



**Asia-Pacific  
Economic Cooperation**

# **IFAP Implementation in Facilitating Investment for the Asia Pacific Region**

**APEC Policy Support Unit**  
March 2013

**Advancing** Free Trade for Asia-Pacific **Prosperity**

Prepared by:  
Akhmad Bayhaqi and Collin Gerst  
APEC Policy Support Unit  
Asia-Pacific Economic Cooperation Policy Support Unit  
Asia-Pacific Economic Cooperation Secretariat  
35 Heng Mui Keng Terrace, Singapore 119616  
Tel: (65) 6891-9600 | Fax: (65) 6891-9419  
Email: [psugroup@apec.org](mailto:psugroup@apec.org) | Website: [www.apec.org](http://www.apec.org)

Produced for:  
Investment Experts' Group  
Asia-Pacific Economic Cooperation

APEC#213-SE-01.5



This work is licensed under the Creative Commons Attribution-NonCommercial-ShareAlike 3.0 Singapore License. To view a copy of this license, visit <http://creativecommons.org/licenses/by-nc-sa/3.0/sg/>.

---

The views expressed in this paper are those of the authors and do not necessarily represent those of APEC Secretariat and APEC Member Economies. The outside sources quoted in the report such as OECD Regulatory Restrictiveness Index, World Bank's Doing Business and Investing Across Borders indicators are only for references of APEC economies and could not serve as the indicators assessing the real progresses of IFAP implementation made by member economies.

---



**Asia-Pacific  
Economic Cooperation**

# **IFAP Implementation in Facilitating Investment for the Asia Pacific Region**

## **Part I: IFAP implementation progress**

**APEC Policy Support Unit**  
March 2013

**Advancing** Free Trade for Asia-Pacific **Prosperity**

**Document is designed for double-sided printing.  
Blank pages have been deliberately included to allow correct pagination.**

## Executive Summary

This report analyzes the progress APEC member economies have made toward reaching IFAP implementation goals. The Policy Support Unit (PSU) was asked to assist the Investment Experts Group (IEG) in preparing an analysis of the progress that APEC has made in implementing the agreed-upon IFAP principles and a review of APEC completed projects that are related with IFAP. To meet this goal, two templates were circulated:

- Investment Facilitation – Menu of Actions and Measures: Voluntary submission by member economies; and
- Investment Facilitation Actions Already Under Way: Submission by APEC Secretariat, to reflect new APEC projects and initiatives that are relevant to IFAP.

The PSU received and analyzed sixteen submissions from member economies (Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Russia; Singapore; Chinese Taipei; Thailand; United States and Viet Nam) and drew from secondary sources<sup>1</sup> as an informative tool on international best practice and benchmarking. The submissions were of mixed quality with some members providing detailed information corresponding to the specific actions under each of the eight IFAP principles, while other economies provided information corresponding to only one or two specific actions out of the 50 agreed specific actions under the eight IFAP principles.

The results show that reporting economies have made substantial progress toward implementing several IFAP principles while progress on others has been less fruitful. Some of the findings based on the voluntary submissions are provided as follows:

Principle 1: Most of the reporting economies have in place a Foreign Investment Promotion Act which sets out the laws and regulations pertaining to foreign investment in their economies. The laws, rules, regulations and/or amendments relating to foreign investment are usually published in an Official Gazette, and/or on the relevant government agency's website. Most economies also have a trade and investment agency to help promote and facilitate foreign investment.

Principle 2: Most economies have a system of land ownership registration in place. Economies also generally have established effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions.

Principle 3: The investment promotion agencies of most reporting economies implement actions related to Principle 3. Most economies accord 'national treatment' to foreign investment, an important component of IFAP and international best practice.

Principle 4: Economies have reported efforts to streamline foreign investment applications and registration, licensing, and taxation procedures for foreign businesses.

Principle 5: Most reporting economies have taken steps toward building constructive stakeholder relationships both as a means of direct policy action and to further integrate relations between the public and private sectors.

---

<sup>1</sup> Some of these secondary sources do not cover all 21 APEC economies.

Principle 6: The adoption of new technology has improved the investment climate in all economies who reported progress toward principle 6. New processes have also been implemented which greatly simplify international direct investment.

Principle 7: Reporting member economies showed a commitment to maintaining up-to-date investment policies through continuous monitoring.

Principle 8: Economies volunteering IFAP submissions report extensive international cooperation.

Secondary sources, such as UNCTAD's World Investment Report and World Investment Prospects Survey, demonstrate the importance of implementing policy changes in order to foster a welcoming environment for international investment and maximize it as a tool for economy-wide development goals. Secondary sources are included in the analysis of each IFAP Principle as a reference.

The report concludes with an analysis of on-going and completed projects undertaken toward fulfilling IFAP goals of capacity building and empirical analysis.

## TABLE OF CONTENTS

Executive Summary .....	i
1. Introduction .....	1
2. Investment Facilitation – Menu of Actions and Measures .....	3
IFAP Principle 1 .....	3
IFAP Principle 2 .....	11
IFAP Principle 3 .....	19
IFAP Principle 4 .....	22
IFAP Principle 5 .....	26
IFAP Principle 6 .....	28
IFAP Principle 7 .....	29
IFAP Principle 8 .....	30
3. Investment Facilitation Actions Already Under Way .....	33
4. Conclusion .....	39
References .....	40
Appendix I Investment Facilitation – Menu of Actions and Measures .....	41
Appendix II Investment Facilitation Actions Already Under Way .....	47

## TABLES

Table 1 Principle 1 Actions .....	3
Table 2 Principle 2 Actions .....	11
Table 3 Practices on dispute resolution mechanisms of some APEC economies .....	14
Table 4 Good Practices around the world in making it easy to register property .....	17
Table 5 Principle 3 Actions .....	19
Table 6 Principle 4 Actions .....	22
Table 7 Principle 5 Actions .....	26
Table 8 Principle 6 Actions .....	28
Table 9 Principle 7 Actions .....	29
Table 10 Principle 8 Actions .....	30

## FIGURES

Figure 1 APEC’s progress in Doing Business Indicators, using the ‘Distance to Frontier’ measure, 2005-2012 .....	6
Figure 2 Attraction of FDI vs FDI Potential Index Matrix, 2011 (Quartiles) .....	8
Figure 3 The 15 most attractive economies for the location of FDI 2009-2011 .....	10
Figure 4 2012 FDI confidence Index .....	22



## 1. INTRODUCTION

Since its endorsement in 2008, IFAP has been a highly valuable and well-received component of APEC's trade and investment agenda and an integral planning tool around which many of the activities of the Investment Experts Group (IEG) are based. As a planning tool, it has provided critical guidance to the IEG's work on investment facilitation. At the same time, its comprehensive prescription of actions that can be taken across a range of policy areas has been commended by stakeholders as a valuable reference tool for improvement of the APEC investment climate.

IFAP's initial phase of implementation was envisioned as spanning three years, from 2008 to 2010. In order to sustain the work that has resulted from IFAP, to solidify IFAP's role as a component of APEC Strategy for Investment, and to ensure that IFAP remains a credible initiative in the eyes of the stakeholder community, APEC economies have undertaken to address two important issues: (1) how IFAP will be implemented in the years ahead; and (2) how APEC can demonstrate progress in its IFAP implementation.

The IEG has agreed (2011/SOM3/IEG/010) to review IFAP implementation progress, and decide which areas of IFAP should be the focus of collective APEC actions from 2012 to 2014. At the same time, the IEG has agreed to refocus IFAP activities towards areas with strong analytical and empirical foundations; activities that seek to incorporate hard lessons from previous APEC projects; and activities that produce concrete, tangible outcomes that can be widely distributed. The IEG has further agreed that rigorous capacity-building should remain an essential component of IFAP implementation.

The PSU was asked to assist the IEG to:

1. Describe IFAP implementation progress, which includes reviewing information such as the number of investment promotion agencies in the APEC region, and the number of international investment agreements among APEC economies.
2. Analyze the pattern and trends of foreign investment (mainly FDI), focusing on inter-regional and intra-regional FDI flows, and the sectoral composition of FDI flows (depending on data availability).
3. Design templates to be circulated among member economies to support the voluntary reporting of individual IFAP implementing actions being undertaken by member economies, as well as reporting by the APEC Secretariat of collective IFAP implementing actions.

Building on the existing template proposed by Australia under Doc 2012/CTI2/IEG/008 attachment E, the PSU assisted the IEG in designing two templates: (1) Investment Facilitation – Menu of Actions and Measures (see Appendix I); and (2) Investment Facilitation Actions Already Underway (see Appendix II).

The APEC Secretariat circulated the two agreed templates to the members of the IEG on 4 June 2012, requesting the member economies to fill out and return the completed templates to the Secretariat. The PSU has received fourteen responses at the time of this writing. The quality of the information provided by the economies were mixed – some economies provided detailed

information corresponding to the specific actions under each of the eight IFAP principles, while other economies provided information corresponding to only one or two specific actions out of the 50 agreed specific actions under the eight IFAP principles.

This report (Part I) contains analysis of the information collected from the IFAP voluntary reporting and from secondary sources to describe IFAP progress. Chapter 2 will describe the implementation progress of the specific actions under the eight IFAP principles. Chapter 3 will describe the investment facilitation actions already under way.

## 2. INVESTMENT FACILITATION – MENU OF ACTIONS AND MEASURES

### IFAP Principle 1

**Promote accessibility and transparency in the formulation and administration of investment- related policies**

**Table 1 Principle 1 Actions**

<b>Specific Actions</b>	<b>Economies Reporting Implementation of Specific Actions</b>
Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Adopt centralized registry of laws and regulations and make this available electronically.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Singapore; Chinese Taipei; United States; Viet Nam
Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Singapore; Chinese Taipei; Thailand; United States
Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known.	Australia; China; Chile; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Make available to investors all rules and other information relating to investment promotion and incentive schemes.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru;

	Philippines; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Allow investors to choose their form of establishment within legislative and legal frameworks.	Australia; China; Chile; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Singapore; Chinese Taipei; United States
Ensure transparency and clarity in investment-related laws.	Australia; China; Chile; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Singapore; Chinese Taipei; Thailand; United States
Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG).	Chile; China; Hong Kong, China; Indonesia; Japan; Peru; Chinese Taipei; Thailand; United States
Encourage on-line enquiries and on-line information on all foreign investment issues.	Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements.	Australia; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Philippines; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment.	Australia; Hong Kong, China; Japan; Korea; Malaysia; Philippines; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress.	Australia; Chile; Hong Kong, China; Korea; Malaysia; Singapore; Chinese Taipei; Thailand

## Summary

Most reporting economies have in place a Foreign Investment Promotion Act which sets out the laws and regulations pertaining to foreign investment in its economy. The laws, rules, regulations

and amendments relating to foreign investment are usually published in an Official Gazette (e.g. Japan, Peru, the Philippines, Singapore and Viet Nam), and/or on the relevant government agency's website (e.g. Australia; China; Hong Kong, China; Japan; Korea; Chinese Taipei; Thailand and the United States).

Most economies have a trade and investment agency to help promote and facilitate foreign investment, such as Austrade and the Foreign Investment Review Board in Australia; the Foreign Investment Committee in Chile; Investment Promotion Agency of MOFCOM in China; Invest-HK in Hong Kong, China; BKPM in Indonesia; Invest Japan Office and Japan External Trade Organization (JETRO) in Japan; Invest Korea; Malaysia Investment Development Authority (MIDA); Peru's Proinversio; the Philippines' Board of Investment and Philippine Economic Zone Authority; the Economic Development Board in Singapore; InvesTaiwan Service Center in Chinese Taipei; Thailand's Board of Investment and the US's SelectUSA.

In exploring the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress, Singapore mentioned that it keeps a lookout for economies which have improved in their rankings and conduct research on these economies especially in the area of business reforms. Chinese Taipei is also exploring the World Investment Report as a reference to adjust or revise their measures of investment policies.

### **Expected outcomes**

The expected outcomes from the specific actions under IFAP Principle 1 are to:

- Ensure all investors are properly informed of the laws, rules and regulations, and related changes pertaining to foreign investment so they can plan and operate projects smoothly
- Increase transparency and accessibility to all foreign investment-related information
- Enhance predictability and security for foreign investors
- Enhance international credibility of the host economy
- Maximize return-on-investment for investors

### **Information from Secondary Sources**

#### **1. World Bank's Doing Business indicators**

The Doing Business (DB) indicators could be used to describe the progress of IFAP implementation for many of the actions under the IFAP principles. The DB reports assess regulations affecting domestic firms in 183 economies and ranks those economies in 10 areas of business regulation: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts, and resolving insolvency.

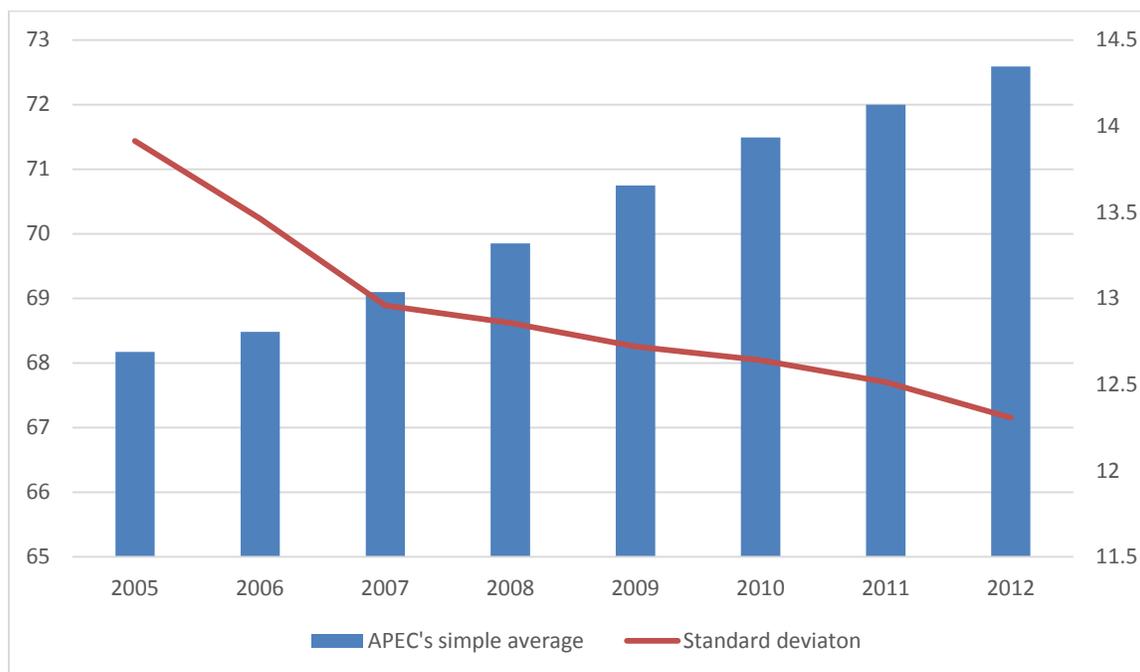
Using the latest measure from the DB 2013 report which is called the 'Distance to Frontier'<sup>2</sup>, shows how APEC's simple average for the new measure has shown consistent improvements

---

<sup>2</sup> This new measure shows the distance of each economy to the "frontier," which represents the highest performance observed on each of the indicators across all economies included in Doing Business since each indicator was included in Doing Business. An economy's distance to frontier is indicated on a scale from 0 to 100, where 0 represents the lowest performance and 100 the frontier. For example, a score of 75 in DB 2012 means an economy

since 2005 to 2012, from 68.17 to 72.59. It shows that APEC as a whole is making significant progress and the gaps between member economies are narrowing as shown by the declining standard deviation values from the individual economies' figures.

**Figure 1 APEC's progress in Doing Business Indicators, using the 'Distance to Frontier' measure, 2005-2012**



Source: Own calculation from World Bank data (2013).

## 2. UNCTAD's World Investment Report (WIR)

The World Investment Report (WIR) focuses on trends in foreign direct investment (FDI) at the world, regional and economy-specific levels and looks at emerging measures to improve its contribution to development. The Report contains analysis of the trends in FDI during the previous year, with special emphasis on the development implications; a ranking of the largest transnational corporations in the world; in-depth analysis of a selected topic related to FDI; and policy analysis and recommendations.

The FDI Attraction and Potential Indices in the WIR are examples of two indicators that provide information relevant to implementation progress of the specific IFAP actions. The Inward FDI Attraction Index creates a rank of all economies by using an average of the FDI they receive in absolute terms and relative to their economic size. For example, the WIR 2012 looks at FDI flows over the 2009–2011 periods. The Inward FDI Potential Index captures four key economic

---

was 25 percentage points away from the frontier constructed from the best performances across all economies and across time. A score of 80 in DB 2013 would indicate the economy is improving. In this way the distance to frontier measure complements the yearly ease of doing business ranking, which compares economies with one another at a point in time. More information about the measurement is available at: <http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB13-Chapters/Ease-of-doing-business-and-distance-to-frontier.pdf>

determinants of the attractiveness of an economy for foreign direct investors: the attractiveness of the market (for market-seeking FDI), the availability of low-cost labor and skills (to capture efficiency-seeking FDI), the presence of natural resources (resource-seeking FDI), and the presence of FDI-enabling infrastructure. Economies can be ranked according to their attractiveness for FDI on each of these broad determinants using a range of proxy indicators. The index includes only economic determinants and indicators in order to facilitate its use as a tool for measuring policy effectiveness.

To illustrate, Figure 2 compares the performance of economies in attracting FDI over the past three years, captured by the FDI Attraction Index, with the FDI Potential Index. As shown in Figure 2, sixteen of the twenty one APEC economies are in the top 25 percentage of the rankings for the FDI Potential Index. Of those APEC economies, fourteen economies scored highly on the FDI Attraction Index.

Figure 2 Attraction of FDI vs FDI Potential Index Matrix, 2011 (Quartiles)

		Above expectations	In line with expectations	Below expectations
<b>FDI Attraction Index</b>	<b>High</b>			
	1st quartile	Chad, Liberia, Madagascar, Niger	Albania, Bahamas, Congo, Congo (Democratic Republic of), Equatorial Guinea, Jordan, Lebanon, Luxembourg, Mongolia, Mozambique, Zambia	Bulgaria, Ghana, Ireland, Israel, Nigeria, Norway, Panama, Turkmenistan, Uruguay
	2nd quartile	Armenia, Cambodia, Guinea, Nicaragua, Saint Vincent and the Grenadines, Solomon Islands	Costa Rica, Georgia, Honduras, Kyrgyzstan, Libya, Maldives, Malta, Namibia, Seychelles, Sudan, United Republic of Tanzania	Brunei Darussalam, Croatia, Dominican Republic, Egypt, Estonia, Iraq, Portugal, Qatar, Serbia, Tunisia, Uzbekistan
	3rd quartile	Antigua and Barbuda, Belize, Cape Verde, Central African Republic, Djibouti, Dominica, Fiji, Grenada, Guyana, Mali, São Tomé and Príncipe, Vanuatu	Barbados, Botswana, Cameroon, Lao People's Democratic Republic, the former Yugoslav Republic of Macedonia, Mauritius, the Republic of Moldova, Myanmar, Uganda, Zimbabwe	Algeria, Azerbaijan, Bolivia (Plurinational State of), Denmark, Gabon, Guatemala, Iceland, Jamaica, Latvia, Morocco, Oman, Pakistan, Syrian Arab Republic, Trinidad and Tobago
4th quartile	Afghanistan, Benin, Bhutan, Burkina Faso, Burundi, Comoros, Côte d'Ivoire, Eritrea, Gambia, Guinea-Bissau, Haiti, Kiribati, Lesotho, Malawi, Mauritania, Nepal, Rwanda, Samoa, Sierra Leone, Suriname, Swaziland, Togo, Tonga	Angola, Bangladesh, Bosnia and Herzegovina, El Salvador, Ethiopia, Kenya, Papua New Guinea, Paraguay, Senegal, Tajikistan, Yemen	Bahrain, Ecuador, Greece, Kuwait, Lithuania, New Zealand, Philippines, Slovakia, Slovenia, Sri Lanka	
<b>Low</b>				
		4th quartile	3rd quartile	2nd quartile
		<b>Low</b>	<b>High</b>	
		<b>FDI Potential Index</b>		

Source: UNCTAD (2012).

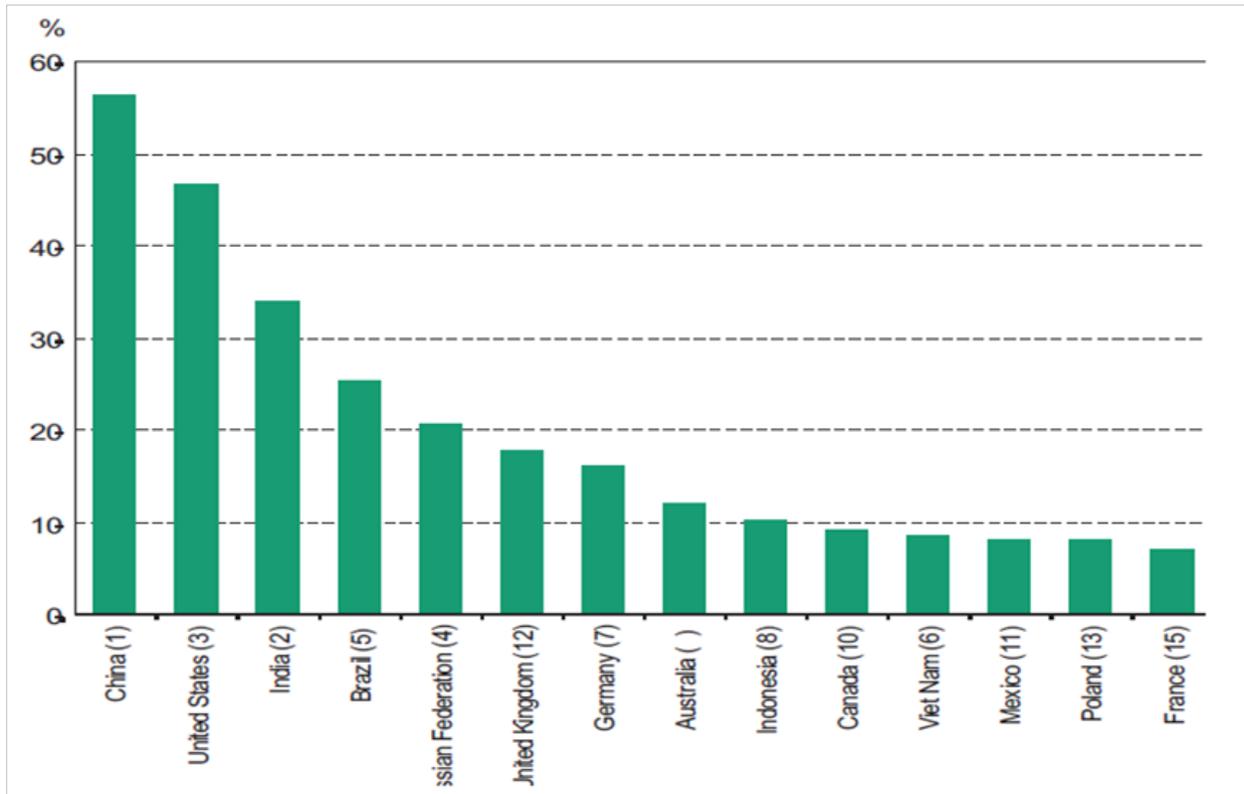
### 3. UNCTAD's World Investment Prospects Survey

UNCTAD conducts an annual survey of a sample of company executives selected among the largest non-financial transnational corporations (TNCs), which complements its analysis of FDI trends in its annual World Investment Reports. The survey, published as World Investment Prospects Survey (WIPS), aims at providing insights into FDI patterns over the subsequent three years. Rather than providing a quantitative projection, it offers an assessment of respondents' views at the time the survey was undertaken.

For example, the top fifteen most attractive economies for the location of FDI for the periods 2009-2011 are presented in Figure 3. Despite some common factors, such as market growth and size, other location determinants differ quite significantly by economy. The most favorable location factors for the 15 most attractive economies for FDI (based on the responses to WIPS) are as follows:

- For market growth, developing and transition economies are generally favored, such as China, the Russian Federation, Indonesia, Viet Nam, and Thailand
- For market size, the largest economies are favored including developed economies such as the United States and Canada or emerging markets such as China and the Russian Federation
- For access to regional markets, economies that are integrated into large markets, or which are close to large and growing economies, are favored, such as Mexico and Viet Nam
- For presence of suppliers, mostly developed economies are favored, such as the United Kingdom, Germany and France, and, to a slightly lesser extent, some developing economies such as India
- For their business environment (including government effectiveness, stability and quality of infrastructures), developed economies such as the United States and Australia are favored
- For skills and talent, developed economies such as the United States are favored, but also some developing economies, such as Thailand within the APEC region
- Cheap labor is cited for favoring developing economies, mostly in Asia and including China, Viet Nam, Indonesia and Thailand
- For access to natural resources, economies with rich resource endowments such as Canada, Australia and Indonesia are favored
- Access to capital markets is frequently mentioned as an asset for the United States and Canada as their deep, well-functioning financial systems allow easier access to credit
- Incentives are frequently mentioned for Australia and Viet Nam

**Figure 3 The 15 most attractive economies for the location of FDI 2009-2011  
(Percent of responses)**



Source: UNCTAD (2009).

Note: This percentage is calculated as the number of times the economy was mentioned, divided by the number of the responding companies. Figures may add up to more than 100% due to the possible multiple responses. Number into brackets indicate last year's ranking

**IFAP Principle 2****Enhance stability of investment environment, security of property and protection of investment****Table 2 Principle 2 Actions**

<b>Specific actions</b>	<b>Economies Reporting Implementation of Specific Actions</b>
Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Malaysia; Peru; Philippines; Russia; Singapore; Chinese Taipei; Thailand; Viet Nam
Create and maintain an effective register of public or state owned property.	Chile; Hong Kong, China; Indonesia; Japan; Malaysia; Peru; Singapore; Chinese Taipei; Thailand; United States
Ensure costs associated with land transactions are kept to a minimum including by fostering competition.	Hong Kong, China; Indonesia; Japan; Singapore; Chinese Taipei; United States
Foster the dissemination of accurate market reputation information including creditworthiness and reliability.	Hong Kong, China; Indonesia; Singapore; United States
Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC.	Chile; Peru; United States
Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Russia; Singapore; Chinese Taipei; United States; Viet Nam
Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties.	Chile; China; Hong Kong, China; Indonesia; Malaysia; Philippines; Singapore; Chinese Taipei; United States; Viet Nam
Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms.	China; Hong Kong, China; Korea; Peru; Russia; Singapore; Chinese Taipei; United States; Viet Nam
Take steps to accede to an arbitral convention.	Chile; China; Hong Kong, China;

	Japan; Malaysia; Peru; Philippines; Singapore; United States; Viet Nam;
--	---

## Summary

Economies have, in general, a system of ownership registration in place. Most provide examples in terms of land registration and ownership. More details are necessary in order to see whether the system in place is actually timely, secure and effective.

Examples of effective public property registers along with their online reporting systems include Singapore Land Authority's State Property Information Online and the United States' Bureau of Land Management and General Services Administration. Hong Kong, China reported that the market force of competition has continued to push down conveyancing fees and their Land Registry costs are minimal. Japan mentioned its Land General Information System, implemented in April 2006, which provides investors a fair, competitive land price. In respect of the transparency with land transactions, Chinese Taipei has established the website: [http://www.moi.gov.tw/chi/chi\\_house/house.aspx](http://www.moi.gov.tw/chi/chi_house/house.aspx)

On the fostering the dissemination of accurate market reputation information including creditworthiness and reliability, United States mentioned that it has a robust private market for credit rating agencies and consumer reporting agencies, as well as laws in place that promote the accuracy of market information and the development of a broad array of tools for weighing creditworthiness and reliability. BKPM's website publicly displays Indonesia's credit rating by Fitch, S&P, and Moody's.

Chile and Peru (through the Competitiveness Council of the Ministry of Economy and Finance) and the United States have reported action under "Explore the possibility of using the World Bank Doing Business indicator "Enforcing Contracts" as the basis for peer dialogue and benchmarking and measuring progress across APEC".

Economies, in general, also have established effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions. Russia and Korea cited the example of having Ombudsman in place to mediate disputes, while Peru mentioned that it has established a Special Commission that is responsible for addressing plaintiffs' concerns. The Philippines' Office for Alternative Dispute Resolution aims to develop and expand the use of Alternative Dispute Resolution in the private and public sector through means such as arbitration, mediation, conciliation, early neutral evaluation, mini-trial, or a combination thereof.

Related with the use of arbitration, Malaysia provided the example of the Investment Guarantee Agreements (IGAs) which include provisions for investor-state dispute settlement through arbitration using the International Centre for Settlement of Investment Disputes (ICSID), United Nations Commission on International Trade Law (UNCITRAL), Kuala Lumpur Regional Centre for Arbitration (KLRCA) and other fora. The Hong Kong International Arbitration Centre provides services and facilities in dispute resolution mechanisms including arbitration and mediation (<http://www.hkiac.org/>); in addition the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards is also application to Hong Kong, China. Indonesia's National Board of Arbitration (BANI) provides a range of services in arbitration, mediation,

binding opinion and other forms of dispute resolution. Singapore has established the Singapore International Arbitration Centre ([www.siac.org.sg](http://www.siac.org.sg)) and the Singapore Mediation Centre ([www.mediation.com.sg](http://www.mediation.com.sg)) to support alternative dispute resolution.

Related with complaint-handling facilities, Peru provided the example of National Agency for the Defense of Competition and Protection of Intellectual Property – INDECOPI. It is the competent body in case foreign investors lodge a claim for actions that affect the right participation of economic agents in the market. Investors can attend public INDECOPI hearings on market access issues to ensure transparency is included in the process. It also considers distortions in competition between suppliers of goods and services, distortions in accessing or leaving the market, actions against the respect of intellectual property rights, copyrights and patent rights.

Russia cited the example of the Foreign Investment Advisory Council (FIAC). FIAC has two main work streams: (1) assistance in resolving specific issues encountered by foreign investors in their relations with federal executive bodies and executive bodies of constituent entities of the Russian Federation; (2) expert support of priorities in work of the government, including the regulatory and legal framework.

The United States provided an example of the SelectUSA program, which encourages and facilitates foreign investment in the United States by, among other things, serving as an ombudsman to facilitate the resolution of issues involving federal programs or activities related to pending investments (<http://selectusa.commerce.gov/>).

On complying with arbitral convention, Peru mentioned that it has ratified the Convention of the Settlement of Investment Disputes between the States and Nationals of other States (ICSID) (September 8, 1993), the Inter-American Convention on International Commercial Arbitration, signed in Panama in 1975 (June 21, 1989), and the 1958 New York Convention on Recognition and Enforcement of Foreign Arbitral Awards (October 5, 1988).

Viet Nam is currently studying accession to the Washington Convention to help settle investment disputes between the state and foreign entities.

### **Expected outcomes**

The economies have provided the following expected outcomes for implementing this principle:

- To make investors feel secure that their investments will be protected in the host economy
- To enhance security and predictability
- To reduce the time taken to obtain building permission; to improve the business environment; and to assist investors in resolving any particular problems

### **Information from Secondary Sources**

The recent APEC Best Practices Guidebook<sup>3</sup> which promotes capacity-building to help ensure appropriate and prompt consideration of investors' complaints to improve the investment climate within APEC, provides the following practices on (pre-court) dispute resolution mechanisms:

**Table 3 Practices on dispute resolution mechanisms of some APEC economies**

<b>Economy</b>	<b>Practices</b>
<b>Chile</b> (through the FIC-Foreign Investment Committee)	<p><b>Consultations:</b></p> <ol style="list-style-type: none"> <li>1. The Complaint can be received through different means; <ul style="list-style-type: none"> <li>- Direct contact with FIC;</li> <li>- Through diplomatic channels, where contact is made through the Chilean Embassy or its Ambassador to the Economy of which the Investor is resident, who will then inform FIC.</li> </ul> </li> <li>2. Once the complaint is filed, FIC will proceed to contact the investor who filed the complaint and seek an alternative and amicable solution to the problem.</li> </ol>
<b>China</b> (using the Administrative Reconsideration Law of the PRC, 1999)	<p><b>Filing a complaint:</b></p> <p>Any citizen, legal person or any other organization, who considers that a specific administrative act has infringed upon his or its lawful rights and interests may file an application for administrative reconsideration within 60 days from the day when he or it knows the specific administrative act, except that the time limit prescribed in laws, exceeds 60 days.</p>
<b>Hong Kong, China</b>	<p><b>Arbitration Process:</b> The new Arbitration Ordinance came into operation on 1 June 2011, establishing a unitary regime for arbitration which is based on the UNCITRAL Model Law on International Commercial Arbitration (Model Law) adopted by the UNCITRAL.</p> <p><b>Mediation Process:</b> The Mediation Bill was gazetted on 18 November 2011 and is expected to be enacted within 2012<sup>4</sup>. The purpose of the Bill is to provide a regulatory framework for the conduct of mediation and to address some areas in which the law is uncertain, such as confidentiality and admissibility of mediation communication in evidence.</p>
<b>Indonesia</b> (using Law No. 25/2007 and BKPM Chairman Regulation No. 13/2009 as modified by the BKPM Chairman Regulation No. 7/2010)	<p>The facilitation of problem solving is done in stages by:</p> <ol style="list-style-type: none"> <li>1. Head of Regency/ Municipal Investment Agency on the resolution of investment problems which are under the purview and the authority of the Regents/Mayors in coordination with relevant local agencies;</li> <li>2. Head of Provincial Investment Agency on the resolution of investment problems which are under the purview and the authority of the Governor of the provinces, in coordination with Head of Regency/ Municipal Investment Agency and relevant local agencies; Indonesia Investment Coordinating Board;</li> <li>3. On the resolution of investment problems which are under the purview and the authority of the Central Government, in coordination with Head of Provincial Investment Agency, Head of Regency/ Municipal Investment Agency and relevant local agencies;</li> </ol>
<b>Japan</b> (through	<b>Facilitates close communication between Government and Business sides:</b>

<sup>3</sup> The guidebook is available at [http://www.apec.org/Groups/Committee-on-Trade-and-Investment/~/\\_media/Files/Groups/IEG/20120713\\_IEG\\_BestPracticesGuidebook\\_rus.ashx](http://www.apec.org/Groups/Committee-on-Trade-and-Investment/~/_media/Files/Groups/IEG/20120713_IEG_BestPracticesGuidebook_rus.ashx)

<sup>4</sup> Latest update: The Mediation Bill was enacted in June 2012.

<p>the “Improvement of the Business Environment” Chapter/Article under the EPAs/BITs.</p>	<p>1. A liaison office is designated to transmit to the relevant authorities complaints, inquiries, and requests submitted by enterprises. The liaison office also forwards responses from the relevant authorities to the enterprises and provides the enterprises with necessary information and advice.</p> <p>2. Business representatives are invited, when necessary, to the (Sub-) Committee for discussion on a more favorable business environment.</p> <p><b>Encourages the Governments to address the issues:</b></p> <p>3. Based on findings regarding the business environment reported by the liaison office, the (Sub-) Committee, composed of representatives of both Governments and private sector, discusses the issues and makes recommendations for measures to be taken by the Governments.</p> <p>4. Responding to recommendations from the (Sub-) Committee, the Governments address the issues facing business enterprises.</p>
<p><b>Korea</b> (using the Foreign Investment Promotion Act)</p>	<p><b>Foreign investor filing a grievance:</b> A foreign investor may file a complaint via email, phone, fax, SNS etc. or by requesting a visit of Home Doctors, or the Foreign Investment Ombudsman’s civilian consultants, to the workplace. The investor also may file a grievance through the American Chamber of Commerce in Korea, the European Union Chamber of Commerce in Korea or other relevant organizations.</p> <p><b>Home Doctor’s review and investigation on the reported complaint:</b> When a grievance is filed, a Home Doctor is assigned to the case to review and investigate the problem.</p> <p><b>Grievance resolution:</b> After investigation of the case, the Home Doctor settles the issue in cooperation with relevant government agencies by providing legal consulting services, etc. If the revision of regulations is necessary or administrative actions need to be taken, the Home Doctor gives the authority recommendations based on his expert opinion and the Ombudsman’s final review.</p> <p><b>Report on the results:</b> The Home Doctor reports the results to the Ombudsman and the foreign investor.</p>
<p><b>Mexico</b></p>	<p>First, the mechanism is based on spreading the knowledge at the different levels of government (including the municipalities) on international rules and Mexico’s Free Trade Agreements and Bilateral Investment Treaties, particularly on the investment disciplines.</p> <p>During the second phase the federal government proposes an Agreement of formal cooperation in order to exchange information on the current legal framework that municipalities are implementing and their consistency with international commitments.</p> <p>Additionally, the investment promotion agency, ProMexico, has an alternative mechanism for resolving issues previous to the presentation of the “notice”, which is based also on a series of meetings with high level authorities when the State or the Municipalities are involved in a problem with an established or potential investor in order to identify possible solutions through good offices and constructive discussions.</p>
<p><b>Russia</b> (through the Russian Government Order No. 1298-r of 2 August 2010)</p>	<p><b>Filing a complaint</b></p> <ol style="list-style-type: none"> <li>1. An investor sends a complaint by any means convenient;</li> <li>2. The complaint is registered and filed;</li> <li>3. Investor is given access to the status of complaint;</li> <li>4. An official responsible for problem resolution is determined.</li> </ol>

<p>(Federal level) and The President's directive, 2011 (Regional level)</p>	<p><b>Initial evaluation</b></p> <ol style="list-style-type: none"> <li>1. Official makes a preliminary expertise of the communicated problem (including determination of the fact of investor's rights violation)</li> <li>2. Official determines the type of the problem from a list: customs regulation, immigration regulation, administrative barriers, exceeding of authority by public officials, shortcoming of the Russian legislation, taxation, trade activities regulation, property rights protection, discrimination of companies;</li> <li>3. The official defines the interested agencies;</li> <li>4. The official requests additional information from all pertaining government agencies; (The results are presented to the regional ombudsman within one day)</li> </ol> <p><b>Resolving the problem</b></p> <ol style="list-style-type: none"> <li>1. The official formulates a plan of action, with stages and deadlines, if necessary a Work Group is created;</li> <li>2. If the problem is caused by the legislation shortcoming, the ombudsman office prepares the proposals on the legislative changes;</li> <li>3. If the problem exceeds regional level, the official is entitled to engage the federal level, such as department of investment policy and development of public-private partnerships.</li> </ol> <p><b>Report the results</b></p> <ol style="list-style-type: none"> <li>1. The results are sent to the investor;</li> <li>2. The investor submits a statement as to the effect of being satisfied with the decision;</li> <li>3. Ministry of Economic Development of the Russian Federation assesses the measures undertaken;</li> <li>4. Regional ombudsman present their reports on the work accomplished at regular periods.</li> </ol>
<p><b>Singapore</b> (using the Singapore Mediation Centre)</p>	<p><b>Request for Mediation:</b> The parties contact the SMC to make the initial request. There is no formality for this request. SMC can also assist a party to contact the other parties in the dispute.</p> <p><b>Agreement to Mediate:</b> When all parties agree to mediate their dispute, SMC prepares the Mediation Agreement to be signed, designates a date, time and place for mediation, appoints a mediator and attends to all other administrative matters.</p> <p><b>Mediation Process:</b> The mediator will help facilitate a conversation between parties to guide parties through a problem-solving process. The lawyers of the parties will attend to play an important role of assisting the mediator and advising the parties throughout the settlement process. More than 90% of cases that settle are concluded within a day and SMC's overall settlement rate for mediations is 75%.</p> <p><b>End of Mediation:</b> The parties usually reduce the terms of their settlement into writing with the assistance of their lawyers at the end of the mediation. This is a binding contract between parties.</p>
<p><b>Chinese Taipei</b> (through the Coordination Office for Investment Promotion – COIP)</p>	<ol style="list-style-type: none"> <li>1. In a case where the obstacles encountered by major investment projects cannot be solved by the Investment authority, it may be transferred to the General Affairs Division of COIP for further coordination. If the nature of the case is beyond the sole jurisdiction of the General Affairs Division, the Division will coordinate with such other Divisions as Water and Electricity, Environmental Protection and Conservation, Transportation, and Land Acquisition for resolution. Those cases that need further coordination will be submitted to the COIP Director to convene a "COIP Meeting" or to the Minister, depending on the extent and nature of the</li> </ol>

	<p>problem.</p> <p>2. Those cases that have been submitted directly to the COIP, without first submitted to the Investment authority for handling, will being relayed to the agencies concerned. A notification will be sent to the applicant. COIP will convene a meeting if a case calls for coordination.</p> <p>3. Ad hoc committees will be convened to decide on important cases that relate to policy making or coordination among ministerial agencies.</p> <p>4. COIP will provide consulting assistance to enterprises regarding questions on investment related administrative laws and regulations. It may also refer the inquiries to the agencies concerned.</p>
<p><b>United States</b> (using the The President's Executive Order 13577— “Establishment of the SelectUSA Initiative,” June 15, 2011)</p>	<p>1. An investor shares the complaint by any means convenient. A SelectUSA staff member promptly interacts with the investor to further understand the nature of the complaint and its potential impact on investment, and advises the investor of next steps.</p> <p>2. SelectUSA staff works with the relevant Federal bureau/ agency to understand the case and advises the investor of its findings. If needed, SelectUSA may determine additional follow-up steps (e.g., facilitating a meeting between the investor and the relevant agency).</p> <p>SelectUSA does not have the authority to mandate a particular outcome from a Federal agency. The purpose of SelectUSA's ombudsman function is to help facilitate an investment project through the Federal regulatory process.</p>

Source: APEC (2012)

Issues on registering property are also one of the topics covered under the World Bank's Ease of Doing Business report. The World Bank noted that property owners with registered titles are more likely to invest since they have better access to credit when using their property as collateral. Land registration would also benefit the government for assessing and collecting tax revenue and would also be useful for city or regional planning purposes.

The World Bank's DB 2012 report provided the following Good Practices in making it easy to register property:

**Table 4 Good Practices around the world in making it easy to register property**

Practice	Economies	Examples
Using an electronic database for encumbrances	108	Jamaica; Sweden; United Kingdom
Setting effective time limits for registration	54	Botswana; Guatemala; Indonesia
Offering cadastre information online	50	Denmark; Lithuania; Malaysia
Offering expedited procedures	16	Azerbaijan; Bulgaria; Georgia
Setting fixed transfer fees	15	New Zealand; Russian Federation; Rwanda

Source: Doing Business Database, DB 2012 report.

Note: Among 183 economies surveyed.

Russia was cited in the DB 2012 report as one of the economies that has made registering property easier in 2010/11 through combined or reduced procedures. Malaysia was cited in the DB 2013 report as it has implemented a new caseload management system in the land office, enabling clerks to process property transfer applications 34 days faster.

The 2010 edition of APEC's Guide to Investment Regimes has information on 18 APEC economies and includes a section titled 'Mechanism to review decisions and settle disputes' that describes the available procedures and mechanism (including arbitration processes) to settle disputes. In general, foreign investors have access to the same courts and tribunals as domestic investors and are also able to access a range of alternative dispute resolution mechanisms, such as international arbitration through the International Centre for Settlement of Investment Disputes (ICSID).

Some of the actions under this principle are similar with the OECD Investment Policy Reviews questions, in which the following information is extracted for APEC economies:

- **Viet Nam:** "Changes to management of land accessible by foreign investors have been made available by the government by empowering provincial authorities to make land allocations and leases. In respect of businesses, the law rules that all enterprises are equal in the use of land". (OECD 2010: 47). Viet Nam has also established an International Arbitration Centre in Ho Chi Minh City (OECD 2010: 51). Viet Nam has signed and acceded to various investment-related bilateral and multilateral agreements, including bilateral agreements on investment facilitation and protection, with 55 economies and regions, agreements on avoidance of double taxation with 46 economies and regions, the ASEAN Framework Agreement on Investment (AIA), MIGA and the New York Convention (OECD 2010: 54). Under the 2005 Investment Law, Viet Nam allows foreign investors to use foreign arbitration or use and apply foreign laws as specified by the relevant Vietnamese laws (OECD 2010: 55).
- **Indonesia:** "If a dispute arises between the government and the investor, the Investment Law (25/2007) provides for a dispute settlement mechanism in Article 32, including mutual understanding through discussion (*musyawarah*) and arbitration (with the consent of both parties). The government has also ratified several conventions concerning alternative dispute resolution mechanisms, such as the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (1958) and the Convention on the Settlement of Investment Dispute between States and Nationals of other States (1965)... BANI is Indonesia's permanent court of arbitration. It provides a range of services covering arbitration, mediation, binding opinion and other forms of dispute resolution. The process is expedited by the absence of appeals or the possibility of the ruling being overturned by a higher court. BANI has developed its own rules and procedures for both domestic and international arbitration taking place in Indonesia, although other rules chosen by the parties (such as UNCITRAL Arbitration Rules) may also be applied." (OECD 2010: 73)

The latest 2011 Infrascopie report commissioned by the ADB assesses the capacity of economies in the Asia-Pacific region to carry out sustainable PPP. The report notes the value of a solid legal and regulatory framework including an assessment on dispute-resolution mechanisms. The report noted that: "There are a number of challenges associated with dispute-resolution in the courts that are more pronounced in developing economies—delays, concerns over judicial independence and issues of capacity related to complex, technical cases. These lead to a wide range of mechanisms being deployed such Alternative Dispute Resolution (ADR) which includes conciliation, renegotiation and arbitration..." (EIU&ADB 2011: 14)

**IFAP Principle 3****Enhance predictability and consistency in investment-related policies****Table 5 Principle 3 Actions**

<b>Specific actions</b>	<b>Economies Reporting Implementation of Specific Actions</b>
Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.	Australia; Hong Kong, China <sup>5</sup> ; Korea; Malaysia; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations	Australia; China; Hong Kong, China; Indonesia; Japan; Malaysia; Philippines; Singapore; Chinese Taipei; Thailand; United States
Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorizing investment proposals or where an agency has regulatory and commercial functions	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Malaysia; Philippines; Chinese Taipei; Thailand; United States
Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Malaysia; Philippines; Chinese Taipei; Thailand

<sup>5</sup> To enhance clarity and transparency, all primary and subsidiary legislation are published and available on the internet and decisions of the courts in Hong Kong, China, are generally published and made publicly available. Judgments of the Court of Final Appeal, the High Court and so on which are of significance as legal precedents on points of law, practice and procedure of the courts and of public interest are available on the internet. The specific action on restatement of laws, however, is not applicable in Hong Kong, China.

