









Webinar report: The role of partnerships in facilitating investment

The webinar on "The role of partnerships in facilitating investment", co-organized by the International Trade Centre (ITC), the German Development Institute/ Deutsches Institut für Entwicklungspolitik (DIE), the World Association of Investment Promotion Agencies (WAIPA), and the World Economic Forum (WEF), took place on 12 October 2021, from 15:00 to 16:15 Geneva time. The webinar hosted approximately 100 participants. The webinar was held in the framework of the Investment Facilitation for Development project, jointly implemented by the ITC and DIE. This was the 8th webinar in a series meant to assist investment promotion agencies (IPAs) and policymakers strengthen their capacity to facilitate higher FDI flows, especially investment flows that directly contribute to development.

Opening remarks were provided by Mohammad Saeed, Officer-in-Charge, Chief, Trade Facilitation and Policy for Business, ITC. The webinar was moderated by Matthew Stephenson, Policy and Community Lead, International Trade and Investment, WEF, and included the following speakers: Jeroen Carl Maria Nijland, Director of Investor Relations & Special Advisor, Investment Promotion Agency Qatar (IPA Qatar) and former head of the IPA of the Netherlands and Chair of the OECD IPA Network; Philippe Yvergniaux, Director of International Cooperation, Business France; Hanna Tatarchenko Welgacz, Manager, Innovation Investment Division, Brazilian Trade and Investment Promotion Agency (APEX Brasil); and Esaie Ntidendereza, Head of Division, Investment Promotion, Burundi Investment Promotion Authority (API). Concluding remarks were provided by Karl P. Sauvant, Resident Senior Fellow, Columbia University, CCSI.

The webinar's programme is annexed to this report.

Summary of the main issues

The discussions focused on the following main points, elaborated further below.

- The webinar addressed the different forms partnerships can take, such as partnerships between IPAs (or outward investment agencies) from different economies, public-private partnerships and partnerships between governments and international organizations. It was mentioned that IPA-IPA cooperation is not easy, because IPAs can at times be in competition, but they also have common interests that can be identified to facilitate cooperation.
- During the webinar, two main categories for cooperation were identified, partnerships that support knowledge/experience sharing and thus capacity building, as well as partnerships that support two-way investment flows.
- It was emphasized that partnerships should not only promote investment in general but focus on facilitating sustainable FDI.

• International investment facilitation agreements can be vehicles to develop partnerships by including provisions that promote such partnerships.

I. How can partnerships work in practice?

Against the backdrop of plunging global FDI flows and the need for sustainable FDI for recovery, countries are increasingly adopting investment facilitation frameworks as well as entering into regional and international initiatives to facilitate investment, such as the potential WTO Investment Facilitation for Development (IFD) Agreement. To successfully implement such frameworks, partnerships among various groups are central.

The webinar addressed how partnerships can take different forms and how they can work in practice. Partnerships can include public-private partnerships, IPA-to-IPA partnerships, IPA-outward investment agency partnerships, organisation-to-organisation partnerships, and combinations of the above. Partnerships can be codified through memoranda of understanding and implemented through joint activities identified by the parties. In general, the areas of cooperation include two main categories: partnerships that support knowledge and experience sharing and thus capacity building, and partnerships that support two-way FDI flows. It was emphasized that the establishment of partnership mechanisms may require technical assistance.

Partnerships that support capacity building include, for instance, peer-to-peer learning on effective institutional arrangements or measures. In this regard, IPA-IPA cooperation is not easy, given that IPAs can at times be in competition. However, it was noted that IPAs from different economies also have common interests and not all IPAs are competitors. For example, cooperation can easily take place between economies that are far away from each other or have different economic structures, or between IPAs in developed countries and developing countries. Such cooperation can involve the sharing of best practices, as well as technical assistance and capacity building. It was noted that the willingness of IPAs to cooperate with each other may also depend on the topic for cooperation. For example, there may be more willingness to discuss customer relationship management systems or other more analytical or technical issues rather than investment facilitation insights.

It was also mentioned that, due to the COVID-19 pandemic, there have been drastic changes in the way IPAs operate. Accordingly, because IPAs are seeking guidance on how to adapt their operations, partnerships can provide relevant insights and provide conceptual guidance on issues such as technology and geopolitics. In addition, there are methodological questions that IPA networks can assist with, and do not involve issues that may result in competition. For example, the Organisation for Economic Co-operation and Development (OECD) IPA network analysed econometric methods on how IPAs could demonstrate the added value of FDI to an economy, a methodological question that every IPA faces but an issue that does not engage competitive interests of IPAs for securing potential FDI flows.

Regarding partnerships that facilitate two-way investments, cooperation can include activities such as matchmaking between firms and the identification of information on investment opportunities, exchange of information on target sectors, bankable projects, joint investment projects, and alignment of host and home country measures so that these both push and pull FDI flows in a

coordinated way. It was suggested that such cooperation can take place between IPAs (or other agencies) that are responsible for promoting outward FDI (known as outward investment agencies) and IPAs that are responsible for attracting inward FDI.

