

## **Report: 9<sup>th</sup> virtual meeting of the Commentary Group on a Multilateral Framework on Investment Facilitation for Development**

The 9<sup>th</sup> meeting of the Investment Facilitation Commentary Group took place virtually on 9 November 2021 from 15:00 to 16:30 Central European Time (CET).

The meeting sought to identify good practices for stakeholder consultations to facilitate foreign direct investment (FDI) flows. Stakeholder consultations are essential to understand what investment facilitation measures may be needed and to provide feedback as to whether measures adopted are effective and achieve their intended objectives in practice.

The meeting was moderated by Matthew Stephenson, Policy and Community Lead, International Trade and Investment, World Economic Forum, and included the following speakers: Jan von Herff, Senior Manager, Trade and Industrial Policy, BASF Germany; Raoul Ruparel, Director of Trade and Investment, Deloitte; Elizabeth Schaefer, Director, Investment Research, Select USA; and Sharan Burrow, General Secretary, International Trade Union Confederation (ITUC). Concluding remarks were provided by Karl P. Sauvant, Resident Senior Fellow, Columbia University, CCSI.

A list of the participating members in the meeting and the programme are attached to this report.

### **Discussion highlights**

The discussion during the webinar focused on the following points, which are further elaborated upon in separate sections below.

- Stakeholder consultations are important because they provide governments with the experience of those who are "on the ground" and directly affected by their actions. In addition, they give government decisions legitimacy, particularly when the government has obtained input from the entire range of stakeholders.
- The format of stakeholder consultations depends on the goals, issues and impact that such consultations are intended to meet or address. Hence it is important to define the objective of the consultations and the scope of the discussion and, importantly, to set up a structure. Good practices include having a lead agency to facilitate stakeholder consultations, involving all relevant stakeholders and organizing an ongoing dialogue, from the formulation of policies to implementation and monitoring. Important are also to identify the roles of participants in the consultations and ensuring information sharing among parties.

## **I. Stakeholder consultation mechanisms**

Stakeholder consultations are important because they provide governments with first-hand knowledge and "on-the-ground" experience of those who are directly affected by government actions. In addition, they give government decisions legitimacy, particularly when the government involves the entire range of stakeholders in these consultations, including the private sector, trade unions, civil society in general, experts, and consumers.

Setting up stakeholder consultation mechanisms involves certain design choices, depending on the goals, issues and the impact related to such consultations. For example, consultations can be sector specific, when trying to address constraints that apply to specific sectors. They can be held on an *ad hoc* basis when trying to address a specific problem, or they can be held on a regular and continuous basis when the aim is to monitor feedback that can improve an economy's business environment. Accordingly, when trying to identify best practices for stakeholder consultation mechanisms, it is hard to generalize regarding best practices because they are affected by the specific context and the objectives of the consultations.

It is important to set up a structure, based on the objective of the consultation and the scope of the discussion sought. These factors will help determine which stakeholders should be invited and the form of the consultations that should be undertaken. In addition, it is important that, when addressing investment facilitation issues, the development and sustainability aspects are included as part of the objectives of the consultations and are raised during the discussions.

## **II. Good practices for stakeholder consultations to facilitate FDI**

During the meeting, the following good practices for stakeholder consultations to facilitate FDI were discussed. As stated above, depending on the goals of the stakeholder consultations, different mechanisms and good practices are relevant to organize stakeholder consultations. However, it was emphasized that it was generally advisable to institutionalise stakeholder consultations through a standing mechanism and a fairly constant group of those stakeholders consulted.

*Lead agency to facilitate stakeholder consultations.* A lead agency, usually the IPA, should facilitate stakeholder consultation meetings in terms of setting up the meetings, including establishing the goals, coordinating logistics, publishing reports with meeting conclusions, tracking outcomes, and undertaking follow-up with all relevant stakeholders, including other government agencies through policy advocacy emanating from the issues and recommendations identified through the stakeholder consultations.