Establish accessible and effective administrative decision appeal mechanisms including, where appropriate, impartial “fast-track” review procedures.	Australia; Chile; China; Hong Kong, China; Japan; Malaysia; Chinese Taipei; United States; Viet Nam
--	---

## Summary

Some of these actions were implemented through revisions of economies’ Foreign Investment Promotion Acts. The investment promotion agencies of most reporting economies implement actions related to IFAP Principle 3 while according most foreign investors ‘national treatment’<sup>6</sup> as specified by the WTO.

For example; Hong Kong, China maintains that equal treatment will be given to all applications so long as any relevant statutory requirements are in compliance. Peru’s constitution stipulates that domestic and foreign investors are subject to the same conditions. The Board of Investment of Thailand provides equal treatment to all investors. The United States is party to over 50 BITs and FTAs and uses ‘national treatment’ as the principle for their international investment regime. The United States also does not screen or otherwise require authorization for foreign investment.

In keeping with providing equal treatment for all investors, Singapore currently has 40 IGAs and 14 FTAs with Investment Chapters in force. These treaties contain provisions provided non-discriminatory protection for investors.

## Expected outcomes

Based on the information submitted by the reporting economies, the expected outcomes from the specific actions under IFAP Principle 3 are to enhance predictability, consistency, accountability and transparency so as to promote private domestic and foreign investment.

## Information from Secondary Sources

The OECD has created an FDI Regulatory Restrictiveness Index<sup>7</sup> to document the extent to which economies restrict market access in three major areas: limitations on foreign ownership, screening or notification procedures, and management and operational restrictions. Their intent is to determine if regulatory restrictions keep economies from meeting ‘national treatment’ guidelines. The index monitors performance in the areas of business services, telecommunications, construction, distribution, finance, hotels and restaurants, transportation, electricity, and manufacturing. APEC member economies who are members of the OECD have received index scores on their openness to foreign investment on a scale from 0 (completely open to FDI) to 1 (closed to international competition.) This framework could be extended to non-OECD economies within the APEC region as a way to benchmark a member economy’s progress toward low-cost, transparent investment policies.

<sup>6</sup> ‘National treatment’ is a principle in international law which essentially means treating foreigners and locals equally.

<sup>7</sup> See <http://www.oecd.org/investment/fdiindex.htm>

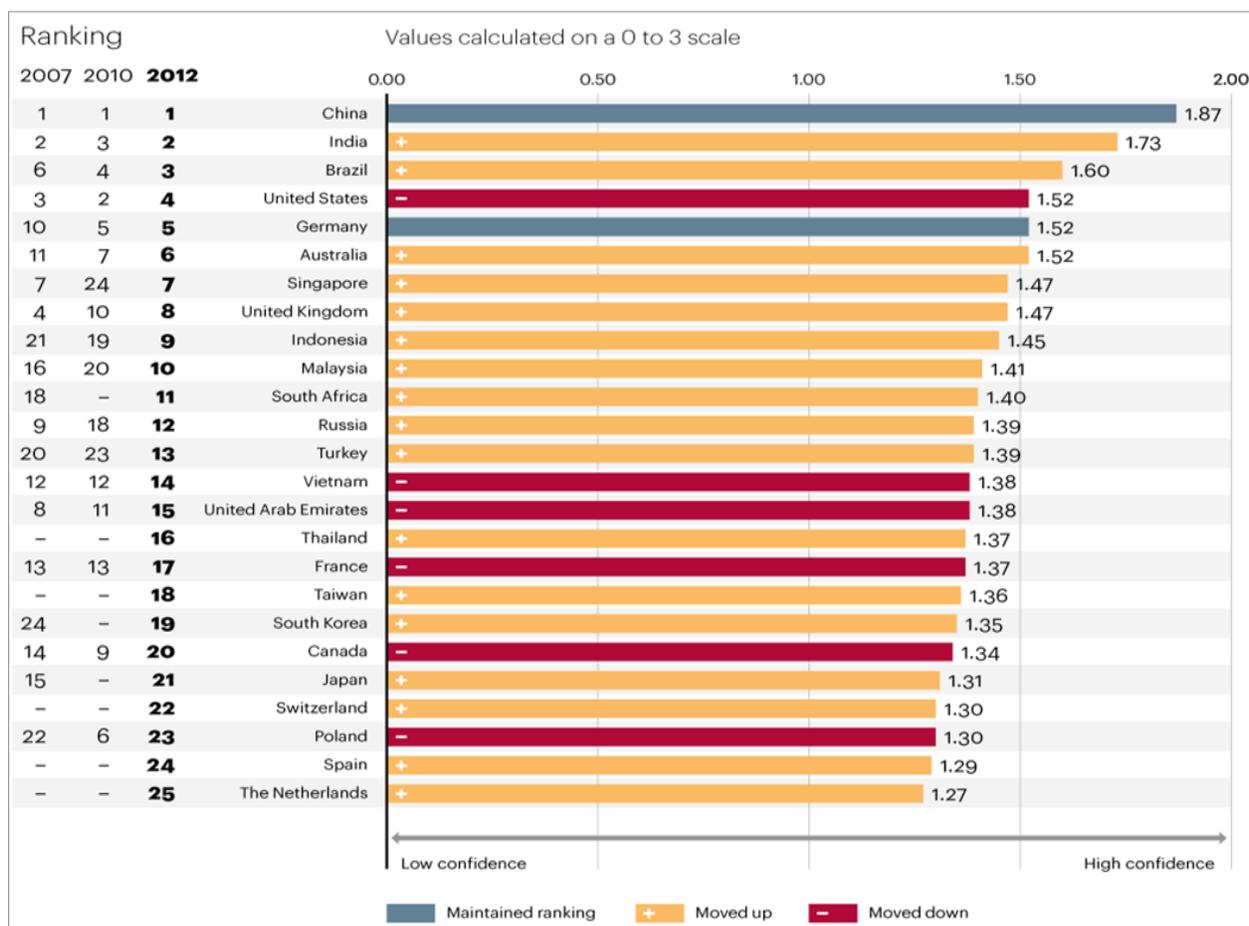
The Foreign Direct Investment Confidence Index<sup>8</sup> is a regular survey of global executives conducted since 1998 by A.T. Kearney, a consultancy. The Index provides a unique look at the present and future prospects for international investment flows by assessing the impact of political, economic, and regulatory changes on the FDI intentions and preferences of global MNC leaders. Companies participating in the survey account for more than \$2 trillion in annual global revenue.

The 2012 survey examines future prospects for FDI flows as the world seeks to recover from the global recession and comes amidst continued economic uncertainty in Europe and the United States. Respondents included thirteen APEC economies among the top 25 best places to invest globally. This survey can act as another tool to determine market sentiment toward a host economy's investment climate.

---

<sup>8</sup> See <http://www.atkearney.com/gbpc/foreign-direct-investment-confidence-index> . It should be noted that, as the author of the report mentioned: “while the FDI Confidence Index provides a sense of investor attitudes about the future, it is not designed to reveal specific reasons for the results. The study reflects upon likely causes for upward or downward changes, but the conclusions must be regarded only as considered judgment on the part of A.T. Kearney's Global Business Policy Council”. (Source: [http://www.atkearney.com/gbpc/foreign-direct-investment-confidence-index/full-report/-/asset\\_publisher/PHesJ9DLURrR/content/cautious-investors-feed-a-tentative-recovery/10192](http://www.atkearney.com/gbpc/foreign-direct-investment-confidence-index/full-report/-/asset_publisher/PHesJ9DLURrR/content/cautious-investors-feed-a-tentative-recovery/10192) )

**Figure 4 2012 FDI confidence Index**



Source: A.T. Kearney Foreign Direct Investment Confidence Index 2012.<sup>9</sup>

### IFAP Principle 4

#### Improve the efficiency and effectiveness of investment procedures

**Table 6 Principle 4 Actions**

Specific actions	Economies Reporting Implementation of Specific Actions
Simplify and streamline application and registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgment of papers	Australia; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Russia; Philippines; Singapore; Chinese

<sup>9</sup> According to the report, if taken separately from China, Hong Kong, China would rank 3<sup>rd</sup> in the index

	Taipei; Thailand; Viet Nam
Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgment	Australia; China; Hong Kong, China; Japan; Malaysia; Philippines; Singapore; Chinese Taipei; Thailand; Viet Nam
Shorten the processing time and procedures for investment applications.	Australia; China; Hong Kong, China; Japan; Malaysia; Philippines; Singapore; Chinese Taipei; Viet Nam
Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate	Australia; Chile; Malaysia; Peru;
Ensure the issuing of licenses, permits and concessions is done at least cost to the investor	China; Hong Kong, China; Japan; Philippines; Singapore; Chinese Taipei; Thailand; United States
Simplify the process for connecting to essential services infrastructure	China; Japan; Russia; Singapore; Chinese Taipei; Thailand
Implement strategies to improve administrative performance at lower levels of government.	China; Indonesia; Korea; Philippines; Viet Nam
Facilitate availability of high standard business services supporting investment	Chile; Hong Kong, China; Japan; Indonesia; Malaysia; Philippines; Singapore; Chinese Taipei; United States

## Summary

Economies have reported efforts to streamline application and registration, licensing, and taxation procedures. Chinese Taipei abolished their uniform certification system in 2009, allowing businesses to begin operation immediately after completing registration and reducing delays from the certification process. Malaysia cited the example of MIDA as the coordinating body as well as introducing a ‘fast track’ mechanism. Japan cited the example of IBSC (Invest Japan Business Support Center) and Thailand cited BOI as having established One Start One

Stop systems to facilitate investment by gathering all related investment agencies in one location. Russia reported various tax cuts and incentives.

In reducing number of forms and electronic lodgment, Malaysia provided the example of on-line applications that are available on the MIDA website whereby companies can apply for Manufacturing Licenses, Tax Incentives, Expatriate Posts and Import Duty Exemptions on Machinery and Raw Materials. They have also imposed a two-day turnaround goal for issuing manufacturing licenses.

China further delegated examination and approval authority as below: threshold of foreign investment projects requiring central government approval had been raised to US\$300 million (as total investment including expansion) under ‘encouraged’ & ‘permitted’ category of Catalogue for the Guidance of Foreign Investment Industries. Unless otherwise specified, relevant departments under the State Council may delegate approval authorities to local governments. Establishment of foreign investment enterprises in service sectors (except financial sector and telecommunication services) are examined and approved by local governments according to related regulations. China also further streamlined approvals through wider application of online licensing/administration system. The Regulation on National Security Review Relating to Mergers & Acquisitions by Foreign Investors was promulgated, which provides the transparency on handling such issues. China had allowed foreign investors to invest offshore with Renminbi and provided investment facilitation to reinvestment activities of established investment (holding) companies with foreign investment. Lastly, China revised the Catalogue for The Guidance of Foreign Investment Industries and released on December 24, 2011 and took into effect on January 30, 2012.

For the ‘silence is consent’ rules, Peru cited The Positive Administrative Silence Law issued in 2008 which stipulates that if a public entity has failed to respond to a request within 30 days, such request is considered to be accepted. This law replaced the rule which accorded the absence of reply by the administration within 30 days as a denial. Chile has also implemented ‘silence is consent’ rules to facilitate processing of foreign investment.

The United States ensures that licenses and permits are supplied at the least cost to the investor by making this principle a basis of their pricing model, using tools such as cost-benefit analysis to balance investor needs with public welfare. Common practice is to base fee-levels on the cost to government of processing an application. The United States also does not require prior approval, or maintain any general authorization procedures, for foreign investment; such that several actions under this principle would be inapplicable.

Under the “Simplify the process for connecting to essential services infrastructure” measure, Russia provided an example of the special procedure for connecting small businesses to the power system. Singapore’s Bizfile website allows investors to register with multiple agencies simultaneously, streamlining the start-up and connection process.

Indonesia’s BKPM has made considerable progress toward improving administration at lower levels of government. They have worked with 6 other agencies in establishing 130 one-stop shops throughout the economy that provide a standard, consistent level of service. The Philippines’ Nationwide Streamlining of Business Permits and Licensing Systems Reform creates a unified business registration form for all cities and municipalities, consolidating the

information needed by local and domestic agencies. The Trouble-free Registration with BOI (TURBO) Program simplifies the procedures and “strips down” the existing BOI application forms and requirements, such that number of days in processing the application is reduced from twenty (20) working days to just five (5) days.

For providing high standard business services supporting investment, Malaysia cited MIDA’s efforts in facilitating existing companies in overcoming operational problems faced. In Hong Kong, China; Invest-HK provides information to overseas and mainland companies and investors to facilitate starting or expanding their operations.

### **Expected Outcomes:**

The following are the expected outcomes resulting from implementing Principle 4 of IFAP:

1. To avoid delays in provide administrative formalities by government agencies.
2. To make it easier of doing business for investors.
3. To raise awareness of opportunities for investment within APEC economies, for example in Renewable and Clean Energy sector.
4. To make overall business process easier, faster, cheaper and to enhance predictability and understandability; to improve efficiency of government agencies to serve investors.
5. To build up cooperation with investors, especially foreign ones; to facilitate the procedure for business set-up; to stimulate the renovation of industrial capacities by providing tax incentives.

### **Information from Secondary Sources**

Based on the Doing Business 2012 report, five APEC economies are included in the list of top ten for making it easier to start a business. Some of the good practices that are common among the 10: offering one-stop shops; charging only a fixed registration fee—regardless of company size—that is limited to the administrative cost of providing the registration services; use standard registration forms; require nominal paid-in minimum capital or none at all; assigning unique company identification (ID) numbers and adopting technology to facilitate the delivery of a range of business start-up procedures; review formalities to ensure that they still fulfill their intended purpose.

Some of the actions under this principle are similar with the OECD Investment Policy Reviews questions, in which the following information is extracted for other APEC economies:

- **Viet Nam:** “Provincial government authorities have made a great effort to set-up a “one-stop shop” system. However, every provincial investment promotion agency has tried to implement the procedure in a different way and with different levels of success”. (OECD 2009: 59). The weakest link in the services provided by Viet Nam’s investment promotion agencies is dealing with problems that arise after the Investment Certificates have been granted. (OECD 2009: 60).
- **Indonesia:** Establishing a one-stop integrated services centre (Pelayanan Terpadu Satu Pintu, PTSP) has been on the government’s agenda for several years but has been an uneven process across Indonesia’s 524 autonomous regions... As a follow-up in 2009, the government instructed government departments and institutions to delegate their

authority to the Chairman of BKPM, or the head of a respective regional body responsible for investment. As of March 2010, 15 Ministers had delegated their licensing authority to the Chairman of BKPM, and two Ministers have placed their officials in BKPM to implement the PTSP. . (OECD 2009: 92-93)

## IFAP Principle 5

### Build Constructive Stakeholder Relationships

**Table 7 Principle 5 Actions**

<b>Specific actions</b>	<b>Economies Reporting Implementation of Specific Actions</b>
To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation.	Australia; China; Hong Kong, China; Indonesia; Japan; Malaysia; Philippines; Russia; Singapore; Chinese Taipei; Thailand; United States; Viet Nam
Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms.	Australia; China; Hong Kong, China; Japan; Russia; Singapore; United States
Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs.	Australia; China; Hong Kong, China; Indonesia; Malaysia; Philippines; Russia; Singapore; Chinese Taipei; United States; Viet Nam
Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors.	Chile; China; Hong Kong, China; Indonesia; Japan; Peru; Singapore; United States
Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters.	Chile; Indonesia; Philippines; Japan; United States
Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.	Hong Kong, China; Indonesia; Japan; Korea; Peru; Singapore; Chinese Taipei; United States
Examine and share APEC member economies' experience with responsible business conduct instruments.	Hong Kong, China; Japan; Peru; Singapore

## Summary

Most reporting economies have taken steps toward building constructive stakeholder relationships both as a means of direct policy action and to further integrate relations between the public and private sectors.

Malaysia convenes the Ministry of International Trade and Industry's Annual Dialogue which brings together private sector representatives with government officials to add their input to the policy making process.

The Philippines promotes openness and transparency by inviting the public to participate in the hearings on proposed laws, rules, and regulations or changes thereto and by encouraging them to submit position papers to effectively articulate their concerns. Both Peru and Australia have embraced the OECD Guidelines for Multinational Enterprises, following international best practices in the public/private realm.

Russia has turned private sector recommendations into public policy by simplifying the process of hiring skilled expatriate workers, improving customs administration, and implementing their Developing Financial Markets strategy to open securities markets to foreign firms and facilitating access between foreign issuers and Russian investors.

Singapore works closely with APEC and encourages agencies to share their experiences of successful stakeholder engagement.

The United States is also heavily involved in APEC activities, hosting many public private dialogues including the inaugural APEC Public-Private Dialogue on Investment in 2011.

Hong Kong, China cited the Hong Kong Ethics Development Centre as one of its agencies involved in encouraging high standards of corporate governance by promoting business and professional ethics as the first line of defense against corruption.

Indonesia has continued to update their Code on Good Corporate Governance since inception in 1999, encouraging the spread of sound corporate governance practices throughout the economy.

Japan has a Public Comment System to garner opinions from public and also convenes a public private dialogue, when necessary, to add their input to the policy making process.

Thailand holds seminars where private sector actors are able to share their experiences and ideas with policy makers.

Chile promotes backward investment linkages between foreign investors and domestic firms, encouraging technological spillovers and productivity growth as domestic firms learn from multinationals.

## Information from secondary sources

Many domestic and international bodies cite the importance of public-private partnerships in general and specifically the collaboration between the business community and government actors in the area of economic regulation. A particular World Bank study titled “Competitiveness Partnerships – Building and Maintaining Public-Private Dialogue” by

Benjamin Herberg and Andrew Wright, 2005 examines the outcomes experienced by 40 nations and recommends best practices for future collaboration. In their report, they cite several reporting economies and highlight their successful government-business relationships.

In **Malaysia**, the internationally-acclaimed Penang Skills Development Center (PSDC) arose from collaboration between government, industry and academia; industry provides most of the funding for the center through a membership scheme.

Regional approaches can often profitably be combined with an industry cluster approach; the U.S. Agency for International Development (USAID) in particular has focused on promoting dialogue in regional industry clusters, with considerable success. The high-value agriculture sector in Western **Thailand** has seen dialogue lead to the adoption of rules on “Good Agricultural Practices”

## **IFAP Principle 6**

### **Utilize new technology to improve investment environments**

**Table 8 Principle 6 Actions**

<b>Specific actions</b>	<b>Economies Reporting Implementation of Specific Actions</b>
Promote the introduction and use of new technologies aimed at making the investment process simpler and faster	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Malaysia; Philippines; Russia; Singapore; Chinese Taipei; Thailand; Viet Nam
Maintain adequate and effective protection of technology and related intellectual property rights	Chile; China; Hong Kong, China; Indonesia; Japan; Philippines; Russia; Singapore; Chinese Taipei; United States; Viet Nam
Where possible, give effect to international norms for property protection	Hong Kong, China; Japan; Malaysia; Singapore; Chinese Taipei; United States

## **Summary**

Most reporting economies noted how their adoption of new technology had improved the investment climate.

Australia; Chile; Hong Kong, China; Japan; Malaysia and Thailand have all moved applications online, facilitating foreign investment.

New processes have been implemented which greatly simplify international direct investment. The Philippine Business Registry allows investors to access an online 'one-stop shop' which links various agencies' computer systems into one portal, eliminating the need to physically register documents at each government office and reducing business registration from two weeks to 30 minutes.

Chile; Hong Kong, China; Indonesia; Japan; Philippines; Russia; Singapore; Chinese Taipei; United States and Viet Nam all shown a commitment to implement intellectual property protection. For example, Hong Kong, China has shown this commitment through, among others, adhering to major international intellectual property treaties including the Paris Convention, Berne Convention, Patents Cooperation Treaty, Phonograms Convention and the WTO TRIPS Agreement.

Russia reduced administrative barriers for business registry by creating an online communication connection between agencies and the registering firm and developed an exhaustive list of regulations needed to register a business.

Malaysia implemented the BLESS system for approving applications which reduces processing time.

Following international guidelines for the protection of intellectual property is also important for securing international investment. Peru adheres to the Paris Convention for the Protection of Industrial Property and the Inter-American Convention for the Protection of Trademarks and Commerce.

The Philippines has created an Intellectual Property Office to ensure the effective use of the intellectual property system in the economy.

The United States has fully implemented the WTO TRIPS Agreement obligations, as well as following the Berne Convention on copyright protection.

### **IFAP Principle 7**

#### **Establish monitoring and review mechanisms for investment policies**

**Table 9 Principle 7 Actions**

<b>Specific actions</b>	<b>Economies Reporting Implementation of Specific Actions</b>
Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost	Australia; Chile; China; Indonesia; Japan; Malaysia; Philippines; Russia; Singapore; Chinese Taipei; Thailand; Viet Nam

### **Summary**

Reporting member economies showed a commitment to maintaining up-to-date investment policies through continuous monitoring.

Australia, Japan, Malaysia, Chinese Taipei, and Singapore review their policy framework to ensure the lowest possible costs to investing firms.

Chile monitors the implementation of their Foreign Investment Statute so that rules are properly and uniformly applied.

The Philippines reviews the Foreign Investment Negative List (FINL) every two years and/or as the need arises. Further, the Philippines' Board of Investment (BOI) annually formulates the Investment Priorities Plan (IPP) to identify the economy's priority investment areas. Thailand's Bureau of Investment provides free, current information on the commercial environment to potential investors.

Russia is currently developing a set of criteria and indicators to assess the effectiveness of institutional actions on encouraging foreign investment.

### **Information from secondary sources**

UNCTAD provides a list of potential indicators to measure investment policy effectiveness in its World Investment Report 2012. These indicators can be used to measure a variety of potential impact areas including economic value added, job creation and sustainable development. This listing provides economies with the opportunity to determine their own economy-wide goals, how international investment can best assist in the attainment of those goals, and benchmark their progress toward liberalizing and welcoming foreign investment.

## **IFAP Principle 8**

### **Enhance international cooperation**

**Table 10 Principle 8 Actions**

<b>Specific actions</b>	<b>Economies Reporting Implementation of Specific Actions</b>
To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions.	Australia; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Peru; Philippines; Russia; Singapore; Thailand; United States; Viet Nam
Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD.	China; Hong Kong, China; Indonesia; Japan; Malaysia; Peru; Philippines; Singapore; Viet Nam
Ensure measures exist to ensure effective compliance with	Chile; Hong Kong, China;

commitments under international investment agreements.	Japan; Korea; Philippines; Singapore; Chinese Taipei; United States
Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.	China; Hong Kong, China; Japan; Malaysia; Philippines; Singapore; Chinese Taipei; United States; Viet Nam

## Summary

Economies volunteering IFAP submissions report extensive international cooperation.

Korea, Indonesia, and Australia are members of multiple international organizations focused on trade and investment liberalization.

Chile's Competition Tribunal and its National Economic Prosecutor Office participate in international forums that address competition policy issues to enhance cooperation across agencies and implement best international practices.

In Hong Kong, China efforts are being made by relevant bureaus/departments to ensure that any measures that they introduce would not be in conflict with Hong Kong, China's international obligations under Investment Promotion and Protection Agreements (and other international agreements). In addition, each of Hong Kong, China's Investment Promotion and Protection Agreements can be amended for improvement if the two Contracting Parties agree to do so.

Peru has recently issued decrees on a wide-range of international financial issues such as banking and stock market regulation, arbitration, tax, and intellectual property regulations.

Thailand regularly attends international workshops to develop their policies in line with accepted global norms.

Russia is involved extensively with the European Bank for Reconstruction and Development while Malaysia participates in the OECD Investment Policy Peer Review.

The Philippines has developed a Model Investment Agreement used while negotiating international investment treaties. Philippines also ensure compliance with its commitments under various international agreements through a system of periodic review and monitoring.

Singapore has committed to the ASEAN Comprehensive Investment Agreement which enhanced liberalization and protection elements with the aim of bolstering investor confidence in the region.

Chinese Taipei explores its measures of investment periodically to ensure sufficient measures existed to maintain effective compliance with commitments under international investment agreements. To date, Chinese Taipei has signed 31 BIAs and 4 FTAs to create a more attractive environment for investment.

The United States has published a revised Model BIT which maintains high standards of investor protection while preserving the government's ability to regulate in the public interest. The United States also maintains a number of mechanisms to ensure compliance with international commitments.

Viet Nam has signed agreements on investment protection and promotion in preparation for the upcoming Trans-Pacific Partnership agreement.

### **Information from Secondary Sources**

UNCTAD maintains a database of all bilateral investment treaties signed between nations, including those implemented as part of a preferential trade agreement<sup>10</sup>. This source allows member economies the opportunity to monitor the international investment relationships which exist between states and determine potential action they may need to take to further court foreign investment and match international best practices.

---

<sup>10</sup> See [http://unctad.org/en/Pages/DIAE/International%20Investment%20Agreements%20\(IIA\)/Country-specific-Lists-of-BITs.aspx](http://unctad.org/en/Pages/DIAE/International%20Investment%20Agreements%20(IIA)/Country-specific-Lists-of-BITs.aspx)

### 3. INVESTMENT FACILITATION ACTIONS ALREADY UNDER WAY

The following matrix outline examples of ongoing and recently completed APEC projects related with IEGs. The key findings of particular actions and how they will help facilitate investment in the Asia-Pacific region are presented below.

“Investing Across Borders: An Important Diagnostic Tool to Assist in IFAP Implementation (APEC 2011)” was the first stage in a multi-year collaboration between APEC member economies and the World Bank. The study uses four World Bank IAB indicators – Investing Across Sectors, Starting a Foreign Business, Accessing Industrial Land, and Arbitrating Commercial Disputes - to compare the state of investment policies within APEC with the investment climate of other regional groupings. Designed to analyze policies which can be implemented and measured in the short-term and provide quick results, the World Bank describes their indicators as “actionable because they identify specific impediments to FDI in the legal, regulatory, administrative, and institutional frameworks of each economy covered. The indicators are reform-oriented because they identify problems that can be addressed in the short and medium term to strengthen an economy’s investment climate.” (APEC 2011: 10). The study found that 24% of APEC economies require state approval before FDI is allowed, a policy which directly hinders international investment (APEC 2011: 13). This compares favorably with a 21% global average but falls behind other regional groupings such as Latin America and the Caribbean and high-income OECD nations. Additional findings show that while APEC member economies rank second globally providing court assistance with arbitration proceedings (APEC 2011: 17), 14% of APEC economies lack institutional capacity to handle arbitration cases entirely, leaving scope for additional investment policy implementation and liberalization.

Seminars and capacity building activities constitute a majority of recently completed IFAP actions. Ten of the projects focused on capacity building and sharing of regulatory experiences and best practices in the investment environment generally and a variety of area-focused topics more specifically. Examples include CTI 35-2008T – ‘Doing Business - Investment at the Sub-National Level to Promote Economic Integration’ and TWG 01-2008T ‘Capacity Building on Tourism Satellite Accounts as a Basis for Promoting Liberalization and Facilitation on Tourism Services.’

Remaining projects consisted of empirical studies analyzing the regulatory framework currently in place in the APEC region. Examples include HRD 02/2008T ‘Measures Affecting Cross-Border Exchange and Investment in the APEC Region’, EC 03/2008T ‘Measuring the Ease of Doing Business in APEC’, and CTI 04/2008A ‘APEC UNCTAD Joint Capacity Building Project for Addressing Knowledge Gaps in the Use of FDI (Stage 2)’. These studies provide the theoretical and practical framework for future capacity-building seminars.

**Table 11: Matrix of completed APEC Projects under IEGs**

<b>Project Name</b>	<b>Number</b>	<b>Objectives</b>	<b>Key findings</b>
Recent Trends on Investment Liberalization and Facilitation in Transport and Telecommunication Infrastructure	CTI 09/2008T	The Seminar sought to explore the performance of agencies engaged in the promotion of private investment in infrastructure. Especially regarding the implementation of infrastructure development policies in APEC member economies, focusing on the best practices applied, including financing schemes, and, on the improvement of regional connectivity through multimodal infrastructure projects.	Providing participants from public and private sector the opportunity to discuss and exchange experiences about the measures and practices currently applied in the APEC region in order to facilitate the participation of private investment for the improvement of economic infrastructure, focusing on transport and telecommunications. Analyzing best practices provided for the promotion of private investment in the improvement of regional connectivity through multimodal infrastructure projects.
Capacity Building for International Investment Agreements	CTI 02/2008T	The purpose of this project is to improve understanding among APEC member economies of the scope and content of high-standard international investment agreements (bilateral investment treaties and investment chapters of trade agreements), and to enhance the capacity of member economies to negotiate and implement these agreements.	The seminars afforded participants broad insights into the issues being discussed, from the perspectives of those who negotiate investment agreements, those who study them, those who might bring investor claims against a State, those who would defend States against such claims, and those who might serve as arbitrators in tribunals established to consider such claims
“Recent Trends on Investment Liberalization and Facilitation in Transport and Telecommunication Infrastructure ”	CTI 09/2008T	The Seminar sought to explore the performance of agencies engaged in the promotion of private investment in infrastructure. Especially regarding the implementation of infrastructure development policies in APEC member economies, focusing on the best practices applied, including financing schemes, and, on the improvement of regional connectivity through multimodal infrastructure projects.	Providing participants from public and private sector the opportunity to discuss and exchange experiences about the measures and practices currently applied in the APEC region in order to facilitate the participation of private investment for the improvement of economic infrastructure, focusing on transport and telecommunications.

Capacity Building for International Investment Agreements	CTI 02/2008T	The purpose of this project is to improve understanding among APEC member economies of the scope and content of high-standard international investment agreements (bilateral investment treaties and investment chapters of trade agreements), and to enhance the capacity of member economies to negotiate and implement these agreements. The project was executed over two one-week workshops, each of which was instructed by a faculty consisting of investment arbitration lawyers and legal scholars, arbitrators, and experienced officials of APEC governments.	Each one-week workshop afforded participants broad insights into the issues being discussed, from the perspectives of those who negotiate investment agreements, those who study them, those who might bring investor claims against a State, those who would defend States against such claims, and those who might serve as arbitrators in tribunals established to consider such claims. Workshop topics were presented in terms of both theory and practice – the second week included a ‘mock arbitration’ conducted at the World Bank facilities where arbitral hearings under the ICSID Convention are held.
Capacity Building for Sharing Success Factors of Improvement of Investment Environment	CTI 32/2008T	This project is conceived to respond to the instructions from Ministers to implement capacity-building customized for each APEC member based on its economic progress, and it is also designed to cater to ABAC’s calls for substantial improvements in the business climate.	The dialogue will focus on three or four investment-related areas each year and share successful experiences of increased investment (new investment, reinvestment, capacity-widening investment, replacement investment, etc.).
Doing Business - Investment at the Sub-national Level to Promote Economic Integration	CTI 35 - 2008T	Phase 1 of this project involved the completion of 2-3 case studies at the sub-national <sup>11</sup> level of successful efforts to overcome behind-the-border barriers to investment. The project drew on the World Bank’s expertise in using its Ease of Doing Business indicators as a diagnostic tool for improving economy-wide performance to the level of better practice of high growth states/provinces (rather than to international best practice) on the assumption that better practice may be more achievable and deliver very significant growth outcomes. The lessons drawn from case studies contribute to improving member economies understanding of the elements of a sound investment climate.	The project objectives were successfully achieved. Two complete case studies were undertaken (Mexico and the Philippines) and also covered was information on similar work undertaken in China in 2008 and forthcoming in 2009 in Indonesia. This seminar included broad discussion on the two completed studies and presentations about Viet Nam and Indonesia and its sub national reform programs.

<sup>11</sup> Sub-national refers to a district level of administration.

Measures affecting cross border exchange and investment in the APEC Region.	HRD 02/2008T	Identify positive and negative measures affecting exchange and investment in higher education across four modes of supply (cross-border, consumption abroad, commercial presence and presence of natural persons) amongst APEC member economies.	Project final report, produced from analysis of survey responses and desk research, met the qualities and requirements detailed in the Contract and associated Request For Proposal
Human Resources Development Working Group-Capacity Building Network (HRD-CBN)	HRD 01/2007T	To raise the capacity of both public and business sector people who are involved in domestic legislation, policy making and social system development in the field of foreign direct investment.	Eleven cases in total by 13 experts from 8 economies were developed. The case development started in August 2007, drafts reviewed by the peer experts and editors, draft finalized in September 2008.
Measuring the Ease of Doing Business in APEC	EC 03/2008T	This was a study on the positive impact of regulatory reform on a range of macro-level economic indicators such as economic growth, inward FDI and job creation, as well as the regulatory burden's impact on firm level indicators like job creation and investment. Eight case studies of successful reforms in member economies illustrated the impacts and learning principles from specific reforms in specific economies. The study findings reiterated the urgency of reducing regulatory burden and identifying priorities for reform, thereby giving further impetus to the regulatory reform agenda in APEC.	This project had fulfilled its key objective of using empirical analysis to study the positive economic impact of regulatory reforms on key macroeconomic and microeconomic firm-level indicators. Complementing this empirical analysis was a set of case studies that documented the impact of specific reforms on economic outcomes in individual economies
APEC UNCTAD Joint Capacity Building Project for Addressing Knowledge Gaps in the Use of FDI (Stage 2)	CTI 04/2008A	The purpose of this study (Stage 2) was to produce consolidated case studies' reports that conducted comparative analysis in two issue areas; integration of FDI in skills development process and creating benefit from foreign affiliate-domestic SME linkages in two economies each. Each case study's report analyzed best practices in one developing economy and one developed economy, which could provide a framework for member economies to draw on when considering infrastructure development and the potential use of FDI.	Stage 2 produced a consolidated case studies report (published on-line) that conducts comparative analysis in two issue areas: Best Practices in Investment for Development: Case Studies in FDI – How to Integrate FDI in the Skills Development Process <u>and</u> How to Create Benefit from Foreign Affiliate – Domestic SME Linkages

Core Elements Project (Phase II)	CTI 34/2008T	The purpose of this project was to expand the process of identifying core elements by examining the content of a larger sample (100) of intra-APEC investment agreements together with a sample of 100 IIAs from other regions of the world, including all (or almost all) remaining intra-APEC IIAs	The output became the subject of separate capacity building projects aimed at creating an APEC-wide understanding amongst investment treaty negotiators and investment policy makers of how regional approaches to core elements compared and a clear understanding of investment principles (CTI 31/09T, etc).
Capacity building on Tourism Satellite Accounts as a basis for promoting liberalization and facilitation on tourism services.	TWG 01/2008T	The project was divided into two phases. In the first phase consultants were commissioned to develop a survey tool to gauge the development of TSA to international standards in the APEC region. The survey results were used to develop an understanding of best practice and areas for continuing improvement. The second phase was the design and delivery of four in-economy workshops with an aim of bringing together key stakeholders to discuss capabilities, issues and use the consultants experience and the handbook to formulate a path towards TSA implementation.	An important outcome for the project came through the involvement of organizations and government departments related to the Tourism industry in the workshops, such as central banks and immigration/border control departments. It gave these organizations a practical understanding of the importance of a TSA is and how its development can only occur as a result of all stakeholders ensuring the provision of high quality and timely data to feed into a TSA.
Good Governance on Investment Promotion	CTI 10/ 2008 T	Speeches of the Seminar speakers, pointed the role of good governance through investment policies and measures required to improve the APEC investment environment.	Experiences shared by APEC economies and international organization provided to seminar participants new ideas to improve investment promotion. Particular interest was shown for future workshops on good governance, policy advocacy, investor aftercare services, corporate governance and corporate social responsibility.

<p>APEC UNCTAD Joint Capacity Building Project for Addressing Knowledge Gaps in the Use of Foreign Direct Investment</p>	<p>CTI 03 /2008A</p>	<p>This project is part of a joint IEG – UNTAD targeted capacity building framework intended to make a significant contribution to the development of the ‘narrowing of economic gaps’ pillar of APEC’s Investment Facilitation Action Plan requested by Ministers and Leaders in Sydney. The multi stage framework addresses gaps in APEC’s investment liberalization and facilitation agenda through the creation of an inventory of best practice case studies on foreign direct investment (FDI). In Stage 1 (the subject of this proposal), four APEC member economies are selected as examples of best practice and case studies are produced by UNCTAD</p>	<p>UNCTAD reported the success of the project to IEG and advised that the outcomes from the studies undertaken had been promulgated widely and had been well received. Further questions and practical solutions to the many issues raised in the case studies (which were well-researched) gave rise to considerable scope for linkages from this work to other planned capacity building activities.</p>
<p>Investing Across Borders: An important diagnostic tool to assist in IFAP implementation</p>	<p>CTI 43/2009T</p>	<p>This project is Stage 1 of a multi-year project which commenced in the first quarter of 2010. This project seeks to use the World Bank’s (WB) Investing Across Border (IAB) Indicators to improve APEC member economies strategies to implement the Regional Economic Integration (REI) agenda. The Report will provide information about key REI goals – transparency, reducing investor risk through providing more certainty, and simplifying business regulation. The study reports would provide data for all APEC economies over the life of the IFAP. Stage 2 of the project will be recommended to IEG –CTI when the WB/IFC are able to undertake the research (probably late 2012).</p>	<p>The report presents for each member economy fact based benchmarking data on laws and regulations in selected policy areas affecting entry and operations of foreign direct investors</p>

## 4. CONCLUSION

The results from voluntary submission by member economies show that reporting economies have made substantial progress toward implementing several IFAP principles while progress on others has been less fruitful. Some of the findings based on the voluntary submissions are provided as follows:

Principle 1: Most of the reporting economies have in place a Foreign Investment Promotion Act which sets out the laws and regulations pertaining to foreign investment in their economies. The laws, rules, regulations and/or amendments relating to foreign investment are usually published in an Official Gazette, and/or on the relevant government agency's website. Most economies also have a trade and investment agency to help promote and facilitate foreign investment.

Principle 2: Most economies have a system of land ownership registration in place. Economies also generally have established effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions.

Principle 3: The investment promotion agencies of most reporting economies implement actions related to Principle 3. Most economies accord 'national treatment' to foreign investment, an important component of IFAP and international best practice.

Principle 4: Economies have reported efforts to streamline foreign investment applications and registration, licensing, and taxation procedures for foreign businesses.

Principle 5: Most reporting economies have taken steps toward building constructive stakeholder relationships both as a means of direct policy action and to further integrate relations between the public and private sectors.

Principle 6: The adoption of new technology has improved the investment climate in all economies who reported progress toward principle 6. New processes have also been implemented which greatly simplify international direct investment.

Principle 7: Reporting member economies showed a commitment to maintaining up-to-date investment policies through continuous monitoring.

Principle 8: Economies volunteering IFAP submissions report extensive international cooperation.

Looking at the content of the IFAP principles; principle 1, 2, 3 and 4 contains key elements that any investors would see as critical factors when making their investment decisions. Principle 5, 7, 8 are also important for new or existing investors as well as for governments to make sure that the current investment policies and regulations are well suited to attract and maintain new as well as existing FDI flows and activities. Principle 6 is particularly important to further reduce business and regulation costs as well as to encourage business to invest in new technologies.

Secondary sources, such as the World Bank's Ease of Doing Business and UNCTAD's World Investment Report and World Investment Prospects Survey, demonstrate the importance of implementing policy changes in order to foster a welcoming environment for international investment and maximize it as a tool for economy-wide development goals.

## REFERENCES

APEC, *Best Practices Guidebook: Capacity-Building to Ensure Appropriate and Prompt Consideration Of Investors' Complaints to Improve the Investment Climate Within APEC*, 2012.

APEC, *Guide to Investment Regimes*, 2010.

APEC, *Investing Across Borders*, 2011.

A.T. Kearney, *Foreign Direct Investment Confidence Index 2012*, 2012.

Herberg, Benjamin and Andrew Wright, *Competitiveness Partnerships – Building and Maintaining Public-Private Dialogue*, 2005.

OECD, *Investment Policy Reviews: Indonesia 2010*, 2010.

OECD, *Investment Policy Reviews: Viet Nam 2009*, 2010.

The Economist Intelligence Unit Ltd., and Asian Development Bank, *Evaluating the environment for public-private partnerships in Asia-Pacific: The 2011 Infrascopes*, 2011.

UNCTAD (United Nations Conference on Trade and Development), *World Investment Report 2012: Towards a New Generation of Investment Policies*, 2012.

UNCTAD (United Nations Conference on Trade and Development), *World Investment Prospects Survey 2009-2011*, 2009.

World Bank, *Doing Business Report*, 2012.

World Bank, *Doing Business Report*, 2013.

