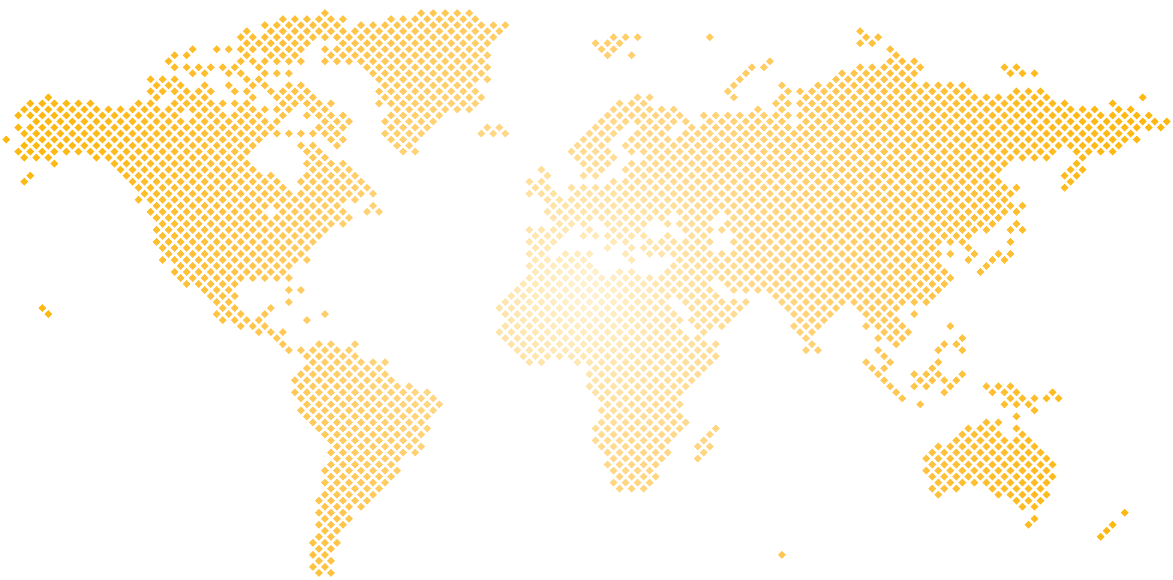
UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
UNCTAD

1999 20 YEARS ANNIVERSARY 2019

IPR

INVESTMENT POLICY REVIEW



LIVE IMPLEMENTATION MATRIX:
FOSTERING INVESTMENT REFORMS FOR SUSTAINABLE DEVELOPMENT

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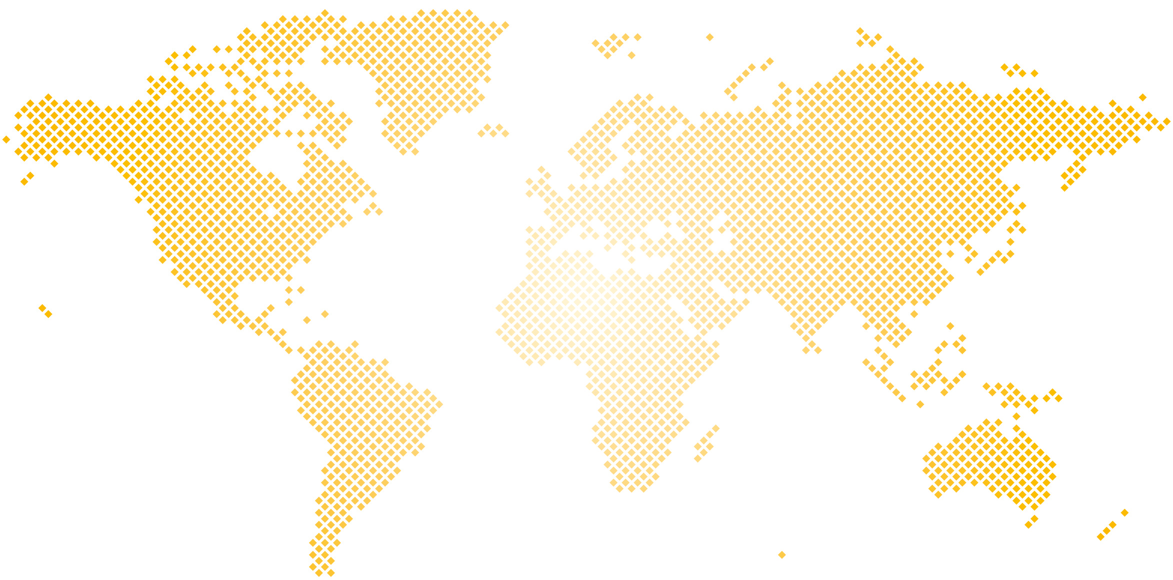

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UNITED NATIONS
Geneva, 2020

The publication has not been formally edited.

United Nations publication issued by the United Nations Conference on Trade and Development.