It was emphasized that partnerships should not only promote FDI in general, but focus on facilitating sustainable FDI. The sustainable nature of the investment could be achieved through joint efforts of investors, home country governments, host country governments, and IPAs throughout the investment cycle, to ensure that sustainability issues are given full consideration in decision making.

Another form of cooperation covered were public-private partnerships. Public-private partnerships can identify issues that need to be tackle through investment facilitation, support policy development and implementation and monitor the effectiveness of measures in practice. Governments should focus on constructive stakeholder relationships that assist in shaping a friendly investment climate, ensure that problems can be dealt with expeditiously, and that enable businesses to operate in a responsible manner. Such relationships can be facilitated by establishing and maintaining mechanisms for regular consultations and effective dialogues and collaboration with stakeholders, to identify and address issues encountered by investors and local communities.

II. International investment facilitation agreements as vehicles for facilitating partnerships

It was noted that international investment facilitation agreements, including the IFD Agreement, should encourage cooperation and partnerships, and should include provisions that identify concrete areas for cooperation between economies through partnerships, especially to achieve the sustainable development goals. Examples of such provisions are joint committees that promote two-way flows of sustainable FDI or provisions that provide for joint policy advocacy or capacity building for designing investment facilitation frameworks.

It was mentioned that the IFD Agreement that is currently being negotiated among over 100 economies contains specific provisions on supporting cooperation between investment authorities. These provisions currently include exchange of information and sharing of experiences regarding the implementation of the IFD Agreement; exchange of information with respect to investment opportunities, the collection and compilation of data and statistics relating to FDI; the promotion of facilitation agendas with a view towards increasing investment for development; and the promotion of business partnerships and the creation of information networks.

Annex 1: Invitation











Webinar invitation: The role of partnerships in facilitating investment

12 October 2021

Dear Colleagues,

On behalf of the International Trade Centre (ITC), the German Development Institute/ Deutsches Institut für Entwicklungspolitik (DIE), the World Association of Investment Promotion Agencies (WAIPA), and the World Economic Forum (WEF), we cordially invite you to a webinar on:

The role of partnerships in facilitating investment

The webinar will take place on 12 October 2021, from 15:00 to 16:15 Geneva time (Central European Time), 09:00 to 10:15 Eastern Standard Time, and 21:00 to 22:15 China Standard Time.

The webinar is being held in the framework of the Investment Facilitation for Development project, jointly implemented by the ITC and DIE.

This is the 8th webinar in a series meant to assist investment promotion agencies (IPAs) and policymakers strengthen their capacity to facilitate higher FDI flows, especially investment flows that directly contribute to development; it will also provide an opportunity to exchange experiences regarding investment facilitation, including with investors.

The 8th webinar will focus on practical issues regarding **the role of partnerships in facilitating investment**. Countries are increasingly adopting investment facilitation frameworks as well as entering into regional initiatives to facilitate investment. In addition, a framework on investment facilitation for development is being negotiated at the World Trade Organization among over 100 Members. Partnerships can be an important element to successfully implement such frameworks. There is growing interest for cross-border cooperation as investment authorities are increasingly signing Memoranda of Understanding. In addition, stakeholder engagement – especially with investors – are essential to identify investment facilitation needs and monitor the effectiveness of measures in practice. The webinar will address partnership mechanisms between investment authorities and public and private actors that are essential if investment facilitation frameworks are to be effective in practice.

The discussions will be informed by "Investment Facilitation for Development: A Toolkit for Policymakers", available here.

Please feel free to share this invitation with officials dealing with FDI, as well as representatives of the private sector who might be interested in this subject.

The webinar will be conducted in an interactive manner and allow for questions by participants.

The webinar will feature the following speakers:

Opening: **Mohammad Saeed**, Officer-in-Charge, Chief, Trade Facilitation and Policy for Business, ITC

Moderator: Matthew Stephenson, Policy and Community Lead, International Trade and Investment, World Economic Forum

Experts and practitioners:

Jeroen Carl Maria Nijland, Director of Investor Relations & Special Advisor, Investment Promotion Agency Qatar (IPA Qatar) and former head of the IPA of the Netherlands and Chair of the OECD IPA Network – "How can partnerships work in practice? The experience of an IPA from the Middle East and perspective of a former IPA network chair"

Philippe Yvergniaux, Director of International Cooperation, Business France – "How can partnerships work in practice? The experience of an IPA from Europe"

Hanna Tatarchenko Welgacz, Manager, Innovation Investment Division, Brazilian Trade and Investment Promotion Agency (APEX Brasil) – "How can partnerships work in practice? The experience of an IPA from the Americas"

Esaie Ntidendereza, Head of Division, Investment Promotion, Burundi Investment Promotion Authority (API) – "How can partnerships work in practice? The experience of an IPA from Africa"

Concluding remarks: Karl P. Sauvant, Resident Senior Fellow, Columbia University, CCSI

Participation in the webinar is free of charge. However, it is necessary to register for the event (please <u>click here</u>), to receive the meeting link details.

