



World Economic Forum (WEF)

Attn. (10)(2e)

93 Route de la Capite 91

1223 GENEVE

Switzerland

(10)(2e)

@weforum.org

**Department for International
Trade Policy and Economic
Governance**

Rijnstraat 8

25115 XP Den Haag

Postbus 20061

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The Netherlands

<http://www.rijksoverheid.nl>

Contactpersoon

(10)(2e)

T +3170348 (10)(2e)

E (10)(2e)

Our reference

MINBUZA.2020.5393-11

Date: July 28, 2020

Re: Grant decision: Sustainable Investment Policy and Practice,
Activity number 4000003940

Dear (10)(2e)

Thank you for your grant application of 24 February 2020 for Sustainable Investment Policy and Practice, submitted on behalf of World Economic Forum. Your application has been saved in my records under number 4000003940. My decision on your application is set out in this letter dated 28 July 2020.

1. Decision

I have decided to award you a grant of up to € 300.000 . This amount also covers any taxes you will have to pay, including value-added tax (VAT).

The grant is based on section 2 of the Foreign Affairs (Grants) Framework Act, the Ministry of Foreign Affairs Grants Decree, article 2.4 of the 2006 Ministry of Foreign Affairs Grant Regulations is awarded subject to the condition that sufficient funds are made available by the budget legislator.

The grant is intended for the activities described in the activity plan of 24 February 2020 for the period 1 May 2020 until 31 December 2021. The definitive grant amount will depend on actual expenditure. If you implement the activities for less than the amount budgeted, the difference will be deducted from the definitive grant amount. You will be requested to repay any funds not spent.

2. Grounds for the decision

I am awarding you a grant in accordance with the grant application referred to in the first sentence of this letter.

3. Grant conditions

You must fulfil all the obligations laid down in this decision and in the legislation on which the grant is based. You are responsible for compliance and will bear the consequences of non-compliance.

Legislation

The following legislation is in any case applicable to the grant award:

* section 2 of the Foreign Affairs (Grants) Framework Act;

- * the Ministry of Foreign Affairs Grants Decree;
- * article 2.4 of the 2006 Ministry of Foreign Affairs Grant Regulations;
- * the General Administrative Law Act, in particular title 4.2 (Grants);

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You may consult the legislation via wetten.overheid.nl.

Notification requirement

You must give immediate notification if circumstances arise that may have a bearing on the grant award.

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You must in any case give immediate notification in writing if you consider it plausible that the activities for which the grant was awarded will not be performed in full, at all, or on time, or if you will not be able to meet the obligations attached to the grant.

Second, you are required to give immediate notification in writing if you suspect or have discovered irregularities (such as fraud, a violation of contract award procedures, serious misconduct (including sexual misconduct) or other serious forms of inappropriate behaviour) relating to the implementation of the activities for which the grant has been awarded. Your notification should also state the amount of money involved and the measures taken.

You should send your written notification, including explanatory notes and relevant documentation, to the contact person named in section 8. The notification may lead to a revision of the grant decision, including changes to the prepayment schedule and/or amounts for the remainder of the grant period.

Please consult your contact person (see section 8) if you are uncertain whether or not something needs to be notified.

Accountability

You are required to submit a number of plans and reports for the duration of the activity to ensure that I can monitor the progress of the subsidised activities. Table 1 below indicates the type of plans and reports required, when they must be submitted and for what period. They are described in more detail below. You should submit these documents as PDF files to DDE-reports@minbuza.nl, with a cc to the contact named in section 8.

Table 1.

Type of report	Period covered	Deadline
Annual financial progress report	01.05.2020-31.12.2020 01.01.2021-31.12.2021	01.04.2021 01.04.2022
Final narrative report	01.05.2020-31.12.2021	01.04.2022
Final financial report	01.05.2020-31.12.2021	01.04.2022

Final narrative report

A final narrative report must contain an aggregate overview of the activities carried out and the results achieved, as set out in the activity plan, together with an explanation of any discrepancies vis-à-vis the intended results. It must link up

with the final financial report so that it can be seen whether human and material resources have been used efficiently.

Final financial report

The final financial report must contain the information needed to determine the definitive amount of the contribution. It must contain an aggregate overview of all estimated and actual revenue (including the contribution, the other party's own contribution, funds provided by third parties and interest accrued) and expenditure, in so far as they relate to the funded activities, and an overview of the prepayments provided by the Minister. The report must cover the entire project period and be laid out in the same way as the budget. An explanation must be provided for each budget item that differs substantially from the budgeted revenue and expenditure.

Administrative requirements

You are required to keep records of the following: the rights and obligations relevant for determining the definitive grant amount, and the outputs delivered. The records and accompanying documentation must be retained for five years after the definitive grant amount has been determined.

4. Failure to comply with the grant conditions

Failure to comply with the conditions attached to the grant or failure to fully implement any of the activities may lead me to request repayment of the grant in whole or in part.

