

Foreign Investment Facilitation in COMESA, EAC and SADC

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Introduction

- ❑ Ease of establishing and expanding investment
 - ❑ One-stop shops with single-point authority
 - ❑ Simplifying and expediting investment procedures
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Common Market for Eastern and Southern Africa (COMESA)

- ❑ Treaty establishing COMESA signed in November 1993
 - ❑ Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia and Zimbabwe
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Common Market for Eastern and Southern Africa (COMESA)

- ❑ COMESA Regional Investment Agency launched in 2006
 - ❑ COMESA Common Investment Area Agreement (CCIA) concluded in 2007
 - ❑ Cooperation and Facilitation Programme (Art. 8 CCIA) requires individual member states to:
 - ❑ Increase transparency of investment rules
 - ❑ Simplify and expedite procedures
 - ❑ Expand number of bilateral DTAs amongst member states
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Common Market for Eastern and Southern Africa (COMESA)

- ❑ COMESA Regional Investment Agency facilitates investment:
 - ❑ Through an investor portal on its website
 - ❑ Provides a platform for member states' investment information
 - ❑ Dedicates a page to Investment Promotion Agencies of member states
 - ❑ Offers support and capacity-building services to Investment Promotion Agencies of member states
 - ❑ Serves as an information hub
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Ethiopia

- ❑ Consistent growth averaging 10.5%, with 29% attributed to foreign investment
 - ❑ Ranks 132 out of 189 countries in 2015 World Bank Ease of Doing Business Index
 - ❑ Main investment body is Ethiopian Investment Commission (EIC)
 - ❑ Ethiopia complies with COMESA transparency requirement through publishing on the EIC website
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Ethiopia

- Streamlines and expedites procedures through:
 - 2012 Investment Proclamation (as amended in 2014); and
 - through the one-stop shop run by the EIC
 - One-stop shop services it offers include issuance of investment and work permits, commercial registration certificates, providing aftercare support to investors etc.
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East African Community (EAC)

- ❑ Established by Treaty in 1999
 - ❑ Burundi, Rwanda, Tanzania, Uganda and Kenya
 - ❑ EAC Model Investment Code concluded in 2006 to assist member states in employing international investment best practices
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East African Community (EAC)

- The Model Investment Code encourages establishment of Investment Promotion Agencies in member states in order to:
 - Coordinate, encourage, promote and facilitate investment;
 - Advise governments on investment policy matters;
 - Initiate measures to enhance investment;
 - Disseminate relevant information
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Rwanda

- ❑ Strong growth averaging 7.5%, with 23% attributed to foreign investment
 - ❑ Ranks 46 out of 189 countries in 2015 World Bank Ease of Doing Business Index
 - ❑ Rwanda Development Board (RDB) is the main investment body
 - ❑ Private Sector Federation communicates private sector concerns to the RDB
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Rwanda

- ❑ RDB established as a one-stop shop in 2009
 - ❑ RDB uses its website to simplify and expedite procedures
 - ❑ Allows registered investors to apply online for investment and environmental impact assessment certificates
 - ❑ Launched a new law on investment promotion and facilitation in 2015
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Southern African Development Community (SADC)

- ❑ Established by Treaty in 1992
 - ❑ Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe
 - ❑ Concluded the SADC Protocol on Finance and Investment in 2006
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Southern African Development Community (SADC)

- ❑ In 2012 identified the OECD Policy Framework for Investment as a reference for its investment framework
 - ❑ The framework encourages the establishment of one-stop shops
 - ❑ Highlights the benefits of online technology to simplify procedures
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Tanzania

- Economy has grown at an average of 7.6%, with 30% attributed to foreign investment
 - Ranks 131 out of 189 countries in 2015 World Bank Ease of Doing Business Index
 - Tanzania Investment Centre (TIC) is the main investment body
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Tanzania

- ❑ Assists with permits, licenses and visas;
 - ❑ Grants land derivative rights;
 - ❑ Assists investors to navigate administrative and regulatory hurdles;
 - ❑ Provides an 'aftercare' service to TIC registered investors.
 - ❑ Implemented UNCTAD's eRegulations systems to facilitate investment which makes the TIC [website](#) user-friendly
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Conclusion

- ❑ COMESA, EAC and SADC all encourage effective investment facilitation through investment promotion agencies as one-stop shops
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Thank You!



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