

REPORT OF
THE PARTICIPATION OF OIC IN THE WORLD
INVESTMENT FORUM 2018

Geneva, 22-26 October 2018

PRESENTED BY

THE ISLAMIC CENTRE FOR DEVELOPMENT
OF TRADE

TO THE

34th SESSION OF THE STANDING COMMITTEE
FOR ECONOMIC AND COMMERCIAL
CO-OPERATION OF THE OIC
(COMCEC)

Istanbul – Republic of Turkey
26th – 29th November 2018



Report of The participation of OIC in the World Investment Forum 2018 Geneva, 22-26 October 2018

I. Organisation of the World Investment Forum:

- *Participation*

The World Investment Forum 2018 organised by UNCTAD was a success event which drew close to 6,000 participants from 186 countries, among them 11 heads of state, over 55 ministers, leaders of investment promotion agencies and sovereign wealth funds. Besides, top officials from international organizations, and more than 1,700 private sector participants from multinationals, stock exchanges, pension funds, and countless other large companies and MSMEs attended the WIF 2018.

During the opening ceremony, UNCTAD Secretary-General Mukhisa Kituy underscored that continued engagement between governments is vital for refining international economic policies and to scale up private investments in the Sustainable Development Goals (SDGs).

The Forum witnessed the holding of many high level events including an investment summit, a global “sustainable stock exchanges” dialogue, a conference on investment agreements, thematic discussions, and other side events.

- *Other side events:*

ICDT's representatives attended the following meetings:

- Opening of the investment village in which ICDT has a booth;
- United Nations Investment Promotion Award 2018 in which the Bahrain Economic Development Board (BEDB) and NIPC were awarded;
- Global Leaders Investment Summit I Investment in a New Era of Globalisation;
- Investment Promotion Conference 2018;
- Talking Business: Africa I;
- The Global i-Guides Meeting;
- High-level International Investment Agreements Conference 2018.

The OIC/ICDT's booth was visited by the Secretary General and the Deputy-Secretary General of UNCTAD and many heads of delegation and participants.

ICDT's booth received the Distinction Certificate of the World Investment Forum 2018.

II. Organisation of the panel on Obstacles and Solutions to Investment in Africa:

Context:

Within the framework of the instructions of H.E. The Secretary General of OIC, OIC/UN Cooperation and TISC Integrated Project on Investment, UNCTAD, ICDT, ICIEC, SESRIC, organised in collaboration with the OIC Permanent Mission in Geneva a workshop on « Obstacles and Solutions to Investment in Africa » on 23rd October 2018.

The workshop was chaired by H.E. Amb. Nassima BAGHLI with the participation of Mrs Isabelle Durant, Deputy Secretary General of UNCTAD and representatives of ICDT, ICIEC, SESRIC, Saudi Arabian General Investment Authority (SAGIA), Nigerian Investment Promotion Commission (NIPC) and the Inoks Capital.

More than 200 participants representing plus 50 countries attended this workshop

Objectives:

The main objectives of this Meeting are on one hand to share international, regional and national perspectives on main obstacles and propose better solutions for Investment in Africa in the one hand and to prepare the draft Declaration of the Conference and the draft OIC Guiding Principles for Investment Policymaking that are supposed to be presented for consideration to the OIC Conference on Obstacles and Facilitation of Investment in Africa scheduled in Abidjan, Republic of Cote d'Ivoire on the other.

Proceedings:

The workshop started by the statements of Mrs Isabelle Durant Deputy Secretary General of UNCTAD and H.E Amb. Nassima Baghli, Permanent Observer of the Organization of Islamic Cooperation to the United Nations Office and other International Organizations in Geneva and Moderator of this Panel.

Mrs Durant and Baghli point out in their speeches, the excellent cooperation existing between UNCTAD, IDB Group namely ICIEC and OIC Institutions such ICDT and SESRIC in the field of investment promotion, investment international agreements and other capacity building related to international trade development among OIC Member States.

Mrs Durant announced that UNCTAD in collaboration with ICIEC, ICDT and SESRIC will organise a workshop on International Investment Agreements for African Countries in Casablanca, Morocco on 18-20 December 2018.

The representatives from ICDT, ICIEC and SESRIC presented the activities of their institutions in the field of investment promotion, obstacles and practical recommendations to invest in Africa.

In 2017, the total value of FDI flows to OIC countries increased for the first time since 2011, which was recorded at US\$ 106.9 billion, corresponding to 6.3% increase compared to the previous year. The share of the OIC Group in the world FDI flows reached 7.1% in 2017

The representatives of SAGIA Mr Al-Othaibi and Mrs Okala from NIPC made presentations on obstacles to invest in Africa and solutions developed by SAGIA and NIPC to overcome to better enhance investment in African Countries.

The representative of Inoks Capital presented the obstacles faced by private sector to invest in Africa and the solutions made by his Institutions to enhance investment flows in Africa.

Main obstacles and recommendations:

During this Meeting, Experts identified the main following obstacles hampering investments in Africa:

- Poor business environment: the continent is at the lower-end of the “doing business indicators” rankings, due to the lack of good governance, poor regulation, lack of policy coherence and institutional weaknesses;
- Infrastructure deficiency: Only one-third of the population in Africa has reliable access to power electricity and 30 out of 54 countries in the continent suffer from constant power shortages. A World Bank study put the investment demand for Africa at US\$ 93 billion annually over a decade;
- High country risks;
- Deficiency of skilled labour;
- Limited integration among countries in terms trade and finance;
- Shortages of business intelligence and credit history information.

At the OIC level, the Agreement for the Promotion, Protection and Guarantee of Investment among Member States of the Organization of the Islamic Cooperation is still relevant and up to date, nevertheless its effectiveness shall be enhanced especially regarding the provisions relating to disputes settlement and arbitration.

After a fruitful debate, participants recommended the following:

- To encourage OIC Member States to accede to and complete the ratification process of OIC investment agreement;
- To establish an OIC Dispute Settlement Body in accordance with Article 17 of OIC Investment Agreement;
- To establish a joint mechanism between the OIC General Secretariat and the Islamic Development Bank and all relevant partners to oversee the implementation and modernize the agreement;
- To establish an OIC Portal and Database on foreign Direct Investment;
- To strengthen Investment Promotion Agencies (in one Stop Shop format);
- To review national Investment Agreements regimes;
- To improve the macro-economic environment of OIC Countries;
- To reform the international trade facilitation policies, investing into infrastructure and organising capacity building programs for the benefit of OIC IPAs and reducing country risks in Africa.