I would also note that the ministry maintains a misuse register for the purpose of countering misuse of grant funding.

5. Payment schedule

You will receive a prepayment of up to 95% of the grant amount. The first instalment of € 125.000 will be paid as soon as possible.

The table below sets out an indicative payment schedule.

Payment Date	Amount
2020	EUR 125.000
1 February 2021	EUR 160.000
1 February 2022	EUR 15.000
Total	EUR 300.000

I will transfer all instalments by bank transfer to your bankaccount, number (10)(2g) quoting 4000003940.

You must ensure that the grant is visible in your accounts in a way that clearly shows expenditures made and revenues generated using the awarded funds.

6. The definitive grant amount

Unless you receive information to the contrary, I will determine the definitive grant amount within 13 weeks of receiving the necessary reporting information.

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The definitive grant amount will be established in a separate decision, on which basis accounts will be settled with you. You must repay any grant funds in excess of the definitive grant amount unconditionally and without delay by bank transfer to the Minister's bank account number [REDACTED] (10)(2g) quoting reference 4000003940.

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7. Other obligations

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a. Any agreements with third parties regarding the implementation of the subsidised activities must be laid down in writing. You must agree with the implementing organisation that your prefinancing policy will be applied.

b. Any interest accrued on the grant must be used to finance the implementation of the activities described in your activity plan and must be included in the financial statement. No grant funds or accrued interest may be used for capital formation or an equalisation reserve.

c. I am entitled to use, free of charge, all documents and other products produced in connection with this grant to which you may have intellectual property rights for the purpose of (insert a description of the objectives of the grant in question). Where appropriate, I will ask you to issue me with the necessary licences free of charge. You must incorporate a clause to this end in any legal arrangement with third parties.

d. If I believe that the specific way in which the activity plan is implemented or changes in circumstances have led to a situation in which the financing of an activity is incompatible with the Dutch government's foreign policy, I will initiate consultation with you. On the basis of such consultation, I may give further written instructions.

e. In implementing the activity plan, you must take account of the fact that the Dutch government may be held responsible under international law for its implementation.

f. With this in mind, you must refrain from supporting activities whose aim is to undermine the political autonomy of a state or to bring down a lawful government by unlawful means. Whether the one or the other is lawful or unlawful will be determined not only by the views of the government of the country in question, but also in accordance with international standards (including international law).

g. I may investigate or instruct others to investigate the activities carried out pursuant to this decision, including your reports and financial accounts and your compliance with the obligations attached to the grant. In that case you must render every assistance to the official or officials appointed by me to carry out such an investigation and allow them access to the documents relating to the grant. I will bear the costs of any such investigation.

h. The ministry expects partner and implementing organisations – where relevant, appropriate and worthwhile – to make it visibly and clearly known that their activities are in line with Dutch foreign and development policy and have been made possible, at least in part, by the ministry's support or cooperation. For further guidelines (in English), see:
<https://www.government.nl/documents/publications/2016/03/01/visibility-and-communication-when-working-with-the-ministry-of-foreign-affairs>.

i. You may not offer to or accept from third parties anything of any kind whatsoever, if this could be interpreted as an illegal or corrupt practice. Such practices may provide grounds for the withdrawal of this decision in whole or in part.

j. When spending the grant and during the activities for which this grant has been awarded, you must refrain from conduct that constitutes a criminal offence and/or is prohibited under Dutch law, including sexual and other forms of harassment. Such conduct may provide grounds for me to wholly or partly revoke this decision.

k. I will withdraw or amend the decision awarding the grant or reduce the grant amount only after consultation with you. Accounts will then be settled on the basis of the costs properly incurred and taking into account any financial commitments for the future that have reasonably been entered into pursuant to the decision.

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Date
28 July 2020

Our reference
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8. Details of contact person

If you have any questions about this decision, contact: (10)(2e)

Grant recipient's contact details:

Name of organisation: World Economic Forum (WEF)

Name : (10)(2e)

Address : 93 Route de la Capite 91, 1223 GENEVE, Switzerland

Mail: (10)(2e)@weforum.org

9. Inappropriate behaviour – what should you do?

If you have encountered inappropriate behaviour by an employee of the Ministry of Foreign Affairs, you can report this to the ministry's integrity coordinator by emailing integriteit@minbuza.nl. If you would like to receive confidential advice and assistance first, you can contact the external support officer beforehand. For more information, see: <https://www.government.nl/ministries/ministry-of-foreign-affairs/contact/inappropriate-behaviour-what-should-you-do>

I wish you every success in implementing the activities.

