

# **UNCTAD Expert Meeting on Taking Stock of IIA Reform**

Geneva, 16 March 2016

## **Egypt**

**Excellencies**

**Mr. Chairman.....**

**Distinguished participants and Experts**

**Ladies and Gentlemen,**

**On Behalf of the Egyptian General Authority for Investment and Free Zones (GAFI), I would like to express my sincere gratitude to UNCTAD for organizing this meeting and it gives me a great pleasure to be invited to this important event. I also would like to thank UNCTAD for its continuous support to Egypt in its efforts to reform its IIA network.**

Egypt as you probably know is signatory to a large network of IIAs, consisting mainly of Bilateral Investment Treaties (74 enforced ones). Most of them were signed in the mid-90s in aspiration to attract more foreign investment. In addition to BITs, Egypt also concluded about 13 IIAs that include investment-related provisions.

However, the application of these agreements especially the bilateral ones showed several problems, which resulted from the imbalances in the provisions of these agreements and their tendency to favor protection of foreign investors at the expense of the legitimate rights of the host countries in the regulation and

treatment of foreign investments in accordance with the right to achieve sustainable economic development.

To address those imbalances, Egypt has embarked on reforming its network of IIAs' in line with recent developments and best practices in international investment law, and in a manner that contribute to Sustainable Development Goals and national development strategy. UNCTAD's investment policy framework and its roadmap for IIA reform proved to be very useful tools in that context.

**Ladies and Gentlemen,**

Egypt has developed an action plan to reform it's BITs regime based on two axes:

The first axe: updating Egypt's BIT model which we have recently ended it's revision. Started in 2013, the model passed by several phases starting with internal technical review, consultation with stakeholders from public and private sector and a peer review presented by relevant international organizations advanced by UNCTAD. This revision will serve as a base of BITs review and regional agreements revision. This updated model advocates for the State's policy space, SDGs consideration and transparency concerns that exclude explicitly some sectors and areas from national treatment.

The second axe: reviewing and amending Egypt's signed BITs. Egypt in collaboration with UNCTAD prepared a comprehensive analytical report on Egypt's BITs. The report provides policy options for each key provision of the

BITs and provides elements for a first assessment of a potential reform to Egypt's BIT network.

In this context, I would like to seize the opportunity to express GAFI's deep thanks and appreciation for UNCTAD's efforts in preparing this report. I am delighted to announce that GAFI will organize a conference at the end of next April with all stakeholders and UNCTAD to present the findings of the report and to identify the steps forward for Egypt's IIA Reform efforts.

**Ladies and Gentlemen,**

Egypt launched last February the final draft of the country's sustainable development strategy "Egypt vision 2030" which aims at achieving comprehensive economic development, improving investment environment and promoting human capital.

For attaining this development strategy, Egypt aspires to a new IIA regime that is coherent, presents less overlaps, reflects sustainable development objectives and balances investor's rights and obligations. We would like to see an IIA regime that protects investors effectively, but that also protects the state against unfounded claims.

Currently contradictory concepts are being debated at the international level, ranging from calls of IIAs termination to calls for increased legal protection to investors. we call on UNCTAD, as the multilateral focal point on IIA issues, to serve as a forum for dialogue and consensus-building to bridge the gap between

these concepts and to further increase its technical assistance and capacity building activities on issues related to IIAs in its regional dimension and taking into account the rise of mega regional agreements.

UNCTAD is ideally situated to act as a multilateral support platform for countries wishing to reform their IIA regime to make it more conducive to sustainable and

**Ladies and Gentlemen,**

We would like to hear from other countries and experts present here today on the perceived legal and policy implications arising from questing the balance in IIAs regime.

GAFI is looking forward to carry further the discussions on IIA reform in the World Investment Forum 2016 in Kenya.

We look forward to a new era were investment protection goes hand in hand with the right of the state to implement policies for the well-being of its people.

Thank you very much for your attention.