UNCTAD/DIAE/PCB/2020/3

ISSN: 2414-5084
eISSN: 2414-5475
eISBN: 978-92-1-005515-4

NOTE

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ACKNOWLEDGEMENTS

This paper was prepared by Maha El Masri, Clement Haouisée and Massimo Meloni, under the supervision of Chantal Dupasquier, Chief of the Investment Policy Reviews Section, Division on Investment and Enterprise (DIAE). Overall guidance was provided by Joerg Weber, Head of the Investment Policies Branch. James Zhan, Director, DIAE, provided the general direction. Overall statistical assistance was provided by Irina Stanyukova and administrative support by Jovan Licina. The “Live implementation matrix” was developed with the support of UNCTAD’s IT Services Section. Graphic, production and printing support was under the responsibility of the Document Management Service of UNCTAD and the Production and Support Service of the United Nations Office in Geneva.

TABLE OF CONTENTS

NOTE 3

ACKNOWLEDGEMENTS 4

TABLE OF CONTENTS 5

ABBREVIATIONS 6

INTRODUCTION 7

1. LINKING INVESTMENT POLICY REFORMS TO IMPACT AT COUNTRY-LEVEL 9

2. APPROACHES TO FOSTER IMPLEMENTATION: SOME EXAMPLES 14

3. A NEW INTERACTIVE TOOL TO MONITOR IPR IMPLEMENTATION PROGRESS 18

CONCLUSION 20

ANNEX. LIST OF INVESTMENT POLICY REVIEWS AND IMPLEMENTATION REPORTS...21

NOTES 22

ABBREVIATIONS

APIEx	Agence pour la promotion des investissements et des exportations
BITC	Botswana Investment and Trade Centre
EDB	Economic Development Board
FAGR	fitted average growth rate
FDI	foreign direct investment
GAFI	General Authority for Investment and Free Zones
GVC	global value chain
IPA	investment promotion agency
IPFSD	Investment Policy Framework for Sustainable Development
IPR	Investment Policy Review
IR	Implementation Report
KenInvest	Kenya Investment Authority
RDB	Rwanda Development Board
SDG	Sustainable Development Goal
TVET	technical and vocational education and training
UNCTAD	United Nations Conference on Trade and Development

INTRODUCTION

The investment landscape has significantly changed over the past decades. The continuous surge in foreign direct investment (FDI) that characterized the three decades preceding the 2008 financial and economic crisis came to a halt. This is due to the crisis itself and also to evolving patterns of international production, stagnating growth in global value chains (GVCs) and decreasing rates of return on investment. Added to the outbreak of the COVID-19 pandemic and following a declining trend since 2016, estimates showed that FDI flows are expected to decrease by close to 50 per cent in 2020, with a possible rebound in 2022 in the best case scenario after an additional decrease in 2021 (UNCTAD, 2020).[1]

The competition for international investment will increase. The estimated investment gap is sizable, computed at $2.5 trillion dollars annually (UNCTAD, 2014).[2] As the main source of external financing in developing countries, FDI will continue to play a key role in supporting countries' efforts to achieve the Sustainable Development Goals (SDGs) and in better integrating in an evolving world. Given the significant decline in global FDI flows and the increasing needs of countries to finance their sustainable development projects, the competition for attracting more investment will further increase. For countries to successfully position themselves, including in a changing trade and investment landscape, there will be a need to speed up reforms, adapt policies and strategies, and adopt new ways of doing business that are more in adequation with these financing needs.

Countries will need to boost their capacities to drive, monitor and evaluate investment climate reforms. This is likely to be even more relevant for developing economies, where sound and coherent investment policies will increasingly become essential to build investors' confidence and maintain the economies' attractiveness. In addition, relevant agencies will need to adopt responsive investment promotion strategies. As the need and speed of reforms increase, tracking progress will become essential to assess their impact, reevaluate and adjust them where necessary, and ensure their effectiveness.

The objective of this document is twofold: it aims to explore some of the policy tools, strategies and mechanisms put in place by countries to advance investment policy reforms, and to highlight practices and initiatives which could be successfully replicated. The study also presents a new interactive tool developed by UNCTAD – the Live implementation matrix. The tool will assist countries to keep track of the progress made in implementing the recommendations of UNCTAD's Investment Policy Reviews (IPRs), and to better support them in achieving their sustainable development objectives.

1. LINKING INVESTMENT POLICY REFORMS TO IMPACT AT COUNTRY-LEVEL

Since 1999, the IPRs have been used by UNCTAD to assist member States' efforts to reform their investment climate. The IPRs are diagnostic studies of the legal, regulatory, institutional and operational environment for investment. They aim to support developing countries to diversify their economies and promote sustainable development through the establishment of a sound regulatory framework and the attraction of higher levels of FDI. The IPRs also focus on strategic aspects of investment promotion and on attracting and benefiting from investment in key sectors, including agriculture, mining, manufacturing, financial services, tourism, health and infrastructure, among others. IPRs have been conducted for 55 economies worldwide (31 in Africa, 10 in Asia, eight in Europe and six in Latin America and the Caribbean, see the annex for further details).