Yours sincerely,

For the Minister for Foreign Trade and Development Cooperation

(10)(2e)

¹This grant decision has not physically been signed due to the circumstances concerning COVID-19¹

Within six weeks of the date of the decision, a written objection may be lodged with the Minister for Foreign Trade and Development Cooperation, Department for International Trade Policy and Economic Governance, Postbus 20061, 2500 EB The Hague. Pursuant to section 6:5 of the General Administrative Law Act, the notice of objection must be signed and dated and contain at least the name and address of the person submitting it, a description of the decision against which the objection is being lodged and the grounds on which it rests. If possible, a copy of the contested decision should be enclosed.



Ministry of Foreign Affairs

World Economic Forum (WEF)
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Contactpersoon
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T +3170348 (10)(2e)

E (10)(2e) @minbuza.nl

Date: June 24, 2021
Re: Extended grant decision: Sustainable Investment Policy and
Practice, Activity number 4000003940

Our reference

MINBUZA.2021.8826-30

Dear (10)(2e)

By letter of 28 July 2020, ref. no. MINBUZA.2020.5393-11, I awarded your organisation a grant not exceeding € 300.000 for the purpose of Sustainable Investment Policy and Practice. By letter of 25 May 2021 you requested a no-cost extension.

I am willing to make the following changes to the grant decision:

- The grant is intended for the activities described in the activity plan of 24 February 2020 for the period 1 May 2020 until *30 June 2022*.

The following additional conditions are attached to the revised grant decision:

- The final narrative and financial reports will be submitted no later than 1 October 2022.

In all other respects, the decision dated 28 July 2020, ref. no. MINBUZA.2020.5393-11, will remain in force just as before.

Yours sincerely,

(10)(2e)

(10)(2e)

For the Minister for Development Cooperation

'This grant decision has not physically been signed due to the circumstances concerning COVID-19'

Within six weeks of the date of the decision, a written objection may be lodged with the Minister for Foreign Trade and Development Cooperation, Department for International Trade Policy and Economic Governance, Postbus 20061, 2500 EB The Hague. Pursuant to section 6:5 of the General Administrative Law Act, the notice of objection must be signed and dated and contain at least the name and address of the person submitting it, a description of the decision against which the objection is being lodged and the grounds on which it rests. If possible, a copy of the contested decision should be enclosed.

(10)(2e)

(10)(2e)

Trade Policy and Economic Governance Department
Ministry of Foreign Affairs
The Netherlands

25 May 2021

Dear (10)(2e)

Please allow me to first thank you for the opportunity to advance the sustainable investment agenda through the support of the Netherlands. We have seen this agenda gain real momentum in the past couple of years, and we are grateful for your partnership in helping to bring this about.

I am writing to request a short, no-cost extension for the Sustainable Investment Policy and Practice grant from your ministry (Activity number 4000003940), signed on July 28, 2020 and currently valid until 31 December 2021.

Project activities have been progressing well, as outlined in the Narrative Report for 2020 (which also included initial activities in 2021), provided in Annex 1 to this letter. Nevertheless, some project activities have been constrained to slow down to take into account the impact of the COVID-19 pandemic. For instance, we developed a detailed [report with 55 options for sustainable investment reforms in India](#) and discussed these in a successful [workshop](#) on 27 April 2021 ([agenda](#)) to align on a subset of priority policies and measures to consider for implementation. Nevertheless, given the tragic situation in India at present on account of COVID-19, the next step of implementation is necessarily slower given that there are competing demands on government resources and attention, though we have also been told by our counterparts at Invest India that they remain committed to the project.

We are facing a similar context in Cambodia, where we had a successful launch of the [supplier database with sustainability dimensions](#) ([agenda](#)), yet other deliverables are proving slower to put in place, such as the Agriculture-PPP working group or a workshop on impact investment. While Cambodia was initially spared the brunt of the COVID pandemic, it is now quite a difficult situation in the country.

In order to achieve the best possible results for the project – not only in India and Cambodia, but also in Ghana and Kenya and through inputs into the WTO negotiations on investment facilitation for development – we would like to request a no-cost extension for six months, or in other words to 30 June 2022.

We hope that this request will be considered favourably by the Netherlands. Should you require any additional information to make a decision, please just let us know.

Thank you again for your strong partnership in helping to advance sustainable investment goals, and we look forward to our continued close collaboration.