## APPENDIX I INVESTMENT FACILITATION – MENU OF ACTIONS AND MEASURES

(Voluntary submission by member economies)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> <li>• Adopt centralized registry of laws and regulations and make this available electronically.</li> <li>• Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> <li>• Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> <li>• Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> <li>• Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>• Allow investors to choose their form of establishment within legislative and legal frameworks.</li> <li>• Ensure transparency and clarity in investment-related laws</li> <li>• Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>• Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>• Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>• To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> <li>• Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p>	<p>(Describe the expected outcome within this principle)</p>

progress			
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> </ul>			
<b>IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> <li>• Create and maintain an effective register of public or state owned property.</li> <li>• Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> <li>• Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> <li>• Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> <li>• Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> <li>• Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> <li>• Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> <li>• Take steps to accede to an arbitral convention</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)	(How were the actions being implemented? Or How will the actions be implemented?)	(Describe the expected outcome within this principle)
<b>Other voluntary actions in addition to the above:</b>			

<ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> </ul>			
<b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)	(How were the actions being implemented? Or How will the actions be implemented?)	(Describe the expected outcome within this principle)
<b>Any voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> </ul>			
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement	(How were the actions being implemented? Or How will the actions	(Describe the expected outcome within this principle)

<ul style="list-style-type: none"> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> <li>• Shorten the processing time and procedures for investment applications.</li> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services infrastructure</li> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>	these IFAP’s actions)	be implemented?)	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> </ul>			
<b>IFAP Principle 5: Build constructive stakeholder relationships</b>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> <li>• Continue to share APEC member economies’ experiences of successful stakeholder consultative mechanisms</li> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> <li>• Continue to share APEC member economies’ experiences of</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)	(How were the actions being implemented? Or How will the actions be implemented?)	(Describe the expected outcome within this principle)

<p>successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</p> <ul style="list-style-type: none"> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC’s programs on corporate governance and anti-corruption.</li> <li>• Examine and share APEC member economies’ experience with responsible business conduct instruments</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> </ul>			
<p><b>IFAP Principle 6: Utilize new technology to improve investment environments</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li>• Maintain adequate and effective protection of technology and related intellectual property rights</li> <li>• Where possible, give effect to international norms for property protection</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p>	<p>(Describe the expected outcome within this principle)</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> </ul>			
<p><b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b></p>			

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	(How were the actions being implemented? Or How will the actions be implemented?)	(Describe the expected outcome within this principle)
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> </ul>			
<b>IFAP Principle 8: Enhance international cooperation</b>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	(How were the actions being implemented? Or How will the actions be implemented?)	(Describe the expected outcome within this principle)
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> </ul>			

## APPENDIX II INVESTMENT FACILITATION ACTIONS ALREADY UNDER WAY

(Submission by APEC Secretariat, to reflect new APEC projects and initiatives that are relevant to IFAP)

<b>Principle</b>	<b>Action(s) under way</b>
① <i>Accessibility and transparency</i>	<ul style="list-style-type: none"> <li>• Tourism Destinations using Planning Processes to Facilitate Investment (TWG)</li> <li>• Capacity Building on Tourism Satellite Account as basis for Promoting Liberalization and Facilitation on Tourism Services (TWG 01/2008T)</li> <li>• Reducing Trade, Regulatory, and Financing Barriers to Accelerate the Uptake of Clean Coal Technologies by Developing Economies in the Asia Pacific Region (EWG 01/2008T)</li> <li>• ABAC: Business Statements on the importance of Transparency to Facilitate Investment</li> <li>• <b>Development of APEC Guide to Investment Regimes E-Portal and Electronic Publication (CTI 01/2009)</b></li> <li>• <b>Provision Joint APEC-BOI-FIAS Workshop on Improving Investment Promotion Performance in Accessibility to Investors and Information Provision (CTI 08/2009T)</b></li> <li>• <b>Capacity Building for Dispute Prevention and Preparedness (CTI 42/2009T)</b></li> <li>• <b>APEC-UNCTAD Workshop on Investor-State Dispute (CTI 47/2009T)</b></li> <li>• <b>Core Elements Project - Moving Beyond Phase III – Activity 6 APEC-UNCTAD Workshop on Investor-State Dispute Settlement (CTI 03/2011T)</b></li> </ul>
② <i>Stability, security and protection</i>	
③ <i>Predictability and consistency</i>	<ul style="list-style-type: none"> <li>• Seminar on Good Governance on Investment Promotion (CTI 10/2008T)</li> <li>• Cross-border Mergers and Acquisitions on Exports, FDI and Competition Policy (EC)</li> <li>• ABAC: Business Statements on the importance of Harmonisation of Rules to Facilitate Investment</li> </ul>
④ <i>Efficiency and effectiveness</i>	<ul style="list-style-type: none"> <li>• APEC-UNCTAD Joint Capacity Building Project for Addressing Knowledge Gaps in the Use of Foreign Direct Investment (Stage 1) (CTI 03/2008A)</li> <li>• APEC-UNCTAD Joint Capacity Building Project for Addressing Knowledge Gaps in the Use of Foreign Direct Investment (Stage 2) (CTI 04-2008A)</li> <li>• Doing Business - Investment at the Sub-National Level to Promote Economic Integration (Phase 1) (CTI 35/2008T)</li> </ul>

<b>Principle</b>	<b>Action(s) under way</b>
	<ul style="list-style-type: none"> <li>• Measures Affecting Cross Border Exchange and Investment in Higher Education in the APEC Region (HRD 02/2008T)</li> <li>• Study on Measures of Ease of Doing Business in APEC (EC)</li> <li>• ABAC: Business Statements on the importance of Simplification of Approvals Processes to Facilitate Investment</li> <li>• Seminar for Sharing Experience on Improving Investment Policy (CTI 07/2009T)</li> <li>• Capacity-Building Seminar on Ease of Doing Business: Enforcing Contracts (CTI 28/2009T)</li> <li>• Core Elements Project – Moving Beyond Phase III – Activity 2&amp;3 A Handbook for Negotiators (Steps 1 and 2): A Handbook for Negotiators of IIAs (Step 1) / A Seminar for Negotiators of IIAs (Step 2) (CTI 15/2010T)</li> <li>• Core Elements Project – Moving Beyond Phase III – Activity 5 Intensive Training Course of International Investment Agreements in the APEC Region (CTI 16/2010T)</li> <li>• Core Elements Project – Moving Beyond Phase III – Activity 1 Study on Core Elements of IIAs in Domestic Investment Frameworks (CTI 28/2010T)</li> <li>• Core Elements Project – Moving Beyond Phase III – Activity 4 Study on Transparency in IIAs (CTI 30/2010T)</li> <li>• APEC-UNCTAD Workshop on Best Practices in Investment Policy Formulation in the APEC Region (CTI 12/2011T)</li> <li>• Seminar on Successful Cases of Renewable and Clean Energy Investment in APEC(CTI 34/2011T)</li> </ul>
⑤ <i>Constructive stakeholder relationships</i>	<ul style="list-style-type: none"> <li>• Workshop on SMEs' Financing in Asia-Pacific Region (SMEWG 02/2008A)</li> <li>• Capacity Building for Investment Liberalisation and Facilitation (HRDWG project for 2007-2008) (HRD 01/2007T)</li> <li>• Capacity Building for Sharing Success Factors of Improvement of Investment Environment (CTI 32/2008T)</li> <li>• ABAC: Matrix of Successful Investment Facilitation Measures</li> <li>• Public-Private Dialogue: Investing for Growth (How to Spur Tangible and Robust Private Sector Investment in Infrastructure and Economic Growth)</li> <li>• ABAC Public-Private Investment Dialogue: Implementing the Investment Facilitation Action Plan (IFAP) Effectively to Grow Investment and Promote Infrastructure Development</li> </ul>
⑥ <i>Use of new technology</i>	<ul style="list-style-type: none"> <li>• Capacity Building for Sharing Success Factors of Improvement of Investment Environment – Phase 2 (CTI 02/2009T)</li> <li>• Filling the Infrastructure Gaps in the APEC's Developing Economies (CTI 11/2009A)</li> <li>• Capacity Building for Sharing Success Factors of Improvement of Investment Environment – Phase 3 (CTI 03/2010T)</li> <li>• Organizing an APEC Seminar on Infrastructure Investment in 2011 (CTI 08/2011T)</li> </ul>

<b>Principle</b>	<b>Action(s) under way</b>
	<ul style="list-style-type: none"> <li>• Seminar on Successful Cases of Renewable and Clean Energy Investment in APEC (CTI 34/2011T)</li> </ul>
⑦ <i>Monitoring and review</i>	<ul style="list-style-type: none"> <li>• Investing Across Borders: An Important Diagnostic Tool to Assist in IFAP Implementation – Stage 1 (CTI 43/2009T)</li> </ul>
⑧ <i>Enhance international cooperation</i>	<ul style="list-style-type: none"> <li>• Seminar on Recent Trends on Investment Liberalization and Facilitation in Transport and Telecommunications Infrastructure (CTI 09/2008T)</li> <li>• APEC Energy Trade and Investment Study and Roundtable (EWG)</li> <li>• Capacity Building for International Investment Agreements (CTI 02/2008T)</li> <li>• Core Elements in International Investment Agreements Project (Phase II) (CTI 34-2008T)</li> <li>• APEC Seminar for Sharing Experience in APEC Economies on Relations between Competition Authorities and Regulator Bodies (CTI 13/2008T)</li> <li>• Core Elements Project (Phase III) (CTI 31/2009T)</li> </ul>

Note: The projects after 2009 are shown in red.



**Asia-Pacific  
Economic Cooperation**

# **IFAP Implementation in Facilitating Investment for the Asia Pacific Region**

## **Part II: An Analysis of FDI Flows by Sector and Source Economy (2000-2010)**

**APEC Policy Support Unit**  
March 2013

**Advancing** Free Trade for Asia-Pacific **Prosperity**

**Document is designed for double-sided printing.  
Blank pages have been deliberately included to allow correct pagination.**

## EXECUTIVE SUMMARY

This report analyzes foreign direct investment within the APEC region over the years 2000-2010. We focus on intra-APEC flows in order to judge the level of cooperation and integration which exists between APEC member economies. When data permits, the report analyzes those intra-regional investments by sector, looking at the industries of most interest to firms and how those investments impact other economic policy goals.

We examine the eight IFAP principles from a business perspective, looking at how each reduces either the costs or risks faced by foreign investors. Taken as a whole, IFAP helps improve an economy's business environment and facilitates the entry of foreign investment.

Special Highlight sections focus on Investment Promotion Agencies (IPAs) and International Investment Agreements (IIAs). All APEC economies have an active IPA; the insert discusses best practices and how IPAs can improve. 58% of bilateral APEC relationships are covered by IIAs, primarily in the form of bilateral investment treaties (BITs). BITs offer a promising area for progress on the international front.

US\$ 4.8 trillion of foreign direct investment flowed into APEC economies during the last decade, equivalent to an average of \$179 per person per year for each APEC citizen. However, only 40% of these funds were intra-APEC investments. Fifty-nine percent of that \$4.8 trillion flowed into industrialized economies, confirming the idea that firms invest where they can minimize cost and risk, validating IFAP's premise that simply improving the investment climate is not sufficient for attracting FDI and highlighting the importance of economy-wide competitiveness.

Intra-APEC FDI into developing economies showed a counter-cyclical trend as these economies maintained their regional support when firms from other areas showed interest, providing evidence of strong regional connections.

Our analysis showed positive correlations between per capita GDP and FDI, further demonstrating the importance of economy-wide improvements to better attract foreign funding.

Recent trends show that APEC firms are keen to invest within the region; over 5,000 intra-regional projects have been announced since the beginning of 2010. Many of these new projects are in services sector, surpassing manufacturing as the most common industry for international investors, with most citing the region's growing market size as their primary motivation to invest.

## TABLE OF CONTENTS

Executive Summary .....	i
Table of Contents .....	i
Introduction.....	1
IFAP Goals.....	2
Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies .....	2
Principle 2: Enhance stability of investment environments, security of property and protection of investors .....	3
Principle 3: Enhance predictability and consistency in investment-related policies .....	4
Principle 4: Improve the efficiency and effectiveness of investment procedures.....	5
Principle 5: Build constructive stakeholder relationships .....	5
Principle 6: Utilize new technology to improve investment environments .....	6
Principle 7: Establish monitoring and review mechanisms for investment policies.....	6
Principle 8: Enhance international cooperation .....	6
FDI Data .....	7
Foreign Direct Investment in APEC .....	9
Industrialized APEC Economies.....	9
Developing APEC Economies .....	12
Sectoral Breakdown.....	16
Projects Announced Since 2011 .....	20
Conclusion .....	21
References.....	23

## INTRODUCTION

The Investment Facilitation Action Plan (IFAP) seeks to improve APEC's investment climate by providing a framework of actionable policy guidelines which can help economies understand where their current investment policies stand in relation to international best practices and acting as a tool to plan future policy implementation. This paper, in conjunction with a concurrent study analyzing the progress member economies have reported in meeting IFAP goals, hopes to offer a more nuanced picture of where international investment within the APEC region stands at the present moment and where it can go in the future.

Our report's primary contribution is a database compiled by the author which breaks down foreign direct investment within the APEC region by sector and source economy. With this data, we can better analyze which sectors within an economy are most open to international investment, which sectors can improve, how foreign investments have changed over time, and how deep investment cooperation runs between APEC members.

With the data already compiled and hopeful future contributions from members who have not yet submitted their reports, the Policy Support Unit will be able to run more sophisticated analyses to determine which policy actions have the largest impact on attracting foreign direct investment and what additional steps can be taken to strengthen intra-regional ties. Requests have been sent to each member's domestic agency responsible for compiling official FDI data – the central bank, finance ministry, or central statistics department. The statistics presented represent only those economies whose data was publicly available or who submitted responses to our formal requests. The Policy Support Unit appreciates the effort of those economies which shared their data.

The analysis will begin by describing IFAP goals in more detail and why implementation of the eight major themes is important as APEC members develop their future investment policies. Special highlighted sections on Investment Promotion Agencies and International Investment Agreements are included.

Following this introductory section, a description of the database will be presented including how it was constructed and which sources were used. An analysis portion follows including sections on the sectoral breakdown of foreign direct investment and volumes emanating from fellow APEC members. A final section on announced investment projects in 2011 and 2012 concludes.

## IFAP GOALS

Many factors drive a firm's decision to invest abroad: the investment climate<sup>1</sup>, size of the foreign market, access to export markets, stable political and economic systems, a skilled workforce, openness to trade, transparency and lack of corruption among others.<sup>2</sup> Firms will consider all of these dimensions before choosing where to place their investment, so economies hoping to attract more foreign investment would be wise to carefully analyze all these variables when formulating a wider economic policy.

IFAP's goals are more limited. Instead of attempting to address the comprehensive list of all these factors, it aims to address only one: the investment climate. IFAP provides eight principles to facilitate investment and make economies more attractive to FDI. Drawing from extensive stakeholder consultation on the impediments faced by firms operating in a foreign business environment, IFAP aims to mitigate two important factors:

- **Cost:** Time is one of the most important factors in a foreign firm's decision on where to invest their funds. An overly-onerous regulatory process that requires months of regulatory approval will discourage firms from even considering investment in a potential host economy. It is important for policymakers to balance the public interest with efforts to make the investment process more efficient and effective, primarily by encouraging transparency, consistency and accessibility in their business and investment regulations.
- **Risk:** Managing risk is an investor's primary business. Regulatory risk is the main area IFAP hopes to address, making the regulatory process clear and easily understood. These risks are particularly important since foreign investors may be unfamiliar with the domestic regulation environment.

To understand how these policy recommendations correct market failures, support the investment climate and help firms make more informed investment decisions, this section will examine each of the eight IFAP principles in turn and describe how they impact either cost or risk calculations.<sup>3</sup>

### **Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies**

Information relevant to potential investors should be readily available, easily accessible, and accurate. While this goal is a valuable target for all levels of government, it is especially important as firms decide whether or not to invest their resources in a long-term international

---

<sup>1</sup> The investment climate could be defined by three broad set of variables: macroeconomic policies such as fiscal, monetary and trade policies; governance institutions; and infrastructure. (OSCE 2006)

<sup>2</sup> Multilateral Investment Guarantee Agency (MIGA) 2012 Annual Report

<sup>3</sup> This section draws from a previous PSU-sponsored report "Measuring Progress in Implementing APEC's IFAP" - prepared by the Centre for International Economics, October 2009

project. Inconsistent or unavailable information can cause investors to question the ability of a foreign economy to meet basic requirements and leave both cost and risk decisions unclear. The World Bank<sup>4</sup> noted that over 70% of economies may miss out on investment opportunities because they are unable to provide the basic business information that companies need during the site selection process. Principle 1 is particularly important for investors deciding among competing investment destinations during the site selection process.

### **HIGHLIGHT: Investment Promotion Agencies**

PSU research found that all APEC member economies have an investment promotion agency (IPA), the first point of contact for most firms conducting due diligence on potential hosts. These agencies reduce both cost and risk for investors by aggregating all necessary information in an accessible central source, reducing the time-cost spent searching for documents and, by enumerating the processes required to operate a business in the host economy, reducing the risk of unexpected impediments arising once operations have begun.

The World Bank's Global Investment Promotion Best Practices 2012 found that the best performing IPAs carry out two key roles:

- Maintain strong websites complete with all data investors need to perform their analyses
- Respond quickly, accurately, and professionally to investor outreach

Their report highlights Australia's Austrade website as a leading example of how IPAs can structure their internet presence to maximize data availability while retaining an inviting visual appeal.

Canada was noted as a leader in responsiveness. The evolution of Invest Canada from a reactive institution responding to company requests into a proactive body seeking out potential investors was highlighted as a demonstration of the potential IPAs can have in meeting wider economic goals.

## **Principle 2: Enhance stability of investment environments, security of property and protection of investors**

Stable operating environments increase the likelihood that a firm's foreign investment will produce viable, long-term benefits for both the investor and the host economy. As such, implementing this IFAP principle can be seen as a risk-reduction step of an economy's investment policy especially after foreign firms have begun operating in the host economy.

Dispute resolution is an important demonstration of how stability affects a firm's investment decision. Disagreements will inevitably arise while doing business and foreign firms desire to know that the rule of law will be imposed fairly and uniformly. Bilateral investment treaties

---

<sup>4</sup> World Bank Group, "Global Investment Promotion Benchmarking: Summary Report" 2009

(BITs) fill this role, ensuring that foreign firms have the right to settle disputes in binding international arbitration outside the host economy's judicial system. Evidence shows that having BITs in place increases the amount of FDI flowing between economy pairs.<sup>5</sup>

### **HIGHLIGHT: IIAs and BITs**

International investment agreements are important tools an economy can use to improve its investment climate, specifically bilateral investment treaties (BITs). BITs seek to create a more welcoming environment for foreign investors by providing legal protections and freedom from expropriation, often by allowing disputes to be settled by an independent international arbiter such as the International Center for the Settlement of Investment Disputes. In this way, BITs can be viewed from the same business perspective as IFAP: acting to reduce an investor's cost and risk.

Within the APEC region, 120 international investment agreements have been agreed between member economies, covering 58% of bilateral pairings according to the World Bank's International Center for the Settlement of Investment Disputes.

Economies around the world have embraced BITs as a centerpiece of their investment policy: 2,833 are currently in force along with more than 300 preferential trade agreements (PTA) which generally contain clauses similar to those found in BITs.

Several studies (Kerner 2009, Neumayer and Spess 2005) have employed robust statistical techniques across global databases and concluded that BITs are effective in attracting foreign investment, especially for developing economies seeking investment from the industrialized world. In this light, BITs represent an area where rapid progress could be made on the regional front, encouraging investment through a demonstrable commitment to security and stability for investors.

### **Principle 3: Enhance predictability and consistency in investment-related policies**

Investors are drawn to an environment where policies and laws are applied predictably and consistently, reducing the risk that they will encounter unforeseen hurdles. Arbitrary application of the law and other forms of corruption discourage investors with an existing presence from expanding their operations and sends a strong negative signal to potential investors that projected costs may increase, dissuading investment from ever entering the economy.

Transparency is the best way to ensure predictable, consistent policy application. IFAP guidelines remind economies of the importance of transparency in every step of the investment process, yet the impetus for ensuring that transparency is applied instead of implied ultimately rests with each domestic government.

---

<sup>5</sup> Eric Neumayer and Laura Spess, "Do bilateral investment treaties increase foreign direct investment to developing countries?" May 2005.

Policymakers should keep in mind that foreign investors make their initial investment assessments from a distance unless they have previous operational experience in the targeted host economy. As such they often rely on media reports or analysis from trusted international organizations for their first impressions of the host's regulatory environment in addition to the information presented by IPAs. Once they have entered a host economy and gain more first-hand experience in dealing with the domestic regulation, predictable and consistent policy application becomes even more important. If these firms encounter too many challenges or the risk of unexpected policy changes becomes too high, they may decide to divest their positions and move operations to a new location.<sup>6</sup> Actions such as this set a bad precedent and send negative signals to other potential investors about an economy's investment environment, providing further evidence of the importance of predictable, consistent policy application.

#### **Principle 4: Improve the efficiency and effectiveness of investment procedures**

Excessive burdens add additional cost to foreign investors. Multiple administrative forms, unnecessarily-long processing times, and burdensome procedures for connecting to infrastructure such as power and water place additional cost-layers on a firm's investment decision, reducing their incentive to invest in these overly-burdensome economies.

World Bank Ease of Doing Business indicators as well as the Investing Across Borders series highlight the costs associated with inefficient investment policies. The international best practice described by these agencies constitute much of the content in IFAP capacity building projects, so policymakers should familiarize themselves with the concepts to better understand the underlying rationale behind the IFAP principles.

#### **Principle 5: Build constructive stakeholder relationships**

By establishing a rapport with all players affected by investment policies – the business community, consumers, international organizations, and other branches of domestic government – policymakers open communication channels with all interested parties, ensuring that each has an opportunity to voice concerns and allowing government officials to effectively describe the benefits behind their changes.

Open communication between government and the business community lowers the risk that unexpected policy changes will negatively affect investors as well as acting as a valuable tool for governments to generate feedback from the business community. This can be seen as a commitment to transparency – in line with principle 3 – and a strong signal to potential investors that they will have the opportunity to voice their concerns and have those concerns incorporated into future policy decisions.

---

<sup>6</sup> Imad Moosa, "Foreign Direct Investment: Theory, Evidence, and Practice", 2002

**Principle 6: Utilize new technology to improve investment environments**

Technology speeds up the investment process, making it easier and faster for foreign investors to enter new markets and thereby reducing opportunity cost.

For the government, the benefits of using technology come through simpler, more efficient processes, not in the technology itself. Economies need not invest in the most expensive or complicated technology to woo potential investors; rather they should focus on using technology to simplify their investment process and reducing the cost faced by investors.

The best-practices cited from the experience of successful IPAs show the usefulness of technology in terms of fostering transparency and accessibility of investment policies. The 2012 Ease of Doing Business report describes how economies are making business regulation and the regulatory process more accessible, helped in many cases by e-government initiatives.

**Principle 7: Establish monitoring and review mechanisms for investment policies**

Reviewing investment policies as a stand-alone action is unlikely to persuade firms to invest in any given economy. Instead, much like technology, the action of reviewing existing policies demonstrates a willingness by leaders to take a proactive approach to the policy environment. By ensuring that the existing rules are still appropriate for the current environment, policymakers reduce firms' perceived risk of overly-rigid or stagnant rules. Applying IFAP principles 5 and 6 would support an effective review of investment policies.

**Principle 8: Enhance international cooperation**

Another signaling device, being an active, responsible member of the international community demonstrates that economies are committed to international best practice and the rule of law and lowers the risk a firm takes in making their investment decision.

## FDI DATA

Now that we better understand the reasoning behind IFAP and how it interacts with the investment environment, our analysis will shift toward examining the empirical evidence of FDI within APEC member economies. We begin by describing our project mandate and data.

The Policy Support Unit was tasked with analyzing the pattern and trends of foreign investment (mainly FDI), focusing on inter-regional and intra-regional FDI flows, and the sectoral composition of FDI flows.

This is an area of the FDI literature which has lacked extensive investigation in the past, mostly due to a lack of high-quality data. Taking the opportunity to fill a unique niche in the field and build on the cooperation inherent in APEC's mission, the PSU has built a proprietary database consisting of sectoral FDI flows within the APEC region over the years 2000-2010.

The PSU would like to note the importance of making investment data publicly available, a step toward meeting the key IFAP goal of transparency. All APEC member economies agreed that the PSU should proceed with this analysis and even then many failed to provide information on their international investment positions. A foreign firm looking for the same data would face large time costs searching for the sources and, if they failed to find even basic information on an economies' investment policy, may deem the risk too high to proceed. To avoid these potential problems in the future, the PSU strongly encourages all APEC members to be more forthcoming with their FDI data in line with the IFAP principles.

Our data are sourced directly from the domestic agencies responsible for aggregating and reporting FDI data – either central banks, finance ministries, or domestic statistical agencies, the same bodies used by UNCTAD to compile their foreign direct investment reports.<sup>7</sup> By using these sources, we have done our best to ensure that the data have been assembled using international best practice and are of the same quality demanded by comparable international organizations. This includes using a minimum threshold of 10% foreign ownership of a company as well as calculating the reported figures on a balance-of-payments basis. Where possible, we have compared the total FDI flows reported to us with the figures published in UNCTAD's World Investment Report to ensure that the data we received matches that used by official United Nations sources.

Here we must note the difficulty of making accurate classifications of what constitutes foreign direct investment. It can be challenging for economies to know where foreign investors are based, which industry a newly-acquired company should be classified under, and what value to assign to a given asset. As such, FDI data are subject to large corrections once initial reports have been updated and amended.

---

<sup>7</sup> For additional information on data compilation, please see the UNCTAD Training Manual on Statistics for FDI and the Operations of TNCs, Volume I

For this reason, the PSU chose to study the period 2000-2010. We were able to analyze a long time period which has already been subject to revisions, allowing a stable source of data that should not change with future corrections.

The sectoral and source-economy breakdowns were reported by each member based on their own internal classification system. This naturally raises concerns about how accurately we are able to draw conclusions across economies without a uniform system in place. As such, the PSU took a series of corrective actions to address these short-comings and ensure that our data are as accurate and reflective as possible.

First, we rely only on sources which use international best practice in their FDI compilation. By providing their reports in good-faith we believe these calculations represent an accurate representation of the FDI picture within each economy. Also, by comparing the sum total of FDI reported to us with internationally recognized figures reported in the UNCTAD World Investment Report, we are able to conclude that the data are in line with reports to other internationally-respected bodies.

Second, PSU researchers compiled each economy's response into 8 aggregate categories – total FDI, agriculture, construction, finance and investment<sup>8</sup>, manufacturing, mining, trade and logistics, and services. In this way, we were able to control the variation which existed between various reporting economies. For example, many economies reported foreign investment in their financial sector and insurance sector as separate classifications, while others did not report an insurance category. Though we were unable to determine the extent of overlap in those not reporting such a breakdown, by combining similar groupings into consistent, broader categories we ensured this non-uniform raw data did not alter our final results.

Finally, we did not attempt to draw conclusions from data which were not reported, choosing instead to leave those categories blank until additional inputs are shared. For example, Japan provided data from the years 2005-2010, not covering the earlier portion of our request, while many economies have yet to respond in any way to our requests. PSU researchers chose to leave those categories blank during this initial analysis and hope that a more detailed breakdown can be offered in the future.

We acknowledge that this system is not perfect and leaves room for minor discrepancies across reporting economies. However, it is the most detailed breakdown of FDI data that our research has been able to uncover in the Asia-Pacific region and, since it was compiled from sources using international best practice and standardized by PSU researchers, we believe these data represent the most accurate reflection available of intra-APEC FDI flows.

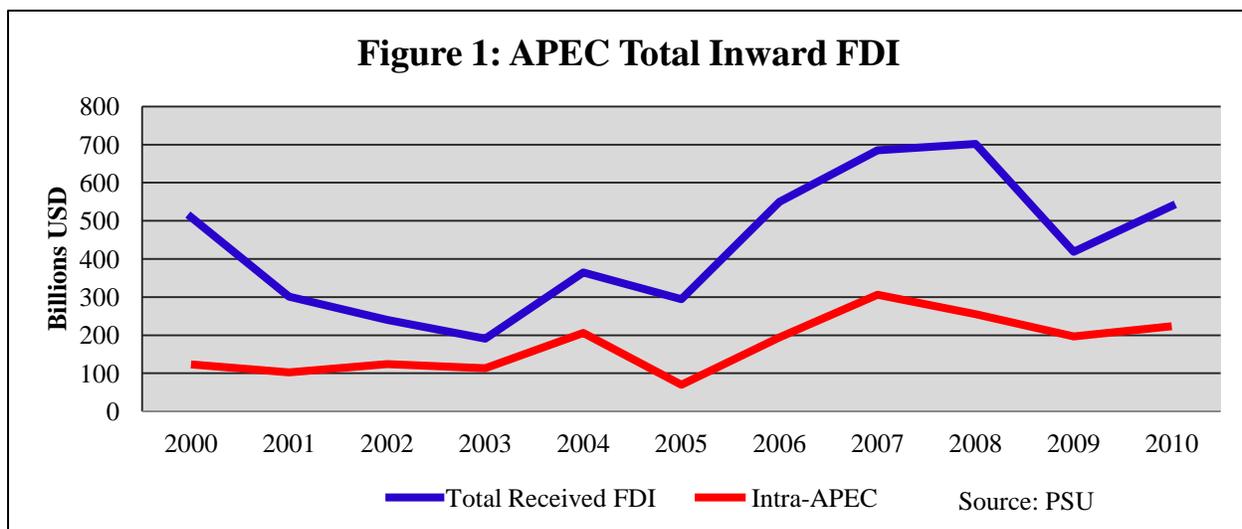
---

<sup>8</sup> This grouping includes investment categorized under 'real estate' by reporting economies. Roughly half of those reporting included real estate as a separate component and half did not. Rather than omitting this data, PSU decided to include real estate under the finance and investment heading which includes more traditional areas such as banking and insurance. Though the PSU was unable to determine the intended usage of those land investments, we assumed they were used for investment purposes and not another usage such as purchasing land to build a factory. If this assumption holds, then the value-added motivation of the foreign firm is to earn investment profits from their land acquisition which is consistent with inclusion under the financial heading.

## FOREIGN DIRECT INVESTMENT IN APEC

US\$ 4.8 trillion in foreign direct investment flowed into APEC economies during the last decade, equal to 1.83% of total GDP or an average of \$179 per person per year. These headline numbers match up well with global averages but conceal extensive regional variability. Our analysis will explore each APEC economy's investment portfolio in as much detail as possible, revealing a more nuanced story of how connections, investment, development and policy intermingle in the broader economic context.

Our initial findings were surprising but perfectly in line with the IFAP guidelines and economic theory: APEC members with a high per-capita GDP and large developing economies received a majority of FDI flows. Examining these flows at the sectoral level allowed the PSU to explore the areas foreign investors found promising and where policymakers attempted to channel these investments. We found that not all sectors are created equal, with wide discrepancies in funding levels to various sectors reported around the region. Further, only 40% of those funds were intra-APEC - originating in one APEC economy and destined for another - leaving additional room for further regional investment initiatives. All figures are in nominal US dollars following UNCTAD practice.



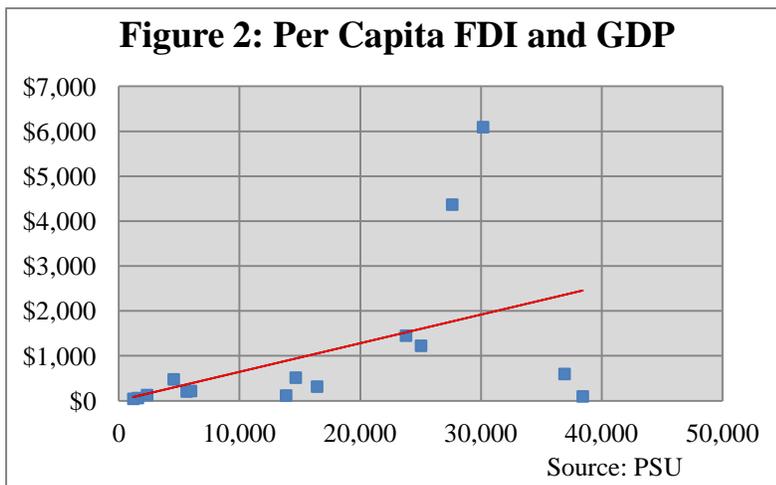
### Industrialized APEC Economies

The five industrialized APEC economies – Australia; Canada; Japan; New Zealand; and the United States – are both the primary sources and destinations of foreign investment in the Asia-Pacific region. Combined they received a total of \$ 2.78 trillion in foreign investment from 2000-2010, 59% of total APEC inflows for that period.

Most of these funds were sourced from outside APEC: only 31% or \$866 billion came from other APEC members. Even within this intra-APEC flow, we begin to see a hierarchy: 77% or \$759 billion originated in one of the other industrialized APEC members. This figure means that

65% of all investment flowing out of industrialized APEC economies went to other industrialized economies.

These results confirm the idea that firms invest abroad for a wide range of issues and seriously examine both the cost and risk factors involved. Instead of the classic notion of foreign companies investing in less-developed economies to take advantage of cheaper factors of production and developing economies benefitting from the hoped-for technological spillover effects, we instead see firms from developed economies choosing to operate in other developed economies. This seems to validate IFAP's premise that simply improving the investment climate is not sufficient for attracting FDI and highlights the importance that economy-wide improvements in competitiveness can bring.



We also begin to see the correlation between per capita GDP and per capita FDI. Richer economies attract more FDI on average than less affluent economies. While it's difficult to determine whether more FDI causes higher per capita GDP or vice versa, there exists a clear association between the two factors, specifically for developing economies. Using a global dataset of developing economies, a World Bank analysis<sup>9</sup> found that for every

1% increase in per capita GDP, FDI increased by 1.27%, showing the strong positive association between the two variables. Our analysis looks at this variable for many APEC economies and finds a similar trend. Unfortunately, due to our data limitations the empirical evidence in our analysis is rather weak even though our result shows a similar, positive trend. Econometric regression analysis which includes more economies would allow us to make more accurate assessment of the importance of this and other key variables.

Australia received US\$304 billion during the last decade, equivalent to \$1,449 per capita each year or 4.22% of total GDP. Of this, 53% or \$160 billion came from other APEC members. Australia was an active investor in APEC as well with their firms investing \$62 billion in other APEC economies. A strong majority of these funds, 83%, flowed to other industrialized APEC economies.

Canada received \$436 billion in total foreign investment from 2000-2010, 46% coming from other APEC members. This number highlights the close relationship Canada shares with the United States: 97% of these intra-APEC flows came from American firms. Annual per capita FDI averaged \$1,225 for every Canadian, equal to 3.62% of total GDP.

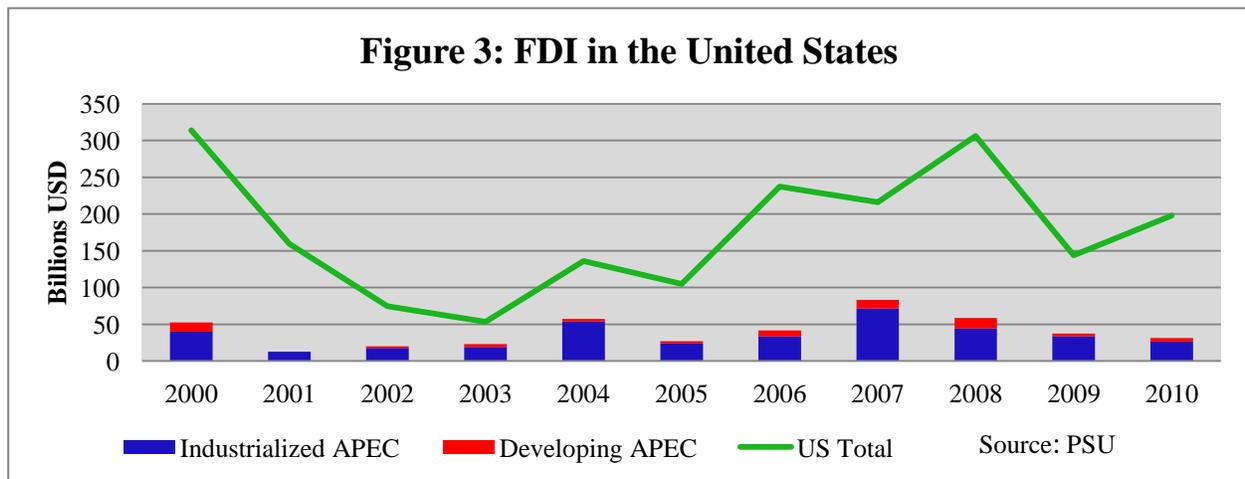
<sup>9</sup> Mansoor Dailami, "Mobilizing International Resources for Development: Foreign Direct Investment and Other Private Flows", 2008.

Canadian firms were active investors primarily in the United States, sending \$207 billion or 84.5% of their total \$245 billion in intra-APEC funds to their southern neighbors. Intra-APEC funding accounted for 53% of Canada's total outward FDI of \$465 billion.

The PSU received Japanese data for the 2005-2010 period, so our analysis will focus only on these 6 years. During that time, Japan received nearly \$74 billion in foreign investment, of which over \$40 billion or 55% came from other APEC members. We can see less openness to outside investors when examining these numbers on a per capita and percentage of GDP basis: annual FDI was only \$97 per person or 0.26% of GDP from 2005-2010.

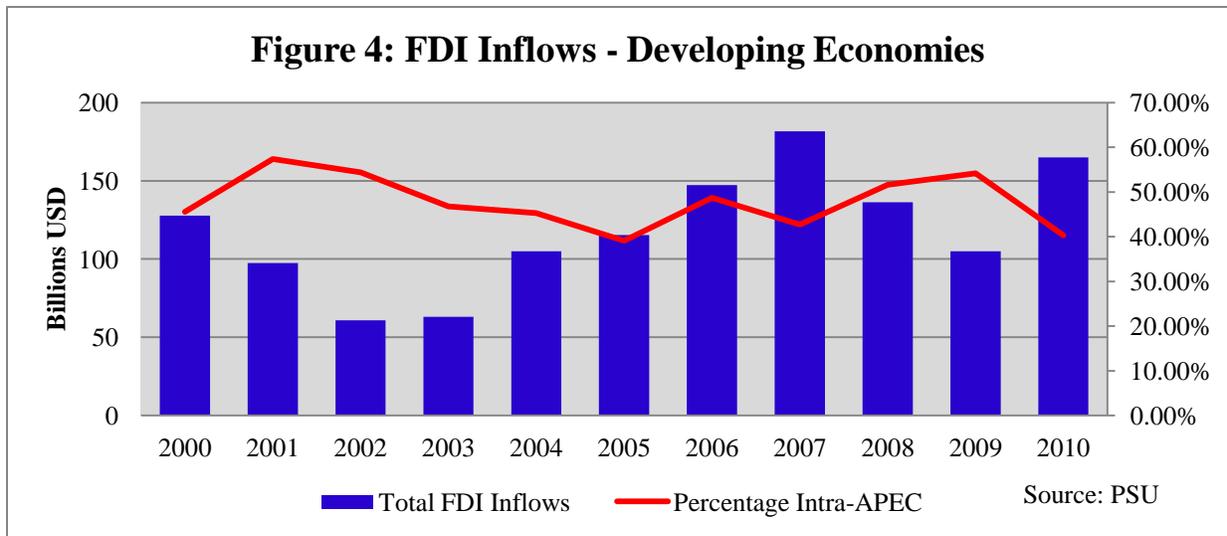
Japanese firms were much more active in the region, investing \$319 billion in other APEC economies. This was equivalent to 54% of their total external investment of \$590 billion. The United States received the largest share of these funds, absorbing \$135 billion or 41% of Japan's total intra-APEC investment followed by China with \$41 billion.

The strong bilateral relationship New Zealand shares with Australia can be seen in New Zealand's FDI numbers: of the \$23 billion in outside investment received over the last decade, nearly \$20 billion or 86% came from Australian firms. 46.5% of New Zealand's outward investments within the APEC region flowed to Australia as well.



Coming to the United States, we find the real engine of investment in APEC. The US received over \$1.9 trillion in outside investment in the years 2000-2010, equivalent to 40% of total FDI entering APEC. While APEC firms were active investors in the US market, we see that the United States appealed to global firms: only 22% of these funds came from other APEC members. Within that 22%, the numbers are skewed heavily toward just a handful of economies: Australia; Canada; Japan; Korea; Mexico; and Singapore accounted for over 97% of the total \$440 billion APEC investment in the United States.

US companies were also active in APEC, entering deals worth \$538 billion or 28% of total intra-APEC FDI.



### Developing APEC Economies

Examining the investment position of all developing APEC economies is a difficult task. The Policy Support Unit was able to secure data on total FDI broken down by APEC member economy for only 10 of the 16 developing economies. Of these 10, only 5 – Chile; Mexico; the Philippines; Singapore; and Thailand – followed through on PSU requests for data on sectoral investment. Our analysis covers only those economies who submitted data or whose official statistical agencies publicly provided the necessary breakdowns.

Developing APEC economies recorded over \$2 trillion in foreign investment in the decade ending 2010, 42% of APEC's total; approximately \$1 trillion was sourced from other APEC members. Interestingly, 61% of this intra-APEC investment came from other developing APEC members which highlight strong regional connections.

Intra-APEC FDI has shown a counter-cyclical trend as demonstrated in Figure 4 above. The percentage of intra-regional flows into developing APEC economies are at their lowest when foreign investment flows are at their peak. Conversely, when investors from other regions reduce their funding, intra-APEC flows reach their highest level in percentage terms, demonstrating APEC's resilient connections and commitment toward regional development. While this finding is positive for the region as a whole, the benefits of FDI are not uniformly spread.

The differences between developing APEC economies can be rather stark. Average per capita FDI among all 10 reporting economies is \$1,361. If Singapore and Hong Kong, China are removed along with their average per capita FDI of \$5,229, the total for all remaining developing APEC members falls to \$211. Clearly, understanding the intricacies of foreign investment in these economies requires a more detailed breakdown.

China experienced the most dynamic investment growth of any APEC member that reported data during the last decade. Starting in 2002, China received FDI flows that more than doubled in volume on an annual basis, increasing from \$52 billion to \$114 billion in 2010. This represented

the largest percentage and actual increase among APEC members and made China APEC's second largest destination for international investment after the United States. Yet on a per capita basis, China lags behind other APEC economies in attracting foreign investment, averaging only \$60 per person. These measures show both the size and dynamism of the Chinese economy and how extensive reforms need to be in the future in order to fully meet IFAP goals of openness and transparency.

Externally Chinese firms have become much more active, increasing their outward FDI flows from \$6 billion in 2000 to over \$68 billion in 2010. A majority of these funds, 71%, have stayed within the APEC region.

Hong Kong, China attracted

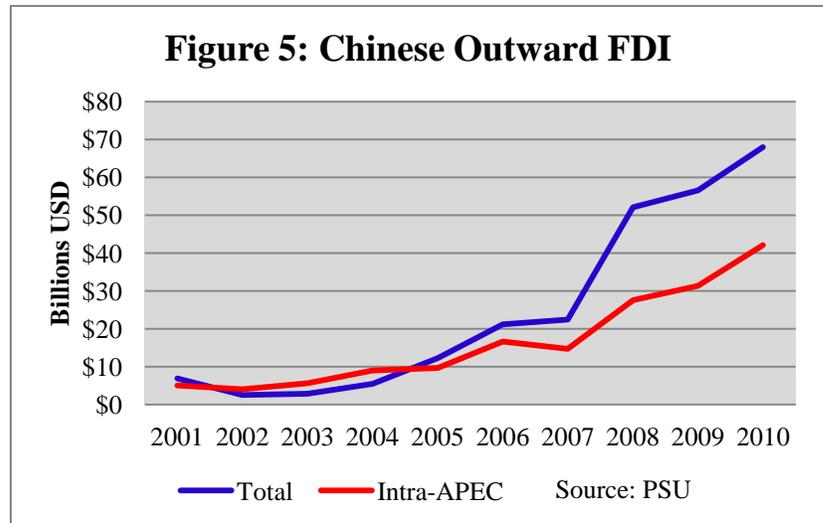
US\$453 billion of FDI inflows, equivalent to 22% of its total GDP (one of APEC's highest) or an average of US\$5,994 per capita during this period. 44% of these FDI inflows came from within the APEC region. In particular, HKC showed a strong investment relationship with China: US\$161 billion or 36% of its total FDI came from Chinese firms, which is equivalent to 80% of HKC's cumulated FDI inflows from the APEC region.

Hong Kong, China also played a predominant part in facilitating intra-regional FDI flows. For the years 2000-2010, FDI outflows amounted to US\$483 billion, equivalent to 23% of its total GDP during this period, 63% of which went to the APEC region. Eighty-six percent of these FDI outflows to the APEC region went to China, once again reflecting the close investment relationship between HKC and China. Such outflows amounted to US\$257 billion, equivalent to 55% of HKC's total FDI outflows.

Chinese Taipei recorded over US\$73 billion in FDI inflows during the years 2000-2010 with 39% coming from other APEC economies. We were able to gather data on investment from the People's Republic of China for the years 2009 and 2010. During those two years, Chinese firms invested US\$131 million in Chinese Taipei, nearly as much as Australia recorded in the entire decade. With more complete data on Chinese FDI, it's likely that APEC's share of total FDI within the Chinese Taipei economy would increase. The United States and Japan were the most active reported APEC economies with their firms investing \$12 billion and \$8 billion respectively.

Externally, firms from Chinese Taipei invested US\$ 36 billion in the APEC region.

Korean firms were more active investors than recipients in the APEC region during the last decade, receiving \$35 billion in FDI while investing \$62 billion. These numbers also show a



higher degree of progress still available in meeting IFAP goals as FDI accounted for only 0.76% of GDP, one of the lowest totals in APEC.

Southeast Asian economies submitted at the lowest rate of all APEC members, with only Malaysia; the Philippines; Singapore; and Thailand responding to PSU requests for data. However, the Philippines; Singapore; and Thailand all provided detailed breakdowns by source economy and sector as requested. Their assistance is greatly appreciated by PSU staff.

These four economies reported \$425 billion in total FDI during the years 2000-2010, 44% of which came from other APEC members. Of the \$179 billion in intra-APEC investment, the Southeast Asian economies were the most well-balanced between industrialized and developing APEC investment with 52% coming from industrialized economies and 48% from developing members. These headline numbers mask deep differences, however, which we will explore in more detail in the economy-specific breakout below.

Malaysia received \$135 billion in FDI from around the world during the last decade, most of which came from outside APEC. Japan; Singapore; and the United States accounted for a combined \$45 billion of foreign investment in Malaysia, 81% of total APEC funds flowing in to the economy. Total FDI accounted for an average of 9.2% of GDP, however, showing that Malaysia has made considerable progress opening their market to foreign investment even if regional firms are less active investors.

The global outlook shows in Malaysia's external investment as well with only 30% of its \$64 billion in outward FDI invested in the APEC region.

The Philippines reported data for the years 2005-2010. In that period, they received a total of \$23 billion in foreign investment for an average of \$3.8 billion per year. APEC economies were quite active, accounting for over 70% of that total. Japan; Korea; Singapore; and the United States combined for \$14 billion of FDI, good for 61% of total investment and 88% of APEC funding. The Philippines lags other economies as an FDI destination, receiving an average of only \$43 per capita or 1.29% of total GDP.

Singapore is a global destination for foreign funding, attracting over \$215 billion during that last decade or an average of \$4,366 per capita. Singapore's openness to foreign investment is reflected in the percentage of FDI to GDP, second to HKC at 14.5%. However, this openness to the global marketplace also leaves Singapore open to global fluctuations and their FDI numbers reflect this, rising during the boom years before the recession in the early 2000s, and showing the same pattern in the run-up to the Global Financial Crisis in 2008. Still, Singapore did not experience a net withdrawal of funding at any point during our period of analysis, showing that their commitment to the IFAP goals and broader economic stability were rewarded with higher levels of foreign investment.

Thailand, like the Philippines, reported data for the years 2005-2010. During this period they received over \$51 billion in foreign investment, 63% of which came from other APEC economies. Thailand was relatively open to foreign investment with FDI averaging over 3.6% of

GDP for the period as a whole and nearly 4% if data from 2009 and the dip related to the Global Financial Crisis are removed.

We will examine the sectoral breakdowns of the Philippines; Singapore; and Thailand in the next section.

Chile and Mexico were the Latin American economies reporting data and each offered a complete sectoral breakdown along with their headline numbers. These numbers will be analyzed more closely in this section with additional sectoral reporting to follow in the next section.

Chile reported nearly \$37 billion in FDI during the 2000s, equaling an average of \$206 per capita or 3.13% of GDP. Intra-APEC investment is dominated by the industrialized economies, led by Canada and the United States each with over \$7 billion invested.

Nearly one-third of total foreign investment went to the mining industry with APEC economies providing over 70% of that total. Canadian firms led this sector with over \$4.5 billion invested in mining alone. Both Australia and Japan accounted for roughly \$1 billion in Chilean mining investment as well. The construction industry and trade and logistics sectors were also receptive to foreign investment, accounting for a combined 50% of total FDI in Chile. The agricultural and financial sectors were the most closed, combining for only approximately 10% of total FDI.

Mexico received over \$255 billion in foreign investment in the last decade, equal to \$218 per capita or 2.9% of GDP, roughly similar with Chile's reported figures. The United States is easily the largest source of international funding flows into Mexico, with 50% of total FDI and 89% of intra-APEC flows during the last decade. Of these intra-APEC flows, a majority went to the financial and manufacturing sectors which combined for nearly \$100 billion in foreign investment.

## SECTORAL BREAKDOWN

This section will explore sector-specific investment outcomes, how they differ across the region, and variations between economies at various levels of development. With this data, we will be able to examine the level of intra-APEC cooperation in more detail and analyze how open specific sectors within each member's economy are to international capital markets. We begin with the industrialized APEC economies that provided data for our report, the United States and Japan.

