

United Nations Conference on Trade and Development

Training Workshop for Indonesian Diplomats posted in Africa and the Middle East

INVESTMENT TRENDS, POLICIES, & PROMOTION

REPORT



28 May 2009
Cape Town, South Africa



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Background

The Government of Indonesia would like to further increase the level of foreign direct investment (FDI) into the country. The government institution that is entrusted with this task is the Investment Coordinating Board (BKPM), which is responsible for assessing and formulating national investment policies, coordinating and performing investment promotion and providing services to the investor community. Its activities are supported by 16 sub-national agencies as well as foreign representative offices, which are attached to Indonesia's Embassies.

Investment promotion

Efforts to attract foreign investment usually begin with liberalization of FDI policies, including reduction of barriers to FDI, a strengthening of the standards of treatment for foreign investors and improvements to the functioning of the market. Now that most countries have taken steps in this direction, investment promotion becomes more important often spearheaded by national institutions especially established for this purpose.

Investment promotion includes the marketing of countries and locations, investment generation, investment services or aftercare and policy advocacy. The diplomatic corps can play an important role, especially in image building and investment generation. For this reason, many countries have chosen to involve overseas representations in investment promotion activities.

Training workshop for Indonesian diplomats posted in Africa and the Middle East

UNCTAD's training programme on investment promotion for diplomats is intended to help developing countries to use their diplomatic corps effectively for investment promotion. This workshop in Cape Town is the third in a series for Indonesian diplomats. In November 2006, a similar training was conducted in Geneva, Switzerland, for Indonesian diplomats stationed in Europe. In April 2007, 40 Indonesian diplomats posted throughout the Americas participated in an UNCTAD training workshop on investment promotion at the Indonesian Embassy in Washington, D.C.

This workshop has been specifically designed to:

- 1) Sensitise Indonesian diplomats on the importance of FDI for development and the role of investment promotion. BKPM provided information on Indonesia's current investment policies and UNCTAD on the latest FDI trends, the importance of a conducive investment environment, investment promotion practices and the role of diplomats in investment promotion.
- 2) Present tools, techniques and best practices in investment promotion for Indonesian diplomats showing the synergies between traditional diplomatic work and investment promotion.
- 3) Provide diplomats with tools to organize their investment promotion work.

I. PROCEEDINGS

This one-day training workshop for 21 Indonesian diplomats posted in Africa and the Middle East presented in a condensed format key investment promotion issues for diplomats. The workshop was facilitated by Ms. Natalia Guerra, Project Officer and Training Coordinator of UNCTAD's Investment Facilitation Section and by Mr. Paul Whiteway, an UNCTAD consultant with a large first-hand experience in investment promotion through the British diplomatic corps.

The day started with a presentation by Ms. Guerra on '*FDI trends and policy issues in times of economic crisis*', covering possible scenarios for the overall recovery of FDI flows; positive and negative impacts of the economic stimulus programme on FDI flows; proliferation of international investment agreements and; the role investment promotion agencies and the diplomatic corps in softening the impact of the economic crisis on local economies through efforts to retain the operations of foreign affiliates.

Mr. Whiteway provided participants with key insights on the business of investment promotion from a diplomatic perspective going from basic FDI related definitions through to the planning and implementing process of an investment promotion strategy at a diplomat duty station. Marketing, sales and public relations concepts and tools were presented in the perspective of investment promotion and put in practice through exercises such as developing a plan of action at duty station and simulations of facing investors.

Question and Answers (Q&A) sessions were lively. Group exercises were also very interactive. Diplomats were provided with planning and organization tools such as a template for an 'Investment Promotion Action Plan' at duty station level and 'Facing the Investor' scenarios.

The exercises were designed to help diplomats to smoothly go through situations like strategically planning the work ahead, using SWOT analysis techniques and; preparing first time presentations to potential investor. The exercises were particularly well received by the participants.

