

# UNCTAD Expert Meeting on Taking Stock of IIA Reform

Geneva, 16 March 2016

## Sri Lanka

Thank you very much Madam Chair,

- At the outset, I would like to take this opportunity to express my delegation's deepest appreciation of the continuous cooperation extended by the UNCTAD to Sri Lanka. As all of you are aware, we are a country that has entered a new phase in its history after about three-decade long conflict. At present, Sri Lanka is heavily focussed on post-conflict development in the country and we attach great importance to foreign direct investment in this particular juncture.
- Sri Lanka has a complex network of international investment treaties. We have concluded 28 bilateral investment treaties. This is in addition to our regional investment commitments as part of the Asia-Pacific Trade Agreement (APTA); the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and the South Asian Free Trade Area (SAFTA). We also have a Trade Investment Framework Agreement with the United States and a Cooperation Agreement with the European Union.
- These agreements include investment provisions that vary in their depth and scope. Most of our IIA network has been concluded in the 1990s and therefore requires a serious and comprehensive update to reflect the latest trends in IIAs, especially those related to the right of the state to regulate investment for public objectives such as the protection of health, environment and labour standards. There is also a great need to clarify in detail what is the exact meaning of certain provisions in our BITs. These include the fair and equitable standards and indirect expropriation for example. I believe, like many other countries that Sri Lanka needs to reform its IIA regime to make sure that investment protection is balanced by more clarity and more flexibility for host states. In this context we congratulate UNCTAD's for its new Roadmap for IIA Reform and we believe that this Roadmap can effectively guide countries in their IIA reform efforts.

- Sri Lanka has greatly benefitted from UNCTAD's advisory services with respect to the development of our new model bilateral investment treaty (BIT). The “Investment Policy Framework for Sustainable Development (IPFSD)”, has provided highly valuable input for this exercise.
- We hope to further benefit from UNCTAD's IIA related work, including by means of training courses, as well as our participation in the IIA Conference that will be held as part of the forthcoming World Investment Forum (WIF). Sri Lanka congratulates UNCTAD for its rigorous and impactful work regarding IIAs and encourages it to continue this work. We see UNCTAD as the ideal platform to engage in comprehensive multilateral dialogue on issues related to IIA reform.