The United States offered breakdowns into four sectors that we analyzed: finance, manufacturing, services, and trade. They did not have a breakdown into agriculture, construction, or mining, making it impossible for the PSU to analyze these sectors. From the data available we can tell that the United States is rather open to investment from APEC member economies in the trade, manufacturing, and financial sectors with \$90 billion, \$102 billion, and \$103 billion in each respective category during the years 2000-2010. Canada and Japan dominate the manufacturing sector with their firms investing a combined \$87 billion or 85% of total APEC funding into American firms. These two economies see their share rise to 93% or \$84 billion in the trade, logistics, and communication sector. Canada alone shines through in the finance, real estate, and insurance sectors with over \$77 billion invested in the United States over this period, 75% of total intra-APEC investment.

In the service sector, though, America receives considerably less investment from APEC members. Again Japanese and Canadian firms supply a majority of the investment with 96% of total intra-APEC funding, but the total volume is only slightly more than \$12 billion over the decade to 2010, significantly less than the other reported categories. From our data it is not possible to determine if this reduction is due to high barriers to entry or that other APEC firms are less simply competitive than their American counterparts.

FDI into Japan was a more nuanced picture with many foreign firms divesting their holdings in Japanese companies over the last decade. The financial sector received over \$33 billion from APEC members, though American firms invested \$35 billion in total. Many other firms from APEC economies reversed their positions and moved out of the Japanese market. In the manufacturing sector we see an absolute removal of \$2.8 billion from APEC economies, while in the service sector and trade and logistics, a majority of economies show little net growth or outright reversals in the investment holdings. Both sectors show gains amongst other APEC members but those are heavily bolstered by Singaporean and US firms, responsible for a combined 74% and 78% of each respective sector.

In the agriculture, construction, and mining sectors, Japan reported minimal investment from any APEC members. Primary resource extraction is not a major component of the Japanese economy and many Japanese construction firms are world-leaders who seek out and win contracts abroad, so low numbers in the mining and construction sectors are in line with expectations. However, our research found few economically-efficient causes for limited investment in the agricultural sector. Reforms which ease investment into agriculture could offer strong gains for the Japanese economy.

Singapore attracted more FDI from other APEC member economies during the years 2000-2010 than Japan drew globally, notching up over \$74 billion from the region. 64% of APEC funding came into the financial sector, demonstrating Singapore's push to become a financial center and its position as a safe haven in the region. For example, Indonesia and Chile combined to invest over \$11 billion in the sector, more than Australia; Canada; Japan; and New Zealand combined. Trade and logistics also showed strong gains of over \$15 billion, highlighting Singapore's strength as a global trading hub.

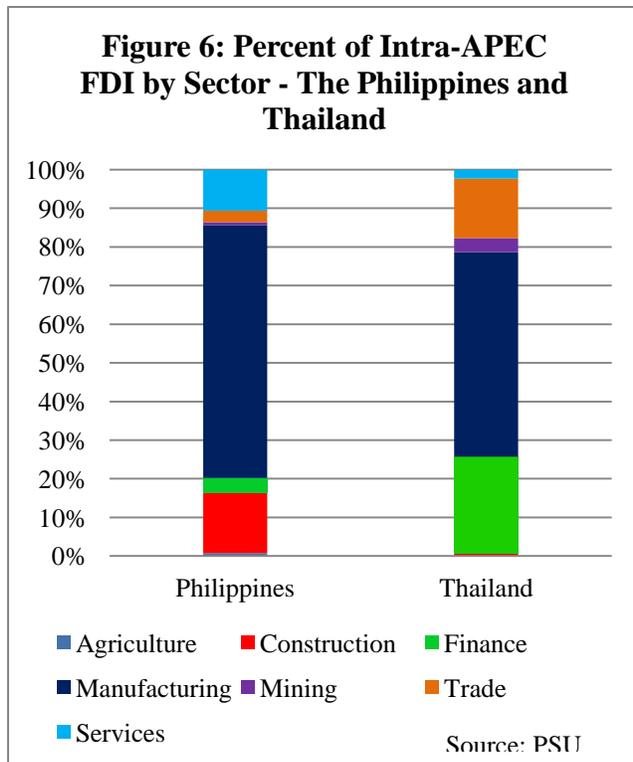
Singapore showed their openness to regional investment in other areas as well, with services and manufacturing showing strong gains and even mining and agriculture, not major drivers of the Singaporean economy, ending the decade with a positive investment. The only sector showing declines over our period of examination was the construction sector. Again, our data does not allow us to determine if this occurred due to few investment opportunities arising because of Singapore's competitive domestic firms or if other barriers to investment hinder regional entry. If barriers are the main culprit, welfare gains could stand to be gained by their removal.

The most interesting sectoral analysis available from our current data comes in examining FDI entering the Philippines and Thailand. Both are developing Southeast Asian economies which draw approximately 58% of their intra-APEC FDI from industrialized economies and 42% from other developing APEC members. Also, each reported sector-level data for the years 2005-2010, allowing us to make robust comparisons of their results. By examining the way each economy accepts and utilizes foreign investment, we will attempt to analyze the benefits FDI can have on developing economies' growth strategy.

Before examining the FDI numbers, however, we will begin by analyzing each economy's nominal per capita GDP. The Philippines per capita GDP rose from \$2,697<sup>10</sup> in 2000 to \$3,560 in 2010, equivalent to 2.6% annual growth. Thailand, by contrast, enjoyed an 8.2% annual growth rate in per capita GDP as the average wage rose from \$1,943 in 2000 to \$4,614 in 2010. Thailand's economic development model has been more effective in raising average wages during the 2000s. Building on the earlier premise that FDI increases along with per capita GDP, we'll now explore the differences between each economy's FDI bundle to examine in more detail how foreign investors impact economic development.

---

<sup>10</sup> All data in this paragraph are drawn from the World Bank's World Development Indicators via StatsAPEC. Nominal GDP is used so that measurement units are consistent for both FDI and GDP statistics.



Thailand has attracted the most FDI into its manufacturing, finance, and trade and logistics sectors, drawing \$28 billion, \$13 billion, and \$8 billion in respective intra-APEC investment. Their agriculture, construction and service industries have received relatively little attention from Asia-Pacific investors, drawing in only \$61 million, \$255 million, and \$1.2 billion over the last decade.

Investment in the Philippines, by contrast, has followed an opposite path. Manufacturing, construction, and services are the largest recipients of international investment, drawing in \$10.5 billion, \$2.5 billion, and \$1.7 billion respectively. The financial sector and trade and logistics industry drew in only \$606 million and \$475 million in intra-APEC investment over the same period.

In their World Investment Report, UNCTAD lists one of the primary challenges when integrating investment policy into a larger development strategy as “channeling investment to areas key for the build-up of productive capacity and international competitiveness.”<sup>11</sup> Economies seek out foreign investment in hopes of achieving knowledge spillovers in industries they would like to develop into productive drivers of growth. In this light, it would seem that both Thailand and the Philippines view manufacturing as an area where they can be competitive on the international stage. Both have attracted the largest share of intra-APEC FDI into their manufacturing sectors.

Other sectors, however, show a clear divergence in FDI growth. Thailand has received investment into the trade and logistics sector as well as finance, high value-added industries which appear poised to grow in importance in a globalized world. The Philippines have received investment in their construction industry along with the service sector, areas which are generally more focused on domestic consumption. Finance and trade lag behind other industries.

This divergence could arise because of many factors:

- Different growth strategies: export-led vs. domestic consumption
- Difficulty channeling FDI toward desirable industries
- High barriers to entry for foreign firms

<sup>11</sup> UNCTAD World Investment Report 2012.

Regardless of the reasons why, it is clear that Thailand and the Philippines appeal to foreign investors for very different reasons, though they share common economic development goals and a similar mix of inflows from both industrialized and developing APEC economies.

## PROJECTS ANNOUNCED SINCE 2011

5,218 intra-APEC investments totaling \$330 billion have been announced since the beginning of January 2011, according to the Financial Times fDi Markets database.<sup>12</sup> Firms from industrialized APEC economies have sourced a majority of these foreign ventures with American, Japanese, and Canadian firms pledging to invest in a combined 3,728 projects, 71% of total intra-APEC activity.

China has been the largest destination for pledged intra-APEC investment in the last two years, followed by the United States, Indonesia, Canada, and Mexico. Over \$214 billion in investment has been announced in these five economies, corresponding to 65% of the total intra-APEC value.

The services sector has seen the largest number of announced projects in the last two years, led by the sales, marketing and support segment. Manufacturing was the second most common recipient of foreign investment, followed by trade led by the logistics, distribution, and transportation segment.

48% of firms announced that the destination economy's growth potential was a prime motivating factor in their investment decision, while 34% noted proximity to markets of customers as a reason to invest.

The two preceding points – which sectors of the economy are receiving the most attention and the motivating factor behind a firm's decision to invest abroad – are important to consider when shaping an economy's investment policy. No matter what strategy policymakers implement to attract FDI, they will not be successful unless foreign firms believe that their investment will be viable and profitable.

A strong plurality of firms noted that the growth potential of the Asia-Pacific region was a factor in their decision to invest in the region. Their actions reflect that belief with the services and trade sectors growing in importance as foreign firms seek to position themselves to sell to host-economy consumers instead of simply relying on them for low-cost inputs or factors of production. Policymakers who incorporate these facts into a more comprehensive investment policy will be best positioned to take advantage of the gains foreign investment can offer in the future.

---

<sup>12</sup> The fDi Markets database records announced foreign investment projects, not necessarily projects that are implemented in any given time period. These numbers should be used for illustrative purposes only and as a signal of which markets are active sources and destinations of intra-APEC FDI.

## CONCLUSION

APEC economies were magnets for foreign investment over the last decade, attracting over \$4.8 trillion from global firms. These trends show no sign of reversing or slowing. Foreign firms remain positive on the APEC region, announcing over \$330 billion in new investment in the last 2 years and cite growing markets and close proximity as their primary motives. Foreign firms believe that the benefits of investing in the Asia-Pacific region outweigh both the cost and risk of doing so, decisions made easier by a more transparent, accessible investment climate facilitated by the eight principles laid out in the IFAP agenda.

However, these gains were not spread equally. Six APEC economies – Canada; China; Hong Kong, China; Mexico; Singapore; and the United States – garnered 84% of those flows with the United States alone receiving over 40% of total APEC FDI. A majority of internal flows were sourced in a handful of APEC economies as well, indicating that the gains from these investments are going to a small number of economies, but also signaling that many APEC members have substantial opportunity to advance their own positions within the regional investment field.

We also found evidence of positive counter-cyclical resilience in intra-APEC FDI flows, specifically for developing APEC economies. When others retrench and reduce their investments, APEC members maintain their support and continue to invest in the region, a demonstration of the commitment and strong connections which exist between member economies.

Another trend we were able to identify is the positive correlation between per capita GDP and per capita FDI. On trend, those economies with higher per capita GDP also attract more foreign investment per capita. Assigning causation to this trend is difficult without more complete data and, even then, sophisticated statistical techniques would be needed to properly account for strong endogeneity bias. Despite these short-comings, there is evidence that richer economies attract more foreign investment.

Economies also face difficult challenges directing those funds toward sectors in line with their broader economic agendas and adapting the policy environment to match. Yet opportunities exist for nimble, proactive economies that recruit foreign investors and understand the changing dynamics of firm demand. Service sector investment has moved past manufacturing as the area where foreign firms seek to channel their investments, offering recipient economies the opportunity to rise up the global value chain as international connectivity increases.

As a cooperative body, APEC offers substantial room to grow in the investment arena. Only 40% of international funds invested in the region came from other APEC member economies and only 58% of the region is covered by bilateral investment treaties or other international investment agreements. As an established forum seeking common understanding and progress on international economic issues, APEC offers a strong starting position for economies seeking to strengthen their position in the international investment field. IFAP offers a solid policy foundation to enhance an economy's investment climate.

Areas where future APEC cooperation could provide further benefits in facilitating international investment are in access to export markets, openness to trade, and transparency, areas which firms have identified as important factors as they analyze international investment positions and the core focus and strength of APEC. Directing future effort toward these issues could help further enhance APEC economies as a choice destination for foreign investment.

## REFERENCES

Aisbett, Emma, “Investment Promotion and Protection Agreements and Regulatory Takings: Understanding the Debate” 2008.

Dailami, Mansoor, “Mobilizing International Resources for Investment: Foreign Direct Investment and Other Private Flows” 2008.

Kerner, Andrew, “Why Should I Believe You? The Costs and Consequences of Bilateral Investment Treaties” 2009.

Moosa, Imad, “Foreign Direct Investment: Theory, Evidence, and Practice” 2002.

Neumayer, Eric and Laura Spess, “Do Bilateral Investment Treaties Increase Foreign Direct Investment to Developing Countries?” 2005.

Walsh, James and Jiangyan Yu, “Determinants of Foreign Direct Investment: A Sectoral and Institutional Approach,” International Monetary Fund 2010.

Financial Times fDi Markets Database.

Investing Across Borders – APEC, Investment Climate Advisory Services, World Bank, 2011.

Measuring Progress in Implementing APEC’s IFAP: Establishing a Methodology and Selecting Key Performance Indicators, APEC Policy Support Unit, 2009.

Multilateral Investment Guarantee Agency (MIGA) 2012 Annual Report, World Bank 2012.

World Bank, World Development Indicators.

World Investment Report 2012: Towards a New Generation of Investment Policies, United Nations Conference on Trade and Development, 2012.

UNCTAD Training Manual on Statistics for FDI and the Operations of TNCs: Volume 1, United Nations Conference on Trade and Development, 2009.

### Data Sources

Australian Bureau of Statistics; Statistics Canada; Banco Central de Chile; Ministry of Commerce – People’s Republic of China; Census and Statistics Department, Government of the Hong Kong Special Administrative Region of the People’s Republic of China; Bank of Japan; Statistics Korea; Bank Negara Malaysia; Secretaria de Economica – Mexico; Statistics New Zealand; National Statistical Coordination Board – Philippines; Department of Statistics – Singapore; Ministry of Economic Affairs – Chinese Taipei; Bank of Thailand; Bureau of Economic Analysis – United States

**Appendix I: Investment Facilitation –  
Menu of Actions and Measures  
(Voluntary submission by member economies)**

**Document is designed for double-sided printing.  
Blank pages have been deliberately included to allow correct pagination.**

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Australia)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> <li>▪ Ensure transparency and clarity in investment-related laws</li> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> <li>▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>	<p>In place</p> <p>In Place</p> <p><b>In Place</b></p> <p><b>In Place</b></p> <p><b>In Place</b></p> <p><b>In Place</b></p> <p><b>In Place</b></p> <p><b>N/A</b></p> <p><b>In Place</b></p> <p><b>Undertaken by the Australian Parliament</b></p>	<p>AUSTRADE</p> <p><a href="http://www.firb.gov.au">www.firb.gov.au</a></p> <p>AUSTRADE – <a href="http://www.austrade.gov.au">www.austrade.gov.au</a></p> <p><a href="http://www.asic.gov.au">www.asic.gov.au</a></p> <p>see <a href="http://www.firb.gov.au">www.firb.gov.au</a></p>	<p>(Describe the expected outcome within this principle)</p>



<b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	<p>Undertaken by Australian Parliament and State Parliaments</p> <p>National treatment extant</p> <p>Undertaken by Australian Parliament and State Parliaments</p> <p><b>In Place</b></p> <p><b>See -</b> <b>www.FIRB.GOV.AU</b></p>		(
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> <li>• Shorten the processing time and procedures for investment applications.</li> </ul>	<p>In place for each function</p> <p>Already undertaken for some investments</p> <p>Statutory timeframe in place</p>		

<ul style="list-style-type: none"> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services infrastructure</li> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>	In place		
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 5: Build constructive stakeholder relationships</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> <li>• Continue to share APEC member economies’ experiences of successful stakeholder consultative mechanisms</li> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> <li>• Continue to share APEC member economies’ experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises</li> </ul>	<p><b>Undertaken by Australian Parliament and State Parliaments</b></p>		

<p>including through the promotion of industry clusters</p> <ul style="list-style-type: none"> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC’s programs on corporate governance and anti-corruption.</li> <li>• Examine and share APEC member economies’ experience with responsible business conduct instruments</li> </ul>	<p>See <a href="http://www.ASIC.gov.au">www.ASIC.gov.au</a> and <a href="http://www.apra.gov.au">www.apra.gov.au</a></p> <p>Australia has endorsed OECD Guidelines for Multinational Enterprises and participates in other CSR forums</p>		
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 6: Utilise new technology to improve investment environments</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li>• Maintain adequate and effective protection of technology and related intellectual property rights</li> <li>• Where possible, give effect to international norms for property protection</li> </ul>	<p>Some online applications already available</p> <p>See <a href="http://www.ipaustralia.gov.au">www.ipaustralia.gov.au</a></p>		
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	<p>Reviews of investment procedures is undertaken on a continuing basis –</p>		

	no cost to applications for investment approval		
<b>Other voluntary actions in addition to the above:</b> ▪ _____ ▪ _____			
<b>IFAP Principle 8: Enhance international cooperation</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	Australia is a member of a range of international organisations which promote directly and indirectly better investment and trade practices.		
<b>Other voluntary actions in addition to the above:</b> ▪ _____ ▪ _____			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Chile)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies					
Specific Actions	Time Table	Details of implementation	Expected outcomes		
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> <li>▪ Ensure transparency and clarity in investment-related laws</li> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> <li>▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and</li> </ul>	In force	<p><b>Law N°20.285, Access to Information</b>, of the Ministry Secretary General of the Presidency, published in Official Gazette on august 20, 2008.</p> <p>Law N°20.285 <u>regulates the principle of public transparency</u>, the right of access to information of State Administration organisms, the procedures for the exercise of the right and thereunder, and the exceptions to the disclosure of information.</p> <p><b>Decree Law N°211, 1973, Competition Law</b>, Ministry of Economy, Development and Reconstruction, published in the Official Gazette on march 7, 2005, as amended by Law No. 20361/2009</p> <p>This law objective is to promote and defend free market competition. Restraints to free competition in economic activities will be corrected, prohibited and/or punished in the manner and with the penalties provided in this regulation.</p> <p>The National Economic Prosecutor Office (Fiscalía Nacional Económica or FNE) is the national agency responsible for ensuring free competition. As such, it must defend and promote competition in all markets or productive sectors of the Chilean economy.</p>	<p>Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</p> <p>Ensure transparency and clarity in investment-related laws</p> <p>Establishment of an Agency responsible for ensuring free competition, and make its existence widely known</p> <p>Ensure transparency and clarity in investment-related laws</p> <p>Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements.</p>		
	In force		In Force	In Force	In Force
	In Force		In Force	In Force	In Force
	In Force		In Force	In Force	In Force
	In Force		In Force	In Force	In Force
	In Force		-	-	-
	In Force		In Force	In Force	In Force
	Not in place		Not in place	Not in place	Not in place
	Not in place		Not in place	Not in place	Not in place
	In Force		In Force	In Force	In Force

measuring progress

The law of competition (DL 211) states that the National Economic Prosecutor Office is a decentralized public service, with legal personality and independent from any agency or service. It is subject to the supervision of the President of the Republic through the Ministry of Economy, Development and Tourism.

The National Economic Prosecutor is the head of the agency and practices both senior leadership as well as judicial and extrajudicial representation of National Economic Prosecutor Office. The President of the Republic, after a public and open contest, nominates the lawyer who serves a 4 years term as National Economic Prosecutor. Its removal, however, is not under the discretion of the President of the Republic, since it requires the approval of the Supreme Court and should be grounded on specific legal causes.

The Competition Tribunal (TDLC) is a judicial body in charge of adjudicating and solving disputes regarding competition law and issuing decisions in non-adversarial proceedings in competition matters. Competition Advocacy refers to the activities performed by the National Economic Prosecutor Office and the Competition Tribunal not directly implying law enforcement; Competition authorities in Chile conduct activities to advocate competition, in the strict sense, through three approaches: the FNE can persuade in favor of regulatory reform

		<p>directly before the regulator; the FNE can, indirectly through its complaints or reports, request the TDLC measures such as recommendations to regulators or propose regulatory modifications; lastly, the TDLC can formulate recommendations or propose regulatory reforms.</p> <p>As to the task of creating a culture of competition, i.e., to expand support from the community in general to market competition,, the FNE diffuses through various activities the benefits of competition and collaboration with other government agencies in the development of public policies affecting the economic order. Some competition advocacy initiatives include::</p> <ul style="list-style-type: none"> <li>-Market Studies: The FNE performs or outsources market researches in order to increase its knowledge and understanding of markets and economic activities in particular to assess the conditions of competition in a particular sector or industry.</li> <li>-Promotional Materials: Contains materials prepared by the FNE on various issues related to competition.</li> <li>-National Cooperation Agreements: Contains the framework agreements concluded by the FNE with other government agencies and universities to develop joint activities aimed at promoting the benefits of competition.</li> </ul>	<ul style="list-style-type: none"> <li>-Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>-Allow investors to choose their form of establishment within legislative and legal frameworks.</li> <li>-Encourage on-line enquiries and on-line information on all foreign investment issues</li> </ul>
--	--	--	---

		<p>The <b>Foreign investment Committee</b> is the Chilean Investment Promotion Agency since March 2012. The Foreign Investment Committee (FIC) is the body representing the State of Chile in their dealings with foreign investors and supports Chile's positioning as a highly attractive destination for foreign investment and international business role in matters related to the administration and dissemination of relevant legal regulations, development of promotional activities of various kinds and the development of relevant information on foreign investment for foreign investors and potential investors.</p> <p>In this regard the <b>Foreign investment Committee</b>:</p> <ul style="list-style-type: none"> <li>-Develop all kinds of initiatives to communicate, promote, coordinate and implement activities designed to foster the entry of Foreign Direct Investment to the country.</li> <li>-Provides general information about Chile, its social and economic environment, the legal framework and policies on foreign investment, providing specific information on starting a business as well as the procedures and regulations for every investor should adhere to enter direct foreign investment to the country.</li> <li>-Ensures proper implementation of the Foreign Investment Statute (Decree Law 600) in order to safeguard the rights of the State, as foreign investors through the dissemination of its content and administration of legal procedures linked to it: analysis</li> </ul>	<ul style="list-style-type: none"> <li>-Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>-provide advance notice of changes to laws and regulations.</li> </ul>
--	--	---	---

		<p>applications, contracts, authorization of consignments.</p> <p>-Post a record date and accurate statistical welcome foreign investment to Foreign Investment Statute, by systematizing the information on contracts as capital flows that are incurred against them, in order to safeguard the interests investors as well as statistical reporting for public use.</p> <p>Regularly publishes reports on the business climate and Chile and specific investment opportunities in both public and private projects and coordinates business meetings, conferences and seminars.</p> <p>-Coordinates the defense and representation of the Republic of Chile in arbitration court which is demanded by foreign investors, through the Defense Program in Foreign Investment Arbitration.</p>	
--	--	--	--

**IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> <li>Create and maintain an effective register of public or state owned property.</li> <li>Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> <li>Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> <li>Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> <li>Encourage or establish effective formal mechanisms for</li> </ul>	<p>In Force</p> <p>In Force</p> <p>Not in place</p> <p>Not in place</p> <p>In Force</p> <p>In Force</p>	<p>The <b>Chapter XIV of the Central Bank’s Compendium of Foreign Exchange Regulations</b> establishes rules for investment, capital contributions, and foreign credit. Under Chapter XIV, the Central Bank is not allowed to reject foreign investments, although it may impose conditions based on its monetary policy on the transfer of funds into and out of Chile, such as a one-year retention requirement. Once the investments are materialized, investors should provide information to the Central Bank</p>	<p>Invariability of Income Tax Regime</p> <p>Invariability of Indirect Taxes</p>

<p>resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</p> <ul style="list-style-type: none"> <li>• Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> <li>• Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> <li>• Take steps to accede to an arbitral convention</li> </ul>	<p>In Force</p> <p>-</p> <p>In Force</p>	<p>under Chapter XIV</p> <p>On the other hand, <b>Decree Law 600</b>, Foreign Investment Statute, of the Ministry of Economy, Development and Reconstruction, published in the Official Gazette on December 16, 1993.</p> <p>Any foreign individual or legal entity, as well as Chileans with residence abroad, can invest through D.L. 600. Under this mechanism, investors enter into a legally binding contract with the Chilean State, which cannot be modified unilaterally by the State or by subsequent changes in the law. However, investors may, at any time, request the amendment of the contract to increase the amount of the investment, change its purpose or assign its rights to another foreign investor.</p> <p>In regard to this principle Decree Law N°600, established:</p> <p><b>Special Advantages for Foreign Investors:</b> Although Chile's Constitution is based on the principle of non-discrimination, D.L. 600 offers some tax advantages for foreign investors. These are not "tax breaks" or "tax holidays", but are intended to provide a <b>stable tax horizon</b>, acting as a form of "tax insurance". D.L. 600 offers several different tax options, but basically allows the investor to lock into the tax regime prevailing at the time an investment is</p>	<p>Special Regime for Large Project</p>
--	--	---	---

made.

**Invariability of Income Tax**

**Regime:** All Chilean companies have to pay a First-Category Tax (or Corporate tax) equivalent to 17% Under Chile's Common Tax Regime, a 35% tax is currently levied on distributed or remitted profits. Interest paid to non-residents is also subject to a 35% additional withholding tax, however, interest on loans granted by foreign banking or other financial institutions is subject to a 4% tax, provided that excess indebtedness provisions do not apply. Under DL 600, a foreign investor can opt to lock into an effective fixed overall tax rate of 42% on taxable income for up to ten years, or -under article 11 bis- for up to twenty years in the case of industrial and extractive investments of US\$ 50 million or more. The investor, thereby, acquires immunity from any tax increases in the Common Tax Regime that may occur during that period. The lock-in can be waived at any time, but an investor cannot subsequently revert to the guaranteed 42% rate. The First-Category payment of 17% can be set against tax returns under both the Common Tax and Invariable Tax Regimes.

**Invariability of Indirect Taxes:**

D.L. 600 states that foreign investments brought into the country in the form of tangible assets are subject to the general

		<p>VAT taxation regime and customs regulations. However, foreign investors are entitled to include a clause in their contracts giving them access to a regime that freezes Value Added Tax (currently at 19%), as well as import tariffs on capital goods for the project, at their rate at the date of the investment. This special regime applies throughout the period authorized for carrying out the investment. Additionally, imports of some of these capital goods such as machinery or equipment are exempt from VAT in the case they are not produced in Chile and are on a list compiled, prepared and published by the Ministry of Economy's Foreign Trade Department. The current list was approved by Decree 204 of the Ministry of Economy, published in the Official Gazette ("Diario Oficial") on December 12, 2002, and is available at the <a href="#">Ministry of Economy's website</a>.</p> <p>Foreign investors who sign a D.L. 600 contract are exempted from VAT on other technology imports, providing they appear on this list compiled by the Foreign Trade Department. The products currently listed include accounting and data processing machines, TV cameras, lasers and magnetic resonance imaging diagnostic equipment (MRI), among several others.</p> <p><b>Special Regime for Large</b></p>	
--	--	--	--

		<p><b>Projects:</b> Under article 11 bis of D.L. 600, investments in new industrial or extractive activities, including mining, are entitled to additional tax benefits, providing they have a value of at least US\$ 50 million. Currently, the Foreign Investment Committee is revising its policy regarding article 11 bis, and new contracts under this regime are not being approved at this time. This policy is subject to change in the future.</p> <p>Expropriation is not defined directly under Chilean law. The <b>Chilean Constitution</b> makes reference to expropriation in article 19.24, which states: "In no case may anyone be deprived of his property, of the assets affected or any of the essential faculties or powers of ownership, except by virtue of a general or a special law which authorizes expropriation for the public benefit or the national interest, duly qualified by the legislator. The expropriated party may protest the legality of the expropriation action before the ordinary courts of justice and shall, at all times, have the right to indemnification for patrimonial harm actually caused, to be fixed by mutual agreement or by a sentence pronounced by said courts in accordance with the law".</p> <p>National jurisprudence has established that expropriation is</p>	Protect Property
--	--	---	------------------

		<p>an administrative act undertaken by virtue of the powers given directly by the legislation to the competent authorities, which must comply with a series of conditions, as set out in the Constitution.</p> <p>Further, Article 19, Nº 24, paragraph 1 of the Constitution guarantees to all persons: “The right of ownership in its diverse aspects over all classes of corporeal and incorporeal property. Only the law may establish the manner to acquire property and to use, enjoy and dispose of it, and the limitations and obligations derived from its social function. Said function includes all the requirements of the Nation’s general interests, the national security, public use and health, and the conservation of the environmental patrimony.”</p> <p>Therefore, limitations to property that can be established by means of an expropriation act can only be carried out by virtue of their social function. The Constitution has not defined this social function, but has rather described in detail its components: the Nation’s general interests, national security, public welfare and health, and the conservation of the environment.</p>	
<b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of</b>	<b>Expected outcomes</b>

		<b>implementation</b>	
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	<p>-</p> <p>In Force</p> <p>-</p> <p>In Force</p> <p>In Force</p> <p>In Force</p>		
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> <li>• Shorten the processing time and procedures for investment applications.</li> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services</li> </ul>	<p>Not in place</p> <p>Not in place</p> <p>Not in place</p> <p>In Force</p> <p>Not in place</p>		

<p>infrastructure</p> <ul style="list-style-type: none"> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>	-		
	Not in place		
	In force		

**IFAP Principle 5: Build constructive stakeholder relationships**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> </ul>	Not in place		
<ul style="list-style-type: none"> <li>• Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> </ul>	Not in place		
<ul style="list-style-type: none"> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> </ul>	Not in place		
<ul style="list-style-type: none"> <li>• Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> </ul>	In Force		
<ul style="list-style-type: none"> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> </ul>	In force		
<ul style="list-style-type: none"> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> </ul>	-		
<ul style="list-style-type: none"> <li>• Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>	Not in place		

**IFAP Principle 6: Utilise new technology to improve investment environments**

Specific Actions	Time Table	Details of	Expected outcomes
------------------	------------	------------	-------------------

<ul style="list-style-type: none"> <li>Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li>Maintain adequate and effective protection of technology and related intellectual property rights</li> <li>Where possible, give effect to international norms for property protection</li> </ul>	<p>In force</p> <p>In force</p> <p>-</p>	<p><b>implementation</b></p> <p>The <b>Foreign investment Committee</b> is the Chilean Investment Promotion Agency since March 2012. The Committee established an easy and fast mechanism to apply to investment process through internet, on line processes, and on line information for the public.</p>	<ul style="list-style-type: none"> <li>- use of technologies aimed at making the investment process simpler and faster.</li> <li>- Make information available to the public.</li> </ul>
<p><b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	<p>In force</p>	<p>The <b>Foreign investment Committee</b> is the Chilean Investment Promotion Agency since March 2012. In this regard the <b>Foreign investment Committee</b>:</p> <ul style="list-style-type: none"> <li>-Provides general information about Chile, its social and economic environment, the legal framework and policies on foreign investment, providing specific information on starting a business as well as the procedures and regulations for every investor should adhere to enter direct foreign investment to the country.</li> <li>-Ensures proper implementation of the Foreign Investment Statute (Decree Law 600) in order to safeguard the rights of the State, as foreign investors through the dissemination of its content and administration of legal procedures linked to it: analysis applications, contracts, authorization of consignments.</li> </ul>	<ul style="list-style-type: none"> <li>-periodic reviews of investment procedures available to the public on internet.</li> <li>- information on starting a business, general information about Chile and the legal framework and policies on foreign investment.</li> <li>-Ensures proper implementation of the Foreign Investment Statute.</li> </ul>

		<p>-Post a record date and accurate statistical welcome foreign investment to Foreign Investment Statute, by systematizing the information on contracts as capital flows that are incurred against them, in order to safeguard the interests investors as well as statistical reporting for public use.</p> <p>-Regularly publishes reports on the business climate and Chile and specific investment opportunities in both public and private projects and coordinates business meetings, conferences and seminars.</p> <p><b>The National Economic Prosecutor Office (Fiscalía Nacional Económica or FNE)</b> is the national agency responsible for ensuring free competition.</p> <p>Competition <u>Advocacy</u> refers to the activities performed by the National Economic Prosecutor Office and the Competition Tribunal not directly implying law enforcement; Competition authorities in Chile conduct activities to advocate competition, in the strict sense, through three approaches: the FNE can persuade in favor of regulatory reform directly before the regulator; the FNE can, indirectly through its complaints or reports, request the TDLC measures such as recommendations to regulators</p>	<p>- information on starting a business, general information about Chile and the legal framework and policies on foreign investment.</p>
--	--	---	--

		<p>or propose regulatory modifications; lastly, the TDLC can formulate recommendations or propose regulatory reforms.</p> <p>The FNE diffuses through Promotional Materials, materials prepared by the FNE on various issues related to competition and has signed National Cooperation Agreements which contains the framework agreements concluded by the FNE with other government agencies and universities to develop joint activities aimed at promoting the benefits of competition.</p>	
--	--	---	--

**IFAP Principle 8: Enhance international cooperation**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> <li>Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> <li>Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	<p>In force</p> <p>Not in place</p> <p>In Force</p>	<p><b>The National Economic Prosecutor Office (Fiscalía Nacional Económica or FNE)</b> is the national agency responsible for ensuring free competition. The Competition Tribunal (TDLC) is a judicial body in charge of adjudicating and solving disputes regarding competition law and issuing decisions in non-adversarial proceedings in competition matters.</p> <p>The FNE and the TDLC participate in international forums and activities that address competition policy issues, in order to develop mutual</p>	<p>-develop mutual cooperation actions with other agencies in their procedures and collect the best international practices.</p> <p>-Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment</p>

		<p>cooperation actions with other agencies in their procedures and implement the best international practices. The FNE includes among its activities in the international field, the following:</p> <ul style="list-style-type: none"> <li>- Participation in international forums, such as the OECD's Competition Committee and the International Competition Network;</li> <li>-Chapters of FTAs-Competition: Contains the texts of the competition chapters included in various free trade agreements signed by the country.</li> <li>-Cooperation Agreements: Contains the texts of cooperation agreements between the FNE and competition agencies in other countries.</li> </ul> <p>The <b>Foreign investment Committee</b> is the Chilean Investment Promotion Agency since March 2012, and in this function it participates in international multilateral and/ or regional investment activities that address matters within legislation and competition policy.</p>	<ul style="list-style-type: none"> <li>-develop mutual cooperation actions with other agencies in their procedures and collect the best international practices.</li> <li>-Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment</li> </ul>
--	--	--	--

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: China)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> <li>▪ Ensure transparency and clarity in investment-related laws</li> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> <li>▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p>	<p>(Describe the expected outcome within this principle)</p>

measuring progress			
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> <li>• Create and maintain an effective register of public or state owned property.</li> <li>• Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> <li>• Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> <li>• Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> <li>• Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> <li>• Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> <li>• Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> <li>• Take steps to accede to an arbitral convention</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	(How were the actions being implemented? Or How will the actions be implemented?)	(Describe the expected outcome within this principle)

<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b></p>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p>	<p>(Describe the expected outcome within this principle)</p>
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b></p>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> </ul>	<p><b>28-29 June 2012</b></p>	<p>Seminar on Successful Cases of Renewable and</p>	<p>The seminar increased the understanding and raised awareness of</p>

<ul style="list-style-type: none"> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> <li>• Shorten the processing time and procedures for investment applications.</li> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services infrastructure</li> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>		<p>Clean Energy Investment in APEC was held in Beijing on 28-29 June, 2012. More than 50 experts and participants from APEC economies attended the seminar. Experts and participants shared experiences, lessons and opinions on the role of cross-border investment in increasing utilization of RCE.</p>	<p>opportunities for investment within APEC economies in RCE.</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 5: Build constructive stakeholder relationships</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> <li>• Continue to share APEC member economies’ experiences of successful stakeholder consultative mechanisms</li> <li>• Promote the role of policy advocacy within IPAs as a means of</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p>	<p>(Describe the expected outcome within this principle)</p>

<p>addressing the specific investment problems raised by investors including those faced by SMEs</p> <ul style="list-style-type: none"> <li>• Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> <li>• Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 6: Utilise new technology to improve investment environments</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li>• Maintain adequate and effective protection of technology and related intellectual property rights</li> <li>• Where possible, give effect to international norms for property protection</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p>	<p>(Describe the expected outcome within this principle)</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

**IFAP Principle 7: Establish monitoring and review mechanisms for investment policies**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	(How were the actions being implemented? Or How will the actions be implemented?)	(Describe the expected outcome within this principle)
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

**IFAP Principle 8: Enhance international cooperation**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> <li>Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> <li>Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	(How were the actions being implemented? Or How will the actions be implemented?)	(Describe the expected outcome within this principle)
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Hong Kong, China) (as at 22 August 2012)

### IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies

Specific Actions	Time Table (The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	Details of implementation (How were the actions being implemented? Or How will the actions be implemented?)	Expected outcomes (Describe the expected outcome within this principle)
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> </ul>	On-going	<p>Hong Kong, China (HKC) maintains websites providing updated information. For example, the Government Gazette (available at <a href="http://www.gld.gov.hk/cgi-bin/gld/egazette/index.cgi?lang=e&amp;agree=0">http://www.gld.gov.hk/cgi-bin/gld/egazette/index.cgi?lang=e&amp;agree=0</a>) and the Bilingual Laws Information System of the Department of Justice (available at <a href="http://www.legislation.gov.hk/eng/index.htm">http://www.legislation.gov.hk/eng/index.htm</a>) provide up-to-date information on laws and regulations. Judicial decisions are uploaded within 3 working days to the Judiciary website (<a href="http://www.judiciary.gov.hk/en/legal_ref/judgments.htm">http://www.judiciary.gov.hk/en/legal_ref/judgments.htm</a>).</p>	Increased accessibility and transparency.
<ul style="list-style-type: none"> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> </ul>	On-going	<p>Laws, regulations and administrative procedures are made transparent and accessible in HKC.</p> <p>All primary and subsidiary legislation are published in the Government Gazette and in the Laws of HKC. They are also available freely on the internet.</p> <p>See input provided above under “Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates”.</p>	Increased accessibility and transparency of laws and regulations.

<ul style="list-style-type: none"> <li>Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> </ul>	On-going	<p>Invest Hong Kong (InvestHK) handles inward investment-related enquiries from overseas/ Mainland companies and investors seeking to establish or expand their business operations in HKC. Details of its services are available at <a href="http://www.investhk.gov.hk/how-we-can-help.html">http://www.investhk.gov.hk/how-we-can-help.html</a>.</p> <p>Commerce, Industry and Tourism Branch of the Commerce and Economic Development Bureau is responsible for policies on promotion of foreign investment.</p>	
<ul style="list-style-type: none"> <li>Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> </ul>	On-going	<p>HKC maintains one of the world's most liberal, open and transparent investment regimes. In general, there are no special legislations, regulations or administrative guidelines governing foreign investment in HKC, except for broadcasting where the residency requirements concerning ownership of investment are on par with international standards.</p> <p>These regulatory requirements are subject to constant review by the Government, and have been progressively relaxed. There are no restrictions on foreign exchange transactions, capital movement or repatriation of capital and returns related to foreign investments. A level playing field is provided for both foreign and local investors in HKC. Laws and regulations affecting investment are published and made available online in the Bilingual Laws Information System of the Department of Justice (available at <a href="http://www.legislation.gov.hk/eng/index.htm">http://www.legislation.gov.hk/eng/index.htm</a>).</p>	Increased accessibility and transparency of investment-related regulations.
<ul style="list-style-type: none"> <li>Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> </ul>	Implemented	InvestHK is the IPA of HKC responsible for foreign direct investment (FDI). It aims to spearhead HKC's efforts in attracting FDI and promoting HKC's advantages as an international business hub.	

<ul style="list-style-type: none"> <li>Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> </ul>	On-going	<p>InvestHK provides free and customised advice and facilitation services to companies seeking to establish in HKC.</p> <p>InvestHK's website and publications have outlined HKC's uniqueness, competitive edge and advantages.</p>	
<ul style="list-style-type: none"> <li>Allow investors to choose their form of establishment within legislative and legal frameworks.</li> </ul>	On-going	<p>Requirements for establishing a business in HKC are simple and straightforward.</p> <p>Every investor has a wide range of business vehicles to choose when doing business in HKC.</p>	
<ul style="list-style-type: none"> <li>Ensure transparency and clarity in investment-related laws</li> </ul>	On-going	See input provided above under "Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business".	Increased accessibility and transparency in investment-related laws.
<ul style="list-style-type: none"> <li>Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> </ul>	Implemented	HKC welcomes any initiatives that can improve upon the APEC-wide website (e-portal) including replacing the hardcopy of the Guidebook on the APEC website with the electronic version.	Guidebook more accessible to the public.
<ul style="list-style-type: none"> <li>Encourage on-line enquiries and on-line information on all foreign investment issues</li> </ul>	On-going	<p>InvestHK encourages on-line enquiries from overseas and Mainland companies who are seeking to establish or expand their business operations in HKC.</p> <p>Also see input under "Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest".</p>	
<ul style="list-style-type: none"> <li>Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations</li> </ul>	On-going	Changes will be announced by relevant government agencies through the established channels.	

and conformance requirements			
<ul style="list-style-type: none"> <li>To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> </ul>	On-going	<p>See input provided above under “Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business”.</p> <p>Legislative proposals (i.e. Bills) are also published in the Government Gazette and available on the internet at <a href="http://www.gld.gov.hk/cgi-bin/gld/egazette/index.cgi?lang=e&amp;agree=0">http://www.gld.gov.hk/cgi-bin/gld/egazette/index.cgi?lang=e&amp;agree=0</a>. Public consultations are held for certain legislative proposals. Past consultation papers and related documents are available online at <a href="http://www.gov.hk/en/residents/government/publication/consultation/archives.htm">http://www.gov.hk/en/residents/government/publication/consultation/archives.htm</a>.</p> <p>Industry consultations and public consultations will be conducted as appropriate. For example, advance notice of proposed changes to banking regulations or launch of new regulations will be provided.</p>	<p>Enhanced opportunities for public comment and increased transparency.</p> <p>Comments received from the public and/or industry will be taken into consideration when finalising the regulations.</p>
<ul style="list-style-type: none"> <li>Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>	On-going	HKC welcomes exploring the using of international benchmarks on a voluntary basis for peer dialogue and measuring process.	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

## IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments

Specific Actions	Time Table (The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	Details of implementation (How were the actions being implemented? Or How will the actions be implemented?)	Expected outcomes (Describe the expected outcome within this principle)
<ul style="list-style-type: none"> <li>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> </ul>	On-going	<p>HKC maintains a timely, secure and effective land registration system under the Land Registration Ordinance. The land register is open for public search at <a href="http://www.iris.gov.hk">www.iris.gov.hk</a>.</p> <p>For enhancing the security of property interests and simplifying conveyancing process, the Land Titles Ordinance (LTO) was enacted in 2004. An amendment bill to LTO is being prepared before its commencement. Consultation with stakeholders on the amendments is under way.</p>	The security of property interests enhanced and conveyancing process simplified.
<ul style="list-style-type: none"> <li>Create and maintain an effective register of public or state owned property.</li> </ul>	On-going	<p>The Government Property Agency collates a register of government sites permanently allocated to the Agency, and all government-owned and leased accommodation for an effective management of government accommodation.</p> <p>Information on any land, with or without buildings, which are available for disposal could be obtained from Lands Department's website (<a href="http://www.landsd.gov.hk">http://www.landsd.gov.hk</a>).</p> <p>Housing Department has maintained a computerized record on all Housing Authority's domestic and non-domestic properties.</p>	Effective management of government accommodation.
<ul style="list-style-type: none"> <li>Ensure costs associated with land transactions are kept to a</li> </ul>	On-going	In HKC, solicitor's remuneration for land conveyancing is negotiable. The market force of	

<p>minimum including by fostering competition.</p>		<p>competition has continued to push down conveyancing fees. The Land Registry costs are minimal, cost per land search is HK\$25 or less and cost for registration of a land transaction is HK\$450 or less.</p> <p>While property investors are required to pay stamp duty on conveyancing instruments, the introduction of e-Stamping services in 2004 has greatly enhanced the efficiency of property stamping. Indeed, when comparing the costs of investing in HKC property market vis-à-vis those in other competing markets, it should be borne in mind that HKC does not impose capital gains tax on property investment.</p>	
<ul style="list-style-type: none"> <li>▪ Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> </ul>	<p>On-going</p>	<p>Relevant data are being provided on the internet (<a href="http://www.hkma.gov.hk/eng/market-data-and-statistics/economic-and-financial-data-for-hong-kong.shtml">http://www.hkma.gov.hk/eng/market-data-and-statistics/economic-and-financial-data-for-hong-kong.shtml</a>) and frequent dialogues with credit rating agencies are being engaged.</p>	<p>Promotion of accessibility and transparency of HKC's reputation and creditworthiness.</p>
<ul style="list-style-type: none"> <li>▪ Explore the possibility of using the World Bank Doing Business indicator "Enforcing Contracts" as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> </ul>		<p>HKC welcomes APEC to explore the use of indicators from international organizations as the basis for peer dialogue and benchmarking and measuring progress.</p>	
<ul style="list-style-type: none"> <li>▪ Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> </ul>	<p>On-going</p>	<p>Pre-court dispute resolution in connection with a foreign investment may be achieved in HKC through mediation and arbitration.</p> <p>To further enhance investor protection, the Financial Dispute Resolution Centre (FDRC) has been in operation since June 2012.</p>	<p>Promotion of cost-effective and efficient resolution of disputes and enforcement of solutions between investors and host authorities.</p>

		<p>The FDRC administers an independent and impartial dispute resolution scheme with an aim to resolve monetary disputes between individuals and financial institutions through “mediation first, arbitration next”.</p> <p>See the <b>Annex</b> for further details.</p>	
<ul style="list-style-type: none"> <li>Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> </ul>	On-going	<p>As regards trade disputes between private parties, the Hong Kong International Arbitration Centre provides services and facilities in arbitration, mediation and conciliation.</p> <p>The New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards is also applicable to HKC.</p> <p>See the <b>Annex</b> for further details.</p>	Promotion of cost-effective and efficient resolution of international commercial disputes between private parties.
<ul style="list-style-type: none"> <li>Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> </ul>	On-going	See input provided above.	Promotion of cost-effective and efficient resolution of disputes for foreign investors.
<ul style="list-style-type: none"> <li>Take steps to accede to an arbitral convention</li> </ul>	Implemented	The New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards is applicable to HKC.	Promotion of cost-effective and efficient resolution of disputes.
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

<b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b>			
<b>Specific Actions</b>	<b>Time Table</b> (The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	<b>Details of implementation</b> (How were the actions being implemented? Or How will the actions be implemented?)	<b>Expected outcomes</b> (Describe the expected outcome within this principle)
<ul style="list-style-type: none"> <li>Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> </ul>	N/A	<p>Unlike some common law jurisdictions, in general, common law principles developed by HKC courts are not codified or restated in the legislation of HKC.</p> <p>See the <b>Annex</b> for additional information.</p>	Decisions of HKC Courts are published.
<ul style="list-style-type: none"> <li>Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> </ul>	On-going	<p>See input provided above under “Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business”.</p> <p>Equal treatment will be given to all investors in assessing the application so long as any relevant statutory requirements are complied with. For example, any person who intends to acquire 10% or more of the share capital of an authorized institution (AI) incorporated in HKC is required to obtain the prior approval of the Hong Kong Monetary Authority (HKMA) under section 70 of the Banking Ordinance. HKMA will assess the fitness and propriety of the applicants such as financial soundness and integrity in line with international best practices.</p>	Actions being implemented in accordance with the law, where applicable.
<ul style="list-style-type: none"> <li>Reduce the scope for discriminatory bureaucratic discretion in interpreting</li> </ul>	On-going	The Office of the Ombudsman investigates complaints against administrative decisions or acts of public bodies and Government	Establishing an accessible and effective administrative appeal or

investment-related regulations		<p>(<a href="http://www.ombudsman.hk/index.shtml">http://www.ombudsman.hk/index.shtml</a>). Appeals against certain administrative decisions can be made to the Administrative Appeals Board (<a href="http://www.admwing.gov.hk/eng/links/aab.htm">http://www.admwing.gov.hk/eng/links/aab.htm</a>). An aggrieved party may also apply for judicial review of administrative decisions made by the Government and public bodies (previous judgments are available at <a href="http://www.judiciary.gov.hk/en/legal_ref/judgments.htm">http://www.judiciary.gov.hk/en/legal_ref/judgments.htm</a>).</p>	review mechanism.
<ul style="list-style-type: none"> <li>▪ Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> </ul>	On-going	<p>In general, there is no screening on investment proposals in HKC.</p> <p>See input provided above under “Establish a single window or special enquiry point for all enquiries concerning investment policies” and “Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment”</p>	
<ul style="list-style-type: none"> <li>▪ Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> </ul>	On-going	<p>HKC has, in general, no restrictions on inward or outward investment, except for very limited regulatory requirements concerning investment in certain sectors. Neither do we set criteria for assessment.</p> <p>For example, for broadcasting sector, the criteria for assessment are clearly set out in the relevant guidance notes on licence application, which are available at <a href="http://www.coms-auth.hk/en/licensing/broadcasting/apply/television/index.html">http://www.coms-auth.hk/en/licensing/broadcasting/apply/television/index.html</a> and <a href="http://www.coms-auth.hk/en/licensing/broadcasting/apply/radio/index.html">http://www.coms-auth.hk/en/licensing/broadcasting/apply/radio/index.html</a>.</p> <p>For banking sector, any institution which intends to establish a bank branch or subsidiary in HKC is required to meet all licensing criteria specified in the Banking Ordinance. The HKMA has also issued a</p>	Actions being implemented.

