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GLOBAL INVESTMENT POLICIES IN THE CONTEXT OF THE COVID-19 PANDEMIC: PROSPECTS AND OBSTACLES

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Abstract: *This paper examines the impact of the COVID-19 pandemic on investment policies in developed countries and the long-term implications of these policies. The pandemic has created both challenges and opportunities for investors in different sectors, with the healthcare and technology sectors being the most attractive for investment in many countries. International cooperation has also been highlighted as a critical factor in economic recovery and growth, with the G20 and APEC playing significant roles. However, in the long term, the pandemic is likely to have lasting effects on consumer behavior and how companies operate, which could impact investment strategies in the years to come. This paper concludes with recommendations for developing countries to attract and benefit from foreign investment in a post-pandemic world.*

Key words*: investment policy, COVID-19, economic recovery, global cooperation*

JEL: G11, G18, F62

1. Introduction

Body Over the past two decades, developed countries have increasingly used free trade agreements (FTAs) and bilateral investment treaties (BITs) to promote investment flows and support economic growth (UNCTAD, 2020c). These policies aim to reduce trade barriers and provide legal protections for foreign investors (UNCTAD, 2020c). Developed countries have also implemented sector-specific policies, such as research and development, renewable energy, and advanced manufacturing (OECD, 2018).

The COVID-19 pandemic has had a significant impact on the global economy and investment policies in developed countries (IMF, 2020b). The pandemic has created opportunities for investment in some sectors, such as technology and healthcare, while posing challenges for others, such as energy and tourism (UNCTAD, 2020c). The pandemic may also have long-term implications for investment strategies, as changes in consumer behavior and business operations could impact the types of investments in demand (Deloitte, 2020).

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In the United States, the pandemic has led to increased government spending on infrastructure and technology, while also highlighting the importance of domestic manufacturing and supply chains (Deng, Xu, & Lee, 2022). The United Kingdom has implemented policies to support the healthcare industry and has emphasized the need for sustainability in investment decisions (EY, 2020b). In Germany, the pandemic has accelerated the transition to renewable energy and highlighted the importance of digitalization (Deloitte, 2020). In Japan, the pandemic has led to increased government spending on healthcare and technology, while also highlighting the need for supply chain diversification (PwC, 2020).

International cooperation among developed countries has played a crucial role in mitigating the impact of the pandemic on the global economy (IMF, 2020b). Examples of such cooperation include joint efforts to develop and distribute vaccines, as well as support for developing countries through the provision of financial assistance and debt relief (IMF, 2020b).

In light of the experiences of developed countries during the pandemic, developing countries may consider implementing policies to attract investment in sectors with growth potential, such as technology and healthcare, while also prioritizing sustainability and diversification of supply chains (UNCTAD, 2020c).

2. Changes in Investment Policy

Many developed countries have adjusted their investment policies in response to the COVID-19 pandemic (IMF, 2020b). Some countries have increased government spending and implemented fiscal stimulus measures to support businesses and individuals impacted by the pandemic, while others have shifted their investment strategies to focus on healthcare, technology, or other sectors that have become more important in the pandemic era (Deloitte, 2020).

In the United States, President Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act into law on March 27, 2020, which was a $2 trillion economic stimulus package to support individuals and businesses impacted by the pandemic (Congress.gov, 2020). The Act included several key provisions, such as direct payments to individuals, expanded unemployment benefits, forgivable loans to small businesses, and relief for larger businesses (Congress.gov, 2020).

The Federal Reserve also implemented various measures to support the economy during the pandemic, including cutting interest rates to near zero and launching lending programs to support businesses and financial markets (Federal Reserve, 2020a). These programs included the Main Street Lending Program for small and medium-sized businesses and the Municipal Liquidity Facility for state and local governments (Federal Reserve, 2020a).

Overall, the US government and Federal Reserve implemented various measures to support the economy and individuals impacted by the pandemic, including direct payments, expanded unemployment benefits, forgivable loans, and other forms of economic stimulus. The Federal Reserve also implemented measures to support businesses and financial markets, including cutting interest rates and launching lending programs.