Sincerely,

(10)(2e)

(10)(2e)

Member of the Executive Committee

Annex 1:

Sustainable Investment Policy and Practice Trajectory

Narrative Progress Report – 2020

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(1) STATUS OF OUTCOME AND OUTPUT INDICATORS

Outcome		<ul style="list-style-type: none"> Progress attained towards international action on Sustainable Investment; Local Sustainable Investment Facilitation action is catalysed. 		Status
Outcome indicator		<ul style="list-style-type: none"> Formal steps taken within international fora Reform projects or initiatives launched locally 		
Target	Year	2021	<ul style="list-style-type: none"> At national level in pilot economies, understanding of sustainable investment advanced amongst policymakers, firms, and civil society; options to advance sustainable investment: (a) identified, (b) validated, (c) prioritized, and (d) support provided for implementation of a subset of measures. At multilateral level, WTO delegates working on investment facilitation for development: (a) develop understanding of concept of sustainable investment, (b) are provided with concrete measures to support sustainable investment, and (c) consider integrating those measures as provisions in an investment facilitation framework. At subnational level, improved understanding of division of labour and complementarity between national and subnational efforts in support of sustainable investment. Subnational institutions actively support sustainable investment policies, frameworks, partnerships, and measures. At regional level, non-pilot economies in the region engaged on sustainable investment policies, frameworks, partnerships, and measures, and cooperation on sustainable investment facilitation between regional economies strengthened. 	Completed Completed Completed Completed
Output		Workshops for developing country policymakers and IPAs		
Output indicator		Workshops held (2019 to 2021)		Completed
Target	Year 1	2019	At least one workshop held in each 2019 pilot economy, at least one other workshop organized, and participation in at least two workshops to advance sustainable investment policies, frameworks, partnerships, and measures.	Completed <ul style="list-style-type: none"> Ghana (12 September 2019) Cambodia (2 October 2019) Multiple global workshops/events
Target	Years 2 and 3	2020 and 2021	At least one workshop held in each 2020 pilot economy, at least one other workshop organized, and participation in at least two workshops to advance sustainable investment policies, frameworks, partnerships, and measures.	Completed <ul style="list-style-type: none"> Ghana (4 March 2020) Cambodia (27 August 2020) India (27 April 2021) Cambodia (12 May 2021, tbc) Kenya (16 June 2021, tbc) Multiple global workshops/events
Target	Year 3	2021	Capacity building on sustainable investment across multiple regions advanced. Developing country policymakers and IPAs exposed to sustainable investment policies, frameworks, and measures. A subset of developing country policymakers and IPAs engaged on sustainable investment policies, frameworks and measures.	Completed <ul style="list-style-type: none"> Caribbean (26 February 2021) Africa (3-4 March 2021) Asia Pacific (30 March 2021) Latin America (6 May 2021) Monthly webinars for policymakers/IPAs Multiple global workshops/events
Output		Recommendations for in-country reform and international rulemaking, based on multi-stakeholder input.		
Output indicator		Recommendations published		Completed

Baseline	Year	2018	Policies, frameworks, and measures to advance sustainable investment not identified in pilot economies.	
Annual target	Year 1	2019	Recommendations for sustainable investment reform in Cambodia and Ghana published, based on multi stakeholder process. Recommendations for international rulemaking on sustainable investment facilitation published.	<ul style="list-style-type: none"> Ghana published (draft version: 6 September 2019; final version: 5 February 2020) Cambodia published (draft economy-level version: 24 June 2019; draft agribusiness version: 25 September 2019; final version: 5 February 2020) <p>International recommendations published (23 March 2019; 11 December 2019)</p>
Target	Years 2 and 3	2020/2021	Recommendations for sustainable investment reform in India and Kenya published, based on multi-stakeholder process. Additional or refined recommendations for international rulemaking on sustainable investment facilitation published.	<ul style="list-style-type: none"> India published (draft version: February 2021; final version to be completed) Kenya published (draft version: May 2021; final version to be completed) <p>International recommendations published (4 March 2020, June 2020, 23 September 2020, November 2020)</p>
Target	Year 3	2021	Recommendations published for all pilot economies on implementing sustainable investment policies, frameworks, and measures. Support provided for implementation of a subset. Recommendations for international rulemaking provide a substantive resource for economies involved in developing a framework at the WTO.	Completed or in process
Output		Toolkit on Investment Facilitation for Sustainable Development		
Output indicator		Toolkit prepared		
				Completed
Baseline	Year	2018	No toolkit available to guide policymakers on investment facilitation for sustainable development.	
Annual target	Year 1	2019	Toolkits for Cambodia and Ghana prepared.	Completed
Target	Years 2 and 3	2020/2021	Toolkits for other pilot economies prepared.	India completed, Kenya in process
Target	Year	2021	Toolkit available to guide policymakers on investment facilitation for sustainable development.	Completed: <i>An Inventory of Concrete Measures to Facilitate the Flow of Sustainable FDI: What? Why? How?</i>

Note: The pilot entries for 2020 and 2021 have been combined, as project activities took place across both years.

(2) OVERVIEW

The aim of the Sustainable Investment Policy and Practice Trajectory is to advance the sustainable development contribution of investment flows.

In 2020, the WTO initiative on investment facilitation for development gathered significant momentum and the Trajectory was able to provide substantive input into the process. The Coordinator at the WTO, delegates, as well as the Secretariat have all expressed strong support for such continued input. The Trajectory has and can continue to build a bridge between investment practitioners and negotiators to ensure that the WTO framework being developed takes into consideration insights and findings on sustainable investment. This is essential for the WTO framework to be designed in a way that leads to real impact on investment flows and especially the contribution of these flows to sustainable development.