		<p>guideline setting out various matters which will be considered in evaluating these applications. The guideline is posted on the HKMA website and available in both English and Chinese. (<a href="http://www.hkma.gov.hk/eng/key-functions/banking-stability/guide-authorization.shtml">http://www.hkma.gov.hk/eng/key-functions/banking-stability/guide-authorization.shtml</a>). Also see input provided above under “Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment”.</p>	
<ul style="list-style-type: none"> <li>▪ Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	On-going	<p>HKC does not have a designated investment ombudsman establishment. Pre-court dispute resolution in connection with a foreign investment may be achieved in HKC through mediation and arbitration.</p> <p>Also, the Office of the Ombudsman investigates complaints against administrative decisions or acts of public bodies and Government (<a href="http://www.ombudsman.hk/index.shtml">http://www.ombudsman.hk/index.shtml</a>). Appeals against certain administrative decisions can be made to the Administrative Appeals Board (<a href="http://www.admwing.gov.hk/eng/links/aab.htm">http://www.admwing.gov.hk/eng/links/aab.htm</a>), and an aggrieved party may also apply for judicial review of administrative decisions made by the Government and public bodies (previous judgments are available at <a href="http://www.judiciary.gov.hk/en/legal_ref/judgments.htm">http://www.judiciary.gov.hk/en/legal_ref/judgments.htm</a>).</p> <p>For banking sector, the Banking Ordinance specifies clearly under what circumstances the HKMA shall decline to give consent to establish a bank branch or subsidiary in HKC (i.e. by serving a notice of objection to the applicant). It also sets out clearly that any person aggrieved by the HKMA’s decision to serve a notice of objection may appeal to the Chief Executive in Council against the decision. Also see input under “Establish and disseminate widely clear definitions of criteria for</p>	

		the assessment of investment proposals”.	
<b>Any voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
Specific Actions	Time Table (The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	Details of implementation (How were the actions being implemented? Or How will the actions be implemented?)	Expected outcomes (Describe the expected outcome within this principle)
<ul style="list-style-type: none"> <li>▪ Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> </ul>	Implemented	<p>In general, there are no specific forms / licences for foreign investment in HKC.</p> <p>For banking sector, any investor who intends to acquire 10% or more of the share capital of a locally incorporated AI and any institution seeking for authorization in HKC is required to obtain the consent of the HKMA under the Banking Ordinance by submitting a prescribed application form.</p>	
<ul style="list-style-type: none"> <li>▪ Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> </ul>	On-going	See input provided above under “Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers”.	
<ul style="list-style-type: none"> <li>▪ Shorten the processing time and procedures for investment applications.</li> </ul>	On-going	<p>See input provided above under “Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers”.</p> <p>For banking sector, the HKMA will handle each</p>	Actions being implemented in accordance with the law, where applicable.

		case (see input under “Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment” relating to the banking sector) expeditiously though the processing time will vary depending on the completeness and complexity of each application.	
<ul style="list-style-type: none"> <li>Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> </ul>		Efforts are constantly made to streamline procedures where applicable with a view to facilitating investment.	
<ul style="list-style-type: none"> <li>Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> </ul>	On-going	<b>For banking sector, Authorized Institutions are required to pay license or registration fees annually and such fees are at least cost to the investors.</b>	
<ul style="list-style-type: none"> <li>Simplify the process for connecting to essential services infrastructure</li> </ul>			
<ul style="list-style-type: none"> <li>Implement strategies to improve administrative performance at lower levels of government.</li> </ul>			
<ul style="list-style-type: none"> <li>Facilitate availability of high standard business services supporting investment</li> </ul>	On-going	InvestHK provides information to overseas/Mainland companies and investors to facilitate their setting up or expanding their operations in HKC.	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

**IFAP Principle 5: Build constructive stakeholder relationships**

<b>Specific Actions</b>	<b>Time Table</b> (The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	<b>Details of implementation</b> (How were the actions being implemented? Or How will the actions be implemented?)	<b>Expected outcomes</b> (Describe the expected outcome within this principle)
<ul style="list-style-type: none"> <li>▪ To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> </ul>	On-going	See input provided under “Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business” and “To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment”.	<p>Increased public participation in law-making process.</p> <p>Comments received from the public and/or industry will be taken into consideration when finalising the regulations.</p>
<ul style="list-style-type: none"> <li>▪ Continue to share APEC member economies’ experiences of successful stakeholder consultative mechanisms</li> </ul>	On-going	HKC welcomes sharing of successful stakeholder consultative mechanisms.	
<ul style="list-style-type: none"> <li>▪ Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> </ul>	On-going	InvestHK, the government’s IPA, has been adopting a focused and proactive approach in providing solution-oriented advice, facilitation and aftercare services to companies or individuals interested in investing in HKC. InvestHK liaises with relevant bureaux/ government departments on issues of concern to overseas/Mainland companies and investors seeking to establish or expand their business operations in HKC.	
<ul style="list-style-type: none"> <li>▪ Continue to share APEC member economies’ experiences of successful public private dialogue to take advantage of the information on successes and problems</li> </ul>	On-going	HKC welcomes sharing of successful public private dialogue	

encountered by established investors			
<ul style="list-style-type: none"> <li>Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> </ul>		HKC will consider such proposed action	
<ul style="list-style-type: none"> <li>Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> </ul>	On-going	The Independent Commission Against Corruption (see <a href="http://www.icac.org.hk/en/home/index.html">http://www.icac.org.hk/en/home/index.html</a> for its functions) set up the Hong Kong Ethics Development Centre ( <a href="http://www.icac.org.hk/hkedc/eng/about_1.htm">http://www.icac.org.hk/hkedc/eng/about_1.htm</a> ) in 1995 which has been working closely with chambers of commerce and professional associations in HKC to promote business and professional ethics as the first line of defence against corruption.	Enhance the awareness of business leaders and professionals in HKC to the importance of ethical governance and corruption prevention
<ul style="list-style-type: none"> <li>Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>	On-going	HKC welcomes sharing of experience where appropriate.	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 6: Utilise new technology to improve investment environments</b>			
<b>Specific Actions</b>	<b>Time Table</b> (The timeframe within which APEC economy has implemented or expect to implement)	<b>Details of implementation</b> (How were the actions being implemented? Or How will the actions be implemented?)	<b>Expected outcomes</b> (Describe the expected outcome within this principle)

	these IFAP's actions)		
<ul style="list-style-type: none"> <li>Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> </ul>	On-going	HKC welcomes the adoption of new technologies, where appropriate, thereby making the investment process simpler and faster, including maintenance of websites providing updated information.	
<ul style="list-style-type: none"> <li>Maintain adequate and effective protection of technology and related intellectual property rights</li> </ul>	On-going	We will continue to update our copyright law to enhance copyright protection in the digital environment.	
<ul style="list-style-type: none"> <li>Where possible, give effect to international norms for property protection</li> </ul>	On-going	<p>Major international intellectual property treaties have taken effect in HKC - including the Paris Convention, Berne Convention, Patents Cooperation Treaty, Phonograms Convention and the WTO TRIPS Agreement.</p> <p>We constantly review our intellectual property law to ensure effective intellectual property protection and to keep abreast of international developments.</p>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

**IFAP Principle 7: Establish monitoring and review mechanisms for investment policies**

<b>Specific Actions</b>	<b>Time Table</b> (The timeframe within which APEC economy has implemented or expect to implement)	<b>Details of implementation</b> (How were the actions being implemented? Or How will the actions be implemented?)	<b>Expected outcomes</b> (Describe the expected outcome within this principle)
-------------------------	---	---	---

	these IFAP's actions)		
<ul style="list-style-type: none"> <li>Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	Not applicable		
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 8: Enhance international cooperation</b>			
<b>Specific Actions</b>	<b>Time Table</b> (The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	<b>Details of implementation</b> (How were the actions being implemented? Or How will the actions be implemented?)	<b>Expected outcomes</b> (Describe the expected outcome within this principle)
<ul style="list-style-type: none"> <li>To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> </ul>	On-going		
<ul style="list-style-type: none"> <li>Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> </ul>	On-going	HKC will consider such proposed action.	
<ul style="list-style-type: none"> <li>Ensure measures exist to ensure effective compliance with commitments under</li> </ul>	On-going	Efforts are being made by relevant bureaux/departments to ensure that any measures that they introduce would not be in conflict with	

international investment agreements		HKC's international obligations under Investment Promotion and Protection Agreements (and other international agreements).	
<ul style="list-style-type: none"> <li>▪ Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	As and when necessary	Each of HKC's Investment Promotion and Protection Agreements can be amended for improvement if the two Contracting Parties agree to do so.	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

**Key Points on the Legal System and Dispute Resolution in the HKSAR**

This note sets out the key points on the legal system and dispute resolution in the HKSAR:

- Laws, regulations and administrative procedures are made transparent and accessible in the HKSAR. All primary and subsidiary legislation are published in the Government Gazette and in the Laws of Hong Kong. They are also available freely on the internet. The Government Gazette is available online at <http://www.gld.gov.hk/cgi-bin/gld/egazette/index.cgi?lang=e&agree=0>, and the Laws of Hong Kong at the Bilingual Laws Information System of the Department of Justice (available at <http://www.legislation.gov.hk/eng/index.htm>).
- Judgments of the Court of Final Appeal, the High Court (Court of Appeal and Court of First Instance), District Court, Family Court and the Lands Tribunal which are of significance as legal precedents on points of law, practice and procedure of the courts and of public interests are available on the internet ([http://www.judiciary.gov.hk/en/legal\\_ref/judgments.htm](http://www.judiciary.gov.hk/en/legal_ref/judgments.htm)).
- The text of major bilateral agreements of HKC, including Investment Promotion and Protection Agreements (IPPAs) and CEPA, are also available on the internet. Hyperlinks to external websites containing texts of most of the multilateral treaties applying to HKC have been created. These are available at <http://www.legislation.gov.hk/choice.htm>.
- For settling trade disputes between governments, HKC follows the WTO dispute settlement procedures. Where the other government is not a WTO member, we seek to settle trade disputes by consultation. In addition, HKC has concluded a number of bilateral IPPAs with its major economic partners, each of which provides a mechanism for settling investment disputes through consultation or arbitration under international rules.
- In respect of trade disputes between government and private entities, the ICSID (Washington) Convention and the MIGA Convention are applicable to HKC. A Review Body on Bid Challenges was set up in December 1998 pursuant to the WTO Agreement on Government Procurement (GPA) to receive bid challenges on alleged breaches of the GPA during government tenders (see [http://www.tid.gov.hk/english/trade\\_relations/tradefora/reviewbody/reviewbody.html](http://www.tid.gov.hk/english/trade_relations/tradefora/reviewbody/reviewbody.html)). The IPPAs also provide mechanism for the government to settle investment disputes with private parties of the other contracting parties through consultation and arbitration under international rules. The Hong Kong International Arbitration Centre (HKIAC) provides services and facilities in arbitration, mediation, and conciliation (<http://www.hkiac.org/>). The Office of the Ombudsman investigates complaints against administrative decisions or acts of public bodies and Government (<http://www.ombudsman.hk/index.shtml>). Appeals against certain administrative decisions can be made to the Administrative Appeals Board (<http://www.admwing.gov.hk/eng/links/aab.htm>). An aggrieved party may also apply for judicial review of administrative decisions made by the Government and public bodies (previous judgments are available at [http://www.judiciary.gov.hk/en/legal\\_ref/judgments.htm](http://www.judiciary.gov.hk/en/legal_ref/judgments.htm)).

- As regards trade disputes between private parties, the HKIAC also provides services and facilities in arbitration, mediation and conciliation. HKC also applies the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards.
2. Recent major developments:
- The new Arbitration Ordinance (Cap 609) came into operation on 1 June 2011 (available at <http://www.legislation.gov.hk/eng/index.htm>). The new Ordinance establishes a unitary regime for arbitration in HKC, abolishing the distinction between the domestic arbitration regime and international arbitration regime under the repealed Arbitration Ordinance (Cap 341). The new unitary regime is based on the United Nations Commission on International Trade Law (UNCITRAL) Model Law on International Commercial Arbitration as adopted by the United Nations Commission on the International Trade Law on 21 June 1985 and as amended by that Commission on 7 July 2006.
  - The Mediation Task Force was set up by the Secretary for Justice in November 2010 to implement the recommendations in the Report of the Working Group on Mediation. More details can be found at <http://www.doj.gov.hk/eng/public/mediation.htm>.
  - Legislation on mediation in HKC: The Mediation Ordinance was enacted on 22 June 2012, and will take effect on a day to be announced.
  - The promotion of mediation was enhanced by a Department of Justice's Announcement in the Public Interest ('API') on mediation. The API was broadcast on television and radio from 22 December 2011. The television announcement can be viewed at [http://www.doj.gov.hk/eng/api/tv\\_20120208b.htm](http://www.doj.gov.hk/eng/api/tv_20120208b.htm).
  - Establishment of the Joint Mediation Helpline Office by major mediation service providers in July 2010 to provide mediation referral services for people in need of mediators (see <http://www.jointmediationhelpline.org.hk/>).

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Indonesia)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> </ul>	Already implemented.	Available through: - BKPM website at <a href="http://www.bkpm.go.id">www.bkpm.go.id</a> - Bureau of Legislation and Public Relations BKPM	Make all investment-related laws and regulations widely available for public.
<ul style="list-style-type: none"> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> </ul>	Already implemented.	General laws and regulations of the Republic of Indonesia is available at the State Secretariat website: <a href="http://www.setneg.go.id">www.setneg.go.id</a> Applicable laws and regulations related to investment are available at BKPM website.	Make all investment-related laws and regulations widely available for public.
<ul style="list-style-type: none"> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> </ul>	One-Stop-Shop has been implemented since 2009. Investor Relations Unit (IRU) has been running since 2010.	Investors can reach BKPM Investor Relations Unit (IRU) by phone +6221-52921334 or email <a href="mailto:info@bkpm.go.id">info@bkpm.go.id</a> during office hours for all investment enquiries. For further consultation & application process enquiries, investors may also consult with BKPM's One-Stop-Shop officers at BKPM front office.	Investors receive direct and comprehensive assistance on investment policies and application procedures.
<ul style="list-style-type: none"> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> </ul>	Already implemented.	Investment guide in simple and clear steps as well as information on investment-related regulation are available at BKPM website <a href="http://www.bkpm.go.id">www.bkpm.go.id</a> both in English and Indonesian Language.	Make all investment-related laws & regulations widely available for public.
<ul style="list-style-type: none"> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> </ul>	Already implemented.	BKPM actively promotes itself and investment potentials in Indonesia. This task is carried out by the Deputy of Investment Promotion. It carries out	- Wider dissemination of information on BKPM as Indonesia's IPA as well as investment potentials in

			<p>promotional and investment marketing activities such as promoting investment potentials through BKPM international representatives (or IIPC, Indonesia Investment Promotion Centres) in 7 economies; targeted promotion by sector and by area; integrated investment promotion activities; rebranding through media and global economic meetings and business associations; investment mission facilitation and matchmaking; bilateral promotion; global seminar and exhibitions.</p>	<p>the country, both domestically and worldwide. - Comprehensive investment promotion and facilitation.</p>
<ul style="list-style-type: none"> <li>Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> </ul>	Already implemented.	Available at BKPM website <a href="http://www.bkpm.go.id">www.bkpm.go.id</a>	Make all investment-related laws & regulations widely available for public.	
<ul style="list-style-type: none"> <li>Allow investors to choose their form of establishment within legislative and legal frameworks.</li> </ul>	Since 2007	<p>Foreign investors must establish a limited liability company (PT, or Perseroan Terbatas) in order to invest in Indonesia, as stated in Law No. 25/2007 on Investment. Further regulations on limited liability company is stipulated in Law No. 40 of 2007 on Limited Liability Company. On the other hand, in oil and gas upstream sector, foreign companies may take their home country's form of establishment.</p>	-	
<ul style="list-style-type: none"> <li>Ensure transparency and clarity in investment-related laws</li> </ul>	Already implemented	Every new policies related to investment will be disseminated to all stakeholders both in central and local government.		
<ul style="list-style-type: none"> <li>Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> </ul>	In progress	Continuously update APEC Investment Guidebook for future updates when the portal is ready.		

▪ Encourage on-line enquiries and on-line information on all foreign investment issues	Refer to IRU stated above.		
▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements	Already implemented.	Available through: - BKPM website at <a href="http://www.bkpm.go.id">www.bkpm.go.id</a> - Investor Relations Unit (IRU)	Make all investment-related laws & regulations widely available for public.
▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment	-	-	-
▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress	-	-	-
<b>Other voluntary actions in addition to the above:</b> ▪ _____ ▪ _____			

### IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments

Specific Actions	Time Table	Details of implementation	Expected outcomes
▪ Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property	Since 1960 by Law No. 5 of 1960 on Basic Regulations on Agrarian Principles, regulated further by Government Regulation No. 40 of 1996 on Right to Exploit, Right to Build, and Right to Use.	a. Right to Exploit ( <i>Hak Guna Usaha</i> ) may be granted for 35 years, and can be extended for a maximum of 25 years. After that, the right can be renewed (Art. 8 PP 40/1996). b. Right to Build ( <i>Hak Guna Bangunan</i> ) may be granted for 30 years, and can be extended for a maximum of 20 years. After that, the right can be renewed (Art. 25 PP 40/1996). c. Right to Use ( <i>Hak Pakai</i> ) may be granted for 25 years, and can be extended for a maximum of 20 years. After that, the right can be renewed (Art. 45 PP 40/1996).	Provide legal certainty to right holders, government and third parties.
▪ Create and maintain an effective register of public or state owned property.	Already implemented.	Stipulated in Government Regulation No. 24 of 1997 on Land Registration.	- Provide legal certainty and protection to rights

				holder. - Maintain land administration well-ordered.
<ul style="list-style-type: none"> <li>▪ Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> </ul>	Already implemented.	<p>Costs in registering property are governed by Directorate General of Tax, Ministry of Finance, and National Land Office, which includes:</p> <ul style="list-style-type: none"> <li>- Land certificate examination at National Land Council (Rp50,000 or around \$5)</li> <li>- Transfer Tax (5% of the property price)</li> <li>- Tax on Acquisition on Land &amp; Building (5% of property price minus Rp 80 million or around \$8,416 which is tax-free)</li> <li>- Execution of sale and purchase of Land Deed by a PPAT official (1% of the property value)</li> <li>- Registration of the Land Deed at the local Land Office (1/1000 of the property value + Rp50,000 administrative fee + Stamp duty of Rp6,000 per document (2 required))</li> <li>- Registration of the Land Deed at the Tax on Land and Building Office (PBB) at no cost.</li> </ul>	Provide transparency and legal certainty to related parties.	
<ul style="list-style-type: none"> <li>▪ Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> </ul>	Already implemented.	<p>BKPM website publicly displays Indonesia's credit rating by Fitch, S&amp;P, and Moody's.</p> <p>Fitch was the first to boost Indonesia to investment grade in December 2011, followed by Moody's in January 2012. S&amp;P has yet to give an investment grade. However, it stated that Indonesia remains the largest</p>	<ul style="list-style-type: none"> <li>- Endorse the country's economic progress.</li> <li>- Encourage more investment to the country.</li> </ul>	

			potential rising star in emerging and developing markets, which reflects a positive outlook for the likelihood of investment grade. <a href="http://www.bkpm.go.id">www.bkpm.go.id</a>	
<ul style="list-style-type: none"> <li>Explore the possibility of using the World Bank Doing Business indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC.</li> </ul>		-	-	
<ul style="list-style-type: none"> <li>Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> </ul>	Already implemented.		When investors have problems with government (central & local), local partners or communities in realizing their investment, they may first contact Controlling & Implementation Unit in regional (PDPPM/PDKPM) and central (BKPM). The facilitation of problem solving will be done by stages from regional up to central institution. If an investor wants to raise an objection to an administrative decision issued by the government (central and local), disputes can be settled through PTUN (administrative tribunal) court of justice or arbitration in accordance with the rules of law.	Assistance and facilitation on solving problems facing by investors in realizing their investment activities.
<ul style="list-style-type: none"> <li>Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> </ul>	Already implemented.		In case of the dispute between private parties, conflicting parties may contact BANI ( <i>Badan Arbitrase Nasional Indonesia</i> , or Indonesia National Board of Arbitration), which provides a range of services in arbitration, mediation, binding opinion and other forms of dispute resolution.	Disputing investors will receive further services for dispute settlement through arbitration or other forms of alternative dispute resolution, such as negotiation, mediation, conciliation and binding opinion in accordance with the Rules of Procedures of BANI or other rules as opted by the parties concerned.

▪ Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms	-	-	
▪ Take steps to accede to an arbitral convention	-	-	
<b>Other voluntary actions in addition to the above:</b>			
▪ _____			
▪ _____			

**IFAP Principle 3 Enhance predictability and consistency in investment-related policies**

<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
▪ Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.	-	-	
▪ Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment	Already implemented.	Equal treatment is guaranteed as stated in Investment Law No. 25 of 2007. This assurance is applicable with respect to post-establishment (management, conduct, and operation).	<ul style="list-style-type: none"> <li>- Encourage conducive business climate for investors.</li> <li>- Guarantee legal certainty, business certainty, and business security to investors.</li> <li>- Encourage re-investment.</li> </ul>
▪ Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations	Already implemented.	Reducing the bureaucratic discretion in interpreting regulation by providing a clear, transparent and detailed mechanism of implementation regulation.	
▪ Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions	Already implemented.	For FDI companies, approval or licencing is given by the central authority, ie. Indonesia Investment Coordinating Board (except for KPBPB Batam and Sabang/SEZ).	
▪ Establish and disseminate widely clear definitions of	Already implemented.	Foreign investment proposal can be	

	criteria for the assessment of investment proposals		approved as long as the business sector is open and all requirements such as percentage of foreign equity, minimum investment value, etc, are fulfilled.	
	<ul style="list-style-type: none"> <li>Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	-	-	
	<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>				
	<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
	<ul style="list-style-type: none"> <li>Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> </ul>	1. PTSP One-stop-shop system (or <i>Pelayanan Terpadu Satu Pintu</i> )		
		Established in 2009.	Streamlining and consolidation of approvals of business permit from 16 ministries, all carried out under BKPM’s authority.	Reduced bureaucratic layers and shorter days to obtain business licenses.
		2. NSWi (National Single Window for Investment) portal and SPIPSE (Information and Investment Licence Electronic Service System, or <i>Sistem Pelayanan Informasi dan Perizinan Investasi Secara Elektronik</i> )		
		Established in January 2010.	An integrated portal and service system which enable investors to submit business permit application, trace their documents’ statuses, and obtain relevant information.	Easier application method for investors to obtain investment licence. Shorter days for business permit issuance, from previously 60 days to only 10 days.
	<ul style="list-style-type: none"> <li>Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> </ul>	As in PTSP and NSWi.		
	<ul style="list-style-type: none"> <li>Shorten the processing time and procedures for investment applications.</li> </ul>	As in PTSP and NSWi.		

<ul style="list-style-type: none"> <li>▪ Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> </ul>	-	-	
<ul style="list-style-type: none"> <li>▪ Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> </ul>	As in PTSP and NSWi.		
<ul style="list-style-type: none"> <li>▪ Simplify the process for connecting to essential services infrastructure</li> </ul>	-	-	
<ul style="list-style-type: none"> <li>▪ Implement strategies to improve administrative performance at lower levels of government.</li> </ul>	Since 2009.	Based on Presidential Regulation No. 27 of 2009 on PTSP and Chairman of BKPM Regulation No. 6 of 2011 on the Procedure of Implementation, Assistance and Reporting of One-Stop-Shop System in Investment, since 2009 BKPM has been continuously assessing as well as assisting PDPPM (Provincial Investment Agency), PPTSP Provinsi (Provincial One-Stop-Shop Agency), PDKPM (Regency/ Municipal Investment Agency), PPTSP Kabupaten/Kota (Regency/Municipal One-Stop-Shop Agency), PTSP KPBPB (Free Trade Zone and Free Port One-Stop-Shop Agency) and PTSP KEK (Special Economic Zone One-Stop-Shop Agency) nationwide to meet the benchmarks, criteria, and qualifications for One-Stop-Shop System as stated in Article 5 Clause 2 of the above Presidential Regulation. In 2010, BKPM has assessed and gave qualifications to 130 One-Stop-Shop agencies in provinces, regions, and cities.	
<ul style="list-style-type: none"> <li>▪ Facilitate availability of high standard business services supporting investment</li> </ul>	Ongoing.	As mentioned above.	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> </ul>			

<ul style="list-style-type: none"> <li>_____</li> </ul>				
<b>IFAP Principle 5: Build constructive stakeholder relationships</b>				
<b>Specific Actions</b>		<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> </ul>	<p>Already implemented.</p>	<p>In principle, the government has a mechanism to hold a dialogue with business community, international business chambers and associations in discussing proposed new regulations which might have the potential to affect business in various sectors.</p>		
<ul style="list-style-type: none"> <li>Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> </ul>	<p>-</p>	<p>-</p>		
<ul style="list-style-type: none"> <li>Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> </ul>	<p>Already implemented.</p>	<p>BKPM also takes a role in advocating and facilitating problems faced by business community.</p>		
<ul style="list-style-type: none"> <li>Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> </ul>	<p>Ongoing.</p>	<p>Dialogues between public and private sector has been carried out between government and various institutions such as Chamber of Commerce, industry associations, exporters, and investors.</p>	<ul style="list-style-type: none"> <li>- Improve understanding between public and private sector.</li> <li>- Establish clearer policy direction and improve economic performance.</li> </ul>	
<ul style="list-style-type: none"> <li>Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> </ul>	<p>Ongoing.</p>	<p>Policy on partnership scheme between investors and SMEs, including but not limited to automotive industry and agriculture.</p>	<p>Integrated industry, clustering product base.</p>	
<ul style="list-style-type: none"> <li>Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> </ul>	<p>Since 1999.</p>	<p>The first Indonesia's Code on Good Corporate Governance was published in 1999 and revised several times in 2001 and 2006.</p>	<p>Propagate the acceptance and application of Good Corporate Governance principles nationwide.</p>	
<ul style="list-style-type: none"> <li>Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>	<p>-</p>	<p>-</p>		
<b>Other voluntary actions in addition to the above:</b>				

<ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 6: Utilise new technology to improve investment environments</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>▪ Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> </ul>	Please refer to PTSP and NSWi in <i>"IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures"</i> .		
<ul style="list-style-type: none"> <li>▪ Maintain adequate and effective protection of technology and related intellectual property rights</li> </ul>	Already implemented.	Indonesia has issued a number of laws and regulations on intellectual property rights. The protection of IPR in Indonesia is carried out by the Directorate General of Intellectual Property, Ministry of Law and Human Rights <a href="http://www.dgip.go.id">www.dgip.go.id</a>	<ul style="list-style-type: none"> <li>- Provide legal certainty and protection for innovators.</li> <li>- Encourage conducive business climate.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Where possible, give effect to international norms for property protection</li> </ul>	-	-	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>▪ Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	Ongoing.	Simplify procedures and speed up services.	Better service for investors.
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

<b>IFAP Principle 8: Enhance international cooperation</b>				
<b>Specific Actions</b>		<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
▪	To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions	Ongoing.	Active participation in World Economic Forum, World Investment Forum, and WAIPA.	Network expansion.
▪	Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD	Ongoing.	Participate in PFI-OECD review, and World Bank's Global Investment Promotion Benchmarking.	Maintain the improvement of investment facilitation processes on track.
▪	Ensure measures exist to ensure effective compliance with commitments under international investment agreements	-	-	
▪	Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.	-	-	
<b>Other voluntary actions in addition to the above:</b>				
▪	_____			
▪	_____			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Japan)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Information of laws and regulations related to investment is available on website of JETRO (Japan External Trade Organization). <a href="http://www.jetro.go.jp/en/invest/">http://www.jetro.go.jp/en/invest/</a></li> <li>• Information of revisions and up-dates of laws will be also available through official gazettes.</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Available at: <a href="http://law.e-gov.go.jp/cgi-bin/idxsearch.cgi">http://law.e-gov.go.jp/cgi-bin/idxsearch.cgi</a></li> <li>• Most of the investment related laws are also available at: <a href="http://www.jetro.go.jp/en/invest/setting_up/laws/">http://www.jetro.go.jp/en/invest/setting_up/laws/</a></li> </ul>	
<ul style="list-style-type: none"> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> </ul>	In place	<ul style="list-style-type: none"> <li>• JETRO will be a special enquiry point for investors. <a href="https://www.jetro.go.jp/form5/pub/jab/contact">https://www.jetro.go.jp/form5/pub/jab/contact</a></li> </ul>	
<ul style="list-style-type: none"> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Available at website of JETRO. <a href="http://www.jetro.go.jp/en/invest/">http://www.jetro.go.jp/en/invest/</a></li> </ul>	
<ul style="list-style-type: none"> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> </ul>	In place	<ul style="list-style-type: none"> <li>• JETRO is an Investment Promotion Agency and link to their website is available at most of government agencies website.</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Available at website of JETRO. <a href="http://www.jetro.go.jp/en/invest/">http://www.jetro.go.jp/en/invest/</a></li> </ul>	

<ul style="list-style-type: none"> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> </ul>	<p>In place</p>	<ul style="list-style-type: none"> <li>• Japan permits investors to choose their form of establishment. Detailed information can be found from following website. <a href="http://www.jetro.go.jp/en/invest/setting_up/laws/section1/">http://www.jetro.go.jp/en/invest/setting_up/laws/section1/</a></li> </ul>	
<ul style="list-style-type: none"> <li>▪ Ensure transparency and clarity in investment-related laws</li> </ul>	<p>In place</p>	<ul style="list-style-type: none"> <li>• Most of the investment related laws are also available at: <a href="http://www.jetro.go.jp/en/invest/setting_up/laws/">http://www.jetro.go.jp/en/invest/setting_up/laws/</a></li> </ul>	
<ul style="list-style-type: none"> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> </ul>	<p>In place</p>	<ul style="list-style-type: none"> <li>• Japan has contributed its submission to the revised 2010 Guide to APEC Investment Regimes, which is now available electronically.</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> </ul>	<p>In place</p>	<ul style="list-style-type: none"> <li>• JETRO will be a special enquiry point for investors. <a href="https://www.jetro.go.jp/form5/pub/jab/contact">https://www.jetro.go.jp/form5/pub/jab/contact</a></li> </ul>	
<ul style="list-style-type: none"> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> </ul>	<p>In place</p>	<ul style="list-style-type: none"> <li>• Information related to foreign investors will be published at website of JETRO. <a href="http://www.jetro.go.jp/en/invest/">http://www.jetro.go.jp/en/invest/</a></li> </ul>	
<ul style="list-style-type: none"> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> </ul>	<p>In place</p>	<ul style="list-style-type: none"> <li>• It is required to provide an opportunity for public comment by Administrative Procedure Act. Comments can be submitted through electronic measures.</li> </ul>	
<ul style="list-style-type: none"> <li>▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> <li>▪ _____</li> </ul>			

IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> </ul>	In place	<ul style="list-style-type: none"> <li>Procedure of registration of ownership is controlled by Real Property Registration Act.</li> </ul>	
<ul style="list-style-type: none"> <li>Create and maintain an effective register of public or state owned property.</li> </ul>	In place	<ul style="list-style-type: none"> <li>Available at: <a href="http://www.mof.go.jp/national_property/list/page-corner.html">http://www.mof.go.jp/national_property/list/page-corner.html</a></li> </ul>	
<ul style="list-style-type: none"> <li>Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> </ul>	In place	<ul style="list-style-type: none"> <li>Japan provides information of fair land price. Available at: <a href="http://www.land.mlit.go.jp/webland_english/servlet/MainServlet">http://www.land.mlit.go.jp/webland_english/servlet/MainServlet</a></li> </ul>	
<ul style="list-style-type: none"> <li>Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	
<ul style="list-style-type: none"> <li>Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	
<ul style="list-style-type: none"> <li>Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> </ul>	In place	<ul style="list-style-type: none"> <li>Provision on Investor-State Dispute Settlement is stipulated in most of signed International Investment Agreements.</li> </ul>	
<ul style="list-style-type: none"> <li>Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	

parties			
<ul style="list-style-type: none"> <li>Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	
<ul style="list-style-type: none"> <li>Take steps to accede to an arbitral convention</li> </ul>	In place	<ul style="list-style-type: none"> <li>Japan signed to the ICSID Convention.</li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	
<ul style="list-style-type: none"> <li>Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> </ul>	In place	<ul style="list-style-type: none"> <li>Provision on national treatment is stipulated in most of signed International Investment Agreements.</li> </ul>	
<ul style="list-style-type: none"> <li>Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> </ul>			
<ul style="list-style-type: none"> <li>Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> </ul>	In place	<ul style="list-style-type: none"> <li>Regardless of the type of operation, prior notification must be filed with the Bank of Japan if establishing an operation in an industry in which the Foreign Exchange and Foreign Trade Act requires that such notification be</li> </ul>	

		filed when making an inward direct investment.	
<ul style="list-style-type: none"> <li>Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> </ul>	In place	<ul style="list-style-type: none"> <li>Definition of criteria for the assessment of proposal is made clear under Foreign Exchange and Foreign Trade Act.</li> </ul>	
<ul style="list-style-type: none"> <li>Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	In place	<ul style="list-style-type: none"> <li>The mechanism is available under Administrative Appeal Act.</li> </ul>	
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> </ul>	In place	<ul style="list-style-type: none"> <li>JETRO provide a one-stop service for investor's to Japan. <a href="http://www.jetro.go.jp/en/invest/">http://www.jetro.go.jp/en/invest/</a></li> </ul>	
<ul style="list-style-type: none"> <li>Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> </ul>	In place	<ul style="list-style-type: none"> <li>Japan introduced a web registration system from February 2013. <a href="http://www.touki-kyoutaku-net.moj.go.jp/">http://www.touki-kyoutaku-net.moj.go.jp/</a></li> </ul>	
<ul style="list-style-type: none"> <li>Shorten the processing time and procedures for investment applications.</li> </ul>	In place	<ul style="list-style-type: none"> <li>Ministry of Finance announced that they will endeavor to process the prior notification within 5 working days.</li> </ul>	
<ul style="list-style-type: none"> <li>Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	

times, where appropriate			
<ul style="list-style-type: none"> <li>Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> </ul>	In place	<ul style="list-style-type: none"> <li>JETRO has a IBSC (Investment Japan Business Support Center) to provide an investor with the most convenient and cost-effective way to enter or expand your business in Japan. <a href="http://www.jetro.go.jp/en/invest/ibsc/">http://www.jetro.go.jp/en/invest/ibsc/</a></li> </ul>	
<ul style="list-style-type: none"> <li>Simplify the process for connecting to essential services infrastructure</li> </ul>	In place	<ul style="list-style-type: none"> <li>JETRO provide a consultation service from the beginning to the end of establishing the business and they also introduces the adequate service providers. <a href="http://www.jetro.go.jp/en/invest/">http://www.jetro.go.jp/en/invest/</a></li> </ul>	
<ul style="list-style-type: none"> <li>Implement strategies to improve administrative performance at lower levels of government.</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	
<ul style="list-style-type: none"> <li>Facilitate availability of high standard business services supporting investment</li> </ul>	In place	<ul style="list-style-type: none"> <li>JETRO IBSC will introduce a adequate service providers. <a href="http://www.jetro.go.jp/en/invest/ibsc/">http://www.jetro.go.jp/en/invest/ibsc/</a></li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>	<p>The new system of residence management, which is stipulated in the law for partial amendment to the Immigration Control and Refugee Recognition Act, which was promulgated on July 15, 2009, is expected to be enforced in July 9, 2012.</p> <p>Ministry of Justice announced in 2011 the introduction of points-based preferential immigration treatment for highly skilled foreign professionals who are expected to contribute to Japan's economic growth, create new demands and</p>	<p>This new system includes the extension of the maximum period of stay from three years to five years, revision of the re-entry permit system, etc.</p> <p>Points will be counted on the basis of categories such as "academic background", "professional background" and "(promised) annual income". The points shall be awarded for each</p>	<p>Through this system, Japan aims to improve the convenience of foreign nationals who legally reside in Japan.</p> <p>Through this system, Japan aims to promote more acceptances of highly skilled foreign professionals.</p>

	employment. This system started in May 2012.	categories.  The preferential immigration control measures will be taken for those persons who have accumulated a certain number of points.	
<b>IFAP Principle 5: Build constructive stakeholder relationships</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> </ul>	In place	<ul style="list-style-type: none"> <li>It is required to provide an opportunity for public comment by Administrative Procedure Act. Comments can be submitted through electronic measures.</li> </ul>	
<ul style="list-style-type: none"> <li>Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> </ul>	In place	<ul style="list-style-type: none"> <li>Japan shares the success story of establishing the business in Japan in cooperation with JETRO at JETRO website. <a href="http://www.jetro.go.jp/en/invest/success_stories/">http://www.jetro.go.jp/en/invest/success_stories/</a></li> </ul>	
<ul style="list-style-type: none"> <li>Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	
<ul style="list-style-type: none"> <li>Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> </ul>	In place	<ul style="list-style-type: none"> <li>Japan supports the APEC Public-Private Dialogue on Investment.</li> </ul>	

<ul style="list-style-type: none"> <li>Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> </ul>	In place	<ul style="list-style-type: none"> <li>Japan promotes the industry clusters by distributing the various related information at JETRO's website. <a href="http://www.jetro.go.jp/en/invest/region/info/">http://www.jetro.go.jp/en/invest/region/info/</a></li> </ul>	
<ul style="list-style-type: none"> <li>Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> </ul>	In place	<ul style="list-style-type: none"> <li>Japan encourages such standards, by updating the information at website of Ministry of Foreign Affairs.</li> </ul>	
<ul style="list-style-type: none"> <li>Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>		<ul style="list-style-type: none"> <li></li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

**IFAP Principle 6: Utilise new technology to improve investment environments**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> </ul>	In place	<ul style="list-style-type: none"> <li>Japan introduced a web registration system from February 2013. <a href="http://www.touki-kyoutaku-net.moj.go.jp/">http://www.touki-kyoutaku-net.moj.go.jp/</a></li> </ul>	
<ul style="list-style-type: none"> <li>Maintain adequate and effective protection of technology and related intellectual property rights</li> </ul>	In place	<ul style="list-style-type: none"> <li>Intellectual property is protected by Design Act, Utility Model Act, Trademark Act and Patent Act etc.</li> </ul>	
<ul style="list-style-type: none"> <li>Where possible, give effect to international norms for property</li> </ul>	In place	<ul style="list-style-type: none"> <li>WTO TRIPS Agreement</li> </ul>	

protection			
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>_____</li> <li>▪ _____</li> <li>_____</li> </ul>		•	
<b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Japan established a “Program for Promoting Japan as an Asian Business Center and Direct Investment into Japan” and conducting a periodical review. For more detail: <a href="http://www.meti.go.jp/english/press/2012/1030_06.html">http://www.meti.go.jp/english/press/2012/1030_06.html</a></li> </ul>	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>_____</li> <li>▪ _____</li> <li>_____</li> </ul>		•	
<b>IFAP Principle 8: Enhance international cooperation</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Japan is a signatory of various investment related conventions.</li> </ul>	
<ul style="list-style-type: none"> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Japan participates at various international committees and make use of such initiatives where appropriate.</li> </ul>	

Bank, UNCTAD and OECD			
<ul style="list-style-type: none"> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Provision on Investor-State Dispute Settlement is stipulated in most of signed International Investment Agreements.</li> </ul>	
<ul style="list-style-type: none"> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	In place	<ul style="list-style-type: none"> <li>• Japan reviews existing international agreements and treaties and will take measures, when necessary.</li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Republic of Korea)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li>   <li>• Adopt centralised registry of laws and regulations and make this available electronically.</li>   <li>• Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li>   <li>• Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li>   <li>• Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li>   <li>• Make available to investors all rules and other information relating to investment promotion and incentive schemes</li>   <li>• Allow investors to choose their form of establishment within legislative and legal frameworks.</li> </ul>	Since 2008	Available at : <a href="http://inglaw.moleg.go.kr">http://inglaw.moleg.go.kr</a>	Enhanced accessibility
	Since 1997	Centralized at : <a href="http://www.law.go.kr">www.law.go.kr</a>	Enhanced accessibility
	Established in 1998	Establishing the Invest Korea (IK)	Enhanced accessibility
	Revised in 2009	Making the languages of the Foreign Investment Promotion Act (FIPA) more business friendly	Enhanced readability
	Published since 2011	Launching the Invest Korea Bulletin (official monthly magazine published by IK)	Enhanced visibility
	Since 2006	Available at <a href="http://www.investkorea.org">www.investkorea.org</a>	Enhanced accessibility
		No limitation in the establishment form	

<ul style="list-style-type: none"> <li>• Ensure transparency and clarity in investment-related laws</li>   <li>• Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li>   <li>• Encourage on-line enquiries and on-line information on all foreign investment issues</li>   <li>• Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li>   <li>• To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li>   <li>• Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>	<p>Revised in 2009</p> <p>Since 2006</p> <p>Since 2006</p> <p>Since 2008</p> <p>Since 2008</p>	<p>Revision of the FIPA</p> <p><a href="http://www.investkorea.or.kr">http://www.investkorea.or.kr</a> is introduced as the portal for foreign investors</p> <p>Available via the activities of IK (project managers and home doctors, etc)</p> <p>Available at : <a href="http://inglaw.moleg.go.kr">http://inglaw.moleg.go.kr</a></p> <p>Referring to well-recognized international organization's indices and ranks including the doing business, world competitiveness, FDI potential and performance indices, in developing investment policies</p>	<p>Enhanced transparency</p> <p>Enhanced transparency</p> <p>Enhanced transparency</p> <p>Enhanced transparency</p> <p>Enhanced transparency</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

**IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> </ul>	Since 2008	Available at : <a href="http://www.iros.go.kr">http://www.iros.go.kr</a>	Enhanced efficiency of registration procedures
<ul style="list-style-type: none"> <li>Create and maintain an effective register of public or state owned property.</li> </ul>	Since 2008	Available at : <a href="http://www.mltm.go.kr">http://www.mltm.go.kr</a> and <a href="http://www.onnara.go.kr/">http://www.onnara.go.kr/</a>	Enhanced accessibility
<ul style="list-style-type: none"> <li>Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> </ul>			
<ul style="list-style-type: none"> <li>Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> </ul>			
<ul style="list-style-type: none"> <li>Explore the possibility of using the World Bank Doing Business indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> </ul>			
<ul style="list-style-type: none"> <li>Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> </ul>	Since 1999	Introducing the Foreign investment Ombudsman	Enhanced stability of investment environments
<ul style="list-style-type: none"> <li>Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of</li> </ul>	Since 1999	Introducing the Foreign investment Ombudsman	Enhanced stability of investment