In March 2020, the UK government implemented several fiscal stimulus measures to mitigate the COVID-19 pandemic's economic impact (EY, 2020c). These measures included providing grants to small businesses, funding the National Health Service (NHS), and supporting workers impacted by the pandemic.

One of the critical measures implemented by the UK government was the Coronavirus Job Retention Scheme, which allowed employers to furlough their employees and receive government support to cover a portion of their wages (EY, 2020c). The scheme was initially set to run until the end of June 2020 but was later extended several times.

The UK government also implemented several other measures to support businesses, including providing grants of up to £10,000 for small businesses, launching several loan schemes, and providing additional funding to the NHS to help it respond to the pandemic (EY, 2020c). The loan schemes included the Bounce Back Loan Scheme for small businesses and the Coronavirus Business Interruption Loan Scheme for larger businesses (EY, 2020c).

Overall, the UK government implemented various fiscal stimulus measures to support businesses and workers impacted by the COVID-19 pandemic, which were designed to mitigate the economic impact of the pandemic and support the UK's recovery from the crisis.

In March 2020, the German government implemented various measures to support businesses impacted by the COVID-19 pandemic (Deloitte, 2020). These measures included providing loans and grants to small businesses and increasing funding for research and development in healthcare and biotechnology.

The German government also launched a stimulus package aimed at supporting economic growth, which included a reduction of the value-added tax (VAT) rate from 19% to 16% for six months to encourage consumer spending and stimulate the economy (Deloitte, 2020). The package also provided additional funding for infrastructure projects and increased funding for research and development in healthcare and biotechnology to support the development of treatments and vaccines for COVID-19 and other diseases (Deloitte, 2020).

The German government also supported workers impacted by the pandemic by implementing a short-time work program that allowed employers to reduce working hours and receive government support to cover a portion of their employee's wages (Deloitte, 2020).

Overall, the German government implemented various measures to support businesses, workers, and economic growth during the COVID-19 pandemic. These measures included loans and grants for small businesses, research and development investments, and a stimulus package that reduced VAT and provided funding for infrastructure projects.

In April 2020, the Japanese government approved a massive stimulus package worth over $1 trillion to support the economy during the COVID-19 pandemic (BBC News, 2020b). The package included various measures to support businesses, workers, and healthcare providers.

The package included cash payments to individuals, loans, grants to small and medium-sized businesses, and funding for healthcare and research (BBC News, 2020b). The cash payments to individuals were intended to support consumer spending and provide financial assistance to individuals impacted by the pandemic (BBC News, 2020b).

The government also provided loans and grants to small and medium-sized businesses to help them stay afloat during the pandemic (BBC News, 2020b). The package included funding for the Japan Development Bank to support businesses impacted by the pandemic (BBC News, 2020b).

The package also included funding for the development of treatments and vaccines for COVID-19, as well as support for healthcare providers and hospitals dealing with the pandemic (BBC News, 2020b).

In addition to the stimulus package, the Bank of Japan also implemented measures to support the economy during the pandemic, including increasing purchases of government bonds and launching a lending program to support businesses (BBC News, 2020b).

Overall, the Japanese government implemented various measures to support the economy during the COVID-19 pandemic, including cash payments to individuals, loans and grants to businesses, and funding for healthcare and research. The Bank of Japan also implemented measures to support the economy, including increasing purchases of government bonds and launching a lending program to support businesses.

In March 2020, the Canadian government announced a comprehensive package of measures to support businesses and individuals impacted by the COVID-19 pandemic (Government of Canada, 2020b). The package included a range of measures to support the economy, protect jobs, and provide financial assistance to Canadians.

The government implemented the Canada Emergency Wage Subsidy (CEWS), which provides employers with a subsidy to cover a portion of their employee wages, to help businesses keep their employees on payroll and avoid layoffs during the pandemic (Government of Canada, 2020b). The government also expanded the Canada Emergency Response Benefit (CERB), which provided financial assistance to individuals who lost their jobs due to the pandemic (Government of Canada, 2020).