Following an IPR, short to medium-term technical assistance is provided to beneficiary countries to support the implementation of the report's recommendations. Activities conducted range from capacity building to key investment-related agencies and institutions, support in the implementation of business facilitation reforms or assistance in the drafting of strategic policies or revising investment legislation and international investment agreements. Some years after the completion of the IPR, at the request of the reviewed country, an Implementation Report (IR) is carried out. The IR evaluates the IPR implementation experience and assesses the need for further technical assistance. To foster ownership and promote effective implementation, UNCTAD generally collaborates with partner organizations, in particular other United Nations agencies, especially under the revamped Resident Coordinator Office approach. It also works with other international and regional institutions, such as the World Bank and the African Development Bank.

IPR beneficiary countries have demonstrated their commitment to reform. A stocktaking exercise, conducted in 2018, assessed the rate of implementation of the IPR recommendations for the 15 economies which had conducted the IR.[3] The average rate of implementation of IPR recommendations stood at 81 per cent, and the figure rose to 96 per cent in some cases. Countries present commonalities as to how they went about the implementation of investment climate reforms. These include overall policy directions and reform drive, and also, in particular, the establishment of a dedicated institutional framework and the adoption of monitoring and evaluation tools.

UNCTAD's IPRs integrate national and international policy reform efforts, often constituting the main platform for investment climate improvements. The IPR usually forms part of a broader reform process undertaken by the requesting countries to improve the investment environment. For many of them, the IPR has indeed constituted the main document to guide investment climate reforms at the strategic, legal and institutional levels.[4] In the Dominican Republic, for instance, ten years after the completion of the IPR, the report was still considered a blueprint to design investment strategies.[5]

Some common reform threads can be identified. While they are guided by the SDGs and by the UNCTAD's Investment Policy Framework for Sustainable Development (IPFSD),[6] IPR recommendations are targeted at the economic, social and political situation of the beneficiary countries and integrate their national development objectives. This makes them country-specific and tailored to each unique context. However, some common reform elements are shared among several IPR countries (see also part 2 for institutional aspects), in particular with respect to the following aspects:

- *Determining a strategic investment policy direction:* while most of the IR beneficiary countries had adopted general development strategies and plans, several of them had also adopted or were considering the adoption of strategic investment policy documents. The process leading to the formulation of these documents can help bringing together stakeholders, enhance the understanding of objectives in terms of FDI, and increase coordination among different governmental actors. Kenya, for instance, adopted a common strategic document on investment after inclusive multi-stakeholder consultations, as recommended in the IPR and IR.

- *Guaranteeing clarity, transparency and predictability, and ensuring a level-playing field:* IPRs have often spearheaded the reform of investment-specific regulations, including the conditions regulating the entry, establishment, treatment and protection of investors. For instance, with the assistance of UNCTAD, Benin initiated efforts to amend its *Code des investissements.* Botswana and Colombia clarified their approach to entry through the formulation of a negative list of sectors restricted to FDI. An essential complement to regulating is ensuring prompt dispute resolution mechanisms. In this area, Colombia, the United Republic of Tanzania and Zambia have made great strides to modernize the judiciary and improve case administration, while Morocco made important efforts to enhance the use of alternative dispute resolution mechanisms. Many IR beneficiary countries have also adopted changes to strengthen their competition regimes and institutions and/or introduced independent regulatory bodies to ensure a level-playing field. These include for example Kenya, Mauritius, Morocco, Rwanda, Uganda, the United Republic of Tanzania and Zambia.

- *Facilitating business and simplifying and rationalizing regimes and procedures:* Benin, Lesotho, Morocco and Zambia reduced the time, number of procedures and cost of creating a business with the assistance of the UNCTAD's Business Facilitation Programme. Some IR beneficiary countries also facilitated access to information by implementing a Trade Portal (e.g. Kenya, Rwanda, Uganda and the United Republic of Tanzania). Simplification was also undertaken in other areas affecting business operations. For instance, Kenya eliminated 70 per cent of business licences, simplified remaining ones, and published clear guidelines on how to obtain them. Ghana streamlined and introduced a land bank portal to ease land identification and access, and Morocco did the same with its industrial zones. A recurring challenge also concerns fiscal reform aimed at ensuring a balance between tax revenue collection, the promotion of investment considered strategic for a country's development and the ease of administration and compliance. In this area, Botswana reduced its corporate income tax rate, thus avoiding a proliferation of special taxes, Mauritius cut the number of incentive schemes, and Zambia rationalized its incentive schemes to encourage investment in limited strategic sectors.

