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IMPROVING THE STATE
OF THE WORLD

Supporting Investment Facilitation for Sustainable Development

Aditi Sara Verghese

7th Meeting of the Asia-Pacific FDI Network, 3 November 2017

Presentation Outline

Our Work



Sustainable Investment Facilitation



Relevance for LDCs and LLDCs



Supporting Sustainable Investment Facilitation



Our Work on Investment and Facilitation



STRENGTHENING THE GLOBAL TRADE SYSTEM



Investment Policy Dialogues



Donors:



Government of Canada / Gouvernement du Canada



Federal Ministry for Economic Cooperation and Development



Department for International Development



USAID FROM THE AMERICAN PEOPLE



Australian Government Department of Foreign Affairs and Trade

Defining Terms

Sustainable investment

“Commercially viable investment that makes a maximum contribution to the economic, social and environmental development of host countries and takes place in the framework of fair governance mechanisms” (Sauvant, 2017)

Investment facilitation

“The 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.” (UNCTAD, 2017)

- 1) Policies, laws and regulations
- 2) Activities conducted to support a particular investor (Dressler, 2017)

What is not Investment Facilitation? Protection; Market Access; ISDS; Promotion

Facilitating Sustainable Investment: Strategies and Examples

1. Present sustainable investment opportunities

Invest in Iceland – Geothermal by-products

2. Target sustainable investors/projects

Invest in Iceland – Data centres

India – Renewable energy

3. Sustainability in qualification requirements

Invest in Iceland – Technology, Environment

Germany – Qualification for investment guarantees



Facilitating Sustainable Investment: Strategies and Examples

4. Assist established investors to improve beneficial impacts → improves the investment climate

Singapore EDB – Siemens Medical Instruments

5. Facilitate investment by SMEs

Make in India Mittelstand

Sources: Andreas Dressler (2017), Invest India, Economic Development Board Singapore, Martin Kaspar



LDCs and LLDCs

Investment trends for 2016 (UNCTAD)

Importance of *diversification*, *integration* into global markets

Benefits of (sustainable) investment facilitation

- In general, less resource intensive
- Can focus on priority sectors
- SMEs, developing country investors can be facilitated
- Necessary complement/substitute to other investment policy
- Aftercare can complement dispute prevention and improve the investment environment
- Capitalise on investors looking for impact/sustainable investment opportunities



Supporting Sustainable Investment Facilitation

- *Public-private partnership* to identify bottlenecks and implement specific reforms
- *IPA training*
- *Repository of case studies* and success stories
- System to help IPAs identify, prioritise and monitor sustainable investment projects, perhaps using *sustainability criteria*
- *SME* cross-border investment facilitation



<http://e15initiative.org/themes/investment-policy/>

<http://e15initiative.org/>

<http://www.tradefacilitation.org/>



WORLD ECONOMIC FORUM

Aditi Sara Verghese

Policy Analyst, Investment and Global Value Chains

International Trade and Investment

World Economic Forum

AditiSara.Verghese@weforum.org