The government launched the Canada Emergency Business Account (CEBA), which provides interest-free loans of up to $60,000 to small businesses impacted by the pandemic, to help businesses cover their operating expenses and avoid bankruptcy (Government of Canada, 2020b). Additionally, the government increased funding for healthcare providers and researchers to help fight the pandemic, support the development of treatments and vaccines for COVID-19, and provide additional resources to hospitals and healthcare workers (Government of Canada, 2020b).

Overall, the Canadian government implemented various measures to support businesses and individuals impacted by the pandemic, including wage subsidies for businesses, expanded unemployment benefits, and a loan program for small businesses. The government also increased funding for healthcare and research related to the pandemic. These measures were designed to help protect jobs, support the economy, and provide financial assistance to Canadians during the COVID-19 pandemic.

3. The Impact of Low-Interest Rates

The shift towards riskier investments in the US due to low interest rates has been documented in several studies (Barclays, 2021; Federal Reserve Bank of St. Louis, 2021). This shift has contributed to a surge in the stock market and real estate prices, as investors seek higher returns (Barclays, 2021). However, this has also increased market volatility and created challenges for investors looking to balance risk and return (Federal Reserve Bank of St. Louis, 2021).

In the EU, the shift towards riskier investments due to low or negative yields on traditional fixed-income investments has also been noted in several studies (European Central Bank, 2021; International Monetary Fund, 2021). This shift has created concerns about the stability of the financial system and made it more difficult for conservative investors to generate the returns they need (International Monetary Fund, 2021). At the same time, low-interest rates have benefited borrowers, while savers and retirees have struggled to generate income (European Central Bank, 2021).

The Bank of Japan's low-interest rate policy has prompted Japanese investors to seek higher returns in overseas markets and riskier assets such as stocks and real estate, contributing to the growth of global stock markets and driving up real estate prices in markets like New York and Los Angeles (BBC News, 2021). Additionally, the policy has led Japanese corporations to take on more debt, raising concerns about corporate debt levels and potential defaults if interest rates rise (Reuters, 2019).

The Bank of Canada's lowering of its key interest rate as part of a package of measures to mitigate the pandemic's economic impacts has led investors to seek higher returns elsewhere, prompting a shift towards riskier assets like equities and high-yield corporate bonds (CBC News). This shift has contributed to a surge in stock prices in Canada and an increase in the issuance of corporate bonds at attractive rates (Bloomberg, 2021).

4. Opportunities and Challenges for Investors

The pandemic has created both opportunities and challenges for investors (World Economic Forum, 2020). For example, while some sectors (such as travel and hospitality) have been hit hard by the pandemic, others (such as e-commerce and healthcare) have thrived (McKinsey & Company, 2020). Additionally, the pandemic has created increased volatility in financial markets, which has upsides and downsides for investors (Kenton, 2021).

The pandemic has significantly impacted different sectors in the US, creating both opportunities and challenges for investors. The lockdowns and social distancing measures have led to a surge in demand for technology companies that facilitate remote work, online shopping, and digital entertainment (Barua, 2020). As a result, investors have been looking for opportunities in the tech sector, which has led to a surge in stock prices for companies like Amazon, Apple, and Microsoft.

On the other hand, the pandemic has hit the travel and hospitality industries hard, and investors in those sectors have had to adjust their strategies (Goffman, 2020). For example, many investors in the airline and hotel industries have faced significant losses as demand for travel has plummeted (Sigala, 2020). As a result, some investors have shifted their focus to companies offering alternative travel forms, such as recreational vehicles or private jets (Kramer, 2020). Given the increased demand for medical supplies and treatments during the pandemic, others have turned to investments in healthcare or pharmaceuticals (Baker, Bloom, Davis, & Terry, 2020).

