

INVESTMENT GUIDES

STRENGTHENING LOCAL INSTITUTIONS BY PROMOTING INVESTMENT



GLOBAL CONTEXT

Foreign direct investment (FDI) has the potential to contribute to economic growth and social development. It can bring capital, technology, management know-how and access to new markets. Compared with other forms of capital flows, FDI is also more stable, with a longer-term commitment to the host economy.

Attracting FDI and facilitating decision-making on investments, though, is not a given. Host countries need to be able to provide potential investors with up-to-date information, ranging from business costs and investment opportunities to investment-related legal and regulatory frameworks on areas such as company registration, land acquisition, labour laws and tax regimes.

UNCTAD investment guides are a joint product of UNCTAD and the International Chamber of Commerce. They aim to raise awareness among the global investment community of the opportunities and conditions for investment in beneficiary countries. Since 2013, all investment guides – “iGuides” – are web-based. This means that investment guides can be easily updated to reflect changes in legislation, infrastructure, costs or taxes. It also means investment guides can include full texts of laws, legal instruments and hard, time-sensitive data that would be difficult for investors to find without visiting a country. Developing an investment guide helps to build the capacity of local institutions in investment promotion, as Governments of beneficiary countries are responsible for researching, inputting and updating data with the training support of UNCTAD and the International Chamber of Commerce.

WHAT ADVANTAGES DO INVESTMENT GUIDES OFFER?

Investment guides are developed jointly with the Governments of beneficiary countries, at their request. Once an investment guide is ready, it typically allows potential investors to get three types of investment information: (a) locally-available data, costs and prices – including wages, taxes, rent values, utility prices and transport costs; (b) relevant rules and licensing requirements, timelines and useful contacts; and (c) experiences of established investors and investment case studies.

Usually, developing an investment guide requires the steps outlined below:

- Following a request from a Government, a team from UNCTAD visits the country together with an onsite team of staff nominated by implementing partners. The UNCTAD team conducts preliminary research on the laws and institutions regulating investors.
- During the UNCTAD visit, the onsite team can ask questions and begins to input information directly into the investment guide website, based on information standards and training provided by UNCTAD and the International Chamber of Commerce. The training provided can include anything from identifying investment-specific issues and information gathering, to how to present information on the web and maintenance techniques.

- After the country visit, UNCTAD staff guide and monitor the work of the implementing partner staff, as they conduct research, input information into and update the investment guide website, and provide feedback on the type and quality of information entered to further enhance capacity.
- The investment guide is launched at a stakeholder workshop where comments and recommendations of participants are taken into account to further improve the product.

PROGRAMME FACTS AND FIGURES

Programme start date: 2000

Number of investment guides
to date: 26

Investment guides produced
per year: 3 (average)

Programme website:
www.theiguides.org



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RESULTS AND IMPACT AT A GLANCE

- Among 17 selected beneficiary countries or regions for which investment guides have been produced, 13 countries or regions have seen their average FDI inflows in the four years following the publication of their guides increase by at least twofold, compared to average FDI inflows in the four years preceding the publication. Such a contribution of investment guides to increased FDI inflows can be seen in Rwanda, for example, which registered a tenfold increase in FDI inflows.
- Following the launch of the Bhutan investment guide, Druk PNB Bank, one of the country's largest, circulated the guide to its clients, investors and partners for their use, calling it innovative and user friendly.



**DONORS/
FUNDING SOURCE**

Current: Multi-donor/Cross-Cluster Trust Fund on Capacity-building in Investment for Development, China, Finland, Germany, Norway, Sweden and Switzerland

Past: France, Luxembourg, the Netherlands, United Nations Development Account

"The iGuide is a one-stop place for investment information about Rwanda... It is because of the iGuide that Rwanda is pushing ahead of other countries in Africa in attracting investments."

United Nations Resident Coordinator, Rwanda
2013

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