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Investment, Enterprise and Development Commission
Twelfth session
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**Report of the Investment, Enterprise and Development
Commission on its twelfth session**

Held at the Palais des Nations, Geneva, on 15 February 2021



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Introduction

The twelfth session of the Investment, Enterprise and Development Commission was held at the Palais des Nations, Geneva, on 15 February 2021, with physical and remote participation.

I. Action by the Investment, Enterprise and Development Commission

Reports of expert meetings

(Agenda item 3)

1. At its opening plenary meeting, on 15 February 2021, the Investment, Enterprise and Development Commission considered two reports under the agenda item.

(a) Report of the Multi-year Expert Meeting on Investment, Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development

2. The Chair of the eighth session of the Multi-year Expert Meeting on Investment, Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development presented the report.

3. The Investment, Enterprise and Development Commission took note of the report, as contained in document TD/B/C.II/MEM.4/23.

(b) Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting

4. The Chair of the thirty-seventh session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting presented the report.

5. The Commission took note of the report, as contained in document TD/B/C.II/ISAR/95, and endorsed the agreed conclusions and approved the provisional agenda of its thirty-eighth session contained therein.

II. Chair's summary

A. Reports of expert meetings

(Agenda item 3)

Report of the Multi-year Expert Meeting on Investment, Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development

6. During the discussions under the agenda item, the representative of one regional group underscored that science, technology and innovation were essential for achieving the Sustainable Development Goals and the 2030 Agenda for Sustainable Development. She commended UNCTAD for their work on science, technology and innovation policy, particularly the science, technology and innovation policy reviews and capacity-building activities on science, technology and innovation. She also requested implementation of projects and programmes on science, technology and innovation policy to continue. The representative of another regional group observed that despite the coronavirus disease of 2019 (COVID-19) pandemic, Arab countries had to empower their companies to benefit from technology and innovation. One delegate welcomed the UNCTAD programme on science, technology and innovation to advance sustainable development, noting the importance of access to technology and knowledge sharing for narrowing the digital divide, as well as the fundamental role of innovation and knowledge for achieving the Sustainable Development Goals.

7. Some regional groups and delegates underlined the risk arising from old-generation investment treaties with respect to measures taken in response to the COVID-19 pandemic. Some regional groups and several delegates welcomed UNCTAD research, analysis and policy guidance in the area of investment treaty reform, including through the International Investment Agreement Reform Accelerator and support in developing national positions, such as the development of model bilateral investment treaties. Such research and analysis were a vital contribution to the preparatory process for the fifteenth session of the United Nations Conference on Trade and Development. One regional group supported the updating of the Investment Policy Framework for Sustainable Development, to allow the fostering of resilience and linkages to export promotion strategies based on regional value chains.

8. One delegate emphasized the importance of UNCTAD supporting investment facilitation policies in developing countries and commended UNCTAD support for the investment protocol of the African Continental Free Trade Area.

9. One regional group acknowledged General Assembly resolution 75/211 on entrepreneurship for sustainable development and noted the commendable work of UNCTAD in assisting countries in the design and implementation of national entrepreneurship strategies through the UNCTAD entrepreneurship policy framework. Welcoming the updated version of the entrepreneurship policy framework, some regional groups they highlighted the need for increased support and capacity-building toward entrepreneurs and microenterprises and small and medium-sized enterprises, especially for the most vulnerable groups of society, for inclusive and sustainable recovery from the COVID-19 pandemic. They emphasized the crucial role that entrepreneurship played for the socioeconomic well-being of developing countries, especially in recovering from negative shocks. They called for the roll out of new policy tools to assist countries in inclusive and sustainable recovery. In that context, another regional group encouraged implementation of the policy guide on entrepreneurship for migrants and refugees, which was supported by an e-learning course, to address the challenges faced by migrant and refugee entrepreneurs, which had been further exacerbated during the COVID-19 pandemic.

10. Furthermore, some regional groups expressed appreciation for the UNCTAD capacity-building programme, Empretec, that benefited many countries across developing regions. They also noted that the 2020 Empretec Women in Business Awards was an effective tool for promoting awareness about women entrepreneurs and recognition of the success stories of women finalists from Africa, Asia and Latin America in the latest edition of the awards.

Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting

11. In presenting the report on the thirty-seventh session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, the Chair highlighted the studies launched by several countries during the session on International Standards of Accounting and Reporting issues and a practical tool on Sustainable Development Goal indicators, which could be useful for countries in reporting and preparing their reports. She also mentioned the role of UNCTAD in providing capacity-building to member States, to follow up on the recommendations of the Intergovernmental Working Group of Experts and progress on climate change disclosure, and in conducting an assessment, by more than 57 countries and other stakeholders, on the work carried out by the Intergovernmental Working Group of Experts.

12. During the discussions under the agenda item, the representatives of some regional groups recognized that high-quality corporate reporting was an essential part of an enabling environment for investment promotion, and for social and economic development. The regional groups also indicated that the 2030 Agenda for Sustainable Development significantly enhanced the role of enterprise reporting as a primary source of information on private sector contribution towards the attainment of the Sustainable Development Goals.

13. One delegate noted that investments and business development could not thrive in an environment of vulnerability, poverty and inequality. It was therefore critical that the international community ensured that the 2030 Agenda for Sustainable Development and its principles were achieved. Another delegate emphasized the challenges facing by

companies, especially in environmental indicators; technical assistance was thus important to overcome those challenges, especially for small island developing States. Another delegate highlighted that her country was a beneficiary of an UNCTAD project, funded by the United Nations Development Account, that aimed at improving policy frameworks for sustainability and Sustainable Development Goal reporting by the private sector. Despite the difficulties presented by the pandemic, the project had moved forward using virtual platforms to conduct project meetings.

B. Progress report on promoting and strengthening synergies among the three pillars

(Agenda item 4)

14. The UNCTAD secretariat presented overviews of work conducted under the three pillars of work of research and analysis, consensus-building and technical cooperation.

Presentation of the activity report of the Division on Investment and Enterprise

15. The Director of the UNCTAD Division on Investment and Enterprise provided an overview of the achievements and impact made by the division in fulfilling the mandates of the Nairobi Maafikiano (TD/519/Add.2). He highlighted the division's rapid and effective response to the pandemic underlined his perspective and a way forward for strengthening the role of UNCTAD in investment and enterprise for development. The next decade would be a decade of transformation for international production, which would have significant implications for development strategy, and for investment and enterprise development policies.

16. In light of the new landscape, he emphasized the continued relevance of existing mandates and the critical role of the work programme to help mainstream the Sustainable Development Goals into investment policies, monitor progress towards investing in Sustainable Development Goal sectors and provide concrete recommendations towards that end. There was also a need for entrepreneurship policies that were aligned with both the 2030 Agenda and a post-COVID-19 resurgence. He stressed the need to increase the scope of current work to cover all aspects of the investment chain in pursuit of sustainable development strategies, promote innovative financing models and achieve sustainable and inclusive recovery and resilience. He also called for strengthening of the Investment, Enterprise and Development Commission, through renewed concentration on its core issues and a reinforced mandate for global investment cooperation and coordination.

17. Several regional groups and one delegate expressed appreciation for division's work. Against the backdrop of decreasing global foreign direct investment flows, the delegations called for further strengthening of work in the area. Some regional groups and one delegate noted in particular the division's work on international investment agreement reform and on promoting and facilitating investment for sustainable development. One regional group and some delegates acknowledged new initiatives such as UNCTAD World Investment Forum satellite events and the Geneva ambassadors' round table for investing in the Sustainable Development Goals.

18. Another regional group requested further detail on the usefulness of the Investment, Enterprise and Development Commission for UNCTAD work. Responding to the questions, the Director pointed out that the Commission allowed for timely guidance for member States, brainstorming on the latest developments, effective discussion and dissemination of best practice policies. He concurred with delegations on the critical role investment would play for building back better and on the need to step up efforts to promote investment in productive sectors.