In the United Kingdom, the healthcare sector, particularly companies working on vaccines and treatments for COVID-19, have presented significant opportunities for investors (Gates, 2020). For example, pharmaceutical company AstraZeneca, which developed a vaccine in partnership with the University of Oxford, saw its stock price surge during the pandemic (Reuters, 2020). Similarly, US-based biotechnology company Moderna developed its own vaccine and has seen its stock price increase dramatically (Herper, 2020).

However, the pandemic has also presented challenges for investors in other sectors, such as retail and real estate. The retail industry has been hit hard by the closure of non-essential businesses and social distancing measures (Donthu & Gustafsson, 2020). For example, high-street retailers such as Debenhams and

Topshop have gone into administration, leading to job losses and uncertainty for investors in these companies (BBC News, 2020a). Similarly, the pandemic has impacted the real estate industry, with demand for office space decreasing as more people work from home (Hinks, 2020). This has led to challenges for commercial real estate investors and opportunities for those investing in the residential real estate market as demand for more significant properties with outdoor space increased (Barkham, 2020).

The COVID-19 pandemic has significantly impacted the German economy and presented both opportunities and challenges for investors (OECD, 2020). The renewable energy sector is one opportunity for investors in Germany. As the government has continued to implement policies to reduce the country's carbon footprint and transition to a low-carbon economy, there has been increased investment in companies that produce wind and solar power (Urpelainen, 2022). For example, the German company Siemens Gamesa Renewable Energy saw its stock price rise during the pandemic as demand for renewable energy grew (MarketWatch, 2020).

However, the pandemic has also presented challenges for investors in other sectors, such as automotive and manufacturing. The pandemic led to supply chain disruptions, which significantly impacted the automotive industry (Cooke, 2020). As a result, the production of vehicles and components was halted, and many companies had to adjust their strategies to cope with reduced demand (KPMG, 2020). This also impacted the manufacturing sector, which saw a decline in output due to reduced demand and supply chain disruptions (UNCTAD, 2020a).

In Japan, the pandemic has created both opportunities and challenges for investors (Aoyama, 2020). One of the opportunities that emerged during the pandemic is the growth of the technology and e-commerce sectors as more people work and shop from home (EY, 2020a). As a result, companies that facilitate remote work and online commerce have seen a surge in demand. For example, Rakuten, one of Japan's largest e-commerce companies, has reported a significant increase in sales during the pandemic (Rakuten, 2020).

Another area that has seen growth is the healthcare sector, particularly companies working on vaccines and treatments for COVID-19 (Nomura Research Institute, 2020). For instance, the Japanese pharmaceutical company Takeda has been working on developing a treatment for COVID-19 and has received funding from the Japanese government for this project (Takeda Pharmaceutical Company Limited, 2020).

However, the pandemic has also created challenges for investors in the tourism and hospitality industries, which have been hit hard by travel restrictions and reduced demand (Statista, 2020). For example, the airline industry in Japan has been heavily impacted, with several major airlines reporting significant losses due to the pandemic (Hirata, 2020). In addition, the hospitality industry has also been affected, with many hotels reporting reduced occupancy rates and revenue (Japan Hotel REIT Advisors, 2020).

Overall, the pandemic has led to a shift in investment strategies in Japan, with investors seeking out opportunities in industries that have been positively impacted by the pandemic while also being mindful of the challenges and risks presented by the current economic environment (Mitsubishi UFJ Morgan Stanley Securities, 2020).

5. The Role of International Cooperation

The pandemic has highlighted the importance of international cooperation in addressing global challenges (Djankov, 2020). In the context of investment policy, this could mean increased collaboration between countries to support economic recovery and growth (UNCTAD, 2020b). In March 2020, the Federal Reserve established temporary USD swap lines with several central banks worldwide, including the European Central Bank, to stabilize US dollar liquidity and financial markets (Federal Reserve, 2020b). This move was aimed at helping to prevent a global financial crisis and demonstrated the importance of international cooperation in addressing economic challenges (IMF, 2020a).