*Aftercare.* Governments and specifically IPAs should engage with investors through their aftercare services, using a structured approach for reaching out to existing investors. It is important to proactively reach out to stakeholders individually, asking them for ideas on how to improve the business environment for investors and the sustainable development impact they have. It was mentioned that, for governments to understand specific problems that investors face, governments should use customer relationship management (CRM) mechanisms. CRM mechanisms assist in getting the information and data that are needed and systemically managing them to improve processes, including efficiency and accuracy.

*Involve all relevant stakeholders.* In the context of investment facilitation, stakeholder consultations should include all stakeholders involved in any process that is related to FDI flows and the economy. Stakeholders should include the public sector, both at the national and

sub-national levels; the private sector, including small and medium-sized enterprises (SMEs) that should be given a chance to make their own input relating to their needs and experiences; civil society; and experts. In this respect, it was mentioned that governments should proactively make sure that SMEs and civil society are involved in the discussion and have a voice.

*Ongoing dialogue, from the formulation of policies to implementation and monitoring.* When addressing broad policy issues, it was mentioned that dialogue with stakeholders should involve recurring consultations, for example in the framework of an advisory council, which can have subgroups to bring in specialised expertise. An advisory council might also need a secretariat or some form of a support system. Consultations should continue throughout the implementation process so as to monitor progress and impact (discussed in more detail below). Some countries have used a competitive process of application for companies to be selected for advisory councils.

*Industry roundtables.* Holding industry roundtables on an *ad hoc* basis is important for collecting information on specific legislation and policies. It is important to make sure that all relevant stakeholders are invited and that they are able to provide practical information directly on the topic. Putting together effective roundtables requires making sure that stakeholders who can provide different perspectives are involved. It is also important to set up roundtables in such a way that participants are comfortable sharing information. Roundtables, especially those in person, are particularly valuable, as written consultations are generally regarded as ‘box-ticking’ exercises and only useful if very targeted to a highly technical and specific issue. It is also recommended to keep a fairly constant group of stakeholders consulted to build trust and continuity on issues over time.

*Permanent attitude and corporate culture.* It was emphasized that, in order to build trust and strong relationships among different stakeholders during discussions, the discussions should be moderated with proactive foresight, stewardship and empathetic listening; governments in their exercise of stakeholder consultations should be persistent. This attitude and corporate culture involve constant diplomacy, while extracting relevant information and tabling that information to serve the consultation goals.

*Monitoring and evaluation.* It is important to keep track of the deliverables that were identified and decided during stakeholder consultations by reaching a clear output from each consultation. These outputs need to be translated into policy recommendations and action items. It is important that there be an entity that is responsible for following up, monitoring and evaluating progress made, which can be viewed as a form of ‘secretariat’ to the stakeholder consultation process.

*Data collection:* It is critical for governments and IPAs to not only understand stakeholders’ needs, but also to become aware of problems when they arise and to recognise possibilities for solutions. It was emphasised that, often, governments become aware of problems only after they start consultation processes. It was noted that online surveys are an efficient way to collect data, and a recommendation was made to follow up with survey respondents who had relevant information to share. Case studies can complement surveys by capturing additional detail and nuance that may not be possible to capture in a survey. Through data collection, governments can start understanding conditions in practice, as well as compare their performance with that of other jurisdictions, as well as good practices. Government can also publish their studies and request feedback from different stakeholders. Service providers can also be a very useful source

of data, as they work with many firms and can thus consolidate and synthesise insights across this experience.

*Identify the roles of the participants in the consultations.* It was noted that the roles of the participants in the consultations should be clear. The private sector, civil society and others are there to bring the practicalities of what is happening in practice, including feedback on the implementation of investment facilitation measures. The public sector is there to provide a policy overview, to inform the participants about how issues can be tackled and to explain the framework through which things can be improved.

*Information and data sharing.* To make consultations more effective, it is important to ensure a flow of information among all sides. It was noted that, often, there is an expectation that only the private sector provides information, but there should be a dialogue to ensure a genuine conversation among all stakeholders, and to make sure that all stakeholders feel that they are participating in the discussions. It is also important to ensure that the parties know what is going to be discussed before a meeting because stakeholders need time and resources to prepare themselves adequately.

