



INVESTMENT PROMOTION AND FACILITATION

SUPPORTING GOVERNMENTS IN ATTRACTING FOREIGN DIRECT
INVESTMENT FOR SUSTAINABLE DEVELOPMENT



GLOBAL CONTEXT

Foreign direct investment (FDI) has become an important factor in bringing capital, as well as jobs, technology and management skills to many developing countries. Some developing countries have seen major benefits from these investments in terms of economic development and rising standards of living. FDI can also play a significant role in financing the achievement of the Sustainable Development Goals by 2030 in basic infrastructure, food security, climate change mitigation and adaptation, health and education. To do so, Governments need to mobilize private investment more efficiently, channel it into sustainable development sectors and maximize its positive economic, social and environmental impacts. As direct intermediaries between Governments and investors, investment promotion agencies (IPAs) have a crucial role to play.

Countries with great needs for investment in projects contributing to sustainable development often lack institutional capacity to catalyse foreign investment and maximize benefits generated by FDI inflows. UNCTAD strengthens the capacities of these countries to promote investment and gives them tools to identify, target and facilitate strategic investment projects. The Investment Promotion and Facilitation Programme includes advisory services, training, capacity-building for the development of online investment guides and the convening of high-level international meetings to share new developments, trends and best practices, as well as guidance on the institutional, policy and strategic aspects of investment promotion and facilitation, provided through its publications. Through these activities, the Programme can help Governments promote economic growth and investments in Goal-related projects.



HOW CAN GOVERNMENTS BUILD INVESTMENT PROMOTION CAPACITIES?

The investment promotion advisory services of UNCTAD help create a policy and institutional framework for attracting and retaining FDI for sustainable development. Assistance is provided in areas such as policies, regulations, institutional arrangements, strategies and techniques.

Investment promotion training builds capacities among professionals and diplomats in investor targeting, aftercare and policy advocacy, as well as in the promotion and facilitation of new business opportunities. Training is often carried out with partner organizations, including the World Association of Investment Promotion Agencies.

Investment guides provide investors with online information on the business environment of a country or region, including regulations, taxes, operating costs, prices and business opportunities, along with the experiences of established investors and investment case studies. Created jointly by UNCTAD, Governments and the International Chamber of Commerce, the guides help build the capacity of IPAs, as they are responsible for researching, inputting and updating the information. (For more information, see the respective fact sheet in the *UNCTAD Toolbox*.)

Investment promotion publications help investment promotion professionals learn about investment promotion strategies, best practices and trends. Special emphasis is put on green and sustainable sectors, such as in the guides on promoting low-carbon investment and promoting investment in the Sustainable Development Goals, and *The IPA Observer* series. Moreover, the *sustainableFDI.org* platform provides an extensive library of recent publications on attracting investment in Sustainable Development Goal-related sectors and projects, as well as information on upcoming events.

Investment promotion awards are presented annually to recognize the achievements of best-practice agencies and organizations in a variety of areas and contribute to the dissemination of these practices among the investment promotion community.



✓ RESULTS AND IMPACT AT A GLANCE

- Every year, 200 investment promotion professionals benefit from UNCTAD training, and 700 investment stakeholders take part in high-level investment promotion meetings and conferences. In 2014–2019, UNCTAD trained investment promotion experts from more than 100 countries.
- Nine out of 10 participants in UNCTAD investment promotion training sessions rate the workshops as beneficial for their work.
- Through the UNCTAD programme on the promotion of green FDI, many developing countries, including India, Jamaica and Kenya, have introduced or reinforced their activities in attracting low-carbon FDI.
- Since 2002, 58 agencies and organizations from 46 countries have received investment promotion awards or special recognition from UNCTAD for their achievements.



"The UNCTAD regional seminar was extremely insightful and relevant for IPAs promoting Sustainable Development Goals for the development of their respective countries. The content was unique and organized professionally to address the different challenges and opportunities associated with Sustainable Development Goal projects. I have gained a wealth of knowledge which I look forward to implementing."

Investment Executive, Uganda Investment Authority, 2019



"I would like to take this opportunity to express our gratitude to UNCTAD for drafting a report on promoting FDI in solar energy with a special focus on India. This will be most useful for both the policymakers and the private stakeholders as we work towards our target of achieving 100 GW in solar power by 2022."

Chief Executive Officer, Invest India, 2016



PROGRAMME FACTS AND FIGURES

Start date: 1994

Conferences, seminars and workshops per year: 8

Website: sustainableFDI.org



Sustainable Development Goals addressed:

Directly: 9, 17

Indirectly: 7, 8, 10



DONORS/FUNDING SOURCE (2014–2019)

China, Netherlands, Multi-donor Trust Fund on Capacity-building in Investment Promotion, United Nations Development Account