In addition, the US and EU have worked together through organizations such as the G20 and the International Monetary Fund to support global economic recovery and growth (IMF, 2020a). These organizations have implemented policies to provide emergency financing to impoverished countries, support debt relief, and facilitate trade and investment flows (G20, 2020).

The Group of Twenty (G20) is a forum for international economic cooperation that includes 19 countries and the European Union (G20, 2020). The G20 has played an essential role in coordinating international efforts to support economic recovery and growth in response to the pandemic (IMF, 2020a). One of the key initiatives taken by the G20 in response to the pandemic has been to provide debt relief for developing countries (G20, 2020). In April 2020, the G20 endorsed a Debt Service Suspension Initiative (DSSI), which allows eligible countries to suspend debt payments to official bilateral creditors until the end of 2021 (World Bank, 2020). This has helped to free up resources for these countries to respond to the pandemic and support their economies (World Bank, 2020).

The G20 has also supported the International Monetary Fund (IMF) and the World Bank, crucial in providing financial assistance to needy countries (IMF, 2020a). In April 2020, the G20 agreed to suspend debt payments owed to the World Bank and other international financial institutions by the poorest countries until the end of 2020 (G20, 2020). The initiative was later extended until the end of 2021 (World Bank, 2020). The G20 has also supported efforts by the IMF to increase its lending capacity to help countries respond to the pandemic (IMF, 2020a). In addition to these measures, the G20 has also taken steps to support trade and investment (G20, 2020). For example, in March 2020, G20 trade ministers issued a statement committing to work together to ensure the continued flow of essential goods and services during the pandemic (G20, 2020). The G20 has also emphasized maintaining open, predictable investment regimes to support economic recovery and growth (UNCTAD, 2020b).

The Asia-Pacific Economic Cooperation (APEC) is a regional economic forum promoting free trade and investment among its 21 member economies, including Australia, Canada, China, Japan, South Korea, the United States, and other Asian-Pacific countries region (APEC, 2020). In response to the pandemic, APEC has taken various measures to promote economic recovery and growth in the region (APEC, 2020). For example, APEC has prioritized measures to support small and medium-sized enterprises (SMEs), which are particularly vulnerable to the economic impacts of the pandemic (APEC, 2020). APEC has launched initiatives to promote SMEs' digitalization, facilitate their access to financing, and provide training and support for business continuity planning (APEC, 2020).

APEC has also focused on promoting e-commerce in the region, recognizing that the pandemic has accelerated the shift toward online commerce (APEC, 2020). As a result, APEC has launched initiatives to promote digital infrastructure development and address barriers to cross-border e-commerce, such as differences in regulations and standards (APEC, 2020). In addition to promoting trade and investment, APEC has taken measures to address the health impacts of the pandemic (APEC, 2020). For example, APEC has emphasized the importance of international cooperation in vaccine distribution and has called for increased collaboration in public health research and development (APEC, 2020).

Overall, APEC has played a significant role in promoting economic recovery and growth in the Asia-Pacific region in the context of the pandemic, emphasizing the importance of international cooperation and the digitalization of the economy (APEC, 2020). The Comprehensive Economic and Trade Agreement (CETA) is a free trade agreement between Canada and the European Union that was signed in 2016 and provisionally applied in 2017 (European Commission, 2017). The agreement aims to eliminate tariffs on most traded goods and services between the two regions and create new opportunities for investment and economic growth (European Commission, 2017).

The pandemic has posed challenges for implementing CETA, as restrictions on travel and in-person meetings have made it more challenging to negotiate and finalize some aspects of the agreement (Hildebrand, 2020). However, both sides have continued to work towards fully implementing the agreement and have expressed a commitment to strengthening economic ties (Government of Canada, 2020a). CETA has the potential to benefit investors in both Canada and the European Union by providing increased market access and opportunities for investment (European Commission, 2017). In addition, the agreement includes provisions on intellectual property, government procurement, and dispute resolution, which could also provide investors with greater legal certainty and predictability (European Commission, 2017). However, as with any free trade agreement, there may also be concerns about the potential impact on specific sectors and industries and the need to ensure that the agreement's benefits are shared fairly among all stakeholders (European Commission, 2017).