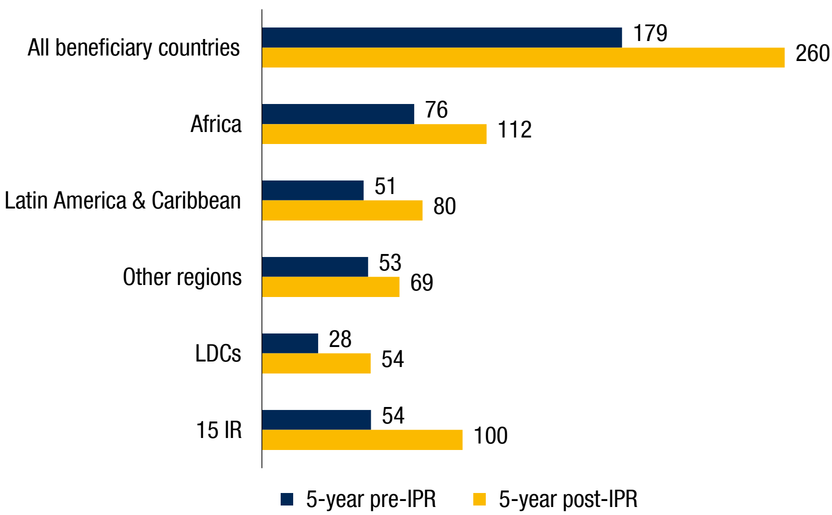
- *Enhancing regulations and institutions:* actions relate to strengthening the capacity of the public administration, particularly in areas of direct relevance to sustainable development, such as labour and environment standards, skills and infrastructure, and involve a mix of policy, regulatory and institutional adjustments. Ghana and Kenya, for instance, revised their labour regulations to introduce more effective labour dispute settlement frameworks. The Dominican Republic improved significantly its environmental impact assessments and increased human and technical capacities of the environmental evaluation unit. Colombia implemented a public-private partnership law and strengthened the National Infrastructure Agency. Zambia increased the use of private finance in the electricity industry. Kenya has invested in skills and in technical and vocational education and training (TVET), Mauritius established the Human Resources Development Council to ensure that skills development keeps at pace with private sector needs and actively promotes TVET. In Morocco, institutional arrangements were concluded to plan for the specific skills required by the strategic sectors of the country.

The impact of the reforms conducted by IR beneficiary countries is reflected in international rankings on the business environment.[7] Governance and business-related indices abound from several organizations. Despite the inadequacies and limitations intrinsic in such indices and rankings, their publication means that countries are exposed to global scrutiny to an unprecedented extent. Most countries have indeed internalized the need for quality regulations but what remains problematic, most of the time, is effective implementation. UNCTAD's advice has been to prioritize reforms, focusing on more effective regulations and their implementation rather than chasing a higher ranking. For more detailed information see, for example, *Investment Policy Reviews: Shaping Investment Policies around the world* (UNCTAD, 2012).

An increase in FDI also accompanies policy reforms. The 36 beneficiary countries that underwent an IPR before 2014 experienced a significant rise of FDI inflows in the five years following the IPR, compared with the five years prior to the IPR. In those countries, FDI inflows jumped from $179 to $260 billion, i.e. an average increase of 45 per cent, while they surged by 84 per cent in IR countries (figure 1). While it is difficult to establish a causality between the IPR and an increase in FDI inflows, a positive relationship between the number of reforms undertaken and FDI inflows can be discerned (UNCTAD, 2018). Similarly, it is difficult to evaluate IPR beneficiaries against a group of non-IPR beneficiary countries, given the differences in terms of geographical location, availability of natural resources, and economic, social and political context. However, when comparing average FDI inflows for different groups of countries, a positive impact of IPRs can be identified. Using a sample period matching that of the IPR programme, the data show that IR countries perform better (table 1). Between 2000–2009 and 2010–2019, FDI inflows increased by 48 per cent worldwide while they surged by 110 for the 15 IR countries. Similarly, they grew by 60 per cent for Africa, while they rose by 97 per cent for the 13 IR African countries.

Figure 1.

Cumulative FDI inflows in the 5 years before IPRs versus 5 years following IPRs (in billions of dollars)



Source: UNCTAD.

Note: Calculations are based on UNCTAD data for 36 countries which benefited from an IPR between 1999 and 2014 to allow measuring the performance up to 2019, the latest year for which data is available.

Investment policymaking is a dynamic and evolving process. The positive performance of the IPR and IR countries is not only the result of the implementation of reforms, but also of the context of greater openness towards investment and internationalization of production that prevailed over the last decades. New challenges like the new industrial revolution, growing economic nationalism and the imperative of sustainability are emerging, and are amplified by the COVID-19 pandemic. As highlighted in the World Investment Report 2020, the pandemic, which created a supply and demand shock for FDI, looks set to tip the scale (UNCTAD, 2020). It is forcing governments to accelerate the digitalization of administrative procedures, and adopt emergency measures for companies to maintain their business operations. Building investors' confidence and a more targeted investment promotion effort will also be key to maintain the countries' attractiveness. In conducting this effort, new tools could be developed to allow a more systematic approach to monitoring and evaluating implementation. The Live implementation matrix presented in this document aims to serve that purpose and assist countries with their reforms process to increase their FDI attractiveness (see part 3).

