

UNCTAD Commission on Investment, Enterprise and Development 2012

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Item 4: Promoting synergies among the three pillars of UNCTAD

by

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The views expressed are those of the author and do not necessarily reflect views of the United Nations.

Mr. Chairman,
Distinguished Delegates,

For your consideration of this item, you have before you two documents prepared by the Division on Investment and Enterprise. The main document, called UNCTAD Investment Enterprise Division: Results and Impact Report 2012, presents our main achievements and delivery of mandates received in Accra, and more recently in Doha, in the area of investment and enterprise for sustainable development. This Report is complemented by a second document before you, entitled Update on the Implementation of the UNCTAD Mandate in the Area of Investment and Enterprise (TD/B/C.II/CRP.4), which presents the Division's Performance Appraisal Framework for three consecutive years: 2010, 2011 and 2012.

The Division in Facts and Figures [Slide 1]:

At the outset, allow me to give you a brief quantitative overview of the delivery of the Division on Investment and Enterprise in 2012. The Division:

- Produced 89 major publications, including books, manuals, reviews and reports, which were widely reported. For instance the worldwide launch of WIR12 generated 1,500 press reports in over 100 countries;
- Delivered 60 workshops and training activities (reaching more than 2'500 individuals of which 30% are women); for instance, and as a result these activities, the Division's 34 Empretec centres have, up to today, trained 276,000 entrepreneurs;
- Organized and contributed substantively to some 60 key conferences on investment issues;
- Provided 81 advisory services to regional groupings and individual countries. One example concerns the Division's investment policy reviews; overall more than 200 policy recommendations have been implemented so far;
- Maintained and established 27 eRegulation portals, which attract more than 50,000 visitors each month;
- 7 databases were maintained at the request of developing countries, including the FDI/TNC database which contains comprehensive information on over 200 economies. Another example is the IIA database containing over 6,500 references, and viewed by more than 230,000 visitors.

Our delivery and impact in the area of investment and enterprise largely owes to the adoption of a results-based management (RBM) approach, which is featured on page 7 of the Report before you. This approach was largely praised by both beneficiary and donor countries. Indeed 13 countries and 2 organisations provided \$5 million in extra-budgetary funds to the programme in 2012. Independent evaluations of the programme also acknowledged this approach and commended the strategic planning of the Division, including its self-evaluation mechanism, upheld as a best practice example.

Before providing you with an overview of our results and their impact, allow me, by way of introduction, to briefly explain how the Division's product portfolio strengthens the synergies between the three pillars of UNCTAD's work.

The Investment and Enterprise Policy Advisory Value Chain [Slide 2]:

The Division has, since its strategic reorientation begun in 2009, adopted a core product strategy, which resulted in the enhancement of two flagship products, the World Investment Report (WIR) and the World Investment Forum (WIF), and the leveraging of a network of over 12,000 international investment stakeholders in the World Investment Network (WIN). These are complemented by a further seven core products and services. Our product portfolio spans research, consensus building and technical assistance - the three pillars of UNCTAD's work, and constitutes a complete "Investment and Enterprise Policy Advisory Value Chain".

Research and policy analysis on FDI and Development is at the core of the Investment and Enterprise Policy Value Chains. In addition to our World Investment Report, we have developed, in the aftermath of the global economic crisis, a number of more specialized and targeted products. These include: the Global Investment Information System, which contributes to the understanding of government officials on FDI statistics; and, the Global Investment Monitors, which provide essential intelligence for policymakers and other users. Every issue of the Monitors is widely reported by the global media. It also includes our IIA research.

Likewise, in parallel to the main consensus-building vehicle in the area of investment and enterprise for development – i.e. this Commission and its expert meetings - the Division has been able to successfully develop various fora and other initiatives to promote the exchange of best practices and policies among a global network of investment stakeholders. The highest profile of these is the World Investment Forum, whose last session took place in Doha, in parallel to UNCTAD XIII, and was attended by over 1400 participants from 145 countries, led by 8 Heads and former heads of States and government, 6 global CEOs and 30 ministers, who participated in 15 main events and meetings. Other initiatives of the Division include more specialized events such as the awards ceremonies for investment promotion agencies and Women in Business, whose last edition took place during yesterday's opening of the Empretec Director's meetings.

Mr. Chairman,
Ladies and gentlemen,

Turning now to the Investment Policy Framework for Sustainable Development and the Entrepreneurship Policy Framework, which I described during Monday's opening plenary. Both frameworks are the result of two processes: firstly, they are based on our research and policy analysis, and secondly they are the concrete outcomes of the first cycle of the two multi-year expert meetings, one on investment for development; the other on enterprise, development and

capacity building in STI, initiated after Accra. These two products will serve as the foundation for the Division's future assistance to its member States. Both Frameworks are part of the Investment and Enterprise Policy Advisory Value Chain I referred to earlier that supports beneficiary countries on the path towards inclusive and sustainable development.