6. Long-Term Implications

While the pandemic has immediately impacted investment policies, it may also have long-term implications. For example, the pandemic could lead to permanent shifts in consumer behaviour or changes in companies' operations. These shifts could impact investment strategies in the years to come (OECD, 2020).

The pandemic has accelerated trends in the United States toward e-commerce and remote work, which could have significant long-term implications for investment strategies in several sectors (Brynjolfsson et al., 2020). Here are a few examples:

- *Real Estate:* The shift towards remote work can transform the commercial real estate market. As more people work from home, demand for office space could decline, and there may be an increased demand for residential properties in suburban or rural areas. In contrast, there may be increased demand for warehouse space and logistics infrastructure as e-commerce grows (Redding, Glaeser, & Gorback, 2020). This shift in demand could have significant implications for real estate investment strategies.
- *Retail:* The pandemic has accelerated the trend toward e-commerce, with online sales reaching record levels in 2020 (U.S. Census Bureau, 2020). This shift could have significant long-term implications for brick-and-mortar retail, which struggled before the pandemic. Retail investors may need to adjust their strategies and focus on businesses with strong e-commerce capabilities or are well-positioned to adapt to a more digital-focused retail environment (Bhattacharya, 2020).
- *Healthcare:* The pandemic has highlighted the importance of healthcare infrastructure and innovation, which could lead to increased investment in the healthcare sector (OECD, 2020). In particular, there may be increased demand for telemedicine and other digital health solutions, as well as for companies working on vaccines and treatments for infectious diseases (Hollander & Carr, 2020).
- *Technology:* The shift towards remote work has also highlighted the importance of technology infrastructure and innovation. This could increase investment in cloud computing, cybersecurity, and remote

collaboration tools (Bughin, 2020). Additionally, there may be increased demand for consumer technology products that enable remote work and communication (Coughlin, 2020).

These are just a few examples of the potential long-term implications of the pandemic on investment strategies in the United States. Of course, it is difficult to predict the exact nature of these shifts or how long they will last, but investors will need to be nimble and adaptive in response to these changes.

The pandemic has had significant long-term implications for the investment landscape in the United Kingdom. One of the critical areas that could see increased investment in the long term is the healthcare sector. The pandemic has highlighted the importance of healthcare infrastructure and research and development, particularly regarding vaccines and treatments for COVID-19 (OECD, 2020). As a result, there could be increased investment in this sector in the years to come, both in the UK and globally.

Another area that could see changes in the long term is the commercial real estate sector. The shift towards remote work during the pandemic has raised questions about the future of the traditional office, and whether companies will require as much office space in the future (Redding et al., 2020). This could lead to changes in the demand for commercial real estate, with a potential shift towards smaller, more flexible office spaces and increased demand for residential properties with home office space. Again, this could affect commercial and residential real estate investment strategies.

The pandemic has had various long-term implications for investment policies in Germany. One of the most significant changes is a renewed focus on transitioning to a low-carbon economy. The pandemic has underscored the importance of environmental sustainability and climate change mitigation (OECD, 2020). In addition, the German government has implemented policies to support the growth of the renewable energy sector, which could lead to increased investment in this space in the long term (BMWi, 2020). Companies working on wind and solar power could see significant growth in the coming years due to this policy focus.

In addition, the pandemic has highlighted the importance of resilient and adaptable supply chains. Supply chain disruptions during the pandemic have led to increased interest in re-evaluating supply chain strategies and moving production closer to home (OECD, 2020). This could have long-term implications for investment in the manufacturing sector, as companies may need to adjust their supply chains to minimize disruptions and reduce reliance on overseas suppliers (Evenett, 2020).

Furthermore, the pandemic has accelerated the shift toward digitalization and e-commerce in Germany. This could have long-term implications for investment in the technology sector as more companies seek to develop innovative digital products and services to meet changing consumer needs (Brynjolfsson et al., 2020). E-commerce platforms and other online businesses are likely to see significant growth in the coming years.