Table 1.
FDI inflows for different group of countries and for IR countries

Regions	Average FDI inflows in millions of dollars		Increase (in percentage)	Fitted average growth rate (in percentage)	
	2000–2009	2010–2019		2000–2019	2009–2019
World	10 931 558	16 126 117	48	5	2
Developing and transition economies	3 793 557	7 344 722	94	8	2
15 IR	170 963	358 830	110	11	4
Africa	309 864	494 570	60	7	-1
13 IR Africa	101 163	199 525	97	11	5

Source. UNCTAD.
Note: The fitted average growth rate represents the average growth rate obtained from an exponential curve fitted to all known data points.

2. APPROACHES TO FOSTER IMPLEMENTATION: SOME EXAMPLES

Dedicated institutional mechanisms are vital for the success of investment climate reforms. The experience of IPR countries highlights the role that institutional mechanisms can play in advancing investment policy reforms and in improving investment climates. Such institutional mechanisms can vary in complexity, position within the government structure and composition. However, some common elements, which will enhance the chances of success of the reforms' agenda, can be identified. Concrete examples from IR countries are presented below and feature three key aspects worth highlighting:

1. Fostering multifaceted reforms is generally more effective when the driving force is located at the highest level of government.

2. Investment promotion agencies (IPAs) play an essential role to inform investment policy reforms and to promote their implementation.

3. Monitoring and evaluation mechanisms are effective tools to support the implementation of reforms and are also key to achieve the desired impact.

Positioning a policy reform unit at the top level of the administration has proved very effective. Despite country-specific variations, placing the responsibility for investment policy reform at the highest level of government displays several advantages. Beyond securing a reform drive, it fosters accountability of policy reforms by individual agencies and ministries, and promotes coordination among them, thus helping to limit issues of territoriality and silo approaches. The following are some of the relevant experiences of IPR beneficiary countries:

- *Creating policy reform units at the heart of the executive power and involving the private sector.* UNCTAD had recommended to Uganda the establishment of a Cabinet Committee chaired by the President to guide and push the implementation of the country's investment strategy. Uganda adopted the "Big Push" strategy with key actions to improve its investment climate and facilitate investment. Composed of the President, key ministers and captains of industry, the Presidential Investors Round Table was created to coordinate the efforts of this strategy with working groups covering relevant areas for FDI attraction, monitoring progress and coordinating reforms.

- *Establishing specialized temporary task forces dedicated to give impulse to the reforms.* Following the publication of the IPR, Mauritius created an inter-ministerial Business

Facilitation Task Force under the aegis of the Prime Minister's office. The Task Force focused on ensuring that business facilitation reforms are duly implemented by the public administration. In addition, a Doing Business Task Force was set up to monitor the position of Mauritius in relevant international rankings, including those from the World Bank and the World Economic Forum, and ensure that the country retains its competitive advantage.

- *Replicating the successful reform mechanisms at all levels of government.* The Moroccan *Commission nationale de l'environnement des affaires,* operating under the authority of the Head of Government, was originally envisioned as an initiative to improve the country's rankings in the World Bank's Doing Business Report. Over time, its mandate broadened to cover several areas of the business environment, and its scope was expanded to include local level reforms piloted by regional entities – the *Commissions régionales de l'environnement des affaires*.

IPAs can also play a key role in informing and supporting investment climate reforms. The mandate and functions of an IPA need to be compatible with the level of development of a country and of its private sector. They shall evolve over time, from basic investment promotion and facilitation activities to increasingly sophisticated functions, including professional investor targeting, aftercare, policy advocacy, as well as support to outward investment. Through the range of investors' services they offer, IPAs are able to detect the policy measures required for improving the investment climate, retain investors and push for reinvestment in the economy. As IPAs evolve, policy advocacy gradually becomes a prominent function, which allows them to become drivers of investment policy reforms. Several IPRs called for the establishment or the strengthening of IPAs as building blocks of the investment policy reform agenda. Examples include:

- *Creating an Investment Promotion Agency.* Morocco established its IPA, the Agence marocaine de développement des investissements (AMDI), now the Agence marocaine de développement des investissements et des exportations (AMDIE) after its merger with Maroc Export, following the publication of its IPR. Kenya established the Kenya Investment Authority (KenInvest), now under the authority of the Ministry of Finance, to increase the country's visibility. Benin has carried out institutional reforms following the publication of its IPR, which included the establishment of its IPA – the *Agence de promotion des investissements et des exportations* (APIEx).

- *Strengthening the IPA, including by merging different agencies with a similar mandate or by expanding its mandate*. Several countries reexamined the mandate of their IPAs and expanded it following the recommendation of their IPRs.

    - In Egypt, the General Authority for Investment and Free Zones (GAFI), evolved from a regulator to an investment promoter and facilitator, and its mandate was redirected towards attracting foreign investment and encouraging reinvestment and expansions.

