



## ***2016 AFSIL Principles on International Investment for Sustainable Development in Africa***

**Aware** of the Abuja Treaty establishing the African Economic Community and the adoption of Agenda 2063 by the Heads of State and Government of the African Union;

**Stressing** the need to achieve the 2030 Agenda for Sustainable Development;

**Recognizing** the need to create an enabling environment for investors and investments;

**Recognizing** the important contribution investment can make to the sustainable development of States and their peoples, including the reduction of poverty, increase of productive capacity, economic growth, the transfer of technology, and the furtherance of human rights, human development and environmental protection;

**Stressing** the right of all States to regulate and to introduce new measures relating to investments in their territories in order to meet national policy objectives;

**Aware** of the Draft Pan-African Investment Code (PAIC) that has been developed by the African Union;

**Taking note** of all the initiatives and legal instruments regarding investment that have been undertaken at the level of the African continent and at the level of all the Regional Economic Communities (RECs) in Africa;

**Taking into account** the Investment Policy Framework and the Road Map for International Investment Agreements Reform developed by UNCTAD in reforming international investment regime towards sustainable development;

**Encouraging** States to take into account the principles contained in the present document when enacting investment legislation or negotiating investment agreements;

Solemnly proclaim the following guiding principles:

### **Principle 1**

Foreign investment must contribute to the sustainable development of African states.

### **Principle 2**

States have the sovereign right to regulate foreign investment on their territory in order to meet Sustainable Development Goals (SDGs) and for legitimate public policy objectives. This right must not be subordinated to the interests of investors.

### **Principle 3**

States must facilitate, promote and protect foreign investment that enhance the sustainable development within their territories.

### **Principle 4**

Increasing the quantity and quality of foreign investment requires a positive legal and regulatory environment including a transparent, accountable and participatory legal framework.

### **Principle 5**

Investment agreements and laws should seek an overall balance of the rights and obligations between States and investors.

**Principle 6**

Investors must comply with the applicable laws and regulations of both the home and the host state. Host States should not lower their environmental or other legal standards as incentives to attract investments.

**Principle 7**

International and domestic investment regimes should ensure the observance by investors of international best practices and applicable instruments of responsible business conduct and corporate governance.

**Principle 8**

Investors shall also not aid or abet a conspiracy to commit or authorize acts of bribery.

**Principle 9**

Investors shall not exploit or use local natural resources to the detriment of the rights and interests of the host State.

**Principle 10**

Investors must respect the protection of internationally and regionally proclaimed human rights.

**Principle 11**

Investment policies should provide legal certainty and appropriate protection to foreign investment including access to effective mechanisms for the prevention and settlement of disputes. Dispute settlement procedures should be fair, open and transparent, with appropriate safeguards to prevent abuse.

**Principle 12**

African States should ensure effective participation of African lawyers and experts in the negotiation and drafting of investment agreements as well as in the settlement of investment disputes.

**Principle 13**

African States should strive to develop and foster domestic capacity in the field of investment policy and law, including through academic curricula.

**Principle 14**

African states should ensure more effective cooperation and coordination with respect to investment policies at the continental level.

**Principle 15**

African States should strengthen their domestic judicial systems for the benefit of all citizens and communities, including investors.