Investment Facilitation

• Supporting investment facilitation negotiations through capacity building
• Facilitating regulatory reforms to enhance transparency and streamline procedures
• Making investment happen through strengthening IPAs and connecting investors
Why Investment Facilitation?

- Recovery of FDI flows into developing countries remains weak
- FDI is key to addressing new challenges, including digitalization, climate change, connectivity, development for women & youth
- SMEs in developing countries require $1 trillion of additional investment annually to move towards achieving SDGs (ITC SME Competitiveness Outlook)
- Beyond economic fundamentals, predictability, transparency and ease of the regulatory environment are key to attracting investment
- Investment facilitation is now a priority issue: globally (WTO), regionally (e.g. AIFF, AfCFTA) and bilaterally (e.g. EU-Angola)

"IFD agreement could generate global welfare gains between 250 billion to 1.1 trillion USD, with most of the gains accruing to middle- and low-income countries"

- Ngozi Okonjo-Iweala, Director General, WTO
What practical challenges do investors face in making investments?

- Knowing investment regulations and procedures
- Lack of coordination among gov. agencies
- Complexity of investment procedures
- Objective, reasonable and impartial implementation of investment related measures
- Finding qualified local suppliers and business partners
- Having clear timeframe and procedures for processing applications

- Investment facilitation improves investment climate through enhancing transparency and predictability of investment measures; streamlining and speeding up administrative procedures; improving regulatory coherence and cross-border cooperation; enhancing investment for sustainable development.
- It does not cover Market access, Investment protection, Investment dispute settlement.
Illustration of challenges from country projects

Investment Facilitation for Development
# How IFD fits into ITC’s matrix structure

<table>
<thead>
<tr>
<th>IMPACT AREAS</th>
<th>CORE SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable and resilient value chains</td>
<td>MARKUP; East Africa WACOMP</td>
</tr>
<tr>
<td>Inclusive trade</td>
<td>Youth Startup Academy Colombia</td>
</tr>
<tr>
<td>Digital trade</td>
<td>Project (YEP) – Angel Investor’s Networks</td>
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<tr>
<td>Digital trade</td>
<td>Improved MSME access to capital and technologies</td>
</tr>
<tr>
<td>Regional integration and South-South trade</td>
<td>Bring local suppliers into value chains</td>
</tr>
<tr>
<td>Non-impact area specific</td>
<td>ITC’s Investment Map</td>
</tr>
</tbody>
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**Support attracting green investment**

**Digitization of investment procedures**

**Digitization of investment procedures**

**WTO Investment Facilitation**
### Highlights from the IFD project

**Awareness and Outreach**
- 8 regional high-level roundtables bringing together over 40 ministers and heads of IOs
- Developed a strong network of collaboration (WTO, UNCTAD, OECD, WBG, ECA, ESCAP, ECLAC, AUC, AfCFTA, ASEAN, WEF, WAIPA, etc.)
- 14 public webinars to increase public awareness

**Negotiation Capacity**
- 6 Capacity building workshops for negotiators
- On-demand support to delegates
- Supported LDCs to develop proposals and submissions
- Conducted pilot assessments in Laos, Togo and Zambia

**Policy Advisory**
- 11 Expert Network meetings, examining various legal and practical issues
- A comprehensive inventory of investment facilitation measures
- 6 policy briefs, examining key issues such as legal options for integrating IFDA into the WTO framework, insulating IFDA from other investment treaties

**Business Voice**
- 13 Commentary Group meetings, gathering views from private sector
- A survey report on What Foreign Investor Want: Finding from Latin America and Caribbean

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"The joint initiative by the International Trade Centre (ITC) and the German Development Institute is worthy of praise and I would like to compliment them in particular. The workshops and webinars held throughout this year have contributed substantially to a better understanding of many crucial issues for the design of the agreement on investment facilitation."

- Xiaozhun Yi, Deputy Director General of the WTO
ITC’s investment projects in countries

Enhancing Transparency
- Targeted investment profiles highlighting sector-specific opportunities
- Step-by-step investment procedural guides
- Sector specific tax guides to reduce procedural complexities

Streamlining Procedures
- Business Process Analysis (BPA) to identify procedural inefficiencies
- Analysing reform options and policy advisory on best practices
- Facilitating inter-agency coordination

Strengthening IPAs
- Building capacity for effective investment facilitation/promotion
- Strengthening policy advocacy capacity
- Support establishing/enhancing IPA web portals

Connecting investment
- Raising awareness on investment opportunities
- Comprehensive guides on investment procedures
- Investment promotion and networking activities
- Linking investors and local companies

Ethiopia  Kenya  Zambia  Rwanda  Tanzania  Uganda  Mozambique