In addition, 2020 allowed for additional time to advance Sustainable Investment pilots that had been launched in 2019 in Ghana and Cambodia and for these to generate substantive results. 2020 also allowed the Trajectory to add two new pilots – in India and Kenya – to consider additional dimensions of sustainable investment, namely how to facilitate sustainable *outward* FDI, and on the role of *subnational* institutions in sustainable investment.

To support the WTO process and pilot sustainable investment reforms – as well as increase capacity, awareness, and action on sustainable investment – the Trajectory was structured in four complementary parts: (1) support for cooperation on investment facilitation at the WTO, including providing stakeholder input, sharing insights on impactful measures, and driving inclusion of sustainability elements; (2) pilots to develop and operationalize, through in-country work, practical knowledge and experience on sustainable investment and provide this into the WTO process to support development of a high-quality framework; (3) capacity building workshops for developing-country policymakers (with many activities in (1) concurrently supporting this objective); and (4) high-level events or sessions to help shape decisions at a systemic level.

This Progress Report is therefore laid out in four corresponding sections.

(3) WTO INVESTMENT FACILITATION FOR DEVELOPMENT

World Economic Forum Annual Meeting in Davos

We leveraged the **WEF's 50th Annual Meeting in Davos** in January 2020 to advance the WTO process on investment facilitation for development. This involved first meeting with about 20 WTO ambassadors to understand their position and readiness in moving to negotiations mode, developing and negotiating a **multistakeholder statement of support** on sustainable investment facilitation that was adopted at a session on investment facilitation at the Annual Meeting, and supporting a ministerial meeting in Davos where representatives of 99 economies cited the statement and announced launch of negotiations. The statement of support and the **announcement of negotiations** can be found in a 24 January article entitled ["Negotiations on Investment Facilitation at the WTO gain support at Davos"](#).

During the session on investment facilitation at the Annual Meeting, the Forum received a mandate from ministers, CEOs, and other stakeholders to **convene an advisory body to the WTO negotiations**. The aim was for this advisory body to provide practitioner input so that measures considered as provisions would be as useful as possible in both increasing investment flows and their development impact. The advisory body is called the **Investment Facilitation Commentary Group**.

Investment Facilitation Commentary Group

This group includes representatives of investment promotion agencies, firms, and global experts; it is the **first time practitioners advise the WTO process in this way**. At the conclusion of each meeting, a summary report is shared with the WTO to help develop a high-quality agreement. The following meetings have taken place:

- 1st Meeting (26 February 2020) on [impactful and innovative measures](#).
- 2nd meeting (7 April 2020) on [measures that increase the development benefits of investment flows](#).
- 3rd meeting (7 May 2020) on [issues related to the implementation of a multilateral framework on investment facilitation for development](#).

- 4th meeting (3 July 2020) on concrete investment facilitation measures that should be included in the WTO framework.
- 5th meeting (27 October 2020) on using the investment lifecycle to identify investment facilitation challenges and priority measures.
- 6th meeting (18 February 2021) on how to structure effective mechanisms to identify and resolve investment-related issues early, before they become a risk to the investment climate or lead to legal disputes.
- 7th meeting (18 May 2021) will focus on how to assist IPAs to become more effective in facilitating sustainable FDI flows.

To illustrate how these meetings feed directly into the WTO process, following the 6th meeting there was agreement – between firms, IPAs, and the WBG – to try and help refine the existing provision in the WTO IF Informal Consolidated Text, to which the WTO Secretariat reacted positively. The 7th meeting topic was also discussed with the WTO Coordinator of the IFD Negotiations as well as the WTO Secretariat, to ensure a maximum positive contribution/input into the WTO process.

Investment Facilitation Inventory of Measures

An *Inventory of Measures to Facilitate Sustainable FDI*, with the Forum as one of two lead co-authors, was **formally presented to the WTO** on 25 September 2020 as a **toolkit for how to facilitate sustainable investment**, following peer-review by six leading institutions (UNCTAD, WBG, OECD, IADB, UNESCAP, WAIPA). It is a living document, continuously informed and improved by the Sustainable Investment country pilots, as well as the Investment Facilitation Commentary Group. There are sections that identify **measures that directly contribute to sustainable development**, as well as new digital measures that might be usefully considered for the WTO framework. The aim is to provide a technical resource for the WTO process, sharing good practice experience and text-based examples to potentially include certain measures as provisions.

Supporting proposals

Proposals from two members were drafted with direct technical support from the project. The measures in these substantive proposals are **now included as draft provisions** in the WTO Informal Consolidated Text. Through a blog and bilaterals we also did outreach in support of key measures, receiving positive feedback.