## Annex I: Participating members in the 9<sup>th</sup> Commentary Group meeting

First Name	Last Name	Affiliation
Mohammed	Baba	Deputy Director, Nigerian Investment Promotion Commission (NIPC), Nigeria
Douglas	van den Berghe	Vice President, Advisory, Conway Inc
Kaye	Brathwaite	Chief Executive Officer, Invest Barbados, Barbados
Russell	Curtis	Head, Invest Durban
Khalil	Hamdani	Visiting Professor, Lahore School of Economics
Iain	Lindsay	Advisor to the Board, Chief Executive Office, EDB Bahrain
Frederico	Marchiori	Global Head of Institutional Relations, Oxiteno
Benjamin	Mgbemere	Special Assistant to the Executive Secretary, Nigerian Investment Promotion Commission (NIPC), Nigeria
Hazem	Mulhim	Chief Executive Officer, EastNets
Alice	Nikuze	Investment Marketing Analyst, Rwanda Development Board (RDB), Rwanda
Esaie	Ntidendereza	Head of Division, Investment Promotion, Burundi Investment Promotion Authority
Rifat	Parvez	Executive Director General BOI Pakistan
Sebastian	Reil	Senior FDI Consultant, FDI Center
Karl P.	Sauvant	Resident Senior Fellow, Columbia University, CCSI
Matthew	Stephenson	Policy and Community Lead, International Trade and Investment, World Economic Forum
Markus	Thill	President, Africa, Robert Bosch
Hanna	Tatarchenko Welgacz	Manager, Brazilian Trade and Investment Promotion Agency (APEXBrazil), Brazil
Philippe	Yvergniaux	Director of International Cooperation, Business France
<b>Speakers</b>		
Sharan	Burrow	General Secretary, International Trade Union Confederation (ITUC)
Jan	von Herff	Senior Manager, Trade and Industrial Policy, BASF Germany
Raoul	Ruparel	Director of Trade and Investment, Deloitte
Karl P.	Sauvant	Columbia Center on Sustainable Investment (CCSI)
Elizabeth	Schaefer	Director, Investment Research, SelectUSA
Matthew	Stephenson	Policy and Community Lead, International Trade and Investment, World Economic Forum

Additional participants		
Hisham	Alsuhaibani	Economic Specialist, Invest Saudi
Edgard	Carneiro Vieira	Policy Analyst and Engagement Specialist, World Economic Forum
Yardenne	Kagan	Project Officer, ITC/DIE Project on Investment Facilitation for Development, ITC
Ana	Novik	Head, Investment Division, OECD
Bernard	Odhiambo	Kenya Investment Authority (KenInvest), Kenya

## Annex II: Invitation and agenda



### **Invitation: 9<sup>th</sup> VIRTUAL MEETING OF THE COMMENTARY GROUP ON A MULTILATERAL FRAMEWORK ON INVESTMENT FACILITATION FOR DEVELOPMENT**

**9 November 2021**

Dear Madam/Sir,

We would like to invite you to participate in the 9<sup>th</sup> meeting of the Commentary Group, to take place virtually on 9 November 2021 from 15:00 to 16:30 Central European Time (CET).

As a reminder, the Commentary Group’s mandate is to provide input on the content of a new framework being developed at the WTO to facilitate cross-border investment and increase its development impact.

**The 9<sup>th</sup> meeting of the Investment Facilitation Commentary Group will aim to identify good practices for stakeholder consultations to facilitate investment.**

Stakeholder consultations are essential to understand what investment facilitation measures may be needed and to provide feedback as to whether measures adopted are effective and achieving their intended objectives in practice. What kind of dialogue mechanisms are needed? How often should meetings take place? Who should be consulted? How can suggestions be tracked and monitored over time? These are some of the questions that the meeting will seek to address, with a view to recommending such practices be included in a future WTO Agreement on Investment Facilitation for Development.

The discussions will be informed by “*Investment Facilitation for Development: A Toolkit for Policymakers*”, [available here](#).