The webinar will be delivered through Zoom.

We are looking forward to welcoming you at the webinar!

Best regards,

Rajesh Aggarwal, ITC; Axel Berger, DIE; Karl P. Sauvant, Columbia University/CCSI; Bostjan Skalar, WAIPA; Matthew Stephenson, WEF

Background material

Axel Berger and Karl Sauvant, eds. *Investment Facilitation for Development: A toolkit for policymakers*, 2021, International Trade Centre, available here.

World Economic Forum. Launching an Alliance to Enable Action on Sustainable Investment (EASI), June 2021, available here.

Bios:

Jeroen Nijland

Jeroen Nijland has been Director of Investor Relations and Special Advisor, Investment Promotion Agency Qatar (IPA Qatar) since March 2021. Prior to this, he was the Commissioner of the Netherlands Foreign Investment Agency (NFIA), the Dutch IPA, for seven years, from February 2014 to February 2021, and for the last year and half, was also Chair of the OECD Network of Investment Promotion Agencies. In his role as Commissioner, he was responsible for general management of NFIA headquarters in The Hague, as well as the 28 NFIA offices abroad. Earlier he served as Chair of the OECD Regulatory Policy Committee. He has degrees in political science, as well as public administration.

Esaie Ntidendereza

Esaie Ntidendereza is the Head of Investment Promotion at IPA Burundi. He worked as a member of the national committee in charge of screening priority projects for investment. He is a former Federal Government Officer at Statistics Canada and has worked for ILEAP-Toronto, as an advisor to the Executive Director, specializing in the WTO trade related negotiations. He worked as an economist analyst at IHS Energy Group in Geneva and for the International Labour Organization. He holds a master degree in Economics from the University of Geneva and has a Burundian and Canadian citizenship.

Mohammad Saeed

Mohammad Saeed is currently leading the Trade Facilitation and Policy for Business team responsible for trade and investment issues at the ITC. His work focuses on assisting beneficiary countries to promote trade through improving the competitiveness of private businesses. He has provided advisory services to more than 50 developing countries for their trade policy reforms. He served as Senior Technical Adviser on trade and transport facilitation at the UNCTAD and served on six Dispute Panels of the WTO, including four as Chair. He worked as trade negotiator of Pakistan and played a leading role in designing and developing the market access and trade facilitation negotiating strategy for Pakistan in the WTO Doha Round Negotiations.

Karl P. Sauvant

Karl P. Sauvant introduced the idea of an International Support Program for Sustainable Investment Facilitation in the E15 Task Force on Investment Policy in 2015. From there, the proposal was taken forward in the WTO. He has written extensively on this subject (see https://ssrn.com/author=2461782), participated in various events relating to it and currently assists the ITC and DIE on a project on Investment Facilitation for Development. He retired in 2005 as Director of UNCTAD's Investment Division and established, in 2006, what is now the Columbia Center on Sustainable Investment (CCSI). He stepped down as the Center's Executive Director in 2012, to focus his work, as a CCSI Resident Senior Fellow, on teaching, research and writing.

Matthew Stephenson

Matthew Stephenson is Policy and Community Lead for International Trade and Investment at the World Economic Forum, where he manages the Global Investment Policy and Practice initiative. Previously, he worked at the IFC, where he led the workstream on outward FDI. He has also worked at the OECD on Africa and investment and served as a diplomat for the U.S. Department of State, leading the economic team on Afghanistan and managing economic programs in the Middle East. He is a member of the T20 Task Force on Trade and Investment. He has a PhD from the Graduate Institute in Geneva, a master's from the Harvard Kennedy School and a bachelor's from Oxford University.

Hanna Tatarchenko Welgacz

Hanna Tatarchenko Welgacz is a senior international business and investment officer at Apex-Brasil, Brazil's Trade and Investment Promotion Agency. She has conducted research that contributed to Brazil's national policies for inward and outward investment (International Investor Research 2018 and Internationalization Research 2016). Previously, she worked at several private companies, where she led the export and import operations and international sales departments. She holds a Ph.D. and a Master's degree in business administration from Pontificia Universidade publishes Católica Parana. do She research international business on (http://lattes.cnpq.br/2686651364872215) and teaches at the University Center of Brasília.

Philippe Yvergniaux

Philippe Yvergniaux has 27 years of experience in FDI attraction, as international director and then general manager of French regional IPAs from 1993 to 2005, then country director at Invest in France Agency for the British Isles (2005-2009) and North America (2009-2015); in January 2015 he was appointed Director of International Cooperation at Business France. In this role, he is charged with leading efforts to develop partnerships with, and provide technical assistance to, trade and investment promotion agencies throughout the world. Prior to 1992, he worked as a civil engineer on rural development projects in Africa, Indonesia, and Haiti. He is married with 4 children and 4 grandchildren.