

**Investment Experts’ Group**  
***Report for the***  
**CTI ANNUAL REPORT TO MINISTERS**

**For AMM’s information**

(a) Key outcomes and achievements in 2024

- The IEG is entrusted with undertaking investment-related workstreams. This includes:
  - Traction on the Malaysian-led project on “Inclusive and Responsible Business and Investment” (IRBI), which includes endorsement of three (3) deliverables (survey report, guidelines, and toolkit);
  - Phase III of the APEC Investment Commitment Handbook Project, led by Australia and Papua New Guinea; and
  - A Peruvian-led workshop on “Best practices aimed at attracting quality FDI and measuring it to promote sustainable development through the execution of physical infrastructure”, which was held on 18 August 2024. The workshop benefited from multistakeholder engagement across the public sector, private sector, multilateral development banks, and civil society organisations.
- Leveraging on APEC’s function as an incubator of ideas on trade and investment, the IEG also remains actively informed on:
  - The substantial conclusion of the WTO Joint Statement Initiative on Investment Facilitation for Development Agreement, and fully supports its incorporation into the WTO rulebook;
  - The application of the Organization for Economic Co-operation and Development (OECD) Foreign Direct Investment (FDI) Qualities Policy Toolkit;
  - Discussions on Climate FDI, which have been proposed by the World Economic Forum (WEF); and
  - Reforms related to the investor-state dispute settlement mechanism.

(b) Work undertaken by fora in pursuit of the [Putrajaya Vision 2040](#), including through the [Aotearoa Plan of Action \(APA\)](#)

*Kindly refer to the “Collective Actions” (in the APA) for the relevant fora  
 Please also outline any individual actions that your fora has showcased during the year.*

- The IEG supports the objectives under the economic driver of ‘Trade and Investment’, in particular, the pursuit of the following Collective Actions:
  - Promote the flow of quality investment through steps such as work on investment facilitation and liberalisation;
  - Support progress of negotiations at the WTO to deliver a trade and investment environment that is free, open, fair, non-discriminatory, transparent and predictable;

- Strengthen APEC’s key role as an incubator of ideas on trade and investment issues in the region;
  - Promote trade and investment facilitation for all; and
  - Address key infrastructure gaps and enhance connectivity by creating transparent regulatory environments, promoting dialogue, and sharing best practices that enable quality infrastructure development and investment, which remains accessible, sustainable and affordable with respect to life-cycle costs.
- To ensure that APEC’s international investment regime remains transparent and predictable, the IEG adopts a multifaceted approach that includes:
    - Conducting analytical studies on investment best practices;
    - Tracking progress on the eight (8) principles outlined in the Investment Facilitation Action Plan (IFAP);
    - Fostering dialogue and discourse on investment-related issues;
    - Organising capacity-building initiatives; and
    - Forging partnerships with stakeholders and international organisations.

(c) Work Undertaken by the fora in response to Ministerial, SOM and CTI direction

- Bearing in mind the goal of economic development and prosperity of people across the APEC region, the objectives of the IEG are to:
  - Undertake work related to investment and report its outcomes to the CTI;
  - Address investment-related issues and enhance the liberalisation and facilitation of investment within the APEC region;
  - Enhance capacity building in investment through economic and technical cooperation among member economies; and
  - Support investment promotion activities among member economies to facilitate investment flows within the region.
- Based on these objectives, the IEG reaffirms two principal pillars of work as follows:
  - International Investment Regime – Principles and Practices: This pillar delves into various investment challenges and issues through the lens of international instruments, notably International Investment Agreements (IIAs); and
  - Investment Promotion, Facilitation, and Retention: This looks at ongoing initiatives such as the IFAP, Investment Policy Dialogue (IPD), and Investment Promotion Agencies (IPA). Additionally, it encompasses discussions on best practices and addresses crosscutting issues such as global value chains (GVC), public-private partnership (PPP), and infrastructure development.

(d) Key Issues Under Discussion by the Fora (if any)

- The current IFAP was endorsed by APEC Ministers in 2008. It includes comprehensive actions that can be taken across a range of policy areas and has served as a valuable reference tool for the improvement of the APEC investment climate. During SOM1 2024, under the leadership of Japan and supported by the Policy Support Unit (PSU), the IEG members agreed to modernise the IFAP to take into account new investment and trade-related elements envisioned under the Putrajaya Vision 2040 and APA, including digitalisation, inclusivity and sustainability. An initial draft of the upgraded IFAP was shared to IEG members at IEG2 in 2024 for

members' comments. The work continues intersessionally aiming for IEG's endorsement at IEG1 in 2025.
(e) Private sector / Stakeholder engagement and cross-fora collaboration in 2024 (if any) <ul style="list-style-type: none"><li>• Japan is the champion economy for a Project Management Unit (PMU) research project titled "APEC Companies' Best Practices on Long-Term Foreign Direct Investment (FDI) within APEC Economies," which will require active involvement and engagement from selected businesses operating in APEC economies.</li><li>• Peru hosted a workshop on 18 August 2024 regarding "Best practices aimed at attracting quality FDI and measuring it to promote sustainable development through the execution of physical infrastructure".</li></ul>
(f) Items to submit to Senior Officials or Ministers (if applicable) <ul style="list-style-type: none"><li>• Nil.</li></ul>