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Attracting investors: a need for transparency

François D. is a French manufacturer of fine leather goods. Recently he has been seeking to expand his business in Latin America to take advantage of cheaper qualified labour and lower-priced leather hides, as well as special trade agreements with the United States and Europe. His problem is where to go. Like most would-be investors, he is confronted with a lack of transparency. He can find snippets of information, but not enough reliable data to back his decision.

Investors usually have several options, but need to know the rules of the game in the countries they are considering, before deciding on the best location. Most important is finding out how to create a company or buy an existing one, how to obtain a business licence, the costs involved, the forms required and the names of the persons to contact. Not to mention the name of the person to complain to if they need to do so.

In some cases, investors spend so much time and money collecting this information that when they finally identify a location they are put off at the thought of future dealings with the country's bureaucracy.

Countries, which can offer online practical and detailed information on their investment climate, rules, laws and opportunities, are at an advantage. Foreign investors will naturally consider them as their first option. With this in mind, UNCTAD has developed a comprehensive, flexible electronic system to help governments gather and promote online detailed information on investment formalities and opportunities.

What investors want to know is:

- who to talk to
- what requirements to meet
- what forms to fill out
and...
- who to complain to!

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UNCTAD's Investment Gateway

What it is

The Investment Gateway is an electronic information system developed by UNCTAD that supports investment promotion in developing countries. It works as an engine to collect, organize and display information and can be used by investment promotion agencies (IPA) to offer online services through their websites.

- **A service for investors.** It presents investment opportunities and conditions in a clear and practical way, and makes them easily accessible to investors. IPAs decide whether or not to charge for the service;
- **An organisational tool for IPAs.** It helps investment agencies organise their work by providing a powerful and simple tool for collecting and posting information on investment opportunities, conditions and potential investors.
- **A platform for public-private cooperation on foreign investment.** It creates synergies between public and private bodies involved in the promotion or control of foreign investment in the country by offering a common information platform (IPAs, chambers of commerce, ministries, embassies and consulates, universities, utilities and telecommunication service providers, lawyers, accountants, etc).

How it works

The Investment Gateway is an interactive, modular and flexible tool that is tailored to countries' needs. UNCTAD provides the software and the training to use it.

The Gateway is structured around four modules offering online information by country on investment opportunities, regulations, investors and the business environment:

- The **"e-opportunities"** module provides organised and detailed information on investment opportunities in real estate, companies and projects in various sectors (forestry, textile, agro-industry, tourism, biotechnology, health care, etc.);
- The **"e-regulations"** module contains detailed, practical information on national laws and administrative procedures for investment operations. It offers online access to forms and is connected to public offices. It also indicates where and how the investor can complain in case of disagreement;
- The **"e-investors"** module is an investor database that links public and private organisations;
- The **"e-business environment"** module presents information on the physical, social, judicial and economic environment, and on public and private infrastructures and services (including costs and contacts).