Webinars

We presented findings from the Trajectory in a number of **webinars for WTO members and investment policy and promotion officials**, including on: 11 February 2020 and 19 March 2020.

To preview 2021, we spoke on the value-addition of a WTO framework during a webinar on 19 January 2021. We then launched a new **monthly webinar series** together with ITC, DIE, and WAIPA – generally planned for the first Tuesday of each month – to increase awareness, capacity and support for investment facilitation.

The first webinar took place on **26 February 2021** to outline the *Inventory of Measures* and receive input from stakeholders on key topics to cover. The CEO of the **Ghana** Investment Promotion Centre (GIPC) spoke.

The second webinar took place on **17 March 2021** focused on transparency and streamlining of administrative procedures. The Vice President of Invest **India** spoke.

The third webinar took place on 13 April 2021 and focused linkages and supplier databases. The Director of Investment Promotion for the Council for the Development of **Cambodia** spoke.

Thereafter, the following dates and topics are planned:

- 4 May 2021: Outward FDI and home-country measures
- 1 June 2021: Incentives and the Recognized Sustainable Investor (RSI) (**Ghana will co-organize** and the CEO of GIPC will speak)
- 6 July 2021: Assessing and negotiating contracts
- 7 September 2021: IPA-IPA, IPA-Outward Investment Agency partnership and cooperation
- 5 October 2021: Implementation of a WTO Agreement on Investment Facilitation for Development

Workshops

We presented findings from the Trajectory in a number of **workshops for WTO members and investment policy and promotion officials**, at times co-convening with other organizations, including on:

- 11 March 2020: Concrete measures to facilitate the flow of sustainable FDI.
- 12 May 2020: Increasing the development impact of a multilateral framework on investment facilitation for development.
- 23 September 2020: Implementation challenges for a multilateral framework on investment facilitation for development.
- 11 December 2020: Investment Facilitation for Development: Looking back and looking forward.
- 11 December 2020: Investment Facilitation for Development: Hearing from practitioners.

All of these events aimed to help advance the development and conclusion of a high-quality WTO agreement, leveraging project findings and activities.

(4) PILOT PROJECTS¹

Ghana

Following project interviews and a validation workshop in 2019 (please see Narrative Report for 2019), and publication of a final Toolkit on 5 February 2020, the Government of Ghana agreed to implement two sustainable investment measures in 2020, with the support of the World Economic Forum. An event took place on 4 March 2020 in Accra, in addition to bilateral consultations, to carry out additional outreach and discussion with key stakeholders. The two measures are:

- (1) Adoption of responsible business conduct (RBC) and Corporate Social Responsibility standards by investors. This would be operationalized through the creation of an RSI (please see below).

¹ The country pilots are presented in the chronological order rather than alphabetical order.

- (2) Creation of a category of Recognized Sustainable Investor (RSI) to provide greater support to investors that commit to investing sustainably. This draft policy document was developed, and the CEO of the Ghana Investment Promotion Centre shared it with cabinet officials. As a result of this wider government support, the RSI is being included in a revised national investment law that is being developed.

Both of these would be advanced through facilitation of cooperation between investment promotion officials across Sub-Saharan Africa and sharing of **sustainable investment measures** that they may wish to consider adopting, as well as supporting regional cooperation on good practices and two-way investment. Due to the COVID-19 pandemic, rather than holding a planned event in person in October 2020, it was decided to convene virtually and postpone the event a few months, which took place on 3-4 March 2021.

Cambodia

Following project interviews and validation workshops in 2019 (please see Narrative Report for 2019), and publication of a final Toolkit on 5 February 2020, the Government of Cambodia agreed to implement five sustainable investment measures, with the support of the World Economic Forum through a workplan. These include: (1) creating a supplier database with sustainability dimensions (SD2), (2) aligning incentives to sustainability, (3) holding an impact investing learning event, (4) developing a list of national/international certification bodies, and (5) supporting Agri-PPPs.

- (1) **Supplier database with sustainability dimensions (SD²)**: After a competitive process we selected, together with the Council for the Development of Cambodia (CDC), a firm to help build the database, which will be housed in and maintained by the CDC, ensuring sustainability. The database will help foreign investors matchmake with sustainable domestic firms, while also incentivizing that these firms increase their sustainability operations to receive contracts, what can be called a 'Sustainable Investment Cycle'. The database should be completed by mid-May 2021.

We held a workshop on 27 August 2020 to get buy-in and support from the business community and other stakeholders (approximately 45 participated). Following remarks, a presentation and exchange, received support from chambers to provide information for the database and support from the WBG with conceptualizing the database.

The database will be formally unveiled at a launch event on 12 May 2021 in Cambodia following formal coordination, and then at an ASEAN event in June 2021.