<p>international commercial disputes between private parties</p> <ul style="list-style-type: none"> <li>Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> <li>Take steps to accede to an arbitral convention</li> </ul>	<p>Since 1999</p> <p>2011</p>	<p>Available via the Foreign investment Ombudsman</p> <p>Revision of the Korean Commercial Arbitration Board rules</p>	<p>environments</p> <p>Enhanced stability of investment environments</p> <p>Applying the international arbitration rules by default to international cases, Establishment of Expedited Procedures</p>
<p><b>Other voluntary actions in addition to the above:</b></p>			
<p><b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> <li>Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> <li>Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has</li> </ul>	<p>Revised in 2009</p>	<p>Revision of the FIPA</p>	<p>Enhanced clarity</p>

<p>regulatory and commercial functions</p> <ul style="list-style-type: none"> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	<p>Since 1999</p>	<p>Available via the Foreign investment Ombudsman</p>	<p>Improved investors’ protection</p>
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>	<p>N/A</p>		
<p><b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> <li>• Shorten the processing time and procedures for investment applications.</li> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times,</li> </ul>	<p>Since 1998</p>	<p>One-stop service is available at IK</p> <p>-</p>	<p>Improved efficiency</p>

<p>where appropriate</p> <ul style="list-style-type: none"> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services infrastructure</li> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>		-	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 5: Build constructive stakeholder relationships</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> <li>• Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by</li> </ul>	<p>Since 1999</p>	<p>Available during the legislative process, and through the global investment forum and CEO roundtable talks organized by the IK</p> <p>Available via the Foreign investment Ombudsman</p>	<p>Improved stakeholder relationships</p> <p>Improved investment</p>

<p>investors including those faced by SMEs</p> <ul style="list-style-type: none"> <li>• Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> <li>• Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>	<p>Since 2011</p>	<p>Disseminating the OECD guidelines for multinational enterprises by publishing the Korean translation and holding the sustainable management forum</p>	<p>environments</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 6: Utilise new technology to improve investment environments</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li>• Maintain adequate and effective protection of technology and related intellectual property rights</li> </ul>			

<ul style="list-style-type: none"> <li>Where possible, give effect to international norms for property protection</li> </ul>			
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>			
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>	A		
<b>IFAP Principle 8: Enhance international cooperation</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World</li> </ul>	Since 2010	Benchmarking and trying to adopt the international best practices through the research of foreign investment policy center	

<p>Bank, UNCTAD and OECD</p> <ul style="list-style-type: none"> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li>   <li>• view existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>	N/A		

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Malaysia)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> <li>▪ Ensure transparency and clarity in investment-related laws</li> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>▪ To the extent possible, provide advance notice of proposed</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Ongoing</b></li> </ul>	<ul style="list-style-type: none"> <li>• Investment regulations and incentives are transparent whereby current and up-to-date information are published through printed documents such as policy book, brochures, specific industry pamphlets, etc. as well as through Ministries/Agencies' websites.</li> <li>• Malaysian Investment Development Authority (MIDA) was set up as the principal agency to promote, facilitate and coordinate all activities in the manufacturing and services sectors. MIDA has established 'Business Information Centre' and 'Customer Service Centre' to facilitate investors' enquiries relating to investment policies and procedures. MIDA also has an Advisory Services Centre which stations key representatives from government agencies such as Customs, Immigration and Department of Environment, to assist investors with investment matters.</li> <li>• An Immigration Unit is also established in MIDA to approve visas and work permits for expatriates approved for manufacturing and services sectors.</li> <li>• At State/Regional Government Levels, One-Stop Centers are also set up to assist investors in obtaining licenses, permits and approvals to facilitate project implementation at the state/regional level.</li> <li>• Legislations related to investments are publicly</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Enables investors to plan and operate their projects smoothly</b></li> </ul>

<p>changes to laws and regulations and provide an opportunity for public comment</p> <ul style="list-style-type: none"> <li>Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>		<p>available in various languages. For example, MIDA brochures are available in English, French, German, Italian, Japanese, Korean, Spanish and Mandarin. These publications are also available on the MIDA website i.e. <a href="http://www.mida.gov.my">http://www.mida.gov.my</a>.</p> <ul style="list-style-type: none"> <li>Other investment promotion bodies at the federal and state levels as well as economic corridors have also established websites to enhance transparency and facilitate investment.</li> <li>On-line enquiries/information are accessible through various Ministries and related agencies.</li> <li>Changes to procedures, standards, technical regulations and conformance requirements are announced in a timely manner through the media, websites, etc.</li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

**IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> <li>Create and maintain an effective register of public or state owned property.</li> <li>Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> <li>Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> <li>Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li><u>Rights</u> on land and property ownership is clearly spelt out in the relevant Land laws and guidelines on the acquisition of properties.</li> <li>Malaysia has signed 73 Investment Guarantee Agreements (IGAs). All agreements include provisions for investor-state dispute settlement through arbitration using the International Centre for Settlement of Investment Disputes (ICSID), United Nations Commission on International Trade Law (UNCITRAL), Kuala Lumpur Regional Centre for Arbitration (KLRCA) and other fora. Investors can</li> </ul>	<ul style="list-style-type: none"> <li>Investors are secured with protection of their investments in the country</li> </ul>

<p>for peer dialogue and benchmarking and measuring progress across APEC</p> <ul style="list-style-type: none"> <li>• Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> <li>• Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> <li>• Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> <li>• Take steps to accede to an arbitral convention</li> </ul>		<p><b>also pursue claims in domestic courts.</b></p>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> <li>• Establish and disseminate widely clear definitions of</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Ongoing</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Investors are treated equally and can pursue claims in domestic courts.</b></li> <li>• <b>Criteria and guidelines for investment proposals are available in MIDA’s policy books and websites, including licensing thresholds, general criteria for enjoyment of investment incentives, etc.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Equal treatment to all investors</b></li> </ul>

<p>criteria for the assessment of investment proposals</p> <ul style="list-style-type: none"> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>			
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

**IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> <li>• Shorten the processing time and procedures for investment applications.</li> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services infrastructure</li> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>• Various measures to enhance the government delivery system are continuously undertaken by the Government through the Special Taskforce to Facilitate Business (PEMUDAH).</li> <li>• MIDA acts as the focal point and coordinates all applications related to investment projects. MIDA also coordinates all investment promotion activities through the establishment of Task Force on Investment which streamlines promotional programmes such as trade and investment missions as well as collation of investment figures in the manufacturing and services sectors.</li> <li>• Application procedures related to investments approvals have been simplified and streamlined over the years to facilitate investors, including through the ‘fast track’ mechanism. This has enabled investors to obtain approvals in a shorter period and with less hassle.</li> <li>• MIDA has introduced automatic issuance of Manufacturing Licence for all manufacturing activities, except for those that affects security, safety, health, environment and for religious considerations. The processing time for the</li> </ul>	<ul style="list-style-type: none"> <li>• Ease of doing business for investors</li> </ul>

		<p>issuance of licence is two days. Processing time for other applications, e.g. expatriate posts, duty exemption, incentives have been reduced. Processing time for projects are monitored on an on-going basis.</p> <ul style="list-style-type: none"> <li>• On-line applications are also available on the MIDA website whereby companies can apply for Manufacturing Licenses, Tax Incentives, Expatriate Posts and Import Duty Exemptions on Machinery and Raw Materials.</li> <li>• MIDA also conducts ‘hand holding’ whereby investors are assisted in obtaining all necessary approvals until the projects are operational. Existing companies are also facilitated in overcoming operational problems faced.</li> <li>• Business Licensing Electronic Support System (BLESS) assists companies to obtain business licences efficiently through its portal. It provides information and facilitates companies to apply licenses and permits to start operating business in Malaysia.</li> </ul>	
<p>Other voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 5: Build constructive stakeholder relationships</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>• Regular dialogues and consultations with investors and the business community including Chambers of Commerce, Industry associations, etc. on Malaysia’s investment policies are undertaken by various</li> </ul>	<ul style="list-style-type: none"> <li>• Investors’ views are taken into account in policy review</li> </ul>

<ul style="list-style-type: none"> <li>• Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> <li>• Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> <li>• Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>		<p><b>Ministries and agencies before changes to laws, regulations and policies are made.</b></p> <ul style="list-style-type: none"> <li>• <b>An annual dialogue is conducted by the Ministry of International Trade and Industry (MITI Annual Dialogue) with investors and the business community including Chambers of Commerce, Industry associations, etc to obtain feedback from the private sector on issues that they may have in 'doing business in Malaysia'. It also provides a platform for trade and other associations to raise issues of concern which affect their members and hinder the country's economic development.</b></li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 6: Utilise new technology to improve investment environments</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li>• Maintain adequate and effective protection of technology and related intellectual property rights</li> <li>• Where possible, give effect to international norms for property protection</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Ongoing</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>On-line submissions, automatic and fast track approvals are available for investment related applications.</b></li> <li>• <b>BLESS facilitates applications for approvals and reduce processing times.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Ease of doing business for investors</b></li> </ul>

<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>• Various measures are constantly being reviewed to ensure transaction costs for the business sector is reduced.</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous improvement in investment policy</li> </ul>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 8: Enhance international cooperation</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	<ul style="list-style-type: none"> <li>• 2012</li> <li>• Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>• Malaysia participates in OECD's Investment Policy Peer Review to develop the Policy Framework for Investment.</li> <li>• International agreements and treaties are being reviewed based on the agreed schedule.</li> <li>• Exchange of experiences and best practices among countries.</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance country's image and international ranking globally</li> </ul>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Peru)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> </ul>	Implemented since 1993	<p>According to the Constitution enacted in 1993, all Laws including those regarding investment matters are to be published in the Official Gazette “El Peruano” in order to enter into force.</p> <p>Government agencies also also publicize the regulations in their web site.</p>	Transparency is applicable to the disclosure of laws approved by the Peruvian State, including those corresponding to foreign investment treatment. The supply of information and administrative actions for the establishment and execution of foreign investment in Peru is widely covered.
<ul style="list-style-type: none"> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> </ul>	Implemented since 1996	<p>All Laws and regulations published in the official gazette El Peruano, are also available online: <a href="http://www.elperuano.com.pe">www.elperuano.com.pe</a></p> <p>Most important regulations regarding investing in Peru can also be found on the website of the Investment Promotion Agency - PROINVERSION.</p>	
<ul style="list-style-type: none"> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> </ul>	Available since 2002	<p>The web site of the investment Promotion Agency- PROINVERSION provides information on legal framework, investment policies, investment opportunities</p>	

		and FDI statistics. Enquiries regarding investing in Peru can be made through the website: <a href="http://www.proinversion.gob.pe">www.proinversion.gob.pe</a>	
<ul style="list-style-type: none"> <li>Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> </ul>	Already done	Spanish is the official language in Peru. Most important regulations on investments can also be found in English in PROINVERSION's website.	
<ul style="list-style-type: none"> <li>Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> </ul>	Already established	The Private Investment Promotion Agency- PROINVERSION was established in 2002 by merging three agencies previously responsible for such activities namely: i) the Commission for promotion of investment- COPRI, the national commission for foreign technologies and investment- CONITE and the economic Division of the Peruvian Promotion Agency – PROMPERU	
<ul style="list-style-type: none"> <li>Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> </ul>	Already available	Rules and other information relating to investment promotion and incentive schemes are to be found in PROINVERSION's website	
<ul style="list-style-type: none"> <li>Allow investors to choose their form of establishment within legislative and legal frameworks.</li> </ul>	Already done	Peruvian legislation recognizes various entrepreneurial forms	

		<p>including corporation limited liability company, branch, joint venture, consortium, among others.</p> <p>Domestic regulations recognize the right of investors to choose their form of incorporation, which is referred to the mechanism under which companies are formally established in the country under any of the forms foreseen in the domestic legislation, except in the case of financial companies included in Legislative Decree N° 637- General Banking, Financial and Insurance Institutions Law, and Legislative Decree N° 755 – Securities Market Law and other laws related to the financial system;</p>	
<ul style="list-style-type: none"> <li>▪ Ensure transparency and clarity in investment-related laws</li> </ul>	<p>Already implemented</p>	<p>In 1992 the Ministries, public institutions and organizations, as well as other Public Administration entities of any nature, whether they are dependent upon the Central Government, Regional Governments or Local Governments, were obliged to approve legal regulations aimed at</p>	

		<p>drastically unifying, reducing and simplifying all administrative proceedings and procedures brought before the appropriate entity, pursuant to the provisions of this Title.</p> <p>Since that time, the entities referred have implemented their appropriate Single Text of Administrative Proceedings (TUPA), which include the following information:</p> <ul style="list-style-type: none"><li>a) All administrative proceedings carried out before the entity;</li><li>b) A clear and detailed description of the requirements to carry out each administrative proceeding;</li><li>c) Qualification of each proceeding depending on the following:<ul style="list-style-type: none"><li>a. Whether it is an automatic approval proceeding;</li><li>b. Whether it requires a prior evaluation from the Public Administration</li></ul></li><li>d) The cases in which the payment of fees is applicable and the amount thereof;</li><li>e) The agency before which applications should be filed;</li></ul>	
--	--	--	--

		f) The competent authority for the approval of each proceeding; and, g) The competent authorities or entities which decide on appeals.	
<ul style="list-style-type: none"> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> </ul>	Since 2010, Peru is providing requested information in investment regime to the APEC – e portal publication of the APEC investment Guidebook		
<ul style="list-style-type: none"> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> </ul>			
<ul style="list-style-type: none"> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> </ul>		Changes in the procedures are to be included in the corresponding Single Text of Administrative Proceedings (TUPA).	
<ul style="list-style-type: none"> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> </ul>			
<ul style="list-style-type: none"> <li>▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> </ul>			

<ul style="list-style-type: none"> <li>_____</li> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments</b>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• <b>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</b></li> </ul>	<p>The National Public Registry System and the National Supervisory Authority of Public Registries (SUNARP) were established through Law 26336 enacted in 1994.</p>	<p>The registered acts may be appealed in the Registration Court. The Registry also grants legal publicity to various acts and registered rights. The SUNARP has put in place an online public registration service which allows access to registration items inscribed in Peru's Public Registries.</p>	
<ul style="list-style-type: none"> <li>• <b>Create and maintain an effective register of public or state owned property.</b></li> </ul>	<p>The Superintendency of National Assets- SBN, was established in 1992, through Decree Laws 25556 and 25738.</p>	<p>The SBN is in charge of the supervision and administration to national assets, besides is responsible to the acquisition, register, and respective disposition .</p>	
<ul style="list-style-type: none"> <li>• <b>Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</b></li> </ul>			
<ul style="list-style-type: none"> <li>• <b>Foster the dissemination of accurate market reputation information including creditworthiness and</b></li> </ul>			

reliability			
<ul style="list-style-type: none"> <li>• <b>Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</b></li> </ul>	<p>Peru through the Compettiveness Council of the Ministry of Economy and Finance is implementing a Plan based in increase the Peru’s performance in the World Bank-Doing Business ranking</p>	<p>The Plan includes mainly make improvements in areas such as: contracts enforcement, Business set up, construction permits, tax payment, foreign trade, investors protection.</p>	<p>The objective is to improve the business climate and encourage private investment growth .</p>
<ul style="list-style-type: none"> <li>• <b>Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</b></li> </ul>	<p>In accordance with Peruvian’s Political Constitution, enacted in 1993, and at present in force, national and foreign investors are allowed to submit disputes arising out of contracts to judicial or arbitration courts, by virtue of the protection mechanisms established in those contracts or in the law.</p>	<p>In order to be prepared to attend claims arisen out of alleged breaches of the obligations contained in treaties, contracts and other agreements signed between public entities and foreign or national investors that include provisions regarding international dispute settlement mechanisms, Peru has established an Special Commission that is responsible for addressing the plaintiffs in the direct.</p>	
<ul style="list-style-type: none"> <li>• <b>Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</b></li> </ul>	<p>According to domestic regulations, the judiciary, as well as the arbitrators should promote conciliation.</p>		
<ul style="list-style-type: none"> <li>• <b>Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling</b></li> </ul>	<p>National Agency for the Defense of Competition and Protection of Intellectual Property – INDECOPI: It is the competent body in case</p>		

<p><b>facilities, such as complaint service centres, and effective problem-solving mechanisms</b></p>	<p>foreign investors lodge a claim for actions that affect the right participation of economic agents in the market. In that case, investors can attend the Commission on market access. It also considers distortions in loyal and honest competition between suppliers of goods and services, distortions in accessing or leaving the market, actions against the respect of intellectual property rights, copyrights and patent rights.</p>		
<ul style="list-style-type: none"> <li>• <b>Take steps to accede to an arbitral convention</b></li> </ul>	<p>Peru has ratified the Convention of the Settlement of Investment Disputes between the States and Nationals of other States (ICSID) (September 8, 1993), the Inter-American Convention on International Commercial Arbitration, signed in Panama in 1975 (June 21, 1989), and the 1958 New York Convention on Recognition and Enforcement of Foreign Arbitral Awards (October 5, 1988). Peru's agreement model includes a clause on "enforcement of an award" with reference to the Inter-American Convention on International Commercial Arbitration and the 1958 New</p>		

	York Convention. ICSID is considered as international forum where investors may present a claim under the investor-State mechanism for the settlement of disputes under most international investment agreements concluded by Peru.		
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	(How were the actions being implemented? Or  How will the actions be implemented?)	(Describe the expected outcome within this principle)
<ul style="list-style-type: none"> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> </ul>	The principle of non-discrimination underpins Peru's legislation and regulations governing investment.	The legal framework governing foreign investments in Peru is based on national treatment.  Peru's constitution stipulates that national and foreign investors are subject to the same conditions and several laws confirm this general principle.	Investment treatment in Peru , promotes private domestic and foreign investment, given the important role it plays in the county's economic development.

<ul style="list-style-type: none"> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> </ul>			
<ul style="list-style-type: none"> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> </ul>			
<ul style="list-style-type: none"> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> </ul>	<p>Peru does not apply any special procedure for authorization or license for foreign investment. Nor does it apply any mechanism for monitoring or performance requirement.</p>		
<ul style="list-style-type: none"> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>			
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

**IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> </ul>			
<ul style="list-style-type: none"> <li>Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> </ul>	<p>Peru does not apply any special procedure for authorization or license for foreign investment. Nor does it apply any mechanism for monitoring or performance requirement.</p> <p>Procedures are the same for foreign and domestic investors.</p>		
<ul style="list-style-type: none"> <li>Shorten the processing time and procedures for investment applications.</li> </ul>			
<ul style="list-style-type: none"> <li>Promote use of silence is consent rules or no objections within defined time limits to speed up processing times, where appropriate</li> </ul>	<p>Use of positive administrative silence is already in practice</p>	<p>The Positive Administrative Silence Law issued in 2008 stipulates that if a public entity has failed to respond to a request within 30 days, such request is considered to be accepted. This law replaced the rule according to which the absence of reply by the administration within 30 days</p>	<p>The Positive Administrative Silence Law, is oriented to avoid delays in provide administrative formalities by government agencies.</p>

		meant a denial of the request.	
<ul style="list-style-type: none"> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> </ul>			
<ul style="list-style-type: none"> <li>• Simplify the process for connecting to essential services infrastructure</li> </ul>			
<ul style="list-style-type: none"> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> </ul>			
<ul style="list-style-type: none"> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 5: Build constructive stakeholder relationships</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	(How were the actions being implemented? Or  How will the actions be implemented?)	(Describe the expected outcome within this principle)

changes to existing ones prior to their implementation			
<ul style="list-style-type: none"> <li>Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> </ul>			
<ul style="list-style-type: none"> <li>Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> </ul>			
<ul style="list-style-type: none"> <li>Continue to share APEC member economies experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> </ul>	Peru's representatives has participated in developed experiences of Public-Private dialogue such as PP dialogue about PPPs developed in San Francisco and PP Dialogue in attracting investments to develop infrastructure developed during May 2012 in Kazan Rusia.		
<ul style="list-style-type: none"> <li>Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters.</li> </ul>			

<ul style="list-style-type: none"> <li>Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> </ul>	<p>Peru has adhered to OECD Declaration on International Investments and Multinational Enterprises. In 2008, when it became a participant to the Investment Committee.</p>	<p>Peru is promoting the application of the OECD Guidelines for Multinational Enterprises and is also promoting the inclusion of general commitments regarding the implementation of corporate social responsibility</p> <p>The main entrepreneurs associations are developing collective activities oriented to improve standards of corporate governance.</p>	<p>Improvements in business conduct will contribute to the consolidation of the investment climate in Peru.</p>
<ul style="list-style-type: none"> <li>Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<p><b>IFAP Principle 6: Utilise new technology to improve investment environments</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li></li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p>	<p>(Describe the expected outcome within this principle)</p>

<ul style="list-style-type: none"> <li>Maintain adequate and effective protection of technology and related intellectual property rights</li> </ul>	Peruvian regulations on intellectual property comply with international standards and are complemented with the commitments arising from free trade		
<ul style="list-style-type: none"> <li>Where possible, give effect to international norms for property protection</li> </ul>	Peru has adhered to the Paris Convention for the Protection of Industrial Property and the Inter-American Convention for the Protection of Trademarks and Commerce, Washington, D.C		
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's	(How were the actions being implemented? Or How will the actions be	(Describe the expected outcome within this principle)

possible cost	actions)	implemented?)	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

**IFAP Principle 8: Enhance international cooperation**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	(How were the actions being implemented? Or  How will the actions be implemented?)	(Describe the expected outcome within this principle)
<ul style="list-style-type: none"> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> </ul>			
<ul style="list-style-type: none"> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> </ul>	On the basis of the powers delegated to it by the law 29157, published on 20 December 2007 and in force from January 1, 2008, the Executive Branch issued aprox ninety-nine (99) legislative decrees. Referrals	Referred decrees regulate diverse topics ranging from trade, the reform of the justice and administrative procedures, arbitration, banking and the stock market, labour rights, the environment, intellectual property, tax matters, aspects of education,	Legal framework, issued since 2008, is oriented to facilitate the implementation of international investment agreements.

	<p>decrees regulate diverse topics such as : trade, the reform of the justice and administrative procedures, arbitration, banking and the stock market, labour rights, the environment, intellectual property, tax matters, aspects of education, among others.</p>	<p>among others.</p>	
<ul style="list-style-type: none"> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

## Appendix I: Investment Facilitation – Menu of Actions and Measures (Voluntary submission by member economies: Philippines)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and updates.</li> <li>• Ensure transparency and clarity in investment-related laws.</li> <li>• Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations, and conformance requirements.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• As a requirement for effectivity, all laws, rules, regulations and/or amendments thereto must be published either in the Official Gazette or in a newspaper of general circulation.</li> </ul>	
	Ongoing	<ul style="list-style-type: none"> <li>• The Official Gazette is the Philippine Government’s official journal and main publication. It contains the following information:                             <ul style="list-style-type: none"> <li>○ all important legislative acts and resolutions of a public nature of the Congress of the Philippines;</li> <li>○ all executive and administrative orders and proclamations, except those that have no general applicability;</li> <li>○ decisions or abstracts of decisions of the Supreme Court and the Court of Appeals as may be deemed by said courts of sufficient importance to be so published;</li> <li>○ such documents or classes of documents as may be required so to be published by law; and,</li> <li>○ such documents or classes of documents as the President of the Philippines shall determine from time to time to have general applicability and legal effect, or which he may authorize so to be published.</li> </ul> </li> </ul>	

	Ongoing	<ul style="list-style-type: none"> <li>Public hearings/consultations are conducted before any laws, rules or regulations are finalized or amended/revised.</li> </ul>	
	Ongoing	<ul style="list-style-type: none"> <li>As required under Article 31 of the Omnibus Investment Code of 1987, the Board of Investments' (BOI) annual Investment Priorities Plan (IPP) is published in a newspaper of general circulation. The IPP shall take effect fifteen (15) days after publication.</li> </ul>	
	Ongoing	<ul style="list-style-type: none"> <li>The BOI regularly conducts orientation seminars for the private sector that cover updates on the rules and regulations of the BOI, the Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR).</li> </ul>	
<ul style="list-style-type: none"> <li>Adopt centralized registry of laws and regulations and make this available electronically.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The UP Law Center is mandated to be the central depository of all laws, rules and regulations in the country</li> <li>Copies of the Philippine laws may be accessed through the online version of the Official Gazette launched on 26 July 2010.</li> </ul>	
	2012	<ul style="list-style-type: none"> <li>The Official Gazette website will be converted into a Single Portal for Government Information that will serve as a one-stop source for information and service delivery. The website will be expanded to comprehensively contain information on government agencies and the services they provide; laws, executive directives and other official documents of the Republic of the Philippines; and an online feedback mechanism for citizens.</li> </ul>	

	Ongoing	<ul style="list-style-type: none"> <li>The Philippine Reports and the Supreme Court websites are online research tools which compile all the cases decided by the Supreme Court of the Philippines promulgated from 1975 to present.</li> </ul>	
<ul style="list-style-type: none"> <li>To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment.</li> </ul>	As the need arises	<ul style="list-style-type: none"> <li>Public hearings/consultations are always conducted before any laws, rules or regulations are finalized or amended/revise. For instance, in the process of formulating the BOI's Investment Priorities Plan (IPP), consultations are being conducted wherein other government agencies, industry associations, non-government organizations and foreign chambers are invited to provide comments and recommendations and/or submit position papers on the proposed IPP.</li> </ul>	<ul style="list-style-type: none"> <li>This ensures that the private sector is properly informed of any changes in laws, rules and regulations and that the result is always a consolidated effort of the government and the private sector.</li> </ul>
<ul style="list-style-type: none"> <li>Following the establishment of an Investment Promotion Agency (IPA), or similar body and make its existence widely known.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The Philippines has a network of Investment Promotion Agencies (IPA) which is comprised mainly of the Board of Investments (BOI), Philippine Economic Zone Authority (PEZA), Clark Development Council (CDC), and Subic Bay Metropolitan Authority (SBMA).</li> </ul>	
<ul style="list-style-type: none"> <li>Make available to investors all rules and other information relating to investment promotion and incentive schemes.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The BOI's web portal features doing business and the cost of doing business in the Philippines, industry profiles, value propositions, investment-related laws, and downloadable forms, among others.</li> </ul>	
	Ongoing	<ul style="list-style-type: none"> <li>The Investment Priorities Plan, which is the primary investment promotion and incentive scheme of the BOI, is published in a newspaper of general circulation for easier accessibility and wider readership.</li> </ul>	
<ul style="list-style-type: none"> <li>Allow investors to choose their form of establishment within legislative and legal frameworks.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>There are several types of business enterprises an investor can choose from in establishing operations in the Philippines. These include the following:</li> </ul>	

		<p><i>(under Philippines Laws)</i></p> <ul style="list-style-type: none"> <li>○ Sole proprietorship</li> <li>○ Partnership</li> <li>○ Corporation (i.e., stock and non-stock)</li> </ul> <p><i>(under foreign laws)</i></p> <ul style="list-style-type: none"> <li>○ Branch office</li> <li>○ Representative office</li> <li>○ Regional Headquarters/Regional Operating Headquarters(RHQs/ROHQs)</li> </ul>	
<ul style="list-style-type: none"> <li>• Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• The Philippines uses a clear and universally accepted language (i.e., English) in order to ensure transparency and clarity of all of its investment-related regulations.</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitation in the setting-up of businesses in the country.</li> </ul>
<b>IFAP Principle 2: Enhance stability of investment environments, security of property and protection of investments</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• The Land Registration Authority (LRA) is currently implementing its Land Titling Computerization Project (LTCP). It is envisioned that a query on the status of a land title can be made anywhere, anytime from any of the various Registries of Deeds nationwide; that there will be a shift from largely paper-based to a largely paperless system.</li> </ul>	<ul style="list-style-type: none"> <li>• Securing tighter control over land titles and hasten the turnaround time in the generation and issuance of land title, among others.</li> </ul>
<ul style="list-style-type: none"> <li>• Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• The Philippines now has the Office for Alternative Dispute Resolution (OADR), which is an attached agency of the Department of Justice (DOJ). The OADR aims to develop and expand the use of Alternative Dispute Resolution (ADR) in the private and public sector. This includes</li> </ul>	

<ul style="list-style-type: none"> <li>Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties.</li> </ul>		<p>arbitration, mediation, conciliation, early neutral evaluation, mini-trial, and any combination thereof.</p> <ul style="list-style-type: none"> <li>The Philippines also does have a Construction Industry Arbitration Commission (CIAC) which shall perform, among others, the following functions: <ul style="list-style-type: none"> <li>to formulate and adopt an arbitration program for the construction industry;</li> <li>to enunciate policies and prescribe rules and procedures for construction arbitration;</li> <li>to supervise the arbitration program, and exercise such authority related thereto as regards the appointment, replacement or challenging of arbitrators; and,</li> <li>to direct its officers and employees to perform such functions as may be assigned to them from time to time.</li> </ul> </li> </ul>	
<ul style="list-style-type: none"> <li>Take steps to accede to an arbitral convention.</li> </ul>		<ul style="list-style-type: none"> <li>The Philippines is signatory to WTO, ICSID and UNCITRAL.</li> </ul>	<ul style="list-style-type: none"> <li>More venues for the effective resolution of disputes through arbitration.</li> </ul>

**IFAP Principle 3: Enhance predictability and consistency in investment-related policies**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The Philippines treats investors and investments equally, whether foreign or local, provided that such treatment is allowed under its laws, rules and regulations.</li> </ul>	
<ul style="list-style-type: none"> <li>Reduce the scope for discriminatory bureaucratic discretion in interpreting</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Republic Act No. 9485, otherwise known as the “Anti-Red Tape Act of 2007” aims to promote transparency in the government</li> </ul>	Facilitation in the setting-up of businesses in the country.

investment-related regulations.		<p>with regard to the manner of transacting with the public by requiring each agency to simplify frontline service procedures, formulate service standards to observe in every transaction and make known these standards to client.</p> <ul style="list-style-type: none"> <li>• Section 6 of RA No. 9485 provides for the setting up of service standards known as the “Citizen’s Charter” in all government agencies including departments, bureaus, offices, instrumentalities, or government-owned and/or controlled corporations, or local government or district units. The Citizen’s Charter shall be in the form of information billboards which should be posted at the main entrance of offices or at the most conspicuous place, and in the form of published materials written either in English, Filipino, or in the local dialect, that detail: <ul style="list-style-type: none"> <li>a. The procedure to obtain a particular service;</li> <li>b. The person/s responsible for each step;</li> <li>c. The maximum time to conclude the process;</li> <li>d. The document/s to be presented by the customer, if necessary;</li> <li>e. The amount of fees, if necessary; and</li> <li>f. The procedure for filing complaints.</li> </ul> </li> </ul>	
<ul style="list-style-type: none"> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorizing investment proposals or where an agency has regulatory and commercial functions.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• The Philippines’ various government agencies involved in the evaluation of investment project proposals have clear mandate which allows proper demarcation of responsibilities in screening and/or authorizing project proposals.</li> </ul>	Facilitation in the setting-up of businesses in the country.
<ul style="list-style-type: none"> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• The country’s various agencies involved in the evaluation of investment proposals such as the Board of Investments (BOI) publishes</li> </ul>	Facilitation in the setting-up of businesses in the country.

		electronically its sets of criteria for project registration and incentives availment, e.g. Investments Priorities Plan (IPP). For projects not qualified for incentives, the other government agencies involved in project registration such as the Securities and Exchange Commission (SEC) also has established criteria which can be accessed electronically.	
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority where appropriate for the lodgement of papers.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• The Business One-Stop Shop Action Center (BOSSAC) provides business counseling and information to investors inquiring on how to do business in the Philippines. It provides a one-stop processing center to assist investors on their pre-operating stages.</li> </ul>	<ul style="list-style-type: none"> <li>• More effective and efficient delivery of investment services to facilitate business start-ups.</li> </ul>
<ul style="list-style-type: none"> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement.</li> <li>• Shorten the processing time and procedures for investment applications.</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor.</li> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• The Philippine Business Registry (PBR) is a government project that integrates the services of all agencies involved in business registration, such as the Department of Trade and Industry (DTI), Securities and Exchange Commission (SEC), Bureau of Internal Revenue (BIR), Social Security System (SSS), Home Development Mutual Fund (Pag-IBIG), Philippine Health Insurance Corporation (PhilHealth), Local Government Units (LGUs) and other permit/license-issuing agencies.</li> </ul> <p>Each of the agencies' computerized registration systems will be interlinked so that applicants need not physically go to each agency to register their businesses (i.e., Business Name Certificate Number;</p>	<ul style="list-style-type: none"> <li>• Eliminate the need for investors to go physically from one government agency to another</li> <li>• Cut down business registration to 30 minutes from 1 to 2 weeks</li> </ul>

<ul style="list-style-type: none"> <li>Facilitate availability of high standard business services supporting investment</li> </ul>		Taxpayer Identification Number; Employer's Registration Number; Employer's Registration Number; Employer's ID Number).	
	Ongoing	<ul style="list-style-type: none"> <li>The Trouble-free Registration with BOI (TURBO) Program simplifies the procedures and "strips down" the existing BOI application forms and requirements to the barest minimum.</li> </ul>	<ul style="list-style-type: none"> <li>Number of days in processing the application is reduced from twenty (20) working days to just five (5) days.</li> </ul>
	Ongoing	<ul style="list-style-type: none"> <li>Nationwide Streamlining of Business Permits and Licensing Systems (BPLS) Reform Project for LGUs.</li> </ul>	<ul style="list-style-type: none"> <li>With the BPLS, all cities and municipalities shall use a single unified form in processing new applications for business permits and business renewals to consolidate all the information about a business registrant needed by various local and national agencies. Further, the BPLS observes standard procedures and processing time (i.e., new business permits will take only 5 days and one day or less for renewals).</li> </ul>

**IFAP Principle 5: Build constructive stakeholder relationships**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their</li> </ul>	As the need arises	<ul style="list-style-type: none"> <li>The public is invited to participate in the hearings of proposed laws, rules and regulations or changes thereto. They are also encouraged to submit position papers to effectively articulate their concerns.</li> </ul>	<ul style="list-style-type: none"> <li>This ensures that the private sector is properly informed of any changes in laws, rules and regulations and that the result is always a consolidated effort of the government and the private</li> </ul>

implementation.			sector.
<ul style="list-style-type: none"> <li>Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The “Doing Business in Free Trade Areas” (DBFTA) Program is a trade advocacy and information campaign aimed at increasing exporters’ awareness of the Philippines’ free trade agreements. Organized by the DTI, the DBFTA sessions/seminars are held nationwide in collaboration with the academe, business organizations, and industry experts.</li> </ul>	
<ul style="list-style-type: none"> <li>Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The Philippines through the BOI promotes backward and forward linkages of investment projects in support of the country’s industrial development plan. Further, as part of its strategic framework for industry development, the country shall also undertake “clusterization” of its target industry sectors.</li> </ul>	The promotion of forward and backward linkages is expected to promote stronger industry network and development of value chain.
<b>IFAP Principle 6: Utilise new technology to improve investment environments</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Promote the introduction and use of new technologies aimed at making the investment process simpler and faster.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The Philippine Business Registry (PBR) is a web-based system that shall serve as a one-stop shop for investors who need to transact with several agencies to be able to start operating a business. Each of the agencies’ computerized registration systems will be interlinked so that applicants need not physically go to each agency to register their businesses.</li> </ul>	<ul style="list-style-type: none"> <li>Eliminate the need for investors to go physically from one government agency to another</li> <li>Cut down business registration to 30 minutes from 1 to 2 weeks</li> </ul>

	Ongoing	<ul style="list-style-type: none"> <li>The Philippine National Single Window (NSW) is a computerized internet-based system that allows parties involved in trade to lodge information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements.</li> </ul> <p>There are about 40 government agencies involved in the issuance of import and export licenses, permits and clearances for trade facilitation over Philippine borders.</p>	<ul style="list-style-type: none"> <li>Lower business costs</li> <li>Faster trade documentation process and release time</li> <li>Easier trader compliance</li> <li>More effective and efficient deployment of resources</li> <li>Increased transparency and predictability of government processes.</li> <li>Business transactions to be performed with government agencies regardless of time and location via internet and mobile phone.</li> </ul>
<ul style="list-style-type: none"> <li>Maintain adequate and effective protection of technology and related intellectual property rights.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Republic Act No. 8293, otherwise known as the “Intellectual Property Code of the Philippines” was enacted to strengthen the country’s intellectual and industrial property system and created the Intellectual Property Office (IPO), which is the government agency mandated to ensure the effective use of the Intellectual Property System in the Philippines.</li> </ul>	
<b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost.</li> </ul>	Once every two (2) years or as the need arises	<ul style="list-style-type: none"> <li>The Regular Foreign Investment Negative List (FINL) has two component lists: List A (enumerates the areas of activities reserved to Philippine nationals by mandate of the</li> </ul>	

		Constitution and specific laws), and; List B (contains areas of activities and enterprises where foreign ownership is regulated pursuant to law). List A is being reviewed and/or amended at any time to reflect changes, if any, to the Constitution and specific laws. On the other hand, List B is regularly being reviewed and/or amended once every two (2) years.	
	Once a year	<ul style="list-style-type: none"> <li>Being the government's anchor investment promotion program, the BOI's IPP is being reviewed annually to identify priority investment areas for economic development.</li> </ul>	
<b>IFAP Principle 8: Enhance international cooperation</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The Philippines is signatory to several investment agreements (bilateral and regional) and is in negotiations with several others.</li> </ul>	
<ul style="list-style-type: none"> <li>Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The Philippines participates in such exercises, most recently several officials participated in a best practices forum under the auspices of the AANZFTA – Economic Cooperation Work Program.</li> </ul>	<ul style="list-style-type: none"> <li>This would result to an improved investment promotion and facilitation practice in the country.</li> </ul>
<ul style="list-style-type: none"> <li>Ensure measures exist to ensure effective compliance with commitments under international investment agreements.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>The Philippines ensures that its Agreements are compliant with its existing laws.</li> </ul>	<ul style="list-style-type: none"> <li>The commitments made are consistent with its laws thereby ensuring transparency and stability.</li> </ul>
	Ongoing	<ul style="list-style-type: none"> <li>The Philippines ensures that it complies with its commitments under various international</li> </ul>	<ul style="list-style-type: none"> <li>The Philippines' compliance with obligations under the</li> </ul>

		agreements through a system of periodic review and monitoring of the implementation of the same.	different investment treaties/agreements.
<ul style="list-style-type: none"> <li>Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>A review of all the Philippines' existing Agreements resulted in the creation of the 2009 PH Model Investment Agreement which is now used in current negotiations and the continuous evaluation of investment agreements.</li> </ul>	<ul style="list-style-type: none"> <li>This provides clear and defined commitments thereby creating a predictable investment environment.</li> </ul>

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Russia)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li>   <li>1. <i>The Russian Direct Investment Fund (RDIF)</i></li> <li>2. <i>The Strategic Initiatives Agency (ASI)</i></li> <li>3. <i>Russian Agency for Export Credit and Investment Insurance (EXIAR)</i></li>   <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p> <ol style="list-style-type: none"> <li>1. <i>Was created in 2011 under the leadership of President Dmitry Medvedev and Prime Minister Vladimir Putin</i></li> <li>2. <i>Was established in May 2011</i></li> <li>3. <i>Established in September 2011 following the recent dedicated federal law</i></li> </ol>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ol style="list-style-type: none"> <li>1. <i>The Direct Investment Fund is mandated to co-invest alongside some of the largest and most sophisticated investors globally – thus acting as a catalyst for direct investment in Russia.</i></li> </ol> <p><u>CO-INVESTMENT MODEL</u></p> <p><i>In every transaction it enters into, RDIF is mandated to co-invest with an international investor. The minimum ratio of co-investment by qualified co-investors and RDIF is 1:1, meaning that, for every dollar invested by RDIF, at least one dollar must be invested by a co-investor.</i></p> <p><i>To qualify, prospective co-investors must have either assets under management exceeding \$1 billion (for financial investors) or revenues over \$1 billion (for strategic investors).</i></p> <p><u>INVESTMENT PROCESS</u></p> <p><i>Aside from its co-investment requirement, RDIF will behave like</i></p>	<p>(Describe the expected outcome within this principle)</p> <ol style="list-style-type: none"> <li>1. <i>To maximize return on investment</i> <ul style="list-style-type: none"> <li>• <i>To contribute to economic modernization</i></li> <li>• <i>To catalyze foreign investment</i></li> <li>• <i>To spur innovation and the exchange of ideas</i></li> <li>• <i>To act transparently and exercise good stewardship of funds</i></li> </ul> </li> <li>2. <i>Elimination of administrative barriers and co-investment attraction in future commercial, social and infrastructure projects. The main goal is to facilitate investment environment particularly at the regional level.</i></li> <li>3. <i>Enhancement and support for Russian technology and</i></li> </ol>

<ul style="list-style-type: none"> <li>▪ Ensure transparency and clarity in investment-related laws</li> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> <li>▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>		<p><i>any other private equity firm. It will make investments, in some cases making use of leverage, with a time horizon to exit of five to seven years.</i></p> <p><i>RDIF's investments will range in size from \$50 million to \$500 million – implying a total equity commitment of at least \$100 million to \$1 billion, given the co-investment requirement..</i></p> <p><i>2. The main areas of the ASI are: “New business”, “Young professionals”, and “Social projects”.</i></p> <p><i>Within the framework of the “National business initiative” there are 22 roadmaps on different sphere of government regulation under development. These roadmaps provide legal framework enhancement and implementation of measures aimed at achieving the effects provided by the legislative initiatives.</i></p> <p><i>At present a lot of work has been done to formulate roadmaps on the four priority areas. There are: simplification of procedures for obtaining building permits, increasing the availability of energy infrastructure, customs administration and foreign markets access support.</i></p> <p><i>ASI has developed a Regional Policy Standard for the development of business environment, which is currently being implemented in several</i></p>	<p><i>equipment export</i></p> <ul style="list-style-type: none"> <li>- <i>Insurance support for Russian exporters entering new and risky markets</i></li> <li>- <i>Progressive implementation and adaptation of the best international practices and standards in export credit insurance in the Russian system of financial export support</i></li> <li>- <i>Enhanced access to financing</i></li> <li>- <i>Increased exports to new markets</i></li> <li>- <i>Support for private banks in financing Russian exporters</i></li> </ul> <p><i>EXIAR targets covering USA 10 billion new export sales in 2012-2014</i></p> <p><i>According to the Ministry of Economic Development, the work of the EXIAR will provide insurance support for almost 17, 6% of total Russian export machinery, equipment and vehicles, construction and engineering services.</i></p>
--	--	---	--

		<p><i>regions of Russia.</i></p> <p>3. <i>Financial and professional background</i></p> <ul style="list-style-type: none"> <li>• <i>Charter capital of RUB 30 bln. (ca. USD 1 billion)</i></li> <li>• <i>Russian State Guarantee to cover EXIAR's obligations</i></li> <li>• <i>Financial and know-how support will be offered by Vnesheconombank (ca. USA 19 billion own equity) as the Sole shareholder</i></li> </ul> <p><i>Strategic time-schedule</i></p> <p><i>2011</i></p> <ul style="list-style-type: none"> <li>• <i>Incorporation of EXIAR and equipping professional team</i></li> <li>• <i>Elaboration of required legislation</i></li> </ul> <p><i>2012</i></p> <ul style="list-style-type: none"> <li>• <i>to develop products and internal regulations</i></li> <li>• <i>to launch major export credit products in mid-year</i></li> <li>• <i>to offer in Q3 financing solutions liked to EXIAR's cover</i></li> </ul> <p><i>2013</i></p> <ul style="list-style-type: none"> <li>• <i>to extent EXIAR's activity to investment coverage</i></li> <li>• <i>to work out services tailored to SMEs</i></li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> </ul> <p>1. <i>Facilitated Construction Procedures</i></p> <ul style="list-style-type: none"> <li>Create and maintain an effective register of public or state owned property.</li> <li>Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> <li>Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> <li>Explore the possibility of using the World Bank Doing Business indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> <li>Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> <li>Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> <li>Facilitate commercial dispute resolution for</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)</p> <p>1. <i>Launched in 2010</i></p> <p>2. <i>Russian Government Order No. 1298-r of 2 August 2010 (Federal level)</i></p> <p><i>The President’s directive, 2011 (Regional level)</i></p> <p>3. <i>Was established in 1994 as a result of the combined efforts of the Russian government and foreign businesses to improve the investment climate in Russia.</i></p> <p><i>In December 2009 the Chairman of FIAC, Russian Prime Minister Vladimir Putin proposed and the Council adopted new tasks and principles of FIAC to meet the challenge of converting the Russian economy to innovation-based development. For this purpose, FIAC’s activities have been regulated by Decree No. 1141 of the Government of the Russian Federation of December 9, 2009.</i></p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <p>1.</p> <ul style="list-style-type: none"> <li><i>Developing a system of non-government expert reviews for design documentation and engineering survey results. The effect: Reduction in the period of expert reviews from 90 to 60 days, creating competition in the expertise review services market</i></li> <li><i>Legal recognition of the concept “standard engineering design”, conditions for using standard engineering designs. The effect: reduction of the period required to implement individual projects by 3-5 months on average</i></li> <li><i>Shortening the list of extremely hazardous, technologically complex and unique facilities. The effect: Reduced financial and time expenditures for investors</i></li> <li><i>Identifying types of preparatory work that may be performed prior to construction permit issuance (provided there are rights to a land lot already in place). The effect: Reduction in the period required to implement a construction project from 180 to 30</i></li> </ul>	<p>(Describe the expected outcome within this principle)</p> <p>1. <i>Reduction of the period of receiving a building permission.</i></p> <p><i>Improvement of business environment</i></p> <p>2. <i>To assist to an investor to resolve the particular problem cases (improper public services, corruption, customs issues, migration rules, taxation, etc.) and to eliminate the existing system legislative bottlenecks.</i></p> <p>3. <i>Now The FIAC has two main work streams:</i></p> <ul style="list-style-type: none"> <li><i>Assistance in resolving specific issues encountered by foreign investors in their relations with federal executive bodies and executive</i></li> </ul>

