MIKTA Workshop on Trade and Investment

UNCTAD’s Global Action Menu for Investment Facilitation: A tool for maximizing opportunities & addressing challenges

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What is Investment Facilitation (IF)?
Making it easier to invest and do business

Definition:
• a set of policies and actions aimed at making it easier for investors to establish and expand their investments, as well as to conduct their day-to-day business in host countries
• focuses on alleviating ground-level obstacles for investment

Examples:
• transparent and predictable rules
• efficient administrative procedures
• dispute prevention
• effective stakeholder relations
• investor services (helping to deal with rules/procedures)

Investment Facilitation has:
• for long been an integral part of UNCTAD’s work on investment for sustainable development
• been addressed in all “three pillars” of UNCTAD’s activities

UNCTAD’s Global Action Menu for Investment Facilitation was:
• launched globally as part of the 2016 World Investment Report (WIR), June 2016
• discussed in UNCTAD 14 and the 6th World Investment Forum (WIF), July 2016
• endorsed in 63rd Session of UNCTAD’s Governing Body, December 2016
**UNCTAD’s Investment Policy Framework for Sustainable Development (2012/15)**
Includes IF aspects in all of its 4 elements

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**Core Principles**

“Design criteria” for investment strategies, policies and treaties

<table>
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<tr>
<th>National investment policy guidelines</th>
<th>IIA guidance: policy options</th>
<th>Action menu: promoting investment in sustainable development</th>
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<tbody>
<tr>
<td>Concrete guidance on how to formulate investment policies and regulations and on how to ensure their effectiveness</td>
<td>Framework and toolkit for designing and negotiating international investment treaties</td>
<td>Strategic initiatives to mobilize funds and channel investment towards sectors key for sustainable development prospects</td>
</tr>
</tbody>
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*Source: ©UNCTAD, Policy Framework 2015*
UNCTAD’s Road Map for IIA Reform (2015)
Identifies IF as one of the 5 areas of reform

6 Guidelines
- Harness IIA for SD
- Focus on critical reform areas
- Act at all levels
- Sequence properly
- Inclusive / transparent process
- Multilateral support structure

5 Areas
- Ensuring responsible investment
- Safeguarding the right to regulate, while providing protection
- Reforming investment dispute settlement
- Promoting and facilitating investment
- Enhancing systemic consistency

4 Levels
- Multilateral
- Regional
- Bilateral
- National

Source: © UNCTAD, WIR16
UNCTAD’s Global Action Menu for Investment Facilitation (2016)
Takes a holistic approach

- **Key characteristics: content**
  - is in line with sustainable development objectives
  - sets out 10 action lines covering a wide range of policy areas
  - offers flexibility: countries can adapt and adopt it for their national and international policy needs

- **Key characteristics: process**
  - is based on extensive experience and policy analysis
  - incorporates multi-stakeholder feedback
  - is implemented through technical assistance and advisory services
  - is solidly rooted in international mandates
UNCTAD’s Global Action Menu for Investment Facilitation (2016)
Is in line with sustainable development, offers flexibility to adapt and adopt for countries’ policy needs

- **Action Line 1**: Promote accessibility and transparency in investment policies and regulations and procedures relevant to investors
- **Action Line 2**: Enhance predictability and consistency in the application of investment policies
- **Action Line 3**: Improve the efficiency of investment administrative procedures
- **Action Line 4**: Build constructive stakeholder relationships in investment policy practice
- **Action Line 5**: Designate a lead agency, focal point or investment facilitator
- **Action Line 6**: Establish monitoring and review mechanisms for investment facilitation
- **Action Line 7**: Enhance international cooperation on investment facilitation
- **Action Line 8**: Strengthen investment facilitation efforts in developing-country partners, through support and technical assistance
- **Action Line 9**: Enhance investment policy and proactive investment attraction in developing country partners
- **Action Line 10**: Complement investment facilitation by enhancing international cooperation for investment promotion for development, including through provisions in IIAs

Source: ©UNCTAD, WIR
Available on UNCTAD’s Investment Policy Hub
http://investmentpolicyhub.unctad.org/
UNCTAD’s Global Action Menu for Investment Facilitation (2016)

Is based on extensive experience and policy analysis; incorporates multi-stakeholder feedback

• For long, UNCTAD World Investment Reports (WIRs) have raised the importance of IF
• June 2012 & July 2015 – UNCTAD Investment Policy Framework for Sustainable Development
• June 2015 – UNCTAD Roadmap for IIA Reform
• January 2016 – pre-launch of Global Action Menu for multi-stakeholder consultations
• June 2016 – UNCTAD Global Action Menu officially launched globally as part of the 2016 WIR
• July 2016 – UNCTAD Global Action Menu central part of UNCTAD 14 and the 5th World Investment Forum (WIF) in Nairobi, Kenya
• September 2016 – UNCTAD publishes an updated Action Menu, incorporating the WIF feedback
• December 2016 – UNCTAD publishes a review of national and international policy practices in IF
• December 2016 – UNCTAD Global Action Menu endorsed by 63rd Session of Trade and Development Board, Geneva
UNCTAD’s Global Action Menu for Investment Facilitation (2016)
Is implemented through technical assistance and advisory services

• UNCTAD Investment Facilitation Compact (iGuides, eRegulations, eRegistrations)
• Peer-group learning GER.co (the Global Enterprise Registration Portal)
• UNCTAD’s Investment Policy Reviews (IPRs)
• UNCTAD’s cooperation with Investment Promotion Agencies
• UNCTAD’s work on International Investment Agreements (IIAs)
UNCTAD’s Global Action Menu for Investment Facilitation (2016)
Is solidly rooted in intergovernmental mandates

• Reiterates UNCTAD's role as the UN focal point for the integrated treatment of investment and sustainable development
• Requests UNCTAD to continue its programme of meetings and consultations with Member States on investment agreements

UNCTAD 14 Conference, UNCTAD Maafikiano, July 2016
• Mandates UNCTAD to develop and promote a new generation of investment promotion and facilitation strategies, institutions and best-practice policies to align investment with inclusive and sustainable development objectives

UNCTAD 63 Session of the Trade and Development Board, Report, December 2016
• Endorses UNCTAD's Global Action Menu
• Concurs on timeliness, importance and quality of the Global Action Menu
• Supports its further dissemination through the three pillars of UNCTAD
• Reaffirms the role of UNCTAD in taking the lead in policy development and in facilitating consensus on key elements of international investment policies
THANK YOU!

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