MIKTA Investment Workshop Reflections

Reflecting on the MIKTA Workshop on Trade and Investment at the WTO on 20 March 2017, MIKTA countries took note of the following key messages:

- Recognising the dynamic links between trade, investment and development, there is a need for greater coherence in trade and investment policy.

- **The WTO has an important role to play in discussions on investment** given its broad membership and as the only global international organization dealing with the rules of trade
  - any discussions in the WTO should add value to work in other fora including the G20, APEC, UNCTAD and OECD
  - an open and informed dialogue is useful if members wish to consider putting more focus on these issues in the WTO.

- **Investment is covered in a piecemeal way across the WTO Agreements**
  - the GATS covers foreign direct investment (FDI) in services, which accounts for two-thirds of global inward FDI stock and 55-60 per cent of all services trade
  - the TRIMs Agreement and the Agreement on Subsidies and Countervailing Measures seek to ensure investment measures are not inconsistent with GATT trade rules
  - TRIPS provisions are relevant to the legal environment affecting foreign investment
  - the plurilateral GPA prohibits discrimination against foreign products or suppliers on the basis of their degree of foreign affiliation or ownership
  - investment-related measures are also considered in WTO accession negotiations.

- **Recent trends in trade and investment are changing the way we think about investment**
  - developing countries account for an increasing share of inward and outward FDI
  - FDI is a vital source of funding to close the $2.5 trillion development investment gap to achieve sustainable development goals
  - with the right policy settings, recognising the trade-investment nexus, investment can advance inclusive, broad-based growth, promote and enable sustainable development and responsible business conduct.

- **Discussions in the WTO could contribute to**
  - strengthening trade and investment policy coherence
  - facilitating trade and investment flows
  - mobilising trade and investment for development
  - exploring where multilateral rules could be usefully strengthened or expanded to support these objectives.
There is a high-level of interest and willingness among some WTO members to engage in open and inclusive discussions on investment

– if we can avoid known sensitivities, particularly around investor dispute settlement and investment protections
– investment facilitation could be a good starting point for discussions to complement the recently concluded Trade Facilitation Agreement and current discussions on trade facilitation for services.

Investment facilitation elements highlighted during the Workshop, which reflect core WTO principles and could form the basis for further discussions, include:

– transparency, predictability and non-discrimination in investment policies
– efficiency and streamlining of administrative procedures to minimise investment barriers
– international cooperation, capacity-building and technical assistance.