Presentation of the activity report of the Division on Technology and Logistics

19. The Director of the UNCTAD Division on Technology and Logistics presented the activities of the division across the three pillars. With regard to research and analysis, the most recent flagship publications produced by the division were the *Digital Economy Report 2019: Value Creation and Capture – Implications for Developing Countries* and the

Technology and Innovation Report 2021: Catching Technological Waves – Innovation with Equity, on technological revolutions, which was to be launched the week of 1 March 2021.

20. Synergies had been strengthened among the three pillars as research fed into the technical cooperation and consensus-building pillars. For example, the *Digital Economy Report* took account of inputs from the technical cooperation work and the Intergovernmental Expert Group on E-commerce and the Digital Economy. Likewise, the *Technology and Innovation Report* fed into the Commission on Science and Technology for Development and drew on work done in countries through science, technology and innovation policy reviews and capacity-building activities.

21. Technical cooperation activities included electronic commerce (e-commerce) strategies and law reform, eTrade for all, eTrade readiness assessments and eTrade for Women, science, technology and innovation policy reviews and capacity-building on science, technology and innovation, as well as the Automated System for Customs Data (ASYCUDA). The eTrade for Women was a popular new programme. Science, technology and innovation policy reviews, which assessed the ecosystems enabling innovation in a country, were recently finalized for the Dominican Republic and Uganda, and ongoing in Botswana and Zambia. ASYCUDA was a rare example of a programme achieving technology transfer to developing countries of complex digital platforms for trade and transport promotion.

22. On consensus-building, the division served as the secretariat of the Commission on Science and Technology for Development, the focal point in the United Nations for issues related to science, technology and innovation. The next session of the Commission on Science and Technology for Development would consider science, technology and innovation for health, including discussions on COVID-19 as well as neglected diseases of the poor, and harnessing blockchains for sustainable development. The Commission on Science and Technology for Development was also organizing technical cooperation activities (capacity-building), through collaboration with Brazil, China and Japan. The division organized the Intergovernmental Expert Group on E-commerce and the Digital Economy, as well as e-commerce weeks. UNCTAD also now led cluster 3, on finance and technology, in the context of financing for development. The Director noted the current “digital technology revolution”; though it had so far been used more for the benefit of the rich, it held the potential to benefit developing countries and poor people.

23. In preparing for the fifteenth session of the United Nations Conference on Trade and Development, it was time to strengthen the area of technology of UNCTAD work. There was a mismatch between the heavy demands for work placed on the division and the limited resources available to undertake the three pillars of work. There were 36 technical cooperation requests that could not be met due to a lack of human and financial resources. Within the intergovernmental structures of UNCTAD, the prominence of technology was not reflected, as the name of the Investment, Enterprise and Development Commission did not include the word “technology”, despite the current “technology revolution”. She suggested that the matter should be remedied during the negotiations and in the outcome document of the fifteenth session of the Conference.

24. In the ensuing discussion, one regional group noted that UNCTAD was providing leadership on e-commerce and digital technology issues, as well as supporting countries lagging behind the most on technology. There needed to be equal access to vaccine technologies to overcome the COVID-19 pandemic. The regional group welcomed the technical assistance and capacity-building programmes on science, technology and innovation developed by UNCTAD, called for support of UNCTAD technical assistance and capacity-building, and a strengthening of UNCTAD work on science, technology and innovation for development, including the consideration of technology’s critical role during the discussions of the fifteenth session of the Conference. Another regional group noted the key role of digital technologies during the pandemic, the ongoing digital divide between developed and developing countries, and the essential role of UNCTAD in supporting developing countries on digital technologies. The regional group welcomed UNCTAD support on using science, technology and innovation to achieve the 2030 Agenda for Sustainable Development. Another regional group noted that the group was looking forward to the analysis in the forthcoming *Technology and Innovation Report* and requested

that UNCTAD flagship reports be issued in the official United Nations languages. One delegate urged UNCTAD to continue work on using science, technology and innovation for inclusive growth and development, including capacity-building programmes on science, technology and innovation. He also expressed support for eTrade readiness assessments, which should be extended in their reach, and the ASYCUDA programme. He also stressed the role of UNCTAD publications, particularly in the COVID-19 era, as they helped to guide countries in making their policies.

