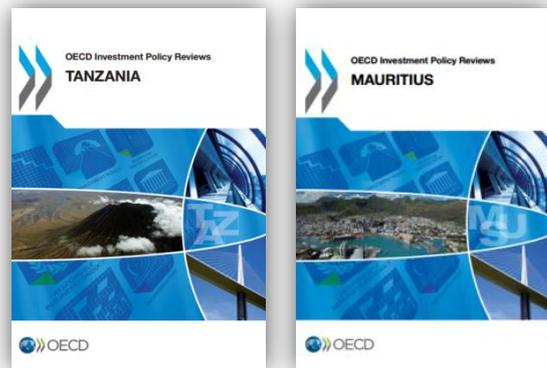


SADC REGIONAL INVESTMENT POLICY FRAMEWORK

An overview

Since 2012, SADC Member States have identified the OECD Policy Framework for Investment (PFI) as a basis for developing a SADC Regional Investment Policy Framework. The latter is an integral part of the SADC Regional Action Plan on Investment, which feeds into the Investment branch of the SADC Finance and Investment Protocol. The Regional Investment Policy Framework builds on national-level analytical assessments, peer-learning, and best practices from OECD and non-OECD countries.

The OECD has conducted Investment Policy Reviews based on the PFI in close to 30 countries across Africa, Asia and Latin America. Within the SADC region, Zambia was the first country to complete a Review in 2011, and Mozambique, Tanzania, Mauritius and Botswana have since followed. These Reviews have received a high level of political endorsement: for instance, the Review of Tanzania was launched by the Prime Minister Mizengo Pinda in January 2014. Moreover, they have been successful in informing reforms: for instance, the Mauritius Review has driven a package of reforms currently endorsed by government.



The Reviews are built on strong country ownership and broad-based consultations. They engage national task forces formed of inter-ministerial government agencies and other relevant stake-holders in the identification of key bottlenecks and in the elaboration of investment policy reform agendas.

The SADC Regional Investment Policy Framework aims to facilitate regional coordination and exploit economies of scale in improving investment frameworks and policies across Member States. It also provides a mechanism for knowledge-sharing and policy dialogue around good practices. **By the end of 2015, the project will have developed SADC Regional Guidelines on four thematic pillars:**

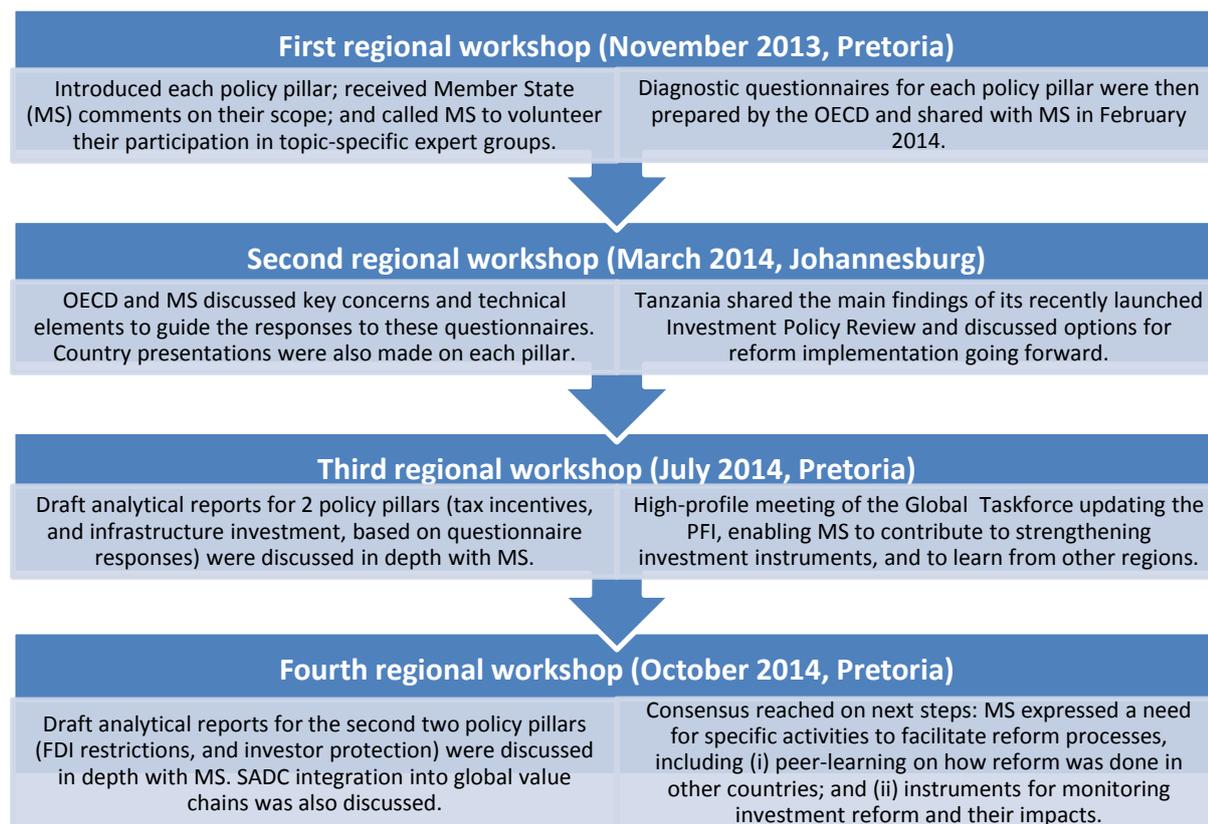
1. lessening the costs of **restrictions to foreign investment**;
2. improving legal regimes and mechanisms to enhance **investor protection**;
3. coordinating effective regimes for **tax incentives for investment**;
4. facilitating long-term **investments in infrastructure**;