<p>foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</p> <ol style="list-style-type: none"> <li>2. <i>Investment Ombudsman</i></li> <li>3. <i>The Foreign Investment Advisory Council. Update (FIAC).</i></li> </ol> <ul style="list-style-type: none"> <li>• Take steps to accede to an arbitral convention</li> </ul>		<p>days depending on the project complexity</p> <ul style="list-style-type: none"> <li>• <i>Tightening the liability of officers at Executive Branch bodies for unjustified refusal to issue permit documentation, failure to meet the established procedure and deadlines for issuing permits. The effect: Reduction in the number of unjustified refusals and the period taken to issue permit documentation</i></li> </ul> <p><i>The effect: Reduction in administrative barriers in the area of organising and launching modern production operations, stimulation of innovative activity by industrial companies</i></p> <p><b>2. Federal Level:</b> <b>Filing a complaint</b></p> <ol style="list-style-type: none"> <li>1. <i>An investor sends a complaint by any means convenient;</i></li> <li>2. <i>The complaint is registered and filed;</i></li> <li>3. <i>Investor is given access to the status of complaint;</i></li> <li>4. <i>An official responsible for problem resolution is determined.</i></li> </ol> <p><b>Resolving the problem</b></p> <ol style="list-style-type: none"> <li>1. <i>The official formulates a plan of action, with stages and deadlines, if necessary a Work Group is created;</i></li> <li>2. <i>If the problem is caused by the legislation shortcoming, the ombudsman office prepares the proposals on the legislative changes;</i></li> </ol>	<p>bodies of constituent entities of the Russian Federation;</p> <ul style="list-style-type: none"> <li>▪ <i>Expert support of priorities in work of the government, including the regulatory and legal framework.</i></li> </ul>
---	--	--	---

		<p><i>3. If the problem exceeds regional level, the official is entitled to engage the federal level, such as department of investment policy and development of public-private partnerships.</i></p> <p><b>Report the results</b></p> <ol style="list-style-type: none"><li><i>1. The results are sent to the investor;</i></li><li><i>2. The investor submits a statement as to the effect of being satisfied with the decision;</i></li><li><i>3. Ministry of Economic Development of the Russian Federation assesses the measures undertaken;</i></li><li><i>4. Regional ombudsman present their reports on the work accomplished at regular periods.</i></li></ol> <p><b>Future steps in this court:</b></p> <p><i>Prepared proposals to the Russian Economic Development Ministry on the establishment of the Institute (Ombudsman) authorized to protect the rights of entrepreneurs at the Federal and Regional level.</i></p> <p><i>3. During the year, from one plenary session to another one FIAC's activities are coordinated by its Executive Committee, comprising the heads of think tanks and working groups and chaired by the Minister of Economic Development.</i></p> <p><i>Throughout the year FIAC focuses its efforts on major Russian economic and industry sectors covered by relevant Think tanks</i></p>	
--	--	--	--

		<p><i>and Industrial working groups.</i></p> <ul style="list-style-type: none"> <li>• <i>Energy efficiency</i></li> <li>• <i>Technical regulations and elimination of administrative barriers</i></li> <li>• <i>Improvement of tax law</i></li> <li>• <i>Improvement of customs law</i></li> <li>• <i>Financial institutions and capital markets</i></li> <li>• <i>Telecommunications and high tech</i></li> <li>• <i>Trade and consumer sector</i></li> <li>• <i>Natural resources</i></li> <li>• <i>Image of Russia</i></li> <li>• <i>Improvement of Migration law</i></li> <li>• <i>Development of Far East and Eastern Siberia</i></li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> <li>• Reduce the scope for discriminatory</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p> <p><i>A number of legislative amendments made in 2008-2011</i></p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <p><i>Those accused under</i></p>	<p>(Describe the expected outcome within this principle)</p> <p><i>These amendments were designed to liberalize criminal law</i></p>

<p>bureaucratic discretion in interpreting investment-related regulations</p> <ul style="list-style-type: none"> <li>Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> <li>Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> <li>Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul> <p>1. Liberalization of criminal legislation</p>		<p><i>“entrepreneurial articles” may not be arrested, and bail for those accused of economic crimes is set at RUB 100,000.</i></p> <p><i>The amounts of large and especially large damage in connection with tax crimes are increased by a factor of six.</i></p> <p><i>The new legal provisions make it possible to pay a fine for a number of economic and related crimes instead of being held in custody. Minimum punishments for lesser crimes have been eliminated.</i></p> <p><i>It is planned that new amendments to criminal law will allow those accused of economic crimes to be released if they pay a fine of five times the amount of damage done.</i></p>	<p><i>in the economic sphere by decriminalizing a range of economic crimes and reducing punishment for economic crimes.</i></p>
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<p><b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> <li>Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> <li>Shorten the processing time and procedures for investment applications.</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)</p> <p>1. 2009-2011 2. Since 2008 3. Since 2009</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <p>1. The commitments are set for parties with regard to timing, payment procedure and responsibility for violation of conditions when connecting to utilities</p> <ul style="list-style-type: none"> <li>From 1 January 2011, the</li> </ul>	<p>(Describe the expected outcome within this principle)</p> <p>1. The number of actual connections of consumers will be increased.</p> <ul style="list-style-type: none"> <li>The number of connections of small businesses will be increased.</li> <li>Network</li> </ul>

<ul style="list-style-type: none"> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services infrastructure</li> </ul> <ol style="list-style-type: none"> <li>1. <i>Lifted Infrastructure Restrictions</i></li> </ol> <ul style="list-style-type: none"> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> </ul> <ol style="list-style-type: none"> <li>2. <i>Reduced Administrative Barriers</i></li> </ol> <ul style="list-style-type: none"> <li>• Facilitate availability of high standard business services supporting investment</li> </ul> <ol style="list-style-type: none"> <li>3. <i>Tax Incentives</i></li> </ol>		<p>rate is reduced approximately by 40% (according to conservative estimates) following the transfer to the “last mile” payment principle when connecting to the power systems. The connection charge now excludes the operator’s expenses on development of the current infrastructure.</p> <ul style="list-style-type: none"> <li>• Since 2009, the special procedure for technological connection of small businesses to the power systems has been applied.</li> </ul> <p>.</p> <ol style="list-style-type: none"> <li>2. Established a procedure for registering business activities by submitting a declaration to the government (for 69 types of enterprises);</li> <li>• the Russian Government has proposed the draft law providing for a reduction in licensable types of operation;</li> <li>• The number of business inspections has been reduced by 25 %;</li> <li>• Amendments to the Code on Administrative Violations envisaging for violations committed for the first time a sanction in the form of a caution instead of monetary penalties</li> <li>• Established the Federal Accreditation Service which responsible for developing a unified national accreditation system and overseeing the activity of accredited parties.</li> </ol>	<p>companies became more transparent. They disclose on their own web-site information about technology accession to power grids.</p> <ol style="list-style-type: none"> <li>2. Building up cooperation with investors, especially foreign ones. the facilitation the procedure for business set-up;</li> <li>3. Stimulation of renovation of industrial capacities more actively applying the investment tax credit stimulation the development of small fields</li> </ol>
---	--	---	--

		<p><b>3. From 1 January 2009</b></p> <p><i>From 24% to 20% - reduction in the corporate profit tax;</i></p> <p><i>Employer's expenses on staff education are exempted from taxation (profit tax, unified social tax, personal income tax);</i></p> <p><i>Now, it is possible to expense the costs on medical services provided to the staff in addition to payments under voluntary personal insurance contracts that envisage payment of medical services of the insured employees in the amount not exceeding 6% of the salary costs;</i></p> <p><i>Now, it is possible to deduct VAT from advance payments;</i></p> <p><i>Import of the technological equipment (according to the list) that have no counterparts in the Russian Federation is exempted from VAT;</i></p> <p><i>The depreciation bonus is increased to 30% for fixed assets of the groups 3-7 (useful life of 3-20 years);</i></p> <p><i>A special increasing ratio (maximum of 3) is introduced in relation to depreciable fixed assets used only for scientific and technical operations;</i></p> <p><b>From 1 January 2010</b></p> <p><i>The reduced rates are set for mandatory insurance payments of IT companies that meet certain criteria (14% for 2010-2017, 21% - in 2018 and 28% - in 2019)</i></p>	
--	--	---	--

		<p><b>From 1 January 2011</b></p> <p><i>The reduced rates are set for mandatory insurance payments of technique introduction special economic zone residents and innovative companies established at the higher educational institutions (14% for 2010-2017, 21% - in 2018 and 28% - in 2019)</i></p> <p><i>Educational and medical private and public organizations are exempted from the profit tax</i></p> <p><i>Proceeds from sale of shares (stakes) in non-listed companies are exempted from the profit tax provided that such shares (stakes) are in ownership more than 5 years</i></p> <p><i>The reduced rates are set for taxes and mandatory insurance payments for participants in the</i> <b>Skolkovo</b></p> <p><i>Next steps:</i> <i>Profits tax</i></p> <p><i>Major changes are planned with respect to interest expense. It is proposed to:</i></p> <ul style="list-style-type: none"><li><i>develop rules to determine a comparable interest level to calculate the arm's length interest in the relationship between related parties and controlled transactions; apply the rules of determining the arm's length price, when applicable, to financial operations between related parties;</i></li><li><i>refine the procedure for applying thin capitalisation rules in line with the new rules of recognising entities as related</i></li></ul>	
--	--	---	--

		<p><i>parties;</i></p> <ul style="list-style-type: none"><li>• <i>change indicators underlying the computation of limits for interest expense, since they not always reflect the average level of interest rate applicable in practice (e.g., the rate of the Central Bank of Russia in many cases does not reflect the rate currently applied on the debt market);</i></li><li>• <i>provide for the taxation of imputed gain from the receipt of interest-free loans, credits, promissory notes, etc.</i></li><li>• <i>It is planned to improve from 2011 the method of tax accounting for expenses related to developing natural resources. In particular, the ministry would like to refine the Tax Code provisions with respect to all types of wells used in prospecting and evaluating deposits. It is planned to expand the list of deductible expenses connected with preparing natural resource development.</i></li></ul> <p><i>Real estate tax</i></p> <ul style="list-style-type: none"><li>• <i>In the mid-term it is planned to introduce a real estate tax. To this end, it is necessary to implement several measures, in particular to create a real estate cadastre and develop a procedure of real estate cadastral valuation.</i></li></ul> <p><i>Property tax</i></p>	
--	--	--	--

		<ul style="list-style-type: none"> <li>It is planned to address the taxation of property (including land) transferred to mutual funds.</li> </ul>	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			

**IFAP Principle 5: Build constructive stakeholder relationships**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> <li>Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> <li>Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> <li>Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> </ul> <p>1. <i>Simplified Procedures for Hiring Highly Qualified Expatriates</i></p> <ul style="list-style-type: none"> <li>Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p> <p>1. <i>Since 2010 (amendments to Federal Law No. 86-FZ "On the Legal Status of Foreign Citizens in the Russian Federation")</i></p> <p>2. <i>The Customs Code of the Customs Union has been adopted in 2010</i></p> <p>3. <i>Federal Law "On the Securities Market" (with the amendments of October 2010)</i></p> <p>2009 amendments to Federal Law 'On Protection of Rights and Legitimate Interests of Investors in the Securities Market'</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <p>1. A new term, "highly qualified specialist" introduced to migration legislation, defined as a "foreign citizen with experience, skills or arrangements, would receive salary (remuneration) of no less than RUB 2 mln per annum"; The period of obtaining a work permit and visa is reduced to 20 days (previously – over 1 year); The work permit and visa are now issued for a period of up to 3 years (previously – 1 year), the extension procedure is introduced (previously – a new application was required); From the first day of work, the income tax is 13% (tax resident status); Expatriates and their family members may obtain a residence permit for the period of the labor</p>	<p>(Describe the expected outcome within this principle)</p> <p>1. These changes are designed to result in beneficial treatment for eligible foreign employees</p> <ul style="list-style-type: none"> <li>The developments are designed to make it much easier for employers to bring suitably skilled, qualified and/or experienced employees to Russia to work in vital roles;</li> <li>The new regime for HQS will have an overwhelmingly positive impact on Russian business – encouraging more skilled workers to come to work in Russia,</li> </ul>

<p>clusters</p> <ul style="list-style-type: none"> <li>Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> </ul> <p>2. <i>Customs Administration Improvements</i></p> <p>3. <i>Strategy for the Development of the Russian Financial Markets until 2020</i></p> <ul style="list-style-type: none"> <li>Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>		<p>agreement;</p> <p><i>For an employer, the procedure for obtaining a permit to hire and employ expatriates is eliminated;</i></p> <p><i>Quotas on invitations for entry into the Russian Federation and quotas for work permits, as well as approval with employment authorities are abolished.</i></p> <p><i>Extending the period required for HQEs to register with tax authorities from 30 to 90 days</i></p> <p>2. <i>From 3 days to 1 day – reduction in the period of goods release;</i></p> <ul style="list-style-type: none"> <li><i>From 25 to 7 – reduction in the number of documents for export of non-commodity goods;</i></li> <li><i>By 20 % (from RUB 50 mln to RUB 40 mln) – reduction in the amount of financial guarantees for a customs representative, for a customs carrier to RUB 8 MM (previously – RUB 20 mln);</i></li> <li><i>From 15 days to 4 months – increase in the period for payment of customs duties.</i></li> </ul> <p><i>The following procedures and lines of customs administration are streamlined:</i></p> <ul style="list-style-type: none"> <li><i>The exhaustive list of documents that may be requested by the Russian Federal Tariff Service in relation to import/export operations is determined;</i></li> <li><i>The procedure for release of non-commodity goods is facilitated:</i> <ul style="list-style-type: none"> <li><i>From 20 to 4 hours –</i></li> </ul> </li> </ul>	<p><i>and creating a more welcoming investment climate.</i></p> <p>2. <i>Simplified Customs Procedures and Reduction in Customs Clearance Period;</i></p> <ul style="list-style-type: none"> <li><i>Improvement the business climate;</i></li> <li><i>The burden on users to comply with customs regulations and procedures has decreased over time, with no corresponding increase in the perception of difficulty of applying these new procedures by customs' employees;</i></li> <li><i>A steep decline in requests for additional payments (bribes) during customs encounters.</i></li> </ul> <p>3. <i>These amendments open the Russian securities market to foreign issuers and materially simplify the access of foreign issuers to Russian investors.</i></p> <p><i>Positive progress in developing the legal framework for the securities market in</i></p>
---	--	---	---

		<p><i>reduction in the period of goods release</i></p> <ul style="list-style-type: none"> <li>○ <i>From 14 to 7 – reduction in the list of documents for release of goods</i></li> <li>● <i>Import and export of scientific and commercial samples is facilitated:</i> <ul style="list-style-type: none"> <li>● <i>Temporary import/export release procedure is now 4 hours (previously – no regulation)</i></li> <li>● <i>As an evidence for intended use of goods may be a written application of a scientific institution prepared in any form</i></li> <li>● <i>A declarant may declare the customs procedure for destruction in relation to temporarily imported scientific or commercial samples (temporary import)</i></li> <li>● <i>Now, it is possible to supply goods for manufacture before the customs clearance procedures are completed by the authorized economic operator;</i></li> <li>● <i>The fixed rates of customs charges are set on goods subject to no export customs duties;</i></li> <li>● <i>The exhaustive list of reasons is introduced to extend the period of goods release from 1 day to 10 days</i></li> </ul> </li> </ul> <p><i>Road Map for Improving Customs Administration</i></p> <ul style="list-style-type: none"> <li>● <i>The customs clearance time will be reduced, primarily by shortening the list of documents required for customs clearance</i></li> </ul>	<p><i>Russia</i></p>
--	--	---	----------------------

		<p><i>and eliminating written contracts, payment documents and evidence of authority to submit customs declaration;</i></p> <ul style="list-style-type: none"> <li>• <i>In order to improve the forms and methods of customs control, the key focus will be on the further development of risk management and analysis.</i></li> </ul> <p><i>3. The newly-adopted regulations clarify the order of disclosure providing the issuers with certainty in avoiding non-compliance with the requirements. The issuer discloses in three ways: quarterly reports, consolidated accounts of the issuer and notifications of material facts. According to the legal definition, material facts are facts that may substantially affect the price of the securities of the issuer. The list of material facts has been extended and now includes 49 types of material facts and is not yet complete.</i></p>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 6: Utilise new technology to improve investment environments</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>

<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster             <ol style="list-style-type: none"> <li>1. <i>Reduced Administrative Barriers</i></li> <li>2. <i>Facilitated Construction Procedures</i></li> </ol> </li> <li>▪ Maintain adequate and effective protection of technology and related intellectual property rights</li> <li>▪ Where possible, give effect to international norms for property protection</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p> <ol style="list-style-type: none"> <li>1. <i>Since 2008</i></li> <li>2. <i>Launched in 2010</i></li> </ol>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ol style="list-style-type: none"> <li>1. <i>Determining an exhaustive list of license requirements and an electronic format for communication between the entity that obtains a license and the licensing authority.</i></li> <li>2. <i>Statutory requirements are set to enhance transparency of procedures and facilitate the Developer's control over paper flow (Russian Government Decree No. 1519-r of 08 September 2010 determines the steps to introduce the electronic document management systems between a developer and an authorized state body for the purposes).</i></li> </ol>	<p>(Describe the expected outcome within this principle)</p> <ol style="list-style-type: none"> <li>1. <i>Simplified procedures for registering business activities</i></li> <li>2. <i>Improving the business environment</i></li> </ol>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p>	<p>(Describe the expected outcome within this principle)</p>

<p>1. <i>Developing criteria for evaluating the effectiveness of heads of federal executive authorities to improve the investment climate</i></p>	<p>1. Since 2011</p>	<p>implemented?)</p> <p>1. <i>Developing quantitative indicators, which include connection to power grids, simplifying construction procedures, customs administration.</i>  <i>Were proposed the criteria for evaluating the effectiveness of activity, which could reflect the achievement of qualitative and quantitative indicators in terms of improving the investment climate.</i>  <i>At present, these criteria are being discussed with the Federal executive authorities and representatives of business communities.</i></p>	<p>1. <i>Simplified procedure for estimating effectiveness of the authorities in terms of improving the investment climate</i></p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 8: Enhance international cooperation</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p> <ol style="list-style-type: none"> <li>1. <i>Facts and Figures 2011</i></li> <li>2. <i>From 1999 till now</i></li> </ol>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <p>1. <i>The EBRD is committed to supporting Russia in its efforts to diversify the economy and recover fully from the global economic downturn. In 2011, the Bank signed a total of 74 projects worth</i></p>	<p>(Describe the expected outcome within this principle)</p> <p>1. <i>The overarching strategic priorities of the EBRD in Russia are modernisation, competitiveness and</i></p>

<p>1. <i>International Development Cooperation</i></p> <ul style="list-style-type: none"> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> </ul> <p>2. <i>Providing for the activity of the Commission for Issues of International Humanitarian and Technical Assistance attached to the Government of the Russian Federation</i></p> <ul style="list-style-type: none"> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>		<p>€2.9 billion, representing an increase of 27 per cent compared with 2010;</p> <ul style="list-style-type: none"> <li>• The EBRD promotes the use of the best available industry technology in Russia, highlighted in the Bank's first equity co - investment of €35 million with Rusnano, a joint venture sponsored by Nippon Sheet Glass and its local partner, STiS;</li> <li>• The EBRD continues to support ongoing reforms in the Russian rail sector by providing financing to Russian Railways and loans to private rail operators such as Nurminen Logistics (€23 million) and Brunswick Rail Leasing (€46 million).</li> <li>• In 2012, the EBRD's focus in Russia will be on mobilising financing to modernise assets, expand markets and improve efficiencies across the economy.</li> </ul> <p>2. From 2008 to present Russia has received international technical assistance in amount exceeding U.S. \$4,5 billion. It should be noted that only in 2011 the amount of technical assistance was U.S. \$1,2 billion;</p> <p>Next steps: use of the Commission as a mechanism for implementing programs of cross-border cooperation within the European neighborhood and partnership instrument.</p>	<p>diversification of the real economy. This will be supported by active infrastructure development, economic diversification and efficient financing mechanisms.</p> <p>As outlined in the country strategy for Russia (2009 - 12), energy efficiency has become an integral part of the EBRD's activity in the country. The Bank addresses the demand side of energy use by reducing waste of energy and greenhouse emissions in all sectors, which are important to support corporate competitiveness and to combat climate change.</p> <p>2. Able to significantly reduce the percentage of foreign equipment purchases and almost completely replaced by domestic ones.</p>
---	--	---	--

<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"><li>▪ _____</li><li>▪ _____</li></ul>			
---	--	--	--

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Singapore)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> <li>▪ Ensure transparency and clarity in investment-related laws</li> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> <li>▪ Explore the possibility of using the</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p> <ul style="list-style-type: none"> <li>• To facilitate the publication of laws, judicial decisions and administrative rulings, the online database of Singapore's legislation was launched in November 2001.</li> <li>• To establish a single window for all enquiries concerning investment in Singapore, the Singapore Economic Development Board (EDB) was formed in 1961.</li> <li>• To provide an opportunity for public comment on proposed changes to laws and regulations, Singapore launched the REACH (reaching everyone for active citizenry @home) initiative in October 2006.</li> </ul>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ul style="list-style-type: none"> <li>• In November 2001, the Attorney-General's Chambers (AGC), together with the Ministry of Law and the Ministry of Finance, launched the online database of Singapore's legislation. The online database is provided and maintained by AGC, and is updated on a monthly basis.</li> <li>• Singapore has a regulatory investment environment based on clarity, fair competition and sound business practices. There are minimal investment regulations.</li> <li>• The Economic Development Board (EDB) was formed in 1961 with a budget of \$100 million and the objective of convincing foreign investors that Singapore was a good place for business.</li> <li>• To date, EDB maintains a comprehensive website that provides a helpful "Guide to Investing in Singapore". This online guide that provides a repository of useful links and some information on how to invest in Singapore. This includes registering a business, finding business premises, recruitment and training of staff, and on other business-related aspects to consider such as Singapore's taxation regime and the Singapore Stock Exchange. In this regard, EDB continues to act as a one-stop agency which facilitates and supports local and foreign investors in both manufacturing and services sectors, as they move up the value chain to achieve higher sustainable returns and seek out new business opportunities.</li> <li>• Public consultations are conducted through various channels including ministries websites. REACH became an additional platform through which public consultations and announcements could be made. EDB also maintains constant communication with Singapore companies, which allows EDB to provide advance notice of proposed changes to laws and regulations, and to provide an opportunity for business' comments if and when possible.</li> <li>• To allow investors their choice of establishment within legislative and legal frameworks, Singapore introduced the Limited Liability Partnerships in 2005 and Limited Partnerships in 2009. The addition of these 2 new business vehicles i.e. Limited Liability Partnership and Limited Partnership gives would-be entrepreneurs a wider choice of business vehicles to choose from, when they decide to register a business with ACRA.</li> <li>• In terms of using international benchmarks as a reference point, Singapore</li> </ul>	<p>(Describe the expected outcome within this principle)</p> <ul style="list-style-type: none"> <li>• The official Singapore government website for online publication of legislation can be found at <a href="http://statutes.agc.gov.sg">http://statutes.agc.gov.sg</a>. The website contains: (i) the current versions of Singapore's legislation; (ii) advanced searching and browsing features; and (iii) a subject index.</li> <li>• Singapore's investment regulations and procedures are promptly published or made available online. Relevant websites include: <ul style="list-style-type: none"> <li>○ <a href="http://www.enterpriseone.gov.sg">http://www.enterpriseone.gov.sg</a></li> <li>○ <a href="http://www.acra.gov.sg">http://www.acra.gov.sg</a></li> <li>○ <a href="http://www.sedb.com">http://www.sedb.com</a></li> </ul> </li> <li>• The EDB (<a href="http://www.edb.gov.sg">http://www.edb.gov.sg</a>) is the lead government agency charged with developing and implementing strategies to enhance Singapore's position as a global business centre, including through acting as a one-stop-shop for local and foreign investors.</li> <li>• This "Guide to Investing in Singapore" may be found at: <a href="http://www.edb.gov.sg/edb/sg/en_uk/index/why_singapore/Guide_to_Investing_in_Singapore.html">http://www.edb.gov.sg/edb/sg/en_uk/index/why_singapore/Guide_to_Investing_in_Singapore.html</a></li> <li>• Contact information for the EDB Head Office and its numerous business centres worldwide is also available at: <a href="http://www.edb.gov.sg/edb/sg/en_uk/index/ContactEDB.html">http://www.edb.gov.sg/edb/sg/en_uk/index/ContactEDB.html</a>. Investors/ Clients may enquire with EDB at: To contact EDB via email: <a href="mailto:clientservices@edb.gov.sg">clientservices@edb.gov.sg</a>.</li> <li>• Singapore promotes feedback and consultation with the public on proposed investment measures. Public agencies post consultation payers to seek feedback and ideas on the government online consultation portal, REACH (<a href="http://www.reach.gov.sg">http://www.reach.gov.sg</a>). REACH is the lead agency for engaging and connecting with the people, and continues to encourage and promote public participation in shaping government policies. Upon request, the Singapore government endeavors to promptly provide information and respond to queries on actual or proposed investment measures. There are several legal</li> </ul>

**SINGAPORE** (as of 24<sup>th</sup> Sept 2012)

<p>international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</p>		<p>currently tracks our ranking in the World Bank Doing Business Report, the IMD World Competitiveness Yearbook and the WEF Global Competitiveness Report. We also keep a lookout for economies which have improved in their rankings. We conduct research on these economies especially in the area of business reforms.</p>	<p>forms of business structure in Singapore (e.g., Company, Sole-proprietorship, Partnership, Limited Liability Partnership, and Limited Partnership). Detailed information on the various business structures are available at <a href="http://www.acra.gov.sg/">http://www.acra.gov.sg/</a>. Additionally, a step-by-step guide to registering a business or company in Singapore is provided at <a href="http://www.enterpriseone.gov.sg/Business%20Stages/Start/Registering%20Your%20Business%20-%20Local%20and%20Foreigners.aspx">http://www.enterpriseone.gov.sg/Business%20Stages/Start/Registering%20Your%20Business%20-%20Local%20and%20Foreigners.aspx</a> (For information, all businesses must be registered with the Accounting and Corporate Regulatory Authority (ACRA). ACRA is the national regulator of business entities in Singapore.)</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>–</li> <li>▪ _____</li> <li>–</li> </ul>			

**IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> <li>• Create and maintain an effective register of public or state owned property.</li> <li>• Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> <li>• Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> <li>• Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> <li>• Encourage or establish effective formal mechanisms for resolving disputes</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ul style="list-style-type: none"> <li>• To establish an effective system of ownership registration for property and land rights, Singapore has implemented a system of registration of titles which is guaranteed by the government since 1960. Under this system, a Land Titles Register is maintained. This register shows who owns the land and whether there are encumbrances, such as mortgages or charges affecting the land. Registration is mandatory to effect the transfer of an estate or interest in land.</li> <li>• Singapore also has a coordinated cadastral survey system that could identify definitively the boundaries of the property.</li> <li>• In 1995, the Singapore Titles Automated Registration System (STARS) was implemented. STARS is an online registration and public search system for private properties.</li> <li>• In 1998, the Integrated Land Information Services (INLIS) was implemented. INLIS is a one-stop portal for industry, professionals, businesses and the general public to obtain land-related information via the internet.</li> <li>• In 2003, the STARS eLodgment System (ELS) was implemented. ELS allows</li> </ul>	<p>(Describe the expected outcome within this principle)</p> <ul style="list-style-type: none"> <li>• With these systems in place, a secure land registration system and an authoritative record of land transactions is guaranteed by the Government. There is also faster turnaround time for registration and greater accessibility and affordability of land information.</li> <li>• These schemes intend to promote Singapore as an investment destination. Relevant websites include: <ul style="list-style-type: none"> <li>○ <a href="http://www.inlis.gov.sg">http://www.inlis.gov.sg</a></li> <li>○ <a href="http://www.stars.gov.sg">http://www.stars.gov.sg</a></li> </ul> </li> <li>• Relevant websites for SPIO and onemap are as follows: <ul style="list-style-type: none"> <li>○ <a href="http://www.spio.sla.gov.sg">http://www.spio.sla.gov.sg</a></li> <li>○ <a href="http://www.onemap.sg">http://www.onemap.sg</a></li> </ul> </li> <li>• In terms of formal mechanisms for resolving disputes, investors have access to a range of effective formal mechanisms for resolving disputes such as litigation in the Singapore High Court or the District Court, arbitration, mediation and conciliation. Below are some examples:</li> </ul>

<p>between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</p> <ul style="list-style-type: none"> <li>• Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> <li>• Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> <li>• Take steps to accede to an arbitral convention</li> </ul>		<p>the electronic lodgment of documents in respect of land transactions over the internet. Documents can be lodged anywhere via the internet as long as the lodger holds a digital certificate to authenticate his identity over the internet. ELS also safeguards the integrity of the land-register as registration of documents is based on information entered at source by the law firms without the need to re-enter the data thereby ensuring greater accuracy.</p> <ul style="list-style-type: none"> <li>• Under the Singapore Land Authority (SLA), Singapore also manages a diverse portfolio of State land and buildings. The buildings include commercial complexes, residential and shop-house units, and former government buildings converted for commercial, institutional and other uses.</li> <li>• The State Property Information Online (SPIO), implemented in 2002, is a one-stop portal providing information relating to State properties managed by SLA which are available for rental or tender. The LandQuery feature in OneMap allows a member of the public to enquire whether a piece of land is state-owned or privately owned. If a piece of land is state-owned, the name and contact number of the government agency maintaining the property will be shown.</li> <li>• In terms of reasonable costs for land transactions, Fees payable in Singapore are:-             <ul style="list-style-type: none"> <li>(a) stamp fees;</li> <li>(b) registration fees;</li> <li>(c) search fees; and</li> <li>(d) solicitors' professional fees</li> </ul> <ul style="list-style-type: none"> <li>○ The stamp fees are under the purview of IRAS.</li> <li>○ Registration fees and search fees payable to SLA are prescribed under the Land Titles Rules and based on cost recovery principle.</li> <li>○ Search fees also include fees payable in respect of a bankruptcy search, winding-up search, etc. These fees are under the purview of IPTO and ACRA respectively.</li> <li>○ Solicitors' professional fees are paid to the solicitors acting for the parties in the land transactions.</li> </ul> <p>With the abolishment of scale fees in Feb 2003, such fees are now based on open market competition.</p> <ul style="list-style-type: none"> <li>• In terms of market reputation for Singapore, Singapore's international rankings and the relevant facts and figures are available online at: <a href="http://www.edb.gov.sg/edb/sg/en_uk/index/why_singapore/singapore_rankings.html">http://www.edb.gov.sg/edb/sg/en_uk/index/why_singapore/singapore_rankings.html</a></li> <li>• In terms of mechanisms to resolve disputes between investors and host authorities, Singapore has signed Investment Guarantee Agreements (IGAs) with many countries. IGAs generally provide for upfront consent by</li> </ul> </li></ul>	<ul style="list-style-type: none"> <li>○ For Arbitration: Establishment of the Singapore International Arbitration Centre (<a href="http://www.siac.org.sg">www.siac.org.sg</a>)</li> </ul> <p>For Mediation: Singapore Mediation Centre (<a href="http://www.mediation.com.sg">www.mediation.com.sg</a>), Primary Dispute Resolution Centre at the Subordinate Courts (<a href="http://app.subcourts.gov.sg/civil/page.aspx?pageid=3779">app.subcourts.gov.sg/civil/page.aspx?pageid=3779</a>)</p> <ul style="list-style-type: none"> <li>• According to global indicators (e.g. World Competitive Yearbook, Global Competitiveness Report), Singapore has been highly ranked by global indicators for our efficient legal framework and fair administration of justice.</li> <li>• The growth of international arbitration has been encouraged in Singapore with the ratification of international conventions, enactment of supporting laws and the creation of arbitration and mediation bodies.</li> <li>• Singapore's notable developments in this area include:             <ul style="list-style-type: none"> <li>i. The launch of Maxwell Chambers, in Jan 2010, providing world-class hearing rooms and facilities for dispute resolution, and co-locating key arbitration institutions.</li> <li>ii. Singapore has had an Agreement with the Permanent Court of Arbitration (the "PCA") since Sept 2007 which establishes a PCA Facility in Singapore to handle cases arising out of Asia. Through this arrangement, the PCA would be able to offer their expertise in dispute resolution to countries in this region in a more effective manner, especially in legal issues and disputes pertaining to matters such as investment treaties. Singapore is the first country in the region to have a PCA Facility.</li> <li>iii. The establishment of the SIAC in 1991.</li> <li>iv. The establishment of Singapore Mediation Centre in 1997.</li> <li>v. Singapore organized the "Arbitration Dialogue 2011" in November last year to discuss and gather feedback on the upcoming changes to Singapore's International Arbitration Act ("IAA Act").</li> <li>vi. Singapore organised another "Arbitration Dialogue" in June this year for a select group of top arbitrators around the world to discuss the development of Singapore's legal and arbitration sector and Singapore's IAA Act.</li> <li>vii. Singapore hosted the launch of the very first UNCITRAL Digest of Case Law event in June this year.</li> <li>viii. Singapore hosted the International Council for Commercial Arbitration (ICCA) in June 2012.</li> <li>ix. Singapore will be setting up an academy later this year with the view of developing this into a world-class centre of excellence in international arbitration.</li> </ul> </li> </ul>
---	--	---	---

		<p>parties to resolve disputes through compulsory dispute settlement mechanisms, including negotiations and arbitration. This ensures that investors have an avenue to settle their disputes with the other contracting state. The list of IGAs is publicly available on MTI's website.</p> <ul style="list-style-type: none"> <li>• Moreover, Singapore has also established the Singapore International Arbitration Centre (<a href="http://www.siac.org.sg">www.siac.org.sg</a>) and the Singapore Mediation Centre (<a href="http://www.mediation.com.sg">www.mediation.com.sg</a>) to support alternative dispute resolution. Where appropriate, parties may also seek recourse, including enforcing their arbitral awards, through our domestic court system.</li> <li>• For the resolution of international commercial disputes between private parties, Singapore ratified the ICSID Convention which established the International Centre for Settlement of Investment Disputes (ICSID) to provide facilities for the conciliation and arbitration of disputes between member countries and investors who qualify as nationals of other member countries in 1968.</li> <li>• Singapore acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention) in 1986. Singapore joined ASEAN to strengthen the available formal dispute settlement mechanism with the ASEAN Protocol on Enhanced Dispute Settlement Mechanism signed in November 2004.</li> <li>• Singapore enacted:             <ul style="list-style-type: none"> <li>(a) the Arbitration Act to provide for the conduct of arbitration;</li> <li>(b) the Arbitration (International Investment Disputes) Act to implement the International Convention on the Settlement of Investment Disputes between States and Nationals of other States; and</li> <li>(c) the International Arbitration Act to make provision for the conduct of international commercial arbitrations based on the Model Law on International Commercial Arbitration adopted by the UNCITRAL and conciliation proceedings and to give effect to the New York Convention.</li> </ul> </li> <li>• The Singapore International Arbitration Centre was established in 1991 as an independent non-profit organization to meet the demands of the international business community for a neutral, efficient and reliable dispute resolution institution. The Singapore Mediation Centre was set up in 1997 as a non-profit organization to promote mediation and to provide a full range of alternative dispute resolution services.</li> <li>• Maxwell Chambers was launched in January 2010 to provide one-stop, best of class facilities and services for the conduct of Alternative Dispute Resolution activities in Singapore. Maxwell Chambers houses top international alternative dispute resolution institutions under one roof.</li> <li>• Singapore organized the "Arbitration Dialogue 2011" in November last year to discuss and gather feedback on the upcoming changes to Singapore's International Arbitration Act.</li> </ul>	<ul style="list-style-type: none"> <li>• Singapore also hopes to provide an environment that is conducive and attractive for commercial dispute resolution.</li> <li>• Singapore is a signatory to the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) and member of ICSID. The provisions of the ICSID Convention are incorporated into domestic law through the Arbitration (International Investment Disputes) Act (Chapter 11); and the provisions of the New York Convention as well as the UNCITRAL Model Law on International Commercial Arbitration are incorporated through the International Arbitration Act (Chapter 183A).</li> </ul>
--	--	--	---

	<ul style="list-style-type: none"> <li>In terms of an arbitral convention, Singapore has been a signatory to the New York Convention, and a member of ICSID, since November 1986.</li> </ul>	<ul style="list-style-type: none"> <li>Singapore also hosted the International Council for Commercial Arbitration (ICCA) in June 2012.</li> <li>Singapore continues to develop its arbitration sector in the legal scene. The Ministry of Law (MinLaw), in collaborate with partner agencies and stakeholders, including the Singapore International Arbitration Centre (SIAC), AGC, Singapore Academy of Law (SAL), Law Society, the Courts, and Maxwell Chambers has sought to create an environment that is conducive and attractive for arbitration hearings.</li> <li>In addition, Singapore has in place domestic procedures (e.g., Appeals Board, Copyright Tribunals) to provide for prompt and fair review of measures. Singapore allows for various dispute resolution mechanisms, including mediation, arbitration and litigation which investors can resort to. There are also Tribunals/ Appeals Boards established to provide prompt and fair review of administrative decisions which may affect investors. For example, the Appeals Board (Land Acquisition) hears appeals from any landowner whose land has been acquired and who is dissatisfied with the compensation awarded and the Copyright Tribunal which is a forum for resolving disputes between copyright owners and users of their material.</li> <li>Singapore's legal framework and laws are regularly updated to support international arbitration and be aligned with international practices. The International Arbitration Act – which is based on the UNCITRAL Model Law of 1985 – was amended in 2009, and in 2012 to enhance the framework supporting international commercial arbitration, and keeping pace with international developments.</li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>–</li> <li>_____</li> <li>–</li> </ul>			
<p><b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b></p>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> <li>Reduce the scope for discriminatory bureaucratic discretion in interpreting</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ul style="list-style-type: none"> <li>To maintain clarity and consistency in our law, The Ministry of Law (MinLaw) regularly reviews laws, proposes law reforms, and pursues new initiatives to strengthen the legal infrastructure. For example, changes were introduced to the Evidence Act earlier in 2012 to update the law of</li> </ul>	<p>(Describe the expected outcome within this principle)</p> <ul style="list-style-type: none"> <li>Singapore seeks to ensure a sound and progressive legal framework that is relevant and modern, provides access to justice; and upholds the rule of law.</li> </ul>

**SINGAPORE** (as of 24<sup>th</sup> Sept 2012)

<p>investment-related regulations</p> <ul style="list-style-type: none"> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul> <p><b>[Note: The highlighted do not apply as Singapore does not have a foreign investment screening regime.]</b></p>		<p>evidence.</p> <ul style="list-style-type: none"> <li>• In keeping with providing equal treatment for all investors, Singapore currently has 40 IGAs and 14 FTAs with Investment Chapters in force. These treaties contain provisions provided non-discriminatory protection for investors.</li> </ul>	
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>–</li> <li>▪ _____</li> <li>–</li> </ul>			

**IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> <li>• Shorten the processing time and procedures for investment applications.</li> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)</p> <ul style="list-style-type: none"> <li>• In terms of establishing connection to essential services, EDB has continuously maintained its role as a one-stop-shop for investors, fielding a website containing relevant links connecting investors to other essential agencies,</li> </ul>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ul style="list-style-type: none"> <li>• For efficient and effective investment procedures, Singapore has implemented such electronic schemes: <ul style="list-style-type: none"> <li>○ Bizfile (<a href="http://www.bizfile.gov.sg">www.bizfile.gov.sg</a>) is Accounting and Corporate Regulatory Authority of Singapore (ACRA)’s online filing and information retrieval system, serving as a one-stop facilitator for businesses. With the integration of e-services with multiple agencies, business owners can be GST-registered, activate their customs account, among other business processes.</li> <li>○ The Inland Revenue Authority of Singapore (IRAS) and the Singapore Land Authority (SLA) have streamlined the electronic lodgement process such that it is no longer necessary to present Stamp duty certificates when documents are lodged electronically with the Land Titles Registry. Examples include mortgages, transfers and leases. From 6 Mar 2012, law firms no longer need to present Stamp duty Certificates when the documents are lodged electronically with the Registry. Law firms just need to provide the “stamp duty Certificate Reference” in the relevant section of the documents which they then lodge electronically.</li> </ul> </li> </ul>	<p>(Describe the expected outcome within this principle)</p> <ul style="list-style-type: none"> <li>• To promote Singapore as an investment destination.</li> </ul>

**SINGAPORE** (as of 24<sup>th</sup> Sept 2012)

<p>essential services infrastructure</p> <ul style="list-style-type: none"> <li>• Implement strategies to improve administrative performance at lower levels of government. <b>[Note: This guideline does not apply as Singapore has a single level of government.]</b></li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>	<ul style="list-style-type: none"> <li>• There has also been continuous endeavour by EDB to facilitate the availability of high standard business services supporting investment, through the process of encouraging investors to come to Singapore.</li> </ul>	<ul style="list-style-type: none"> <li>• In terms of transaction/ administration costs, there are also general guidelines in place for agencies in the setting of reasonable fees to the public.</li> <li>• In terms of connectivity, as mentioned above, EDB maintains a comprehensive website that provides a helpful “Guide to Investing in Singapore”, which provides useful information on how to register a business, find business premises, and recruit and train staff.</li> </ul>	<ul style="list-style-type: none"> <li>• The EDB is the lead government agency charged with developing and implementing strategies to enhance Singapore’s position as a global business centre, including through acting as a one-stop-shop for local and foreign investors.</li> <li>• Over the years, Singapore has also strong trade and investment links and is a lead provider of services such as international banking, trade finance, maritime finance, insurance, treasury operations, and asset and wealth management in the region.</li> </ul>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>–</li> <li>▪ _____</li> <li>–</li> </ul>			

**IFAP Principle 5: Build constructive stakeholder relationships**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> <li>• Continue to share APEC member economies’ experiences of successful stakeholder consultative mechanisms</li> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> <li>• Continue to share APEC member economies’ experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP’s actions)</p> <ul style="list-style-type: none"> <li>• As mentioned above, to provide an opportunity for public comment on proposed changes to laws and regulations, Singapore launched the REACH (reaching everyone for active citizenry @home) initiative in October 2006.</li> </ul>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ul style="list-style-type: none"> <li>• As mentioned above, public consultations are conducted through various channels including ministries websites. REACH became an additional platform through which public consultations and announcements could be made.</li> <li>• At APEC, Singapore will continue to encourage relevant agencies to share successful stakeholder consultative mechanisms, where applicable and appropriate. We will also encourage Singapore investors/ agencies to share and participate in public private dialogues organized at the sidelines of APEC, where applicable and appropriate.</li> <li>• Through APEC, Singapore will help ensure high standards of corporate governance in Singapore, and encourage Singapore agencies to share experience with responsible business conduct, where applicable and appropriate.</li> </ul>	<p>(Describe the expected outcome within this principle)</p> <ul style="list-style-type: none"> <li>• As mentioned above, Singapore promotes feedback and consultation with the public on proposed investment measures. Public agencies post consultation payers to seek feedback and ideas on the government online consultation portal, REACH (<a href="http://www.reach.gov.sg">http://www.reach.gov.sg</a>). REACH is the lead agency for engaging and connecting with the people, and continues to encourage and promote public participation in shaping government policies. Upon request, the Singapore government endeavors to promptly provide information and respond to queries on actual or proposed investment measures.</li> <li>• Through APEC, Singapore hopes to understand the successes and problems encountered by established investors in the region and to further enhance the investment climate of the APEC region on a whole.</li> </ul>

**SINGAPORE** (as of 24<sup>th</sup> Sept 2012)

<p>industry clusters</p> <ul style="list-style-type: none"> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> <li>• Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>–</li> <li>▪ _____</li> <li>–</li> </ul>			

**IFAP Principle 6: Utilise new technology to improve investment environments**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li>• Maintain adequate and effective protection of technology and related intellectual property rights</li> <li>• Where possible, give effect to international norms for property protection</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p> <ul style="list-style-type: none"> <li>• Singapore has been maintaining a system of intellectual property (IP) rights protection since before its independence in 1965, and continues to do so through regular reviews and initiatives, in line with Singapore's vision of being an IP hub of Asia.</li> </ul>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ul style="list-style-type: none"> <li>• In terms of the use of new technologies for faster processing, our points above under 'IFAP principle 4', illustrate some of Singapore's ongoing efforts on this front.</li> <li>• The Intellectual Property Office of Singapore (IPOS) is a statutory board responsible for, among other things, the administration of systems for the protection, and the promotion of public awareness and effective use, of IP.</li> <li>• In terms of legislative framework, Singapore has an extensive network of laws dealing with a broad range of IP rights. Some of the key pieces of legislation are the:- <ul style="list-style-type: none"> <li>○ Copyright Act;</li> <li>○ Patents Act;</li> <li>○ Trade Marks Act;</li> <li>○ Geographical Indications Act;</li> <li>○ Layout Designs of Integrated Circuits;</li> <li>○ Registered Designs Act; and</li> <li>○ Plant Varieties Protection Act.</li> </ul> </li> </ul> <p>Copies of the above legislation, as well as an explanation of Singapore's IP regime, are available on IPOS's website.</p> <ul style="list-style-type: none"> <li>• Singapore participated in the negotiation of the Anti-Counterfeiting Trade</li> </ul>	<p>(Describe the expected outcome within this principle)</p> <ul style="list-style-type: none"> <li>• To provide the infrastructure, build expertise and grow the ecosystem, in support of the greater creation, protection and exploitation of IP, with a view to being an IP Hub of Asia.</li> </ul>

