



## WTO STRUCTURED DISCUSSIONS ON INVESTMENT FACILITATION FOR DEVELOPMENT

### STATEMENT BY THE CO-COORDINATORS

The following statement, dated 16 December 2022, has been prepared by the co-Coordiators of the WTO Structured Discussions on their own responsibility, and does not purport to represent the views of individual WTO Members participating in these negotiations.

#### 1 STOCKTAKING OF THE PERIOD JANUARY–DECEMBER 2022 AND OUTCOME

1. In light of participants' aspiration to finalize the text negotiations by the end of 2022, as well as their objective to achieve a meaningful and quality Agreement that will make an actual difference in facilitating foreign direct investment, participants have engaged in the negotiations with a sense of purpose and willingness to compromise in order to advance on remaining issues.
2. Participants have worked hard both in and in-between meetings to achieve such progress. They have demonstrated flexibility including by withdrawing text proposals or by submitting revised, further streamlined proposals, which have paved the way for finding landing zones on a range of key issues. In particular, substantial progress has been made on the provisions on MFN, scope and definitions, "home state measures", "supplier development programmes", and "responsible business conduct".
3. Reflecting the substantial progress achieved, the latest negotiating text (the "*Draft IFD Agreement*") contained in WTO document INF/IFD/RD/124, was circulated to all Members on 16 December 2022. It consolidates the successive updates made to the "Easter Text" since the first version was circulated to all WTO Members on 12 April 2021.<sup>1</sup> We consider the text negotiations as substantially advanced, in line with the December 2021 Joint Statement, which aimed at the conclusion of the text negotiations by the end of this year. This "*Draft IFD Agreement*", which is the result of the collective efforts of participants and follows the principle that "nothing is agreed until everything is agreed", constitutes a major milestone towards concluding a WTO Agreement on Investment Facilitation for Development.
4. The "*Draft IFD Agreement*" includes "convergence" text for seven Sections of the future Agreement: Section I on "Scope and general principles"; Section II on "Transparency of investment measures"; Section III on "Streamlining and speeding up administrative procedures"; Section IV on "Focal points, domestic regulatory coherence and cross-border cooperation"; Section V on "Special and differential treatment for Developing and Least-Developed Members"; Section VI on "Sustainable investment"; and Section VII on "Institutional arrangements and final provisions".
5. This text is the result of discussions held by more than 110 WTO Members since the negotiations were formally launched in September 2020. It builds on around 60 text proposals submitted by participating Members, out of which 43 are from developing and LDC Members, as well as text contributions from open-ended Discussion Groups. Following the guidance of the three Joint Statements on Investment Facilitation for Development,<sup>2</sup> the "*Draft IFD Agreement*" excludes market access, investment protection, and Investor-State Dispute Settlement. It also contains

<sup>1</sup> Document INF/IFD/RD/74/Rev.9, dated 18 November 2022.

<sup>2</sup> First [Joint Ministerial Statement](#), December 2017; second [Joint Ministerial Statement](#), November 2019; and third [Joint Statement](#), December 2021.

---

a multi-pronged "firewall provision" to insulate the future Agreement from Members' existing and future international investment agreements. The text also builds on existing WTO agreements.

6. Participants are of the view that the outcomes already achieved will contribute to creating a more transparent, efficient, and predictable environment for facilitating investments, which will anchor and complement similar efforts at the domestic, bilateral and regional levels. They also view the text as it stands now as an important step towards establishing WTO rules on investment facilitation in order to help Members attract, retain, and expand foreign direct investment flows to achieve sustainable development.
7. Participants plan to use the "*Draft IFD Agreement*" as basis for the next stage of the negotiations towards concluding an Agreement on Investment Facilitation for Development to facilitate outreach efforts, especially towards developing and least-developed Members.
8. Transparency in the negotiations has been ensured by inviting all WTO Members to the plenary meetings and ensuring timely access to participants' text proposals.<sup>3</sup> Reports of the discussions have been circulated by the co-Coordiators under their responsibility after their consultations in different configurations.<sup>4</sup> Furthermore, the co-Coordiators have regularly informed the entire WTO Membership about the latest developments in the Structured Discussions at the Heads of Delegations' meetings and have engaged with Members at their request.