- (2) **Aligning incentives to sustainability**: Sok Chenda Sophea (Minister Attached the Prime Minister and Secretary General of the CDC) announced how Cambodia will adopt smarter incentives, aligned with sustainability:

*We plan to **give incentives to merit based activities** such as R&D, human resource development, and machinery upgrades," Sok Chenda Sophea explains. "Among the sectors we consider to be a priority and eligible to be qualified investment projects (QIP), **are investments in environmental protection and management and green energy...Skills training also receives special attention**, as many of the new industries included in the draft law rely on a highly-trained workforce: a 150% tax deduction would be offered when investments include education and vocational training..."**"Incentives will vary in accordance with the types of industries we seek to attract**, but the bottom line is clear – investors will be encouraged to evolve with a maturing economy." Flexibility is a key pillar of the proposed law, as **policymakers would have the ability to tailor fiscal incentives to enterprises that don't fall into any sector named explicitly in the document. A provision allows for additional incentives not specifically outlined in the law to be extended to enterprises that have the potential to contribute to economic development in the long term.***

- (3) **Impact investing learning event:** The [draft agenda for an impact investing learning event](#) has been approved by CDC. However, the event has been on hold due to COVID-19, as Cambodia preferred, if possible, to have an in-person event if meetings resume.
- (4) **List of national/international certification bodies:** The list had been completed and presented to the CDC. A discussion is planned after the database launch on next steps for it to get published.
- (5) **Supporting Agri-PPPs** are in cooperation with the Ministry of Agriculture, Forestry, and Fisheries (MAFF), and are ongoing. An Agri-PPP [concept note](#) was developed to stand up an Agri-PPP working group under MAFF. A [letter](#) was sent to support this process with several follow-ups by the Project Team in country (with the Director of the Department of International Cooperation and the Director the Department of Agro-Industry). Moving forward requires ministerial approval, and things have been put on hold given the challenges of COVID-19.

India

On account of COVID-19, the project began virtually. Following 45 interviews, we completed a [report with options for sustainable investment reforms in India](#). The report lays out **55** options to increase sustainable investment. These include **23** potential policies and measures at the economy level and **16** potential policies and measures in agribusiness.

In each case, these are organized into five categories, reflecting the five dimensions of sustainable investment: (1) sustainable investment policies; (2) sustainable finance mobilization; (3) sustainable investment promotion; (4) sustainable investment facilitation; and (5) sustainable development impact.

In addition, **six** draft potential policies and measures related to OFDI and **10** focused on state governments are also included.

These were discussed in a [workshop](#) on **27 April 2021** ([agenda](#)) to align on a subset of priority measures to consider implementing. Invest India has stated it may recommend adoption of a select number of measures that are identified as priorities from the workshop, including through a ministerial letter and/or inclusion in the Business Reform Action Plan (BRAP) which is used to measure subnational reforms to improve the business climate. This could entail including sustainability dimensions in the BRAP for the first time, thereby encouraging state governments to undertake these reforms.

Kenya

On account of COVID-19, the project began virtually. 21 [interviews](#) were completed as of end March 2021, and a preliminary report drafted. A [letter](#) is opening doors to policymaker conversations across the government, especially for cooperation at the subnational level. Project findings will be discussed in a planned 16 June 2021 workshop.

(5) REGIONAL ENGAGEMENT AND TECHNICAL ASSISTANCE

Asia-Pacific: We made two [presentations](#) in the [UNESCAP Expert Group Meeting on 12 November 2020](#) to [help revise the Handbook on Foreign Direct Investment Policies, Promotion and Facilitation for Sustainable Development in Asia and the Pacific](#)

Asia-Pacific: We prepared for a presentation that took place on **23 February 2021** during the 10th meeting of the Asia Pacific FDI Network on “*Improving the contribution of investment facilitation frameworks to sustainable development*” during a session on ‘Investment Facilitation for Development at regional and multilateral levels’ (spoken remarks and PPT). We also chaired a session on Digital FDI (spoken remarks).

Asia-Pacific: We prepared for a 30 March 2021 high-level regional roundtable on investment facilitation in the Asia Pacific to build support and engagement for a substantive WTO agreement. The Deputy Secretary General of the Council for the Development of Cambodia as well as the lead negotiator for Cambodia on investment facilitation both spoke (in different sessions).

Latin America: We planned for a 6 May 2021 high-level regional roundtable on investment facilitation in Latin America, again to build support and engagement for a substantive WTO agreement. We are inviting the United States to engage the new administration and see if they might join the negotiations at the WTO.

Latin America: We planned for a **27 February 2021** presentation to the International Chamber of Commerce (ICC) Brazil Commission on Trade and Investment Policy, including to build industry support for a WTO Investment Facilitation agreement, as well as speaking on investment facilitation and sustainability, including specific measures to consider, during an episode of Women Inside Trade (from 50:40 to 57:00).

Caribbean: Towards the end of 2020 we co-organized with the University of the West Indies, ITC, and DIE a high-level and technical investment facilitation event for Caribbean policymakers that took place on 26 February 2021.