- In Botswana, the Botswana Investment and Trade Centre (BITC) was created from the merger of the former Botswana Export Development and Investment Authority and the Botswana International Financial Services Centre. The BITC's mandate encompasses investment promotion and attraction, export promotion and development.

- In Mauritius, an Economic Development Board (EDB) was established including the Board of Investment, the Financial Services Promotion Agency, Enterprise Mauritius and the Mauritius Africa Fund into a "super agency" responsible for trade and investment promotion and facilitation, as well as strategic economic planning and economic policy formulation.

- In Rwanda, the Government merged six institutions within the Rwanda Development Board (RDB) to strengthen policy advocacy and aftercare services. This enabled the RDB to become a strong organization providing one-stop-shop services to investors, and rebuild the image of the country with a communication strategy.

- *Supporting private sector development by enhancing investment promotion activities.* Through the accomplishments of its IPA – ProExport, renamed ProColombia in 2014 – Colombia positioned itself as a regional export hub. The IPA is focused on FDI generation and has staff that performs targeted promotion at the sectoral level. As such, ProColombia has been successful in attracting some multinational enterprises that have become value-chain leaders and have, in turn, accelerated the development of local suppliers. ProColombia supports outward investment by domestic firms, in line with the IPR recommendations.

- *Building policy advocacy in the IPA.* In Kenya, the advocacy role of KenInvest was strengthened through the creation of a policy advocacy section. The section is active in promoting the changes needed for private sector development and advocating for investor concerns. It also plays an advisory role to the Government on the changes needed to improve the investment environment. As such, KenInvest participates in a round table with investors, the Prime Minister and cabinet ministers every quarter and has pushed the Government to implement measures to help domestic companies enhance their competitiveness and take more into consideration the benefits for the local economy. In Botswana, the range of activities the BITC conducts has expanded to include policy advocacy and business facilitation for a more conducive business environment. The country also launched in 2014, a one-stop shop Business Facilitation Services Centre, which operates through several service-level agreements with other authorities.

- *Strengthening aftercare activities to feed in the policy advocacy efforts.* In Egypt, GAFI impulses the development of investment services through the GAFI Investors Relations Unit. The unit is mandated to maintain an investor tracking system to follow up on issues raised by investors and to help with problem solving. A research function is being set up for policy advocacy. The unit will also develop sector analysis to assist in targeting existing investors to reinvest and upgrade, to build linkages with local firms and to expand production from the local to the regional and global market.

Monitoring and evaluation are essential to keep track of reforms, measure their impact and inform further policy action. As investment policy reforms are unfolding, their implementation needs to be monitored and their effectiveness evaluated. IPR beneficiary countries have adopted different approaches to do so. As illustrated in the examples above, in the cases where high-level policy reform mechanisms have been instituted, they are typically also in charge of progress tracking. Often, however, the monitoring and evaluation function befalls on the IPAs:

- In Mauritius, EDB acts as a coordinator and facilitator, and monitors the implementation of broader national reforms. In Kenya, KenInvest has a coordination and monitoring role regarding the national priorities related to investment and played a key role in the elaboration of the Kenya Investment Policy launched in 2019.

- In Colombia, ProColombia has been active in promoting and monitoring reforms required for the development of its private sector as part of its Vision 2030 strategy, advocating for investors' concerns and promoting improvements to the investment environment across the territory.

- In Rwanda, benchmarking and monitoring are undertaken by the RDB, where a dedicated *Doing Business unit* monitors all relevant international and domestic indicators of progress.

As a dynamic process, investment policymaking should be supported by dynamic monitoring and evaluation tools. This requires the development of the appropriate tools to keep track of reform implementation and measure their impact. The Live implementation matrix introduced in the following section aims at supporting IPR beneficiary countries in their efforts to conduct investment climate reforms. It can be used as a follow-up implementation tool and serves as a platform to interact with UNCTAD on IPR recommendations and associated technical assistance needs.