The pandemic has brought about significant changes in consumer behaviour, including accelerating the shift towards online shopping and remote work. As a result, there may be long-term implications for investment in the technology sector in Japan, as companies working in areas such as e-commerce, digital payments, and cloud computing may be poised for growth (METI, 2020).

On the other hand, the pandemic has also created challenges for traditional brick-and-mortar retail and hospitality businesses, which may need to adapt to new trends and consumer preferences to remain competitive. This could result in a shift in investment away from these sectors and towards areas such as logistics and delivery services (OECD, 2020).

The COVID-19 pandemic has significantly impacted Canada's economy and investment landscape. The country has responded with a range of measures to support economic recovery and growth, including stimulus spending, support for small and medium-sized enterprises, and increased investment in critical sectors (Government of Canada, 2020b).

One area that the pandemic has highlighted is the importance of the healthcare sector. The development of vaccines and treatments for COVID-19 has been a significant focus for Canadian investors, with many companies in the biotech and pharmaceutical industries seeing significant increases in demand and funding. This trend is expected to continue in the long term, as the pandemic has underscored the importance of investment in healthcare research and development (OECD, 2020).

Similarly, the pandemic has accelerated the shift towards digital transformation in Canada, with more people working and shopping from home. This has led to increased investment in the technology sector, as companies that provide digital services and e-commerce solutions have seen strong growth (Brynjolfsson et al., 2020). This trend is expected to continue long-term as more companies adopt digital technologies to increase efficiency and productivity.

On the other hand, the pandemic has created challenges for Canada's energy and natural resources sectors, which have been hit hard by reduced demand and low commodity prices. As a result, these sectors may need to adapt to changing market conditions to remain competitive in the long term (OECD, 2020).

Another long-term implication of the pandemic is the impact on public debt levels and fiscal policies. The Canadian government has implemented significant stimulus measures to support economic recovery, but this has led to increased public debt (Government of Canada, 2020b). This could impact long-term fiscal policies and the government's ability to invest in critical areas such as infrastructure and education.

7. Conclusion

The COVID-19 pandemic has significantly impacted investment policies in developed countries. The pandemic has created opportunities for investors in some sectors, such as technology and healthcare, while also creating challenges in other sectors, such as tourism and energy. International cooperation has played a critical role in supporting economic recovery and growth, and countries have worked together through forums such as the G20 and APEC to promote trade and investment. Moreover, the pandemic could have long-term implications on investment policies, such as shifts towards e-commerce and remote work, increased investment in renewable energy, and changes in supply chain strategies. It is crucial for investors and policymakers to adapt to these changes and to identify new opportunities for growth and investment in the post-pandemic world.

Based on the experience of developed countries, we provide some recommendations for developing countries to consider in light of the discussions on investment policy in the context of the COVID-19 pandemic:

- *Strengthen public health infrastructure:* Developing countries should prioritize investments in public health infrastructure to strengthen their ability to respond to future health crises. This may include investments in healthcare facilities, medical equipment, and training for healthcare workers.
- *Promote digital transformation:* Developing countries should consider investing in digital infrastructure to support shifting towards remote work and e-commerce. This may include investments in broadband internet, digital payment systems, and e-commerce platforms.
- *Foster local entrepreneurship:* Developing countries should prioritize investments supporting local entrepreneurship and small and medium-sized enterprises (SMEs), the backbone of many economies. This may include investments in business incubators, training programs, and access to capital.
- *Promote sustainable development:* Developing countries should prioritize investments in sustainable development, promoting economic growth while protecting the environment. This may include investments in renewable energy, green infrastructure, and sustainable agriculture.
- *Strengthen regional cooperation:* Developing countries should explore opportunities for regional cooperation to support economic recovery and growth. This may include initiatives to promote trade and investment within a region and partnerships to share knowledge and resources.

By considering these recommendations, developing countries can take steps to navigate the challenges posed by the pandemic and build more resilient and sustainable economies for the future.

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