

Foreign Direct Investment (FDI)

Foreign Direct Investment (FDI) greatly contributes in the uplift of the economic growth of the host country. By virtue of FDI more employment opportunities are created, productivity is increased, new technologies are attracted and trade capacity is expanded. Similarly, the guest country or business receives certain immunity, rebate, concessions or any other advantages in doing business favorably. Therefore, every economy plans different strategies to promote and enhance FDI flows which has now become international agenda for development. It links the economy with globalization, economic liberalization, and regional economic integration. However, as foreign direct investment comes from other nations and such nations have, as per agreement, control on it, the host country must keep balance of the political, economic, and cultural autonomy associated with greater foreign ownership. As international trade and commerce has significantly increased during the last decades and the investors and businesses prefer approaching international courts for their dispute resolutions which may have legal implications.