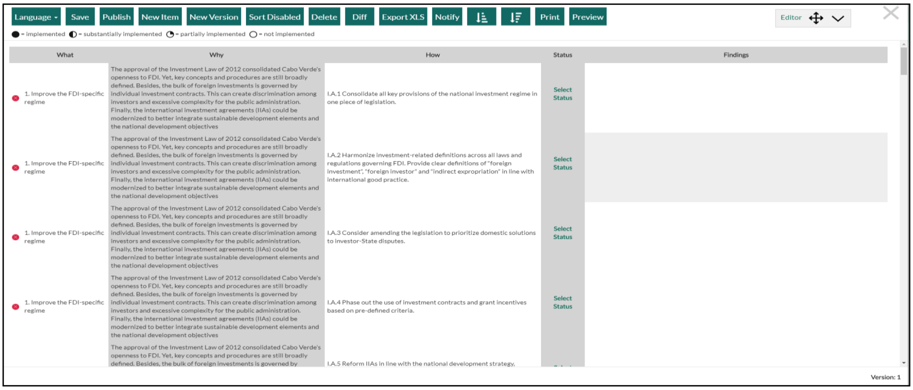
3. A NEW INTERACTIVE TOOL TO MONITOR IPR IMPLEMENTATION PROGRESS

The proposed approach is to move from a static to a dynamic one to track reform implementation… To date, the review of the IPR implementation progress has been largely carried out by UNCTAD, through desk research, fact-finding missions and dialogue with the beneficiary governments. This monitoring exercise has resulted in the preparation and publication of country-specific implementation reports. Each report contains an implementation matrix, which provides a static picture of the implementation progress by any single country at a specific point in time. In order to provide IPR beneficiary countries with a more dynamic approach to keep track of implementation progress, UNCTAD has developed a new online, interactive tool – the Live implementation matrix. The matrix is a living document, allowing beneficiary countries to continue reporting on their IPR implementation progress, and providing an accurate and up-to-date picture of efforts made in reforming their investment environment. By asking countries to provide inputs and information to monitor and report on implementation performance, the matrix will also enhance ownership of the IPR process by the beneficiary countries and accountability vis-à-vis national stakeholders.

…to enable the monitoring of SDG-related investment targets... IPRs and the Implementation Reports already assess how FDI contributes to development in host countries, and how well investment and other policies, including industrial policy, interact. The Implementation Reports offer a sound methodology for assessing the progress of a country against its own benchmark (the initial IPR) and against regional comparators on all areas of the investment climate and its impact on development. Looking ahead, it would therefore be feasible to use the IPR programme and its Live implementation matrix as a mechanism for evaluating progress towards relevant SDG-related investment targets. Such a dimension could be integrated into the initial review as well as the Implementation Report.

… and to gradually apply it to all IPR countries. The Live implementation matrix (illustrated below) will be gradually deployed, starting with countries which have recently undergone an IPR or have completed an IPR Implementation Report. Progressively, it will extend and cover all IPR beneficiary countries. It will require the engagement of the national authorities, as each country will be able to input regularly up-to-date information in the Matrix on the various policy areas covered by the IPR. The inputs will be validated in cooperation with UNCTAD before their publication. The Live implementation matrix will be available on the Investment Policy Hub at: www.investmentpolicyhub.unctad.org. The information gathered through this process will also serve as a basis to discuss technical assistance needs.

Illustration of the Live implementation matrix



What	Why	How	Status	Findings
1. Improve the FDI-specific regime	The approval of the Investment Law of 2012 consolidated Cabo Verde's openness to FDI. Yet, key concepts and procedures are still broadly defined. Besides, the bulk of foreign investments is governed by individual investment contracts. This can create discrimination among investors and excessive complexity for the public administration. Finally, the international investment agreements (IIAs) could be modernized to better integrate sustainable development elements and the national development objectives	I.A.1 Consolidate all key provisions of the national investment regime in one piece of legislation.	Select Status	
1. Improve the FDI-specific regime	The approval of the Investment Law of 2012 consolidated Cabo Verde's openness to FDI. Yet, key concepts and procedures are still broadly defined. Besides, the bulk of foreign investments is governed by individual investment contracts. This can create discrimination among investors and excessive complexity for the public administration. Finally, the international investment agreements (IIAs) could be modernized to better integrate sustainable development elements and the national development objectives	I.A.2 Harmonize investment-related definitions across all laws and regulations governing FDI. Provide clear definitions of "foreign investment", "foreign investor" and "indirect expropriation" in line with international good practice.	Select Status	
1. Improve the FDI-specific regime	The approval of the Investment Law of 2012 consolidated Cabo Verde's openness to FDI. Yet, key concepts and procedures are still broadly defined. Besides, the bulk of foreign investments is governed by individual investment contracts. This can create discrimination among investors and excessive complexity for the public administration. Finally, the international investment agreements (IIAs) could be modernized to better integrate sustainable development elements and the national development objectives	I.A.3 Consider amending the legislation to prioritize domestic solutions to investor-State disputes.	Select Status	
1. Improve the FDI-specific regime	The approval of the Investment Law of 2012 consolidated Cabo Verde's openness to FDI. Yet, key concepts and procedures are still broadly defined. Besides, the bulk of foreign investments is governed by individual investment contracts. This can create discrimination among investors and excessive complexity for the public administration. Finally, the international investment agreements (IIAs) could be modernized to better integrate sustainable development elements and the national development objectives	I.A.4 Phase out the use of investment contracts and grant incentives based on pre-defined criteria.	Select Status	
	The approval of the Investment Law of 2012 consolidated Cabo Verde's openness to FDI. Yet, key concepts and procedures are still broadly defined. Besides, the bulk of foreign investments is governed by	I.A.5 Reform IIAs in line with the national development strategy.		

Note: This example is a section of the Live implementation matrix of Cabo Verde. The findings and the status are yet to be completed as the IPR is very recent and the assessment of the IPR recommendations has not started.