As with previous meetings, a summary of the discussions will be made available to the WTO's Structured Discussions.

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

**Panellists:**

**Jan von Herff**, Senior Manager, Trade and Industrial Policy, BASF Germany – *“Investor recommendations on stakeholder consultations – insights from a manufacturing company”*

**Raoul Ruparel**, Director of Trade and Investment, Deloitte – *“Investor recommendations on stakeholder consultations – insights from a professional services firm”*

**Elizabeth Schaefer**, Director, Investment Research, SelectUSA — *“Good practices for consultations with stakeholders to facilitate FDI – lessons from the USA”*

**Sharan Burrow**, General Secretary, International Trade Union Confederation (ITUC) – *“Good practices for consultations with stakeholders to facilitate FDI – the perspective of civil society”*

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

To join the meeting, kindly click on the link below shortly before 15:00 am CET on 9 November 2021 and follow the instructions.

[Join Zoom Meeting](#)

We hope that you will be able to participate and ask that you confirm your participation with Yardenne Kagan ([ykagan@intracen.org](mailto:ykagan@intracen.org)).

With best regards,

Karl P. Sauvant  
Columbia University/CCSI  
1 212 593-4294  
[karlsauvant@gmail.com](mailto:karlsauvant@gmail.com)

Matthew Stephenson  
World Economic Forum  
41 79 265 8986  
[Matthew.Stephenson@weforum.org](mailto:Matthew.Stephenson@weforum.org)

**Background information:**

ITC-DIE project on [Investment Facilitation for Development](#)

Axel Berger and Karl P. Sauvant, eds., *Investment Facilitation for Development: A Toolkit for Policymakers* (Geneva: ITC, 2021), [available here](#).

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

## **Bios:**

### **Sharan Burrow**

Sharan Burrow is General Secretary of the International Trade Union Confederation (ITUC). Prior to her current position, she held the position of ITUC President since its Founding Congress in Vienna (2006) and the position of ICFTU President since its 18th World Congress (2004). She is the first woman to have held any of these positions. She studied teaching at the University of New South Wales (NSW) in 1976. She became an organiser for the NSW Teachers' Federation, based in Bathurst, and was President of the Bathurst Trades and Labour Council during the 1980s. She was elected Senior Vice-President of the NSW Teachers' Federation and became President of the Australian Education Union (AEU) in 1992.

### **Jan von Herff**

Jan von Herff is the Senior Manager on Trade and Industry Policy, Communications and Government for the BASF Group, where previously he has worked as Regional Manager for Asia-Pacific (2005 - 2009), and as Product Manager Intermediates (2002 - 2005). He is responsible for issues of trade and economic policy. In this role he has worked intensively for the company among other things in expert hearings and information sessions on the TTIP and he is also the Co-Chair of the trade working-group at the Transatlantic Business Council (TABC, [www.transatlanticbusiness.org](http://www.transatlanticbusiness.org)). He graduated from the University of Mannheim, where he studied economic and social history, politics, and philosophy.

### **Raoul Ruparel**

Raoul Ruparel is Director of Trade and Investment at Deloitte. He works in the Global Brexit Insights team advising the company across a range of business lines on topics ranging from Brexit to trade policy, economic policy and the wider political landscape in the UK and the EU. He helps businesses understand what the UK's exit from the EU means for them and how they can best mitigate any impact and take advantage of opportunities. His previous roles include Special Adviser to the Prime Minister on Europe and Special Adviser to the Secretary of State for Exiting the EU. He holds two masters' degrees from the University of Chicago in economics and public policy and an undergraduate degree from the University of Manchester.

### **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.



**Elizabeth Schaefer**

Elizabeth Schaefer is the Director of the Investment Research Team at SelectUSA. She leads data, evaluation, and analytical work relating to foreign direct investment promotion in the United States. Her team publishes original FDI research reports, develops and maintains dynamic data visualizations, conducts program monitoring and evaluation activities, and authors bespoke products for potential investors considering investment in the United States. She has an M.A. in Applied Economics from Johns Hopkins University and a B.A. in Economics from the University of Maryland.

**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.