

**FIFD WORKSHOP ON INVESTMENT FACILITATION FOR
DEVELOPMENT**

**Brazil's Experience on
Investment Facilitation**

Secretariat of Foreign Trade
Ministry of Industry, Foreign Trade and Services
Brazil

Brazil's Experience on Investment Facilitation

- 1. The road to investment agreements**
- 2. Brazil's investment facilitation initiatives**
- 3. Multilateral instrument for investment facilitation?**

1. THE ROAD TO INVESTMENT AGREEMENTS

Overview of the road

- 1990s: 14 BITS signed – none approved
- First FDI recipient in Latin America (US\$ 59 billion in 2016)
- 2000s: Brazil emerges as a capital exporter
- International expansion of Brazilian companies
- Renewed interest towards investments agreements

CFIA: Cooperation and Facilitation Investment Agreement

1. THE ROAD TO INVESTMENT AGREEMENTS

Building an Agreement: main sources

- **Recommendations from the private sector**
 - ✓ Greater institutional support
 - ✓ Focal Points
 - ✓ Access to information
 - ✓ Reduction of barriers to investment
 - ✓ Positive investment agendas
- **Studies from International Organizations**
 - ✓ UNCTAD: strengthening the promotion clauses
 - ✓ OECD: one-stop-shop services, communication channels
- **International best practices**
 - ✓ Korea: Ombudsman
 - ✓ USA: Select USA - active investment promotion

2. BRAZIL'S INVESTMENT FACILITATION INITIATIVES

CFIAs: Cooperation and Facilitation Investment Agreements

➤ **Main pillars:**

- 1) Risk mitigation and dispute prevention
- 2) Enhanced institutional governance
- 3) Agendas for investment cooperation and facilitation

2. BRAZIL'S INVESTMENT FACILITATION INITIATIVES

CFIAs: Enhanced Institutional Governance

- **Ombudsperson or Focal Point** (in each country)
 - ✓ Facilitator between investors and governments
 - ✓ Information sharing on investment policies and regulatory issues
 - ✓ Addressing of specific difficulties and complaints from investors

Brazil: Ombudsperson >> CAMEX

- **Joint Committee**
 - ✓ Mechanism for dialogue (parties / investors)
 - ✓ Monitoring of the implementation of the agreement
 - ✓ Sharing of investment opportunities
 - ✓ Dispute prevention and solution of disagreements

2. BRAZIL'S INVESTMENT FACILITATION INITIATIVES

CFIAs: Agendas for Cooperation and Facilitation

- ✓ Facilitation of business visas
- ✓ Technical and environmental regulations
- ✓ Logistics and transportation
- ✓ Supply chain
- ✓ Cooperation between monetary authorities

CFIAs: Other Elements

- ✓ Transparency and access to information
- ✓ Corporate social responsibility
- ✓ System of dispute prevention

2. BRAZIL'S INVESTMENT FACILITATION INITIATIVES

Network of Investment Agreements

- ❑ CFIA signed with 10 countries
- ❑ 7/10 main destinations for Brazilian companies

- **Bilateral CFIA**
 - ✓ Angola
 - ✓ Chile
 - ✓ Colombia
 - ✓ Malawi
 - ✓ Mexico
 - ✓ Mozambique
 - ✓ Peru

- **Regional Agreement**
 - ✓ Mercosur

- **Other Negotiations**

2. BRAZIL'S INVESTMENT FACILITATION INITIATIVES

National Investment Facilitation Initiatives

➤ **National Investment Committee (Coninv)**

- ✓ Reviews of domestic investment policies
- ✓ Harmonization of domestic investment policies
- ✓ Consultation with the private sector on the efficiency of procedures

➤ **Invest & Export Brazil (investment portal)**

- ✓ Trade and investment guide
- ✓ Information on investment opportunities
- ✓ Domestic legislation
- ✓ List of institutional contacts for support

3. MULTILATERAL INSTRUMENT FOR INVESTMENT FACILITATION?

Possible elements of a WTO Instrument

✓ **Scope of application**

- Excludes: investment protection and dispute settlement
- Includes: FDI for production of **goods** and **services**

✓ **Goals**

- Improving **transparency** and **predictability**
- Making **investment procedures** more efficient
- Strengthening **international cooperation**
- Promoting a more **friendly environment** for investments
- Stimulating **capacity building** and **technical assistance**

3. MULTILATERAL INSTRUMENT FOR INVESTMENT FACILITATION?

Possible elements of a WTO Instrument

Transparency	National Institutional Arrangements (Omb/FPs)	S&D
Single Electronic Window	Cooperation among National Focal Points	Implementation
Formalities and Doc. Requirements		Technical Assistance
Acceptance of copies	Multilateral Institutional Arrangements	Corporate Social Responsibility
Processing of applications		

Thank you!

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