



**SOUTH
CENTRE**

Approaches by Developing Countries to Reforming Investment Rules; South- South Dialogue and Cooperation

Side event at UNCTAD XIX
HOSTED BY INDONESIA AND THE SOUTH CENTRE

Wednesday 20th of July
13:00-14:30

At the 'Investment Village'
Kenyatta International Convention Centre

BACKGROUND

Several countries, both developed and developing, have been reviewing their approaches to investment treaties and investor-state dispute settlement, including looking at ways of balancing the rights and responsibilities of investors and safeguarding the sovereign right to regulate.

According to UNCTAD, since 2012, at least 110 countries have reviewed their national and/or international investment policies and at least sixty countries have developed or are developing new model IIAs. UNCTAD points out that "today, the question is not whether or not to reform, but about the what, how and the extent of such reform".

While the reform process of international investment protection treaties is evolving, it is still at a nascent stage. Moreover, while there seems to be a majority opinion among States that reform is needed, it is clear that approaches to proclaimed reforms substantively vary among countries.

Several developing economies have been withdrawing from investment treaties, and seeking to find alternatives either through national laws or through designing new investment treaty models that reflect a more balanced approach. In their reviews, they are more attentive to finding a balanced approach and reducing legal liability under investor-state dispute settlement when it comes to regulatory action taken in the public interest. During the year 2015, Indonesia continued the review of its investment treaty model. India released its new investment treaty model. South Africa adopted a new national investment law that entered into force at the end of 2015. Brazil developed its 'Investment Facilitation and Cooperation' treaty model.

Within this context, the event will serve as a space for reviewing the approaches adopted by selected developing countries, and reflecting on the importance of South-South dialogue in regard to the future of the investment treaty regime.