CONCLUSION

This new tool – the Live implementation matrix – will assist member States and UNCTAD to better address the challenges of dynamic investment policymaking at country level and improve prospects for achieving the Agenda 2030 for Sustainable Development.

By providing real-time data, i.e. timely and up-to-date information on investment policy reform, the Live implementation matrix will contribute to:

- Foster ownership of IPR recommendations;
- Strengthen implementation results;
- Improve transparency;
- Enhance accountability;
- Strengthen the tracking of reforms; and
- Highlight technical assistance and capacity-building needs.

ANNEX. LIST OF INVESTMENT POLICY REVIEWS AND IMPLEMENTATION REPORTS

Egypt (1999), [2006]
Uzbekistan (1999)
Uganda (2000), [2007]
Peru (2000)
Mauritius (2001), [2017]
Ecuador (2001)
Ethiopia (2002), [2011]
United Republic of Tanzania (2002), [2011]
Botswana (2003), [2016]
Ghana (2003), [2010]
Lesotho (2003), [2014]
Nepal (2003), [2019]*
Sri Lanka (2004)
Algeria (2004)
Benin (2005), [2016]
Kenya (2005), [2013]
Colombia (2006), [2014]
Rwanda (2006), [2012]
Zambia (2007), [2014]
Morocco (2008), [2015]
Viet Nam (2008)
Dominican Republic (2009), [2016]
Nigeria (2009), [2018]*
Mauritania (2009)
Burkina Faso (2009)
Belarus (2009)
Burundi (2010)
Sierra Leone (2010)
El Salvador (2010)
Guatemala (2011)
The former Yugoslav Republic of Macedonia (2011)
Mozambique (2012)
Djibouti (2012)
Mongolia (2013)
Bangladesh (2013)
Republic of Moldova (2013)
Republic of the Congo (2015)
The Sudan (2015)
Bosnia and Herzegovina (2015)
Kyrgyzstan (2015)
Madagascar (2015)
Tajikistan (2016)
The Gambia (2017)
South East Europe (seven economies, 2017)
Lebanon (2018)
Chad (2019)
Armenia (2019)
Angola (2019)
Côte d'Ivoire (2019)
Seychelles (2020)

* The IRs of Nepal and Nigeria were published after the completion of UNCTAD (2018). *Implementation Reports: Lessons learned.* United Nations. Geneva. Their data are therefore not included in the calculations done for this document.
Note: IPRs (year), IRs [year] – total: 55 beneficiary economies.

NOTES

1. For additional information, see UNCTAD (2020a). *World Investment Report 2020: International production beyond the pandemic*. United Nations, Geneva and UNCTAD (2020b). Investment Trends Monitor. Issue 36. October. Geneva.

2. See UNCTAD (2014). *World Investment Report 2014: Investing in the SDGs: An Action Plan*. United Nations, Geneva.

3. These 15 economies are Benin, Botswana, Colombia, Dominican Republic, Egypt, Ethiopia, Ghana, Kenya, Lesotho, Mauritius, Morocco, Rwanda, Uganda, United Republic of Tanzania and Zambia. See UNCTAD (2018). *Implementation Reports: Lessons learned*. United Nations. Geneva.

4. "UNCTAD's recommendations will be instrumental to implement a reform agenda through the prism of the SDGs". Mr. Arman Hovnanyan, Deputy Minister of Economy of Armenia (Geneva, 12 November 2019). "The IPR is the milestone for taking action to reform our business environment", Mr. Nabil Itani, Chairman, Investment Development Authority of Lebanon (Geneva, 4 December 2018).

5. "Ten years after the IPR of the Dominican Republic, the document is still the blueprint of every investment strategy we implement today; each time a new administration comes onboard, the IPR is the first document we hand them", Ms. Natalia Vásquez Guzmán, Investment Manager, CEI-RD, Dominican Republic (Geneva, 23 October 2018).

6. The IPFSD provides guidance for policymakers based on UNCTAD's extensive research and analysis, including IPRs, the World Investment Report and its work on international investment agreements (IIAs). The Framework consists of a set of core principles for investment policymaking, guidelines on national investment policies and the design and use of IIAs. The IPFSD embed sustainable development principles, which help harness investment policy to Agenda 2030 and its set of SDGs. See UNCTAD (2015). Investment Policy Framework for Sustainable Development. *United Nations: New York and Geneva*.

7. Two-thirds of the IPR countries have featured among the top reformers in the World Bank Doing Business rankings since 2006, several of them multiple times in the years following their IPR. Among these are Colombia (four times), Egypt, Kenya and Rwanda (three times) as well as Zambia and Benin (twice). Of the 15 economies examined in 2018, 14 improved their distance to frontier score by an average of 7.7 points between 2010 (the first year for which comparable data is available) and 2019.

IPR

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Layout and Printing at United Nations, Geneva – 2016238 **(E)** – December 2020 – 380 – **UNCTAD/DIAE/PCB/2020/3**