## 2 NEXT STEPS

9. In 2023, we envisage that work will proceed along three separate but complementary tracks, namely:
  - i. Review the "*Draft IFD Agreement*" including, but not limited to, addressing brackets, and ensuring further clarity and coherence, with the legal scrubbing process following an agreement in principle;
  - ii. Take up the work on needs assessment for developing and LDC Members, starting with finalizing the IFD Self-Assessment Guide and conducting pilot projects; and,
  - iii. Intensify outreach efforts towards other Members in light of participants' aspiration to achieve a multilateral outcome.

With a view to organizing the work ahead of us, we will propose a schedule of meetings for the first part of 2023.

### **i. Process of "review" of the negotiating text**

10. The process of review will focus *inter alia* on remaining brackets and include a careful examination across the "*Draft IFD Agreement*", with the legal scrubbing to be carried out later on. We are confident that participants will remain committed to build upon the "*Draft IFD Agreement*" and continue making progress with a view to finalizing the review process as soon as possible in 2023, and in any case within the first half of 2023.

### **ii. Investment facilitation needs assessment**

11. Reaffirming that facilitating greater developing and LDC Members' participation in global investment flows constitutes a core objective of the IFD Agreement, participants recognized in the 2021 Joint Statement, the importance of supporting those Members in implementing the future IFD Agreement by addressing their identified needs through special and differential treatment, including technical assistance and capacity building.<sup>5</sup> The needs assessment will be

---

<sup>3</sup> All documents have also been posted on the dedicated [Investment Facilitation for Development portal](#) of Members' section on the WTO website.

<sup>4</sup> The reports provide an illustrative review of the issues addressed by Members participating in the co-Coordiators' consultations held in different configurations as well as additional comments expressed by participants in the plenary meetings of the Structured Discussions.

<sup>5</sup> [Joint Statement on Investment Facilitation for Development](#), WT/L/1130, 10 December 2021, para. 3.

---

important for developing and LDC Members also to identify the different categories of commitments that they will notify for the implementation of the Agreement.

12. At the meeting held on 26-27 January 2022, participating Members called for starting work on investment facilitation needs assessment. The first step, which is already underway, is to develop an Investment Facilitation Self-Assessment Guide, drawing on the experience of the TFA Self-Assessment Guide. The preparation of this Guide, coordinated by the WTO Secretariat in cooperation with seven partner international organizations,<sup>6</sup> is expected to be finalized in early 2023.
13. We encourage participants to work with resolve and renewed efforts on IFD needs assessment in 2023. Such pro-development implementing mechanism will not only benefit developing and LDC participating Members, but it will also signal what the Agreement has to offer in terms of technical assistance and capacity building to help Members attract more sustainable investment. With that objective in mind, a Dedicated Session on IFD needs assessment, with the participation of partner organizations working on the development of the IFD Guide will be organized to present the Guide to IFD participants and outline a way forward for the implementation of the IFD needs assessments, including on available options for funding, in the first quarter of 2023. We also encourage participants to start with pilot projects during the first part of 2023.<sup>7</sup>

### iii. Outreach

14. In light of participants' aspiration to achieve a multilateral outcome and with a view to paving the way towards incorporation of the future IFD Agreement into the WTO legal architecture, it will be key to further intensify outreach efforts. In this context, participants stressed the importance of encouraging all WTO Members to participate in this Joint Initiative, highlighting the benefits of joining the IFD Agreement, and explaining its pro-development dimension, including through the technical assistance and capacity building that will be available to participating Members. Hence WTO Members are strongly encouraged to step up outreach efforts, particularly towards developing and LDC Members.
15. The co-Coordiators will also meet with groups of WTO Members to enhance understanding of the future IFD Agreement and its potential for promoting sustainable development.

The co-Coordiators submit this Statement with the aspiration that the future IFD Agreement will reach another key landmark by the next WTO Ministerial Conference MC13.

---

<sup>6</sup> Interamerican Development Bank (IDB); International Trade Centre (ITC); Organization for Economic Co-operation and Development (OECD); United Nations Conference on Trade and Development (UNCTAD); United Nations Economic Commission for Africa (UNECA); World Bank Group; and World Economic Forum (WEF).

<sup>7</sup> So far, two countries or group of countries have flagged their intention to take part in IFD needs assessment projects: the OECS countries participating in the IFD initiative (Antigua and Barbuda; Dominica; and Grenada) and Lao PDR.