As of 28 April 2024

DEDICATED SESSION ON INVESTMENT FACILITATION FOR DEVELOPMENT (IFD)
NEEDS ASSESSMENT

Tuesday, 30 April 2024, from 3:00 p.m. to 5:00 p.m. CET (Geneva time)

Let me start by congratulating the members and the WTO secretariat on the remarkable achievement at the MC13. This new agreement is instrumental for developing countries to improve investment climate and facilitate investment inflows, which are essential for job creation and increased participation in trade and supply chains.

Working together with the partner agencies, WEF, WAIPA, IDB, OECD, World Bank, and of course the WTO, ITC has provided continued support to the IFD negotiations, through capacity building, facilitating outreach, channelling ground-level perspectives from the private sector and strengthening the development dimension in the process of the negotiations.

Moving forward, conducting needs assessments is an important step to help Members to have a better understanding on where are the gaps and what needs to be done to meet the requirements of the Agreement.

ITC has worked on investment facilitation self-assessments in a number of countries. During the negotiations, we've conducted

pilot assessments in Laos, Togo and Zambia, jointly with the German Institute of Development and Sustainability, and we've been discussing with these members on conducting a full-fledged assessment now that the Agreement has been concluded.

As suggested by the members last year on leveraging the existing projects and resources in the agencies to conduct pilot assessments, in the context of the EU-funded ARISE project, for example, ITC is currently working with the Philippines Board of Investment to conduct the needs assessment.

We have also contributed to several assessments led by the other agencies. For example, jointly with the Inter-American Development Bank, we've supported Ecuador on the assessment. Jointly with OECS, we're supporting assessments of the OCES countries.

However, we all know that the existing project have limited resources, therefore it's important that members in a position to do so, consider allocating dedicated resources to support more assessments.

We've been discussing with a few members (China, EU, Switzerland, Finland) to seek the possibility of a dedicated project or initiative on investment facilitation needs assessments.

We're also encouraging other teams at ITC to consider embedding investment facilitation needs assessment in their pipeline projects. Through these discussions, we hope to cover a number of countries, which may include Laos, Cambodia, Barbados, Guatemala, Eswatini, Uganda, Turkmenistan, Kazakhstan, Uzbekistan, and Timor-Leste.

Now, let me share a few observations from the assessment work that we've been doing in different countries, which might be useful for conducting future assessments:

- First, a national partner agency with strong convening power and who takes the lead in coordinating participation of the stakeholders is essential. In the Philippines, for example, the Board of Investment has done a great job setting up an inter-agency group comprising of over 30 government agencies and departments. This significantly facilitated the assessment process and ensured broad stakeholder participation.
- Second, the lead agency should take the ownership of the process. In the case of the Philippines, the BOI also set up an internal working group for the assessment, which has provided many supports, from convening the stakeholders, facilitating training sessions, to taking notes during the assessment workshops. This builds in-house expertise for the BOI to continue leading investment facilitation efforts in the country after the assessment is completed.

- Third, pre-assessment training is key, as the assessment exercise is not only about information collection, but also about knowledge building on good practices in facilitating investment, as well as providing a platform for exchange of information among the participating agencies. ITC and BOI conducted several workshops and trainings for various stakeholder groups, from the BOI focal points, the inter-agency group to the local government units and the private sector. A lot of great ideas were generated in these trainings and discussions, many of them going beyond the agreement and which are particularly useful in the specific context of the country to enhance investment facilitation efforts.

To conclude, we find that the assessment is an extremely useful exercise, which helps countries not only to identify the gaps and capacity building needs, but also for the stakeholders to work together with each other to further improve their investment climate.

We look forward to working together with the members and the partner agencies to provide continued support on needs assessments, and to put the IFD agreement into action.

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