together with these stakeholders, the implementation gaps and genuine needs of developing and least-developed countries in this regard.

These discussions and the core issues addressed in this session will provide inspiration for WTO Chairs on possible topics for their future activity plans on research and targeted outreach events conducted by the Chair teams to the benefit of developing and LDC Members and their policymakers. The investment facilitation-related research of the WTO Chairs may also generate synergies with further awareness-raising on the IFD Agreement and its implementation.

Date: 21 June 2023, 10:15–11:45 a.m.

Title: 'Investment Facilitation for Development in the WTO: how transparency, simplified authorization procedures and greater legal certainty can facilitate sustainable investment to developing and least-developed countries'.

Moderator: Stephen Karingi, Director, Regional Integration and Trade Division of the Economic Commission for Africa (UNECA), and Academic Advisory Board Member

Programme:

10:15 – 10:25

Opening remarks

- ❖ **Stephen Karingi**, Moderator
 - Setting the scene: the pivotal role of FDI in enhancing Africa and Asia's economic development

10:25 – 11:20

Panellists (speaking time – max. 6 minutes per panellist)

- ❖ **Ambassador Dr. Sofia Boza** (Permanent Representative of Chile), and **Ambassador Mr. Jung Sung Park** (Deputy Permanent Representative of Korea), co-Coordiators of the negotiations on a WTO IFD Agreement
 - The IFD Initiative: why investment facilitation is important; origin and objectives; participants; and coverage
 - Negotiations on an IFD Agreement: state-of-play and next steps
- ❖ **Dr. Matthew Stephenson**, Head of Investment Policy and Practice, World Economic Forum (WEF)
 - The importance of investment facilitation measures in investors' decision-making: A private sector perspective
- ❖ **Florian Gitt**, Researcher, German Institute of Development and Sustainability
 - Economic impacts of investment facilitation (online)
- ❖ **Mr. Joel Richards**, Senior Technical Specialist, Trade Permanent Delegation of the Organisation of Eastern Caribbean States (OECS) in Geneva
 - S&DT and Needs Assessments, key components of the IFD Agreement: the experience of Eastern Caribbean States
- ❖ **Prof. Caiphas Chekwoti**, WTO Chair in **Tanzania**
 - Investment facilitation aspects of the AfCFTA Protocol on investment, synergies with the IFD Agreement, including implementation and technical-assistance and capacity-building support needs
- ❖ **Prof. Dorotea López Giral**, WTO Chair in **Chile**
 - Boosting FDI through IFD and regional trade agreements (APEC, the Pacific Alliance, and others): the Chilean perspective
- ❖ **Prof. Kim Ngan Vu**, WTO Chair in **Viet Nam**
 - Asian perspectives on IFD
 - The implementation of investment facilitation commitments and their role in fostering sustainability
- ❖ **Prof. Jonas Barayandema**, WTO Chair in **Rwanda**
 - Progress and Prospects: Policy positions for Rwanda's investment negotiation of the African Continental Free Trade Area (AfCFTA)

11:20 – 11:40

Q&A and free-flow discussion

- ❖ **Prof. James Nedumpara**, WTO Chair in **India**
 - Investment facilitation in regional trade agreements in Asia
- ❖ **Prof. Tabitha Kiriti-Nganga**, WTO Chair in **Kenya**
- ❖ **Prof. Tsotang Tsietsi**, WTO Chair in **Lesotho** (online)
 - Lesotho's perspective on IFD
- ❖ Audience

11:40 – 11:45

Closing remarks

- ❖ **Stephen Karingi**, Moderator