As a Division, we are also committed to supporting developing countries in several other areas, highlighted on the slide:

- We assist developing countries to put in place the right investment policies and institutions to promote development through the preparation of our Investment Policy Reviews (IPRs). We also assist developing countries to implement IPR recommendations through, for instance, the provision of assistance in the area of FDI statistics.
- We support developing countries in building their capacity to market their investment climate and opportunities through the provision of advisory services in the area of investment promotion and the preparation of investment guides.
- We help beneficiary countries reduce administrative hurdles for investors and local business through our eRegulation programme which promotes transparency and the simplification of administrative procedures for investors and local business.
- We support developing countries maximize the benefits of international investment for the local economy by supporting local enterprise development through programmes such as Empretec and business linkages.
- And lastly, we aim to improve corporate governance and transparency through the development of our Accounting Development Tool and related training.

The Division in 2012: Results and Impacts Highlights [Slide 3]

As you will recall, we devised, as part of the Division's strategic management portfolio, a Performance Appraisal Framework (PAF) against which all the Division's core products and activities are assessed. This Framework evaluates, under each expected accomplishment and for all three pillars of UNCTAD's work, the relevance, quality, efficiency, effectiveness and impact of our interventions. It is therefore an essential strategic tool for the Division that provides a range of indicators to help us monitor progress against our biennial expected accomplishments, and impact on the ground. All results are included in the document TD/B/CII/CRP.4 and highlights for this year feature in our Results and Impact Report 2012.

As you can see from these documents, our two flagships the World Investment Report and the World Investment Report made decisive contributions to building a better understanding of investment issues and investment policies that promote development.

The relevance of WIR12, which this year focused on a new generation of investment policies, is illustrated by several indicators, including the number of downloads, which reached

almost 50,000 within three months of the launch of the report. During the same period, the Report generated 700 press articles and numerous requests for presentations. The quality of the publication is assessed by an extensive peer review process throughout its preparation, and through book reviews and feedback questionnaires. However, a major indicator for us is the feedback received from you - policymakers - as end users of our products. Among the various quotes and acknowledgements for the WIR12, we received comments from policymakers at the highest level, including by the President of Tunisia, the Prime Minister of India, Albania's government, and the UK Prime Minister's Office.

WIR is also an efficient way to report on UNCTAD's analysis and policy conclusions which promote a better understanding of key public and private investment issues and the impact of FDI on development. Similarly, and as many of you yourselves witnessed, the World Investment Forum 2012 achieved global impact and results, both as a platform for launching international initiatives and in terms of concrete investment deals. The results of our online assessment also illustrate the relevance, impact and effectiveness of the Forum for participants.

The documents before you contain many examples of figures and testimonials that illustrate the contribution and impact of the Division's activities to creating environments conducive to attracting and benefitting from investment for development. Returning to Investment Policy Reviews, which I mentioned earlier, they continue to generate commitment at the highest level and are endorsed by beneficiary governments that have so far implemented more than 200 IPR recommendations. In most cases, the implementation of IPR recommendations has led to a significant improvement in the business climate - as demonstrated by the performance of IPR beneficiaries in the World Bank's Doing Business Indicators - and has been accompanied by increases in FDI inflows. I also wish to highlight today the impact of two other products of the Division: the UNCTAD-ICC Investment Guides and the eRegulation Programme. Both products promote increased transparency and good governance, and help simplify existing procedures. More can be found on our eRegulations and Investment Guides programmes in the Report before you.

As highlighted during the opening day of this Commission, UNCTAD is the focal point in the UN System for all matters related to International Investment Agreements and therefore we strive to promote a better understanding of these issues and their related development dimension. The Report before you provides many details and illustrations of the relevance, quality, efficiency, effectiveness and impact of our work in this area and I will limit myself here to quoting the conclusions of the independent evaluation of UNCTAD services in the area of investment: *"They have been relevant and have had an impact...The IIA programme is unique and cost-effective"*.

Our Empretec and business linkages operations in Tanzania and Zambia were also the subject of a recent evaluation by an independent expert, which highlighted the relevance of both programmes for the skills and business development needs of micro and small and medium sized

enterprises (M&SMEs). The evaluation also reflected previous metrics on the positive impact of both programmes on the turnover and employment creation of beneficiary MSMEs.

Also aiming to nurture international competitiveness in developing countries, the ISAR programme, which recently developed its Accountancy Development Toolkit is largely praised for its relevance, quality and impact, and many countries, including industrialised economies such as Switzerland and Belgium have recently indicated their interest in the tool.

Mr Chairman,
Distinguished Delegates,

This statement concludes my brief presentation of the Investment and Enterprise Division: Results and Impact 2012. I am available to answer your questions.