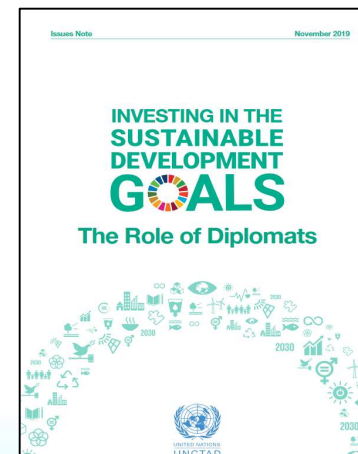


# Investing in the SDGs: The role of diplomats

UNCTAD P166 Short courses for permanent missions in Geneva

18 September 2020  
Geneva, Switzerland

Investment Promotion Section  
United Nations Conference on Trade and Development



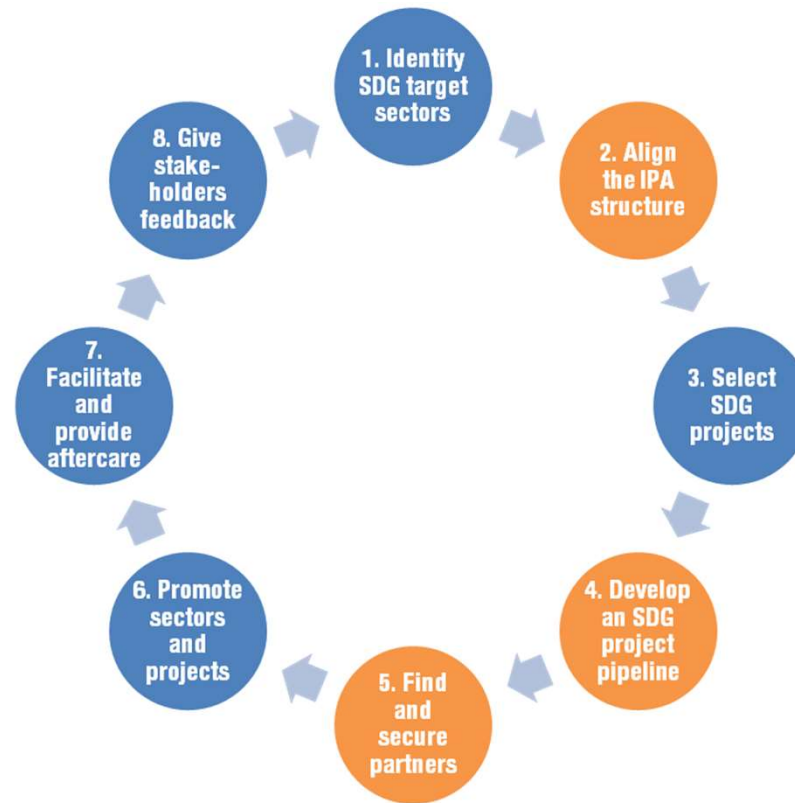
# Introduction: The role of IPAs

➤ The traditional investment promotion cycle



# Introduction: The role of IPAs

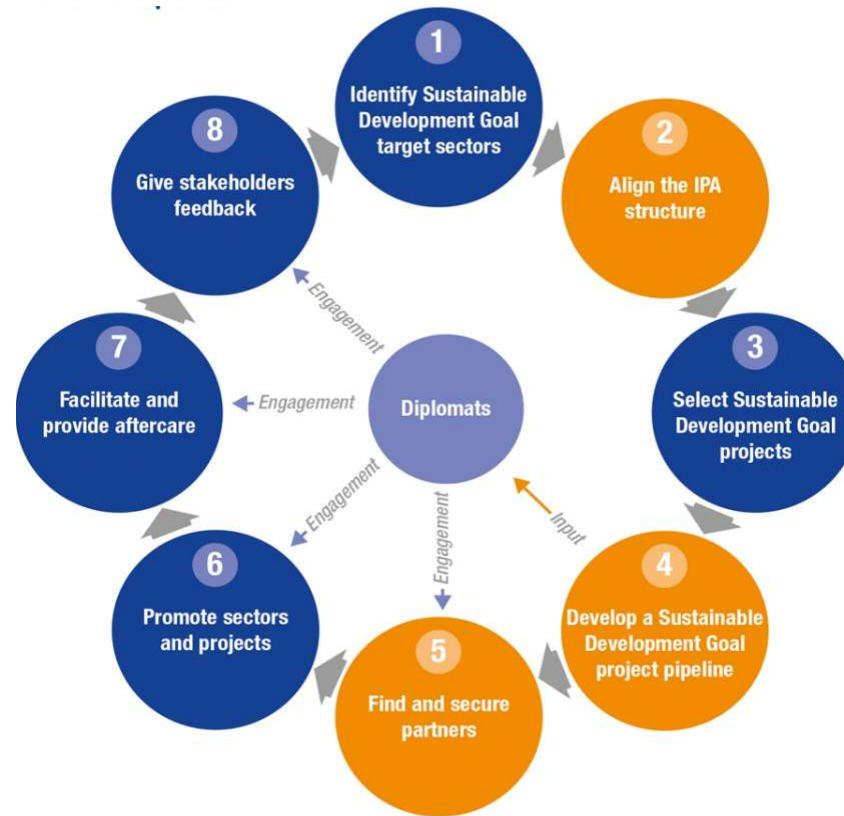
- Mainstreaming the SDGs in investment promotion and facilitation



Source: UNCTAD, Investment Advisory Series 8

# Introduction: The role of Diplomats

What can be the role of diplomats in promoting investment towards the SDGs?



■ Typical steps in investment promotion    ■ Distinctive new Goal-related steps

