



INVESTMENT GUIDES

STRENGTHENING LOCAL INSTITUTIONS BY PROMOTING INVESTMENT TO FINANCE THE SUSTAINABLE DEVELOPMENT GOALS



GLOBAL CONTEXT

Foreign direct investment (FDI) has the potential to contribute to economic growth and social development. It can help bridge the annual \$2.5 trillion gap required to finance the Sustainable Development Goals through the investment opportunities targeted. It can also 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, however, 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 in areas such as company registration, land acquisition, labour laws and tax regimes.

The online 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. Given that they are online, the guides can be easily updated to reflect changes in legislation, infrastructure, costs or taxes. The 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. The guides help build the capacity of local institutions in investment promotion, as Governments of beneficiary countries are trained to research, input and update data.



HOW ARE INVESTMENT GUIDES DEVELOPED?

Investment guides are developed jointly with the Governments of beneficiary countries, at their request, and often in partnership with regional development organizations which are able to provide ongoing aftercare. Once an investment guide is ready, it typically allows potential investors to obtain four types of investment information:

- Locally available data, costs and prices – including wages, taxes, rent values, utility prices and transport costs.
- Relevant rules and licensing requirements, timelines and useful contacts.
- Investment opportunities, particularly in sectors that support the Sustainable Development Goals (this has included manufacturing, agriculture and agro-processing, the blue economy, renewable energy and education).
- Experiences of established investors and investment case studies.

Developing an investment guide generally requires the steps outlined below:

- Following a request from a Government, a team from UNCTAD and/or its implementation partners visit(s) 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 visit, the onsite team asks 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.

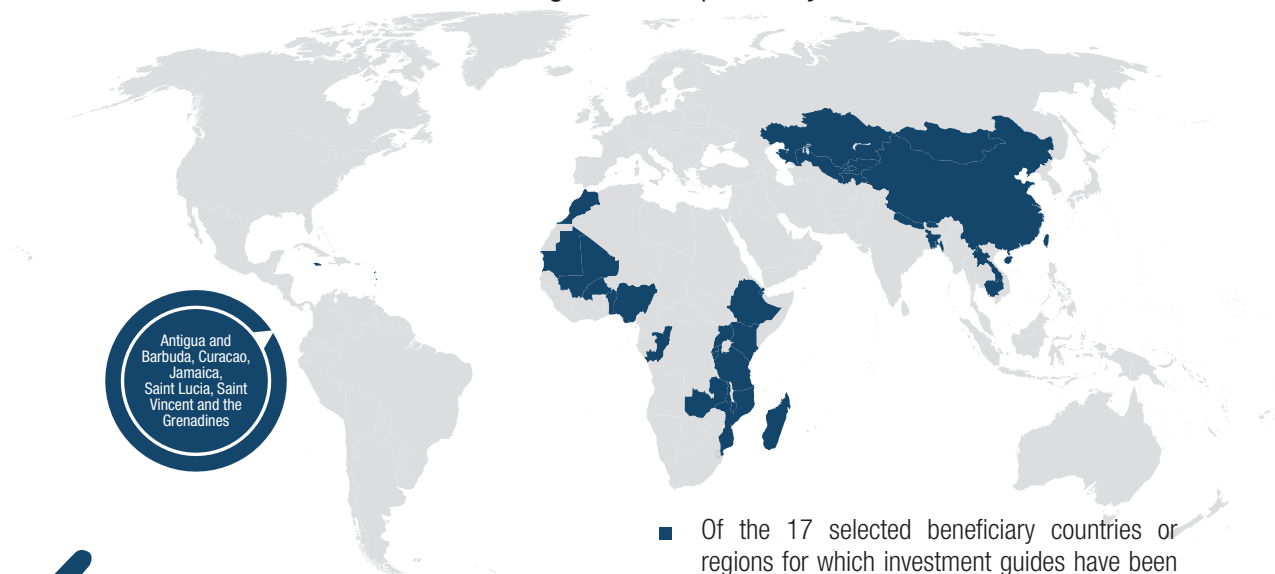


RESULTS AND IMPACTS AT A GLANCE

- Thirty-six countries have benefited from investment guides, including subnational regions and country groupings. Prior to 2013, the guides were produced as paper documents. Some countries that benefited from paper guides subsequently received online guides.



Investment guides completed by 2019



Antigua and Barbuda, Curacao, Jamaica, Saint Lucia, Saint Vincent and the Grenadines



"This investment guide will improve transparency, reduce bureaucracy, improve the business environment and strengthen relations with investors."

Chimedijn Saikhanbileg, Prime Minister of Mongolia, 2016

"The investment guide is a reliable and credible online tool that will help both orient and provide information to foreign and local investors, and improve Benin's business climate."

Is-Deen Bouraïma, Director, Investment and Exports Promotion Agency, Benin, 2017

"The investment guide is about making relevant and up-to-date content available to existing and potential investors. It should help us bridge the gap between foreign investors and small and medium-sized enterprises."

Fitsum Arega, Ethiopia Investment Commissioner, 2018

"We are really happy to see this guide coming out. It means our information is now accessible online. We want you to disseminate it and tell everyone about it."

Diane Edwards, President, Jamaica Promotions Corporation, 2019

"This guide is an important source for business opportunities for Curaçao. It is part of reforms to improve Curaçao's business environment. It will help position Curaçao worldwide."

Giselle McWilliam, Minister for Economic Development, Curaçao, 2019



- Of the 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.



PROGRAMME FACTS AND FIGURES

Start date: 2000

Online investment guides produced per year (since 2013): 3 (average)

Beneficiary countries to date of online and/or paper guides: 36

Website: theiguides.org

Regional implementation partners to-date:
Economic Commission for Africa, Caribbean Export Development Agency



Sustainable Development Goals addressed:

Directly: 9,17

Indirectly: 3, 4, 7, 8,14



DONORS/FUNDING SOURCE (2014–2019)

China, Finland, Netherlands, Sweden, Multi-donor/Cross-cluster Trust Fund on Capacity-building in Investment for Development, United Nations Development Account