Africa: Towards the end of 2020 we co-organized with AUC, UNECA, ITC, and DIE high-level and technical investment facilitation event for African policymakers that took place on **3-4 March 2021**. Five ministers spoke, including from key economies currently not supporting the WTO Investment Facilitation negotiations (e.g. South Africa and Kenya), and over 100 policymakers participated, so an important step to engage African actors on these issues. The CEO of the Ghana Investment Promotion Center (GIPC) spoke about the Recognized Sustainable Investor measure being adopted, raising awareness and potential replication at the regional level, per project design/goal.

The Coordinator for Investment Facilitation at the WTO, who participated, stated “*Congratulations on another well organised event. Discussions were very interesting and they provide us a lot of things to think about as we move forward in the IFDA discussions here in Geneva*”. The WTO Secretariat stated, “*The African HL Roundtable was amazingly well organized, high-level both in terms of participants and substance! Really well done!*”

In addition, as a result of this event a meeting is planned in Geneva between African WTO members on the WTO IF text and the planned AfCFTA Investment Protocol. In fact, we have learned that the Investment Protocol may be named the **Sustainable Investment Protocol** and **focus on sustainable investment facilitation** (a decision that may be formalized by leaders in the future). This information and advice come from a key collaborator of the project who is advising negotiations of the Investment Protocol (University of Geneva Professor Makane Moïse Mbengue).

OFDI Toolkit: We are working with UNESCAP and King’s College London on the **first toolkit to leverage OFDI for sustainable development (draft)**, through linking the evidence on home effects to home-country measures, as well as transmission channels and mediating factors. It is planned to be unveiled at the World Investment Forum in October 2021 in Abu Dhabi.

(6) HIGH-LEVEL ENGAGEMENT

G20 Trade and Investment: Our **T20 policy brief recommendations** on sustainable and digital investment were included in the T20 Communiqué, which suggested to launch a **new public-private alliance to restart investment flows** through tackling bottlenecks and limiting factors. We presented these ideas myriad times in public virtual meetings (21 May 2020, 16 June 2020, 7 September 2020 Riyadh Economic Summit, culminating in a 17 September **T20 Summit to engage with G20 actors**.

These suggestions were supported in the G20 Communiqué, which called on G20 economies (and invited guest economies) to adopt “measures to ... enhance the contribution of FDI to sustainable development” through “possible intensification of the provision of investment-related technical assistance ... to address gaps and inefficiencies through increased coordination and cooperation”.

APEC Investment Expert Group: We spoke and presented on sustainable investment during a 2 November 2020 APEC **Public-Private Dialogue on Inclusive and Responsible Business and Investment**, and during the **second meeting of the IEG** during under the Malaysian host year.

APEC Investment Expert Group: We prepared for a presentation of project activities and provided recommendations – to both increase sustainable investment and help advance the WTO Investment Facilitation process – during the first Senior Official Meeting (SOM) Investment Expert Group (IEG) meeting with New Zealand as Host Economy on 18-19 February 2021.

This included formal feedback on **APEC’s Investment Facilitation Action Plan (IFAP) (spoken remarks and PPT)** and the existing eight IFAP Principles, including suggesting three new IFAP principles on (a) alignment of investment facilitation efforts at different levels so these are mutually supportive (e.g. APEC and WTO); (b) ensuring that investment facilitation focuses on increasing investment’s contribution to sustainable development; and (c) facilitating Digital FDI.

Separately, we presented ongoing work to develop an **OFDI Policy Toolkit for Sustainable Development (spoken remarks and PPT)**, and how APEC (and other) economies could leverage this in the future.

OECD Investment Committee: We spoke on sustainable investment work, ensuring the project supports and is connected to the **OECD FDI Qualities work** and **IPA engagement**, including on 30 September during the **3rd Roundtable on Sustainable Investment** and on 20 October 2020 during the **5th meeting of the OECD IPA Network**, sharing a background paper on IPA-IPA cooperation with the Secretariat.

World Economic Forum Davos Agenda: In the fall of 2020 we organized a session on **Retooling Global FDI** that took place on **29 January 2021** during our traditional Davos week to raise at a high-level the challenge of a collapse in FDI and solutions both to reverse this trend and increase FDI’s development impact. The aim was to help build support for a WTO Agreement on Investment Facilitation for Development and a possible new public-private alliance to Enable Action on Sustainable Investment (EASI). At least **158,463 people** from around the world watched the session.

(7) CONCLUSION

The Forum is grateful for donor support of the Sustainable Investment Policy and Practice Trajectory. To ensure close coordination and input from donors on activities, in 2020 updates were provided to donors in February, March, May, June, August, September, November, and December. We look forward to continuing to work closely together in 2021 and beyond with the aim of achieving substantive results in all of these areas.