



Press Release FOR IMMEDIATE RELEASE

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KENYA HOSTS 11TH ANNUAL FORUM OF DEVELOPING COUNTRIES INVESTMENT NEGOTIATORS

- **Developing country investment negotiators from around the world meet in Nairobi.**

KenInvest is pleased to welcome representatives from more than 70 countries who will be discussing how to design better deals and avoid crippling arbitrations at a conference in Nairobi this week.

The Annual Forum of Developing Country Investment Negotiators is the only global platform where government officials exclusively from developing and emerging economies can share experiences and lessons learned from investment negotiations.

“Kenya has been an active participant in the Forum for many years and we are delighted to host our colleagues at this important conference,” said Dr. Moses Ikiara, PhD, MBS, Managing Director, Kenya Investment Authority.

The 11th Annual Forum is co-hosted by KenInvest, the International Institute for Sustainable Development (IISD) and the South Centre. Over 140 government representatives from 70 countries and five regional organizations will be in attendance February 7-9, 2018.

The goal of the Annual Forum of Developing Country Investment Negotiators (Annual Forum) is to ensure that developing countries are able to attract responsible investment that advances sustainable development while safeguarding their legitimate policy space.

The Annual Forum provides a unique platform for discussing current trends and perspectives aimed at ensuring that investment agreements support sustainable development goals. The forum will address two major trends that are changing the face of investment negotiations today:

- The growth of multilateral and regional negotiations; and
- The expansion of the scope of agreements to include a host of issues, such as trade and other economic dimensions, which had previously been negotiated separately.

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“KenInvest is committed to attracting the right kind of investment while safeguarding our national interests,” Dr. Ikiara said.

“We have seen how vague language in investment treaties can result in massive payouts. That’s why, spearheaded by the National Treasury, we are developing a model investment treaty and an investment agreements policy with clear rules and responsibilities.”

The Forum comes as foreign investors are filing an increasing number of costly disputes against governments, often for policy decisions relating to environmental protection, public health, taxation or stakeholder engagement aimed at preventing conflict associated with displacements caused by large land purchases and mining projects.

Speaking during the opening ceremony, Dr. Chris Kiptoo, PS International Trade said, “Kenya is actively involved in bilateral and multilateral treaty negotiations with various countries. However, we have seen how vague language in investment treaties can result in massive payouts. That’s why, spearheaded by the National Treasury, we are developing a model investment treaty and an investment agreements policy with clear rules and responsibilities”.

Losing a case can be crushing: the average award is USD 522 million and payouts in at least nine cases topped USD 1 billion. Disputes can also result in a regulatory chill for host states with investment treaties.

“Kenya has played a leadership role in advancing reform at the regional and global level,” said Nathalie Bernasconi-Osterwalder, group director for IISD’s Economic Law and Policy program.

This includes a review of COMESA’s Common Investment Area Agreement and the development of draft East African Community Model Treaty and the Pan African Investment Code.

Kenya is also among more than 50 countries using the Forum as a platform to establish a set of common principles and advance systemic reform.

“Developing countries share common interests and experiences,” Bernasconi-Osterwalder said. “The opportunity for peer learning is the most valuable aspect of the Forum. The relationships developed over the past decade have led to policy changes which have helped countries like Kenya shield themselves from risk while fostering responsible investment.”

The forum builds upon the successes of previous forums held in Uganda (2011), Spain (2012), Jakarta (2013), Switzerland (2014), Brazil (2015) and Sri Lanka (2016).

This event responds to a growing demand from developing countries for a counterbalance to the OECD Investment Committee as a place for developed country negotiators and policy-makers on investment. The



forums have created a space for developing countries to freely consider and develop their own negotiating priorities and goals in relation to international investment treaties.

For over ten years, IISD has been providing technical assistance to investment negotiators across the developing world and the demand for our services has been growing in recent years. In order to maximize the sharing of experience—positive and negative—IISD decided to convene an annual forum of investment negotiators from developing countries.

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ABOUT KENINVEST

KenInvest's mission is to promote and facilitate domestic and foreign investment in Kenya by advocating for a conducive investment climate, providing accurate information and offering quality services for a prosperous Nation. For more information visit <http://invest.go.ke>

ABOUT IISD

The International Institute for Sustainable Development (IISD) is an independent think tank that delivers the knowledge to act. Our mission is to promote human development and environmental sustainability. Our big-picture view allows us to address the root causes of some of the greatest challenges facing our planet today – ecological destruction, social exclusion, unfair laws and economic and social rules, a changing climate. With offices in Winnipeg, Geneva, Ottawa, Toronto and New York, our work impacts lives in nearly 100 countries. For more information visit: <https://www.iisd.org>

ABOUT THE SOUTH CENTRE

The South Centre is the intergovernmental organization of developing countries that helps developing countries to combine their efforts and expertise to promote their common interests in the international arena. It undertakes research and analysis oriented on various international policy areas that are relevant to the protection and promotion of the development interests of developing countries. Its mission is guided by two principles: South unity in diversity and South progress through cooperation. For more information visit: <https://www.southcentre.int>

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