		<p>Agreement (ACTA), signed on October 2011.</p> <ul style="list-style-type: none"> <li>• Singapore is also a signatory to numerous international conventions such as the Paris Convention, the Berne Convention, the Madrid Protocol, etc. The full list of international conventions is available at <a href="http://www.ipos.gov.sg/AboutUs/WhatDoWeDo.aspx">http://www.ipos.gov.sg/AboutUs/WhatDoWeDo.aspx</a>.</li> <li>• These obligations are implemented through the legal framework highlighted above.</li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>–</li> <li>▪ _____</li> <li>–</li> </ul>			

**IFAP Principle 7: Establish monitoring and review mechanisms for investment policies**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ul style="list-style-type: none"> <li>• Through interaction with investors, EDB Singapore provides feedback to other government agencies to ensure that infrastructure and public services remain efficient and cost-competitive.</li> </ul>	<p>(Describe the expected outcome within this principle)</p> <ul style="list-style-type: none"> <li>• To ensure that Singapore maintains a premier pro-business environment.</li> </ul>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>–</li> <li>▪ _____</li> <li>–</li> </ul>			

**IFAP Principle 8: Enhance international cooperation**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p> <ul style="list-style-type: none"> <li>• In ASEAN, the ACIA has been implemented since its entry into force on 29</li> </ul>	<p>(How were the actions being implemented? Or How will the actions be implemented?)</p> <ul style="list-style-type: none"> <li>• The ASEAN Comprehensive Investment Agreement (ACIA), which entered into force on 29 Mar 2012, has taken into account international best practices from various sources, such as the North America Free Trade Agreement (NAFTA), the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, ASEAN Plus One FTAs and the United Nations Conference on Trade and Development (UNCTAD)'s assessment on international investment agreements. The ACIA</li> </ul>	<p>(Describe the expected outcome within this principle)</p> <ul style="list-style-type: none"> <li>• The ACIA is expected to contribute to boosting investors' confidence in the region. The enhancements under the ACIA include a robust mechanism for Investor State Dispute Settlement, clearer definitions and new articles on Prohibition of Performance Requirements (TRIMS) and Senior Management and Board of Directors (SMBD).</li> </ul>

**SINGAPORE** (as of 24<sup>th</sup> Sept 2012)

<ul style="list-style-type: none"> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	<p>Mar 2012.</p>	<p>is also consistent with the WTO Agreement on Trade Related Investment (TRIMS) in the commitments made by ASEAN Member States.</p> <ul style="list-style-type: none"> <li>• To ensure compliance under international investment agreements, domestic agencies and stakeholder consultations are conducted before and during the negotiations of our international investment agreements. Singapore takes a “Whole of Government” approach with regard to our international commitments. Ministries and Statutory Boards are aware of Singapore’s international obligations, and regular circulars are shared to remind them of Singapore’s obligations at the WTO and our FTAs. Inter-ministerial committees are also formed, as necessary, to discuss on Singapore’s proposed and existing trade-related measures.</li> <li>• At ASEAN, the ASEAN Investment Area (AIA) Council oversees the implementation of commitments under the ASEAN investment agreements and initiatives to promote and facilitate investment. The AIA Council is assisted by the ASEAN Coordinating Committee on Investment (CCI). For the ASEAN Plus One FTAs, the respective Joint Committees on Investment oversee the implementation of these FTAs.</li> <li>• To maintain an attractive investment climate, Singapore conducts reviews of our existing FTAs with the aim of greater trade liberalization. To date, we have conducted reviews for the following FTAs: <ul style="list-style-type: none"> <li><i>i.</i> Singapore-Australia FTA</li> <li><i>ii.</i> China-Singapore FTA</li> <li><i>iii.</i> India CECA</li> <li><i>iv.</i> Korea-Singapore FTA</li> <li><i>v.</i> Japan-Singapore Economic Partnership Agreement</li> <li><i>vi.</i> US-Singapore FTA</li> </ul> </li> <li>• And at ASEAN, under the ACIA’s built-in work agenda for ASEAN Member States, Singapore is required to (i) undertake further liberalization based on the Modality to Eliminate Impediments to Investments and/or Improve Investment Regimes and (ii) look into progression from WTO TRIMS to WTO TRIMS Plus in its commitments.</li> </ul>	<ul style="list-style-type: none"> <li>• To ensure that Singapore’s trade-related measures are WTO and FTA consistent.</li> <li>• At ASEAN, this ensures that trade-related measures by ASEAN Member States, and Parties to the ASEAN Plus One FTAs are consistent with their commitments.</li> <li>• To maintain Singapore’s extensive trade links to provide companies with greater market connectivity through the reduction of tariffs and non-tariff barriers.</li> <li>• Singapore has also signed 35 investment guarantee agreements (IGAs), designed to help protect investments made by Singapore-based companies in other countries against non-commercial risks.</li> </ul>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>–</li> <li>▪ _____</li> <li>–</li> </ul>			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Chinese Taipei)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> <li>▪ Ensure transparency and clarity in investment-related laws</li> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity</li> </ul>	<p>Executed</p>	<ol style="list-style-type: none"> <li>1. Chinese Taipei has established the website to publish the registry of laws and regulations of FDI in 1994 (<a href="http://www.moeaic.gov.tw/">http://www.moeaic.gov.tw/</a>).</li> <li>2. Chinese Taipei has established a single window or special enquiry point for all enquiries concerning investment policies and applications to invest in 2000.</li> <li>3. In accordance with “Statute for Investment by Foreign Nationals” publish by Chinese Taipei in 1954, investors could choose their form of establishment.</li> <li>4. Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG) in 2005.</li> </ol>	<p>To provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements.</p>





<p>peer dialogue and benchmarking and measuring progress across APEC</p> <ul style="list-style-type: none"> <li>• Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> <li>• Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> <li>• Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> <li>• Take steps to accede to an arbitral convention</li> </ul>		<ol style="list-style-type: none"> <li>1. Chinese Taipei has encouraged effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures.</li> <li>2. We are establishing the regulation of recognizing and enforcing the award of an arbitration.</li> </ol> <p>Chinese Taipei has established the InvesTaiwan Service Center. The Center aims to provide customized, one-stop solutions for domestic and foreign investors who have concrete investment plans or face obstacles to investment.</p>	<p>To solve disputes between investors and host authorities rapidly.</p> <p>Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities.</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> </ul>	<p>Executed</p>	<ol style="list-style-type: none"> <li>1. Chinese Taipei has increased use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency periodically.</li> <li>2. In respect of the forms of limited investment, Chinese Taipei has maintained clear demarcation</li> </ol>	<p>Increase use of legislative simplification and restatement of laws to enhance clarity and identify and</p>

<ul style="list-style-type: none"> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>		<p>of agency responsibilities.</p> <ol style="list-style-type: none"> <li>3. Chinese Taipei has established and disseminated widely clear definitions of criteria for the assessment of investment proposals.</li> <li>4. Chinese Taipei has established accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures.</li> </ol>	<p>eliminate inconsistency.</p> <p>Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations.</p>
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b></p>			



<p>where appropriate</p> <ul style="list-style-type: none"> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services infrastructure</li> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 5: Build constructive stakeholder relationships</b></p>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> <li>• Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> <li>• Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local</li> </ul>	<p>Executed</p>	<p>Chinese Taipei has established a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation.</p>	<p>The amendments of laws or regulations will be clarified.</p>

<p>enterprises including through the promotion of industry clusters</p> <ul style="list-style-type: none"> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> <li>• Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 6: Utilise new technology to improve investment environments</b></p>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> <li>• Maintain adequate and effective protection of technology and related intellectual property rights</li> <li>• Where possible, give effect to international norms for property protection</li> </ul>	<p>Before 2017/1/1</p> <ol style="list-style-type: none"> <li>1. Chinese Taipei actively reviewed the overall IPR legal framework to meet the needs of industrial and technological</li> </ol>	<p>Chinese Taipei will promote the introduction and use of new technologies aimed at making the investment process simpler and faster.</p> <ol style="list-style-type: none"> <li>1-1 The Patent Act has been amended comprehensively, covering a total of 159 articles (108 amended, 36 added and 15 deleted).</li> <li>1-2 The Trademark Act has also been amended comprehensively, covering a total of 111 articles (71 amended, 26 added , 9 deleted, and 14 not amended).</li> <li>1-3 The review of the Copyright Act focused mainly on public broadcast, public performance, public transmission, and limitation on economic right etc.</li> </ol>	<p>Shorten the processing time</p> <ol style="list-style-type: none"> <li>1. Chinese Taipei has always been ready to review IPR laws to stay abreast of international standards.</li> <li>2. These amendments are intended to</li> </ol>

	<p>development.</p> <p>1-1 The newly-amended Patent Act was promulgated by Presidential Order on December 21, 2011, and is expected to enter into effect on January 1, 2013.</p> <p>1-2 The Amendment to the Trademark Act took effect on July 1, 2012.</p> <p>1-3 The draft amendment to Copyright Act and Trade Secret Act are under</p>	<p>1-4 The draft amendment to the Trade Secret Act will include adding criminal liability, defining acts that constitute trade secret infringement, and adding provision on criminal liability of legal persons etc.</p> <p>2. The IPR Action Plans cover a variety of IPR protection, including anti-counterfeiting and anti-piracy tasks, border controls, and compact disk factory inspections.</p> <p>3. The IP Court currently has 15 judges and one of them acts as the president of the Court. There are 14 technical examiners to help the judges with technical cases.</p> <p>4. The IPR Police composed of a total of 220 IPR enforcement professionals. This team has a total of six district branches which create a firm network for IPR protection.</p>	<p>encourage the industries and businesses to create value and reputation for their products.</p> <p>3. We have actively reviewed the overall IPR legal framework to respond to the advent of digital convergence era and to balance the interests between rights holders and users.</p> <p>4. The implementation of these IPR Action Plans has significantly improved Chinese Taipei's overall IPR environment and protection and further strengthened industrial innovation and technological</p>
--	--	---	---

	<p style="text-align: center;">processi ng.</p> <p>2. We have carried out a series of IPR Action Plans to improve IPR protection. The first IPR Action Plan was launched in 2003 as a three-year project until 2005. The latest action plan extends from 2012 to 2014.</p> <p>3. We established the IP Court in 2008 to expedite litigation process.</p> <p>4. We established the IPR Police in 2003 to enhance IPR protection.</p>		<p>development.</p> <p>5. The IP Court dedicated to effectively resolving IP-related disputes effectively and efficiently to maintain technological competitiveness.</p> <p>6. The IPR Police plays a major role in combating IPR infringement and providing solid protection of technology and related IP rights.</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

**IFAP Principle 7: Establish monitoring and review mechanisms for investment policies**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	Executed	In order to attract FDI, Chinese Taipei has simplified the procedure of the FDI investigation.	The investment procedures are simple, transparent and at lowest possible cost.
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

**IFAP Principle 8: Enhance international cooperation**

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>	N/A	N/A	N/A
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Thailand)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li>   <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li>   <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li>   <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> </ul>	2000- present	-BOI has launched all laws, regulations and related rules on the website and update regularly on the BOI website.	- Transparency and accessibility to all investment information.
	2009 – present	- Established One Start One Stop Investment Center to offer a wide range of investment-related services on a range of topics by multiple agencies.	- To facilitate all investors to make sure investors understand all procedures, besides giving the consults.
	Past - present	- BOI published all rules and regulations in simple words, to make sure that all investors could understand easily. BOI website provides	- Transparency and accessibility to all investment information.

<ul style="list-style-type: none"> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li>   <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li>   <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li>   <li>▪ Ensure transparency and clarity in investment-related laws</li>   <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> </ul>	<p>Past - present</p> <p>Past - present</p>  <p>Past - present</p> <p>Past – present</p>	<p>investment information in Thailand in 7 languages.</p> <p>- BOI is an official Thailand Investment Promotion Agency.</p> <p>- BOI has published all detail of rules, other information related to investment and incentives schemes on BOI website, BOI handbook and BOI leaflets.</p> <p>- BOI always launches the new laws to provide information to all investors.</p> <p>- BOI has put Thailand's investment regime in e-portal periodically.</p>	<p>-Security to all investors.</p> <p>-Transparency, accessibility to all investment information, besides security.</p> <p>- Enhance transparency and accountability.</p> <p>- Increasing of accessibility, transparency to all economies and</p>
--	--	--	--

<ul style="list-style-type: none"> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li>   <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li>   <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li>   <li>▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>	Past – present	- BOI has opened the space on the website for investors who would like to ask for any information concerned with investment.	investors. - Enhance facilitation to all investors, besides accessibility.
	Past – present	- Any changes would be informed via the BOI website, besides informed by BOI staff.	Enhance predictability and security.
	Past – present	- BOI is one of the IPAs which complies with international standard from time to time. BOI also intends to improve itself accordingly.	- Enhance creditability.
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms</li> </ul>	2008- present	-The Department of Lands has stipulated	- Enhance security and

<p>of property</p> <ul style="list-style-type: none"> <li>• Create and maintain an effective register of public or state owned property.</li> <li>• Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li> <li>• Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> <li>• Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> </ul>		<p>duration of procedures in registration of rights and juristic act. Additionally, Department of Lands has published work manual and disseminated it widely to the land offices throughout Thailand.</p>	<p>predictability.</p>
--	--	---	------------------------

<ul style="list-style-type: none"> <li>• Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> <li>• Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li> <li>• Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> <li>• Take steps to accede to an arbitral convention</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> </ul>	<p>Past-present</p>	<p>-BOI has revised its investment promotion policy to satisfy investors in all aspects, to make all laws clear and</p>	<p>- More predictability and consistency.</p>

<ul style="list-style-type: none"> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> </ul>	Past-present	<p>consistency.</p> <ul style="list-style-type: none"> <li>- BOI and other related agencies have treated both domestic and foreign investors equally in all means.</li> </ul>	<ul style="list-style-type: none"> <li>- Increasing of accountability and transparency.</li> </ul>
<ul style="list-style-type: none"> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> </ul>	Past-present	<ul style="list-style-type: none"> <li>- BOI continuously improves our website by expanding the information and languages.</li> </ul> <p>BOI has interpreted the investment regulations and related rules into 7 languages, availability on the BOI website.</p>	<ul style="list-style-type: none"> <li>- Enhancement of accurately and predictability.</li> </ul>
<ul style="list-style-type: none"> <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> </ul>	Past-present	<ul style="list-style-type: none"> <li>- BOI has publicised all investment criteria and determined definition clearly in all channels; such as handbooks, leaflets and website.</li> </ul>	<ul style="list-style-type: none"> <li>- Predictability and transparency to investors and people who are interested.</li> </ul>
<ul style="list-style-type: none"> <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> </ul>	Past-present	<ul style="list-style-type: none"> <li>- BOI has announced the definitions and criteria for the assessment of</li> </ul>	<ul style="list-style-type: none"> <li>- Promote predictability, transparency to investors.</li> </ul>

<ul style="list-style-type: none"> <li>Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>		investment proposals clearly on various channels.	
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> <li>Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> </ul>	<p>Past- present</p> <p>Past-present</p> <p>Past-present</p>	<p>- BOI has established One Start One Stop to facilitate investors by gathering all related investment agencies to be at one point.</p> <p>-Thai agencies tend to change the number of forms to be more practical by increasing in forms of electronic lodgement instead of paper document.</p>	<p>- Make overall process easier and understandable.</p> <p>- Easier, faster and cheaper business procedures.</p>

<ul style="list-style-type: none"> <li>• Shorten the processing time and procedures for investment applications.</li> <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> <li>• Simplify the process for connecting to essential services infrastructure</li> <li>• Implement strategies to improve administrative performance at lower levels of government.</li> <li>• Facilitate availability of high standard business services supporting investment</li> </ul>	<p>Past-present</p> <p>Past-present</p>	<p>- BOI has taken step to shorten the process for investment application.</p> <p>-BOI and other related organizations tend to change working procedures, aiming to make the business procedures in Thailand become easier, faster and cheaper.</p> <p>- Thai services infrastructure providers tend to serve services at least cost with the rapid processes.</p>	<p>-To make all procedures much easier.</p> <p>- Improve efficiency of Thai agencies to serve investors.</p> <p>- Enhance efficiency and predictability to supply investors.</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> </ul>			

<ul style="list-style-type: none"> <li>_____</li> </ul>			
<b>IFAP Principle 5: Build constructive stakeholder relationships</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li> <li>• Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> <li>• Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> </ul>	<p>- Past-present</p>	<p>- Thai private sectors occasionally attending the seminars or workshops to share experiences and best-practices.</p>	<p>-Enhancement in closer relations among APEC economies, besides increasing of knowledge.</p>

<ul style="list-style-type: none"> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li>   <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li>   <li>• Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 6: Utilise new technology to improve investment environments</b></p>			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li>   <li>• Maintain adequate and effective protection of technology and</li> </ul>	Past-present	- BOI has developed new technologies to adapt with the investment process to facilitate all investors.	- Enhance effectiveness and efficiency

<p>related intellectual property rights</p> <ul style="list-style-type: none"> <li>• Where possible, give effect to international norms for property protection</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	<p>Past-present</p>	<p>- BOI has provided investment information and updated regularly to facilitate the investors. Moreover, the access of the information is free of charge.</p>	<p>- Enhance effectiveness, efficiency.</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<p><b>IFAP Principle 8: Enhance international cooperation</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation</li> </ul>	<p>Past-present</p>	<p>- BOI and Thai agencies have</p>	<p>-Increasing of knowledge</p>

<p>conventions</p> <ul style="list-style-type: none"> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>		<p>attended the workshops and seminars which would lead to develop our rules and regulations.</p>	<p>to adapt with our own agencies to make it more globalised.</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: United States)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li> </ul>	Completed	The United States publishes these measures as a matter of law and practice, and has undertaken international commitments to do so through obligations in BITs and FTAs.	
<ul style="list-style-type: none"> <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li> </ul>	Completed	Laws of the United States Congress are available in a centralized electronic registry, accessible at <a href="http://thomas.loc.gov">http://thomas.loc.gov</a> . Federal government regulations are consolidated annually within the <i>Code of Federal Regulations</i> , available electronically at <a href="http://www.gpo.gov/fdsys/">http://www.gpo.gov/fdsys/</a> .	
<ul style="list-style-type: none"> <li>▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> </ul>	Completed	The United States does not screen foreign investment, or maintain any general “application” procedures for the entry of foreign investors. However, the Department of Commerce’s SelectUSA program serves as a single point of contact for general enquiries about investing into the United States.	
<ul style="list-style-type: none"> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li> </ul>	Completed	All U.S. federal regulations, whether investment-related or otherwise, are available online and in English. In 2011, the President, through Executive Order 13563, established principles for the U.S. regulatory system, including that it “must ensure that regulations are accessible, consistent, written in plain language, and easy to understand.”	
<ul style="list-style-type: none"> <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li> </ul>	Ongoing	SelectUSA, the U.S. Government’s investment promotion initiative, is a broadly publicized program that promotes business investment in the United States through worldwide programming and outreach.	
<ul style="list-style-type: none"> <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li> </ul>	Completed	Detailed information about federal programs and incentives available to investors can be found at the web site of SelectUSA: <a href="http://selectusa.commerce.gov/investment-incentives">http://selectusa.commerce.gov/investment-incentives</a> . SelectUSA also provides information and contacts relating to programs at the state and local levels.	
<ul style="list-style-type: none"> <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li> </ul>	Completed	The United States permits investors to choose their form of establishment as a matter of practice, and has undertaken international commitments to do so through obligations in its FTAs and in the GATS.	

<ul style="list-style-type: none"> <li>▪ Ensure transparency and clarity in investment-related laws</li> </ul>	Completed	The United States publishes all investment-related laws, as a matter of law and practice, and pursuant to commitments undertaken in international trade and investment agreements.	
<ul style="list-style-type: none"> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> </ul>	Completed	The United States has contributed its submission to the revised, 2010 <i>Guide to APEC Investment Regimes</i> , which is now available electronically.	
<ul style="list-style-type: none"> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> </ul>	Completed	Through its SelectUSA program, the United States invites the submission of online enquires and information regarding foreign investment: <a href="http://selectusa.commerce.gov/contact-us">http://selectusa.commerce.gov/contact-us</a> .	
<ul style="list-style-type: none"> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> </ul>	Completed	Pursuant to WTO obligations, the Department of Commerce's National Institute of Standards and Technology maintains a TBT Inquiry Point, which is able to answer any reasonable questions on standards, technical regulations and conformity assessment procedures, and notifies the WTO TBT Committee of all proposed technical regulations and conformity assessment procedures of central and sub-central government bodies. Proposed regulations of federal agencies are available at <a href="http://www.regulations.gov">www.regulations.gov</a> .	
<ul style="list-style-type: none"> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> </ul>	Completed	With limited exceptions, U.S. law requires that federal agencies provide advance notice, and opportunity for participation by interested parties in, any rulemaking. Detailed information about the U.S. rulemaking process is available at: <a href="http://www.federalregister.gov/uploads/2011/01/the_rulemaking_process.pdf">http://www.federalregister.gov/uploads/2011/01/the_rulemaking_process.pdf</a> . In addition, the United States has undertaken obligations in its BITs and FTAs to provide, to the extent possible, advance notice of, and opportunity to comment on, proposed laws and regulations.	
<ul style="list-style-type: none"> <li>▪ Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>			
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments</b>			

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> </ul>	Not applicable	(Offices for the registration of real property are generally administered by U.S. state and country governments; records are available for public inspection.)	
<ul style="list-style-type: none"> <li>Create and maintain an effective register of public or state owned property.</li> </ul>	Completed	The General Services Administration makes publicly available inventories of federally held real property ( <a href="http://www.gsa.gov/portal/content/100783">http://www.gsa.gov/portal/content/100783</a> ). Most federal agencies currently provide public access to individual parcel data for the lands they manage. For example, the Department of Interior's Bureau of Land Management maintains several online systems for searching its land records ( <a href="http://www.blm.gov/wo/st/en/prog/more/land_records.html">http://www.blm.gov/wo/st/en/prog/more/land_records.html</a> ).	
<ul style="list-style-type: none"> <li>Ensure costs associated with land transactions are kept to a minimum including by fostering competition</li> </ul>	Completed	The United States has a diverse and competitive private marketplace of real estate brokerages.	
<ul style="list-style-type: none"> <li>Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> </ul>	Completed	The United States has a robust private market for credit rating agencies and consumer reporting agencies, as well as laws in place that promote the accuracy of market information and the development of a broad array of tools for weighing creditworthiness and reliability.	
<ul style="list-style-type: none"> <li>Explore the possibility of using the World Bank <i>Doing Business</i> indicator "Enforcing Contracts" as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> </ul>	Ongoing	The United States has supported and actively participated in a number of APEC projects focused on improving performance with respect to <i>Doing Business</i> indicators, including "Enforcing Contracts" in particular.	
<ul style="list-style-type: none"> <li>Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li> </ul>	Ongoing	The United States is party to over 50 international investment agreements containing provisions on investor-State dispute settlement and the enforcement on arbitral awards, and continues to actively negotiate high-standard investment agreements. In addition, U.S. law (the Tucker Act), permits lawsuits against the United States Government for three types of claims: (1) contractual claims, (2) non-contractual claims where the plaintiff seeks the return of money paid to the government and (3) certain non-contractual claims where the plaintiff asserts that he is entitled to payment by the government.	Additional international investment agreements with investor-State dispute settlement mechanisms entering into force.
<ul style="list-style-type: none"> <li>Encourage and facilitate the use of arbitration and other means of alternative</li> </ul>	Completed	The Federal Arbitration Act provides broad authority to assure the enforcement of agreements to arbitrate private international commercial disputes, as well as any resulting arbitration awards. Pursuant to this Act,	

dispute resolution for the settlement of international commercial disputes between private parties		the U.S. Supreme Court has long recognized “the emphatic federal policy in favour of arbitral dispute resolution . . . [which] applies with special force in the field of international commerce.” <sup>1</sup> . The U.S. also hosts some of the world’s leading institutions for alternative commercial dispute resolution, such as the American Arbitration Association and the Center for Public Resources.	
<ul style="list-style-type: none"> <li>Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms</li> </ul>	Completed	The SelectUSA program encourages and facilitates foreign investment in the United States by, among other things, serving as an ombudsman to facilitate the resolution of issues involving federal programs or activities related to pending investments ( <a href="http://selectusa.commerce.gov/">http://selectusa.commerce.gov/</a> ).	
<ul style="list-style-type: none"> <li>Take steps to accede to an arbitral convention</li> </ul>	Completed	The United States is a signatory to major arbitral conventions, such as the ICSID Convention, Convention on the Recognition and Enforcement of Foreign Arbitral Awards, and the Inter-American Convention on International Commercial Arbitration.	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 3 Enhance predictability and consistency in investment-related policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency</li> </ul>	Completed	The Code of Laws of the United States of America (also known as the U.S. Code) is a compilation and codification of the general and permanent laws of the United States, arranged by subject matter. Commercial publishers also provide an annotated code, including citations to relevant court cases and other commentary interpreting the statutory provisions listed in the Code.	
<ul style="list-style-type: none"> <li>Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> </ul>	Completed	The U.S. investment regime is based on the principle of national treatment. Equal treatment to investors is assured as a matter of U.S. law, and by virtue of obligations on non-discrimination undertaken in over 50 BITs and FTAs.	
<ul style="list-style-type: none"> <li>Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li> </ul>	Completed	U.S. federal law provides for judicial review of agency actions on a number of grounds, including whether an agency’s action is “arbitrary and capricious, an abuse of discretion, or otherwise not in accordance with the law.”	

<sup>1</sup> Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, 473 U.S. 614 (1985).

<ul style="list-style-type: none"> <li>Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li> </ul>	Completed	The United States does not screen investment, or otherwise require general authorization of proposed foreign investment. In cases where federal agencies have commercial functions, these generally are clearly demarcated from any regulatory functions.	
<ul style="list-style-type: none"> <li>Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li> </ul>	Not applicable	(The United States does not screen or otherwise require authorization for foreign investment.)	
<ul style="list-style-type: none"> <li>Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>	Completed	U.S. BITs and FTAs contain an obligation upon Parties to establish or maintain judicial, quasi-judicial, or administrative tribunals or procedures for the purpose of prompt review and, where warranted, correction of final administrative actions. Once final, agency administrative decisions are generally subject to review by a court. The precise process for review varies by context; in some circumstances there is a specialized administrative or quasi-judicial appeals process available, which is typically followed by judicial review. Some U.S. laws provide for various forms of expedited review, such as direct appeal of an agency decision to a court of appeals.	
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> </ul>	Not applicable	(Licensing and registration requirements vary based on the location and types of an investment. Such registration is typically done at the state or local level, subject to generally applicable laws and regulations. The U.S. Government’s SelectUSA program provides assistance to potential investors regarding licensing and registration procedures, including by providing contact information for investment facilitation agencies in U.S. states.)	
<ul style="list-style-type: none"> <li>Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li> </ul>	Not applicable	(The United States does not require prior approval, or maintain any general authorization procedures, for foreign investment.)	
<ul style="list-style-type: none"> <li>Shorten the processing time and procedures</li> </ul>	Not	(The United States does not screen or otherwise require any general prior	

for investment applications.	applicable	approval for foreign investment.)	
<ul style="list-style-type: none"> <li>Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li> </ul>	Not applicable	(The United States does not require prior approval of foreign investments.)	
<ul style="list-style-type: none"> <li>Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> </ul>	Completed	Federal, state and tribal authorities maintain a number of requirements for licensing service or other operations; permitting for activities that may affect public health, safety, the environment or natural resources; and issuing concessions for access to publicly held natural resources. Minimizing the economic burden on the investor is widely taken into account in designing regulatory requirements and procedures through mechanisms such as cost-benefit analysis, while recognizing the need to protect the public welfare. It is a common practice to base fee levels on the cost to the government of processing an application.	
<ul style="list-style-type: none"> <li>Simplify the process for connecting to essential services infrastructure</li> </ul>	Not applicable	(Essential services such as electricity, water, and sewage are typically regulated at the state and local levels of government.)	
<ul style="list-style-type: none"> <li>Implement strategies to improve administrative performance at lower levels of government</li> </ul>			
<ul style="list-style-type: none"> <li>Facilitate availability of high standard business services supporting investment</li> </ul>	Completed	The United States has an open and highly competitive services market, reinforced by broad and high-quality market access commitments in the WTO and in FTAs.	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 5: Build constructive stakeholder relationships</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>To the extent possible, establish a mechanism to provide interested parties (including business community) with</li> </ul>	Completed	Subject to limited exceptions, U.S. law requires federal regulatory agencies to provide interested persons an opportunity to participate in any rulemaking through submission of written comments. A longstanding mechanism exists	

opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation		for this process.	
<ul style="list-style-type: none"> <li>Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> </ul>	Ongoing	In 2011, the United States hosted an APEC workshop on regulatory impact assessment, which centered on the development of more effective and transparent regulations, including through enhanced public consultation in the rulemaking process.	
<ul style="list-style-type: none"> <li>Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> </ul>	Ongoing	The U.S. Government's SelectUSA program facilitates investment in the United States by, among other things, assisting the federal government as well as state and local governments, at their request, to address regulatory concerns for domestic and foreign firms wishing to invest in the United States.	
<ul style="list-style-type: none"> <li>Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> </ul>	Ongoing	The United States hosted the first APEC Public-Private Dialogue on Investment in Washington, DC in 2011.	A subsequent Investment Dialogue was held in Singapore in 2012, and another is expected to take place in Jakarta in 2013.
<ul style="list-style-type: none"> <li>Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> </ul>	Ongoing	In 2011, the Administration launched a multi-million dollar initiative (Jobs and Innovation Accelerator Challenge) aimed at the creation of regional industry "clusters" through public-private partnerships.  In addition, with funding by the U.S. Department of Commerce's Economic Development Administration (EDA), the Institute for Strategy and Competitiveness at Harvard University has launched a Cluster Mapping Project for the United States. It provides data and tools to understand industry clusters across the United States. Information about this initiative is available at: <a href="http://www.isc.hbs.edu/cluster-mapping-project.htm">http://www.isc.hbs.edu/cluster-mapping-project.htm</a> .	
<ul style="list-style-type: none"> <li>Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as</li> </ul>	Ongoing	The United States is a vocal advocate of international instruments on business conduct, such as the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. The United States also promotes and recognizes exemplary corporate citizenship	An ACE has been awarded annually

APEC's programs on corporate governance and anti-corruption.		through the Secretary of State's annual Award for Corporate Excellence (ACE).	since its establishment in 1999. The 2012 awardee will be announced by the Secretary of State on November 28, 2012.
<ul style="list-style-type: none"> <li>Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>			
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 6: Utilise new technology to improve investment environments</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li> </ul>	Not applicable	(The United States does not screen foreign investment, or otherwise maintain federal-level "process" for the registration of foreign investment. However, governmental functions at both the federal and state level are increasingly performed through electronic processes.)	
<ul style="list-style-type: none"> <li>Maintain adequate and effective protection of technology and related intellectual property rights</li> </ul>	Completed	Intellectual property is effectively protected by a comprehensive system of federal and state laws in the United States. The United States also provides extensive enforcement for intellectual property rights, including, where applicable, severe criminal penalties, damages and injunctive relief.	

<ul style="list-style-type: none"> <li>Where possible, give effect to international norms for property protection</li> </ul>	Completed	The United States has fully implemented its obligations under the WTO TRIPS Agreement, and provides copyright protection consistent with the Berne Convention.	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	Not applicable	(The United States does not screen foreign investment, or otherwise impose registration or similar general procedures specifically for foreign investment.)	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>Review of existing regulations_____</li> </ul>	Ongoing	The United State does not have federal level “procedures” for foreign investment. However, with respect to regulations generally, the President in 2011 issued an Executive Order (13563) requiring a “lookback” at existing regulations, with the central goal of eliminating outdated requirements and unjustified costs. EO 13563 requires executive agencies to produce plans to periodically review existing significant regulations.	As of May 2012, over two dozen executive department and federal agencies have identified over 500 initiatives to reduce costs, simplify the regulatory system, and eliminate redundancy and

			inconsistency producing billions of dollars in savings.
<ul style="list-style-type: none"> <li>Review of federal agency procedures____</li> </ul>	Ongoing	The Administrative Conference of the United States (ACUS) was re-established in 2010. The ACUS is an independent agency dedicated to improving the administrative process through consensus-driven applied research, providing expert advice and recommendations for improvement of federal agency procedures. Its membership is composed of officials and experts with diverse views and backgrounds from both the private sector and academia.	
<b>IFAP Principle 8: Enhance international cooperation</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> </ul>	Completed	The United States is a signatory to major international and regional conventions relating to investment facilitation and promotion, including the ICSID Convention, Convention on the Recognition and Enforcement of Foreign Arbitral Awards, and the Inter-American Convention on International Commercial Arbitration.	
<ul style="list-style-type: none"> <li>Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> </ul>			
<ul style="list-style-type: none"> <li>Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> </ul>	Completed	The United States maintains a number of mechanisms to ensure compliance with international commitments. For example, the White House's Office of Management and Budget (OMB) coordinates the interagency review and clearance of all bills proposed to be transmitted to Congress by Executive agencies. Through this legislative review mechanism, agencies with relevant expertise are able to identify and seek to address any international trade or investment implications of proposed legislation.	
<ul style="list-style-type: none"> <li>Review existing international agreements and treaties to ensure their provisions continue to create a more attractive</li> </ul>	Completed	In 2009, the United States initiated a comprehensive review of its Model BIT, to ensure that its provisions remain consistent with the public interest and	In April 2012, the United States

<p>environment for investment.</p>		<p>the Administration's international economic policy.</p>	<p>announced the conclusion of its review, and published a revised Model BIT, which maintains high standards of investment protection, while preserving the government's ability to regulate in the public interest.</p>
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			

## Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Viet Nam)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> <li>▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates.</li>   <li>▪ Adopt centralised registry of laws and regulations and make this available electronically.</li>   <li>• Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions) implemented</p>	<ul style="list-style-type: none"> <li>▪ Legal documents are published and updated regularly in Official gazettes, websites of the Government, Ministry of Justice, Ministry of Planning and Investment and other line Ministries.</li>   <li>▪ All legal documents are published in Official gazettes of the Government, a central system for document registration In addition, legal documents are also published in an online page for administrative procedures, in the website of the Government (under "legal documents" section)</li>   <li>▪ Ministry of Planning and Investment established Foreign Investment Agency</li> </ul>	<p>(Describe the expected outcome within this principle)</p>

<ul style="list-style-type: none"> <li>▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business</li>   <li>▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known</li>   <li>▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes</li>   <li>▪ Allow investors to choose their form of establishment within legislative and legal frameworks.</li>   <li>▪ Ensure transparency and clarity in investment-related laws</li> </ul>		<p>to act as a focal body to implement state administration function related to foreign direct investment activities in Vietnam FIA has regional investment promotion centers to support and advise to the investors.</p> <ul style="list-style-type: none"> <li>▪ Legal documents on investment are published and updated regularly in official gazettes, website of FIA.</li> <li>▪ FIA was established to promote investment into Vietnam</li>   <li>▪ Legal documents and information on investment promotion and investment incentives are published in official gazettes, website of FIA.</li> </ul> <p>Article 21 and 26 of chapter IV in Foreign investment law states specifically the forms of investment to select.</p> <ul style="list-style-type: none"> <li>▪ Legal documents on</li> </ul>	
--	--	---	--

<ul style="list-style-type: none"> <li>▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG)</li> <li>▪ Encourage on-line enquiries and on-line information on all foreign investment issues</li> <li>▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements</li> <li>▪ To the extent possible, provide advance notice of proposed changes to laws and regulations and provide an opportunity for public comment</li> </ul>		<p>investment are published in official gazettes, website of FIA</p> <ul style="list-style-type: none"> <li>▪ There are online Q&amp;A section on Government's policies regarding issues on foreign investment in the websites of the Government, Ministry of Planning and Investment and Foreign Investment Agency.</li> <li>▪ .</li> <li>▪ FIA established three investment promotion centers in the north, central and the south of Vietnam to advise to and support the investors. Pursuant to Law on the promulgation of legal documents, clause 2, article 4 of., in the process of making legal documents , agencies, organizations in charge of drafting and relevant agencies, organizations are responsible of</li> </ul>	
--	--	---	--

<ul style="list-style-type: none"> <li>Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress</li> </ul>		<p>facilitating agencies, organizations, individuals taking part in making comments on the draft documents; collect opinions from directly impacted objects of the documents. Besides, public opinions on draft legal documents are also taken into considerations on the websites of the Government and Ministries</p>	
<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>_____</li> <li>_____</li> </ul>			
<p><b>IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments</b></p>			
<p><b>Specific Actions</b></p>	<p><b>Time Table</b></p>	<p><b>Details of implementation</b></p>	<p><b>Expected outcomes</b></p>
<ul style="list-style-type: none"> <li>Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<ul style="list-style-type: none"> <li>Vietnam has established Intellectual Property Department (managing the registration of intellectual property rights), the National</li> </ul>	<p>(Describe the expected outcome within this principle)</p>

<ul style="list-style-type: none"> <li>• Create and maintain an effective register of public or state owned property.</li> <li>• Ensure costs associated with land transactions are kept to a minimum including by fostering competition.</li>   <li>• Foster the dissemination of accurate market reputation information including creditworthiness and reliability</li> <li>• Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis for peer dialogue and benchmarking and measuring progress across APEC</li> <li>• Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures</li>   <li>• Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties</li>   <li>• Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving</li> </ul>		<p>Registration for secured transactions Department belonging to Ministry of Justice (managing the registration of land use right)</p> <ul style="list-style-type: none"> <li>▪ Please consult Ministry of Finance</li> <li>▪ Please consult Ministry of Resources and Environment Please consult State Bank The Government of Vietnam is developing the strategy forefficient prevention and solution to disputes between the State and the investors. Vietnam requests APEC’s support in order to effectively implement this strategy. .</li> <li>▪ Vietnam established International Arbitration Centre belonging to the Chamber of Commerce and Industry of Vietnam</li> </ul> <p><b>Settlement of investment disputes can be done at the</b></p>	
---	--	---	--

<p>mechanisms</p> <ul style="list-style-type: none"> <li>• Take steps to accede to an arbitral convention</li> </ul>		<p><b>investment promotion center or solved through reconciliation mechanism in arbitration/court.</b>          Vietnam is currently in research process to access to Washington Convention on the settlement of investment disputes between states and nationals of other states</p>	
--	--	---	--

<p><b>Other voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
--	--	--	--

**IFAP Principle 3 Enhance predictability and consistency in investment-related policies**

<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency.</li> <li>• Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<p>To provide guide to the implementation of the law, the Government has built a system of decrees and circulars guiding the Decrees. Referring to the Investment Law 2005, Clause 2, Article 4, The State shall treat</p>	<p>(Describe the expected outcome within this principle)</p>

<ul style="list-style-type: none"> <li>• Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations</li>   <li>• Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions</li>   <li>• Establish and disseminate widely clear definitions of criteria for the assessment of investment proposals</li>               <li>• Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures</li> </ul>		<p>equally before law investors of all economic sectors, as between domestic investment and foreign investment.</p> <ul style="list-style-type: none"> <li>▪ Investment procedures specified in Section 1, Chapter VI is applicable throughout the country</li> <li>▪ State administrative bodies for investment in Vietnam has no commercial functions.</li> <li>▪ Decree No.108/2006/ND-CP, Article 45,46,47regulates in details about the appraisal process content for each specific investment group of projects.</li> <li>▪ Pursuant to Law on Denunciations and Complaints, Article 1 of the, citizens, agencies and organizations have the right to file complaints against administrative</li> </ul>	
--	--	---	--

		decisions, administrative acts of state administrative bodies and have the right to denounce to the competent authorities of illegal behaviours of any agencies, organisations or individuals which jeopardize or threaten to jeopardize national interests, the legal rights and interests of citizens, agencies and organizations..	
<p><b>Any voluntary actions in addition to the above:</b></p> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	<ul style="list-style-type: none"> <li>• The business registration and tax code registration are done at the business registration agencies in accordance to decree no 43/2010/ND_CP, Article 26 on business</li> </ul>	(Describe the expected outcome within this principle)

<ul style="list-style-type: none"> <li>• Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement</li>   <li>• Shorten the processing time and procedures for investment applications.</li>   <li>• Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate</li>   <li>• Ensure the issuing of licences, permits and concessions is done at least cost to the investor</li> </ul>		<p>registration.</p> <ul style="list-style-type: none"> <li>• The number of form for business registration and online business registration are given at Article 27, Decree43/2010/ND-CP</li>   <li>• Ministry of Planning and Investment is revising Decree No. 108/2006/ND-CP detailing the implementation of the Investment Law in the direction of simplifying administrative procedures</li>   <li>• Implementing Scheme 30 on simplification of administrative procedures, MPI issued Decree 43/2010/ND-CP, the implementation of this Decree has reduced great amount of forms and expense from administrative procedures</li>   <li>• In accordance to Decree no 43/2010/ND-CP, Article 26 on</li> </ul>	
--	--	--	--

<ul style="list-style-type: none"> <li>• Simplify the process for connecting to essential services infrastructure</li>   <li>• Implement strategies to improve administrative performance at lower levels of government.</li>   <li>• Facilitate availability of high standard business services supporting investment</li> </ul>		<p>business registration, tax agency cooperate with business registration agency in the process of business registration. Accordingly, information of the business registration dossier eligible to be granted business registration certificates complying to the law shall be moved to the database of the General Department of Taxation (Ministry of Finance) in accordance to the regulations</p> <ul style="list-style-type: none"> <li>• ;</li> <li>• Accordance to Investment law 2005 Clause 4, Article 81 of People's Committees at all levels shall have to perform the state management of investment in their respective localities under the Government's decentralization</li> <li>• FIA has three investment</li> </ul>	
---	--	---	--

		promotion centers to support investors in three regions of Vietnam	
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 5: Build constructive stakeholder relationships</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation</li>   <li>• Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	<ul style="list-style-type: none"> <li>• The draft law and documents guiding to implement law are posted on official websites of the Government, Ministries. In accordance to Law on the Promulgation of Legal Documents, Article 4, prior to the issuance of legal documents, bodies in charge of drafting shall hold workshops, conferences collecting comments and opinions of relevant organizations and individuals.</li> </ul>	(Describe the expected outcome within this principle)

<ul style="list-style-type: none"> <li>• Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs</li> <li>• Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors</li> <li>• Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters</li> <li>• Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption.</li> <li>• Examine and share APEC member economies' experience with responsible business conduct instruments</li> </ul>		<ul style="list-style-type: none"> <li>• The role of social opponent, organizations (VCCI, Amcham, Eurocham, foreign invested capital organizations) has been increased in supporting investors.</li> <li>• In accordance to Investment Law 2005 Clause 20, Article 3 Industrial park means an area specialized in the production of industrial goods and the provision of services for industrial production, which has definite geographical boundaries and is established under the Government's regulations.,</li> </ul>	
<p><b>Other voluntary actions in addition to the above:</b></p>			

<ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 6: Utilise new technology to improve investment environments</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Promote the introduction and use of new technologies aimed at making the investment process simpler and faster</li>   <li>• Maintain adequate and effective protection of technology and related intellectual property rights</li>   <li>• Where possible, give effect to international norms for property protection</li> </ul>	<p>(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)</p>	<ul style="list-style-type: none"> <li>• Online business registration is currently implemented in accordance to Decree No. 43/2010/ND-CP, Article 27.</li> <li>• The registration of intellectual property rights is implemented in competent State authorities in accordance to Law on Intellectual Property , Article 49 of the</li> <li>• The protection of the ownership of property rights is implemented in secured transaction registration agency in accordance Decree No 83/2010/ND-CP (23/7/2010)of the Government about secured transaction registration, Article 47</li> </ul>	<p>(Describe the expected outcome within this principle)</p>

<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	<ul style="list-style-type: none"> <li>• In accordance to Investment Law 2005, Clause 1, Article 72, MPI preside over and and coordinate with line Ministries to review regularly investment legal documents and policies .</li> </ul>	(Describe the expected outcome within this principle)
<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"> <li>▪ _____</li> <li>▪ _____</li> </ul>			
<b>IFAP Principle 8: Enhance international cooperation</b>			
<b>Specific Actions</b>	<b>Time Table</b>	<b>Details of implementation</b>	<b>Expected outcomes</b>
<ul style="list-style-type: none"> <li>• To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions</li> </ul>	(The timeframe within which APEC economy has implemented or expect to implement these IFAP's actions)	<ul style="list-style-type: none"> <li>• The Government of Vietnam has signed agreements on investment promotion and protection; Free Trade Agreement, in the process of</li> </ul>	(Describe the expected outcome within this principle)

<ul style="list-style-type: none"> <li>• Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD</li> <li>• Ensure measures exist to ensure effective compliance with commitments under international investment agreements</li> </ul> <ul style="list-style-type: none"> <li>• Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment.</li> </ul>		<p>preparing to sign TPP agreement</p> <ul style="list-style-type: none"> <li>• All provisions stated in the Investment Law comply with international commitments. Besides, in accordance to Investment Law, Article 5 : Where a treaty to which the Socialist Republic of Vietnam is a contracting party contains provisions different from the provisions of this Law, the provisions of such treaty shall apply Ministry of Justice shall preside over, inspect, compare Vietnam's international commitments with current law and regulations to adjust timely domestic legal documents in order to comply with international commitment (defining the functions, tasks, powers and organization of the Ministry of Justice, Clause 4, Article 3.</li> </ul>	
--	--	---	--

<b>Other voluntary actions in addition to the above:</b> <ul style="list-style-type: none"><li>▪ _____</li><li>▪ _____</li></ul>			
--	--	--	--