The Regional Guidelines will be developed through a bottom-up process, and will focus on practical steps that can be put in place to improve the investment climate across the SADC region. These action-oriented guidelines will be accompanied by instruments to support implementation processes, including monitoring indicators to benchmark reforms and their impact. The development dimension, including on gender and sustainable development, will be mainstreamed into the analysis and resulting guidance.

The project with SADC is an integral part of the broader NEPAD-OECD Africa Investment Initiative, an African-led partnership supported by the OECD. The Initiative responds to the OECD objective to promote a pragmatic and co-operative approach with regional and international organisations to advance policy reforms that can create beneficial investment opportunities for Africa. Apart from its conception as a joint venture with NEPAD, which ensures ownership by African stakeholders, the Initiative co-operates with other partners who are active in the region; this is reflected by joint projects with the African Development Bank and the World Bank. The Initiative is co-chaired by the Governments of Japan and South Africa, and benefits from support from Finland and Japan, among other contributors.

SADC REGIONAL INVESTMENT POLICY FRAMEWORK

Process to date (as of January 2015)



Implementation network



The **SADC Sub-Committee on Investment** works to meet the community's objectives and overall goal of poverty eradication and regional integration and provides strategic expertise to co-ordinate the harmonisation of policies and strategies to accelerate regional integration and sustainable development. Read more: www.sadc.int



The **NEPAD-OECD Africa Investment Initiative** aims to strengthen the capacity of African countries to design and implement reforms that improve their business climate. It facilitates regional co-operation and works to raise the profile of Africa as an investment destination.

Read more: www.oecd.org/daf/inv/investment-policy/africa.htm



The **SADC Public-Private Partnership Network** is a platform for exchange of information and experiences, and as a basis for capacity development in PPP in the public and private sectors as well as promoting harmonisation in PPP policy and regulatory frameworks in the region. Read more: www.sadcpppnetwork.org



The **State-owned enterprises (SOE) Network for Southern Africa** provides a forum for regional dialogue and co-operation. It was launched in 2007 to support regional and national reformers in their efforts to improve the performance of SOEs.

Read more: www.oecd.org/southafrica/soe-africa.htm

The **Global Taskforce for the update of the PFI**, co-chaired by Finland and Myanmar, is leading the PFI update process which is due to be completed in 2015. The PFI is the most comprehensive and systematic approach for improving investment conditions ever developed. Read more: www.oecd.org/investment/pfi-update.htm