
STATEMENT

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COUNTRY : **Sri Lanka**

1. Sri Lanka is taking steps to review its BIT model of 2012, based on recommendations provided by UNCTAD. The Government of Sri Lanka is grateful to UNCTAD for its continuous cooperation.
2. In the review process, we place significant focus on:
 - public policy interests,
 - what exactly are the 'covered investments' and what should not be considered as such,
 - the right to regulate while providing protection to investors,
 - public policy exceptions.
3. In the proposed reforms, investment facilitation plays a key role in attracting investment and allowing investments to flow efficiently. The Government of Sri Lanka in its investment policy, attaches highest priority for 'Investment Facilitation'. Therefore, the Board of Investment of Sri Lanka established a '**One Stop Shop**' in January 2016, to provide facilities, coordinate, and simplify bureaucratic procedures.
4. Due to UNCTAD's proposed policy framework for reforms, many policy changes and reform actions have triggered in the IIA regime. As a result many countries have gone into completely different models and they propose to us either to terminate the existing agreements or to review them based on their new models.
5. Although Sri Lanka has its own BIT model, completely different models have been proposed by its bilateral partners for re-negotiation. Being a developing country, it is important for Sri Lanka to maintain its trade, investment and political relations with its bilateral investment partners. As a result, it has become imperative for Sri Lanka to agree to enter into negotiations based on these new models.
6. Therefore, we want UNCTAD to advise us about the possible consequences due to having different types of agreements leading to different investment policies with our bilateral partners.
7. Finally, we also intend to review our existing 29 BITs. Until the expiration of the survival clauses of these BITs, Government of Sri Lanka will provide the protection guaranteed. However, under the new agreements, the standard of protection and the scope of covered investments would definitely be less than what the investors have enjoyed. There is a high chance of this situation affecting the investors. We request UNCTAD to guide the host governments to address this issue.

-Thank you-