II. WORKSHOP PROGRAMME

Thursday 28 May 2009

- 09:00-09:15 **Opening by representative from the Indonesian Consulate in Cape Town**
- 09:15-10:15 **Investment promotion in times of crisis: FDI trends and policies**
Natalia Guerra, UNCTAD
- 10:15-10:45 Coffee –break and Group picture
- 10:45-12:00 **The world of FDI promotion - Why promoting FDI is important; how Governments go about promotion; how this relates to companies' investment decisions; where diplomats fit in, purpose and principles of marketing explained. Illustrated with case studies.**
Paul Whiteway, Consultant
- 12:00- 12:30 **Exercise 1: Organizing investment promotion at Embassy level – developing a plan of action**
Natalia Guerra and Paul Whiteway
- 12:30-14:00 Lunch Break
- 14:00-14:45 **Exercise 1: continuation**
- 14:45-15:45 **The role of diplomats in investment generation and investor aftercare**
- Introduction of the 'Sales Pipeline' and the role of diplomats in moving projects along it. Focus on techniques, especially client meetings and presentations. Explain the relationship with aftercare and the importance of close coordination with the investment promotion agency.
Natalia Guerra and Paul Whiteway
- 15:45-16:00 Tea Break
- 16:00-17:15 **Exercise 2: The Client Meeting - Role-play exercise to practice client relationship skills, using case study material. Facilitator will play the part of the company. Focus on questioning and listening skills practice an 'elevator pitch' using material from Exercise 1.**
Natalia Guerra and Paul Whiteway
- 17:15-17:45 **General discussion, workshop wrap-up and evaluation**

III. BIONOTES

Natalia Guerra
Programme Officer and Training Coordinator
Investment Facilitation Section, UNCTAD

Ms. Natalia Guerra, a national of Venezuela, has been with UNCTAD's Division on Investment and Enterprise (DIAE) since 1999. She has coordinated technical assistance projects in the area of investment promotion, investor targeting and institutional strengthening for Latin American and African countries. Ms. Guerra also coordinates and delivers UNCTAD's training programme on investor targeting, investment promotion for diplomats and investment policy advocacy and, the joint training activities with the World Association of Investment Promotion Agencies (WAIPA). She has served as Outreach Coordinator for DIAE from 2001-2003.

Prior to joining UNCTAD, Ms. Guerra worked for four years in the private sector and seven years at the Venezuelan National Council for Investment Promotion (CONAPRI), one of the first agencies of its kind in the region. Ms. Guerra has a degree in Economics from the Universidad Central de Venezuela, post-graduate studies in Public Policy and Development Management and intensive training in management, marketing and communication, strategic planning and workshop facilitation.

Paul Whiteway
International independent consultant

Mr. Whiteway is a senior retired diplomat national of the United Kingdom with a successful track record of management in Government, especially the Foreign & Commonwealth Office, UK Trade & Investment and Ministry of Defence, giving policy advice to Ministers and senior officials and delivering services to business clients. He has significant experience of managing inward investment operations in a world class IPA handling regular contact with business at a senior level, primarily large foreign-owned corporations. He also has extensive experience working with UK Regional Development Agencies, and Devolved Administrations. Mr. Whiteway latest responsibilities were: Director International Sales, UK Trade & Investment, 2006 to March 2008; Director International, Inward Investment Group, UK Trade & Investment, 2003 to 2006; Deputy Head of Mission, British Embassy Santiago, 2000 – 2003; Deputy Head of Mission, British Embassy Damascus, 1996–1999; Assistant Head, African Department (Southern), Foreign and Commonwealth Office, 1993–1996; Deputy High Commissioner, British High Commission, Kampala, 1990 – 1993.

IV. LIST OF PARTICIPANTS

NAMA	PERWAKILAN
1. Agus Madianto	KBRI Khartoum, Sudan
2. Ari Wardhana	KBRI Amman, Jordan
3. Asa P. Silalahi	KBRI Pretoria
4. Christian Pangaribuan	KBRI Abuja, Nigeria
5. Darmawan Suparno	KBRI Kuwait
6. Dede Achmad Rifai	KJRI Dubai, UAE
7. Dharmaginta Thanos	KJRI Cape Town
8. Dicky Ahmad Rizaldy	KBRI Rabat, Morocco
9. Djoko A. Rahardjo	KJRI Jeddah,
10. Ichsan Firdaus	KBRI Doha, Qatar
11. Kusnaredi Takarijanto	KBRI Harare
12. Nico Adam	KBRI Abudhabi
13. Rijal Al Huda	KBRI Cairo
14. Rudy Soeryanata	KBRI Harare
15. Suri Tauchid Ishak	KBRI Beirut, Lebanon
16. Swedianto Sumardi	KBRI Antananarivo
17. Temu Alam	KBRI Tripoli
18. Toary C. F. Worang	KBRI Windhoek, Namibia
19. Winanto Adi	KBRI Nairobi
20. Yudi Ardian	KBRI Addis Ababa
21. Tita Yowana	Deplu

V. PHOTO GALLERY



Action plan exercise



'Facing the investor' simulation exercise