III. Organizational matters

A. Opening of the session

25. The twelfth session of the Investment, Enterprise and Development Commission was opened at the Palais des Nations, Geneva, on 15 February 2021 by Mr. Omar Zniber (Morocco), Chair of the session.

B. Election of officers

(Agenda item 1)

26. The election of officers of the Investment, Enterprise and Development Commission was conducted by silence procedure, in accordance with the provisions of United Nations General Assembly decision 74/544 of 27 March 2020. As no objections had been received by the deadline of 12 February 2021, the Commission elected all officers of the Bureau. Thus, at its opening plenary meeting, on 15 February 2021, the elected Chair informed the Commission of the election of the following officers to serve on its Bureau:

Chair: Mr. Omar Zniber (Morocco)

Rapporteur: Mr. José Alejandro Rodríguez (Bolivarian Republic of Venezuela)

Vice-Chairs: Mr. Tahir Hussain Andrabi (Pakistan)

Mr. Tamás Vattai (Hungary)

Mr. Mauro Bruno (Uruguay)

C. Adoption of the agenda and organization of work

(Agenda item 2)

27. At its opening plenary meeting, on 15 February 2021, the Commission adopted its provisional agenda as contained in document TD/B/C.II/45, with one modification. As agreed by the extended Bureau of the Trade and Development Board, the Commission would consider the procedural items on the agenda; the time that would have been spent on agenda item 4 would instead be devoted to the work of the Preparatory Committee.¹ Accordingly, the agenda was as follows:

1. Election of officers.
2. Adoption of the agenda and organization of work.
3. Reports of expert meetings:
 - (a) Report of the Multi-year Expert Meeting on Investment, Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development;
 - (b) Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting.

¹ In accordance with the procedure agreed previously, no discussions were conducted under the original item 4 nor were agreed conclusions prepared. The relevant agenda items have been renumbered to reflect the change to the provisional agenda.

4. Progress report on promoting and strengthening synergies among the three pillars
5. Other business.
6. Adoption of the report of the Commission to the Trade and Development Board.

D. Other business

(Agenda item 5)

28. There were no other pending issues before the Commission.

E. Adoption of the report of the Commission to the Trade and Development Board

(Agenda item 6)

29. At its closing plenary meeting, on 15 February 2021, the Investment, Enterprise and Development Commission authorized the Rapporteur, under the authority of the Chair, to finalize the report after the conclusion of the meeting. The report would be submitted to the Trade and Development Board.

Annex

Attendance*

1. Representatives from the following States members of the Conference attended the session:

Afghanistan	Mexico
Algeria	Montenegro
Azerbaijan	Morocco
Bangladesh	Nepal
Barbados	Netherlands
Bolivia (Plurinational State of)	Nigeria
Bosnia and Herzegovina	Oman
Brazil	Pakistan
Bulgaria	Panama
Burkina Faso	Peru
Cambodia	Philippines
China	Portugal
Congo	Russian Federation
Ecuador	Rwanda
Egypt	Senegal
Ethiopia	Serbia
Gabon	South Sudan
Gambia	Spain
Germany	Sri Lanka
Greece	State of Palestine
Guatemala	Sudan
Guinea	Syrian Arab Republic
Hungary	Thailand
India	Togo
Indonesia	Tunisia
Jamaica	Turkey
Japan	Ukraine
Kenya	United Republic of Tanzania
Kuwait	Vanuatu
Lebanon	Venezuela (Bolivarian Republic of)
Lesotho	Zambia
Madagascar	Zimbabwe
Malawi	

2. The following intergovernmental organizations were represented at the session:

European Union
Organization of Islamic Cooperation

3. The following specialized agencies and related organizations were represented at the session:

United Nations Industrial Development Organization

4. The following non-governmental organizations were represented at the session:

General category

International Network for Standardization of Higher Education Degrees

* This attendance list contains registered participants. For the list of participants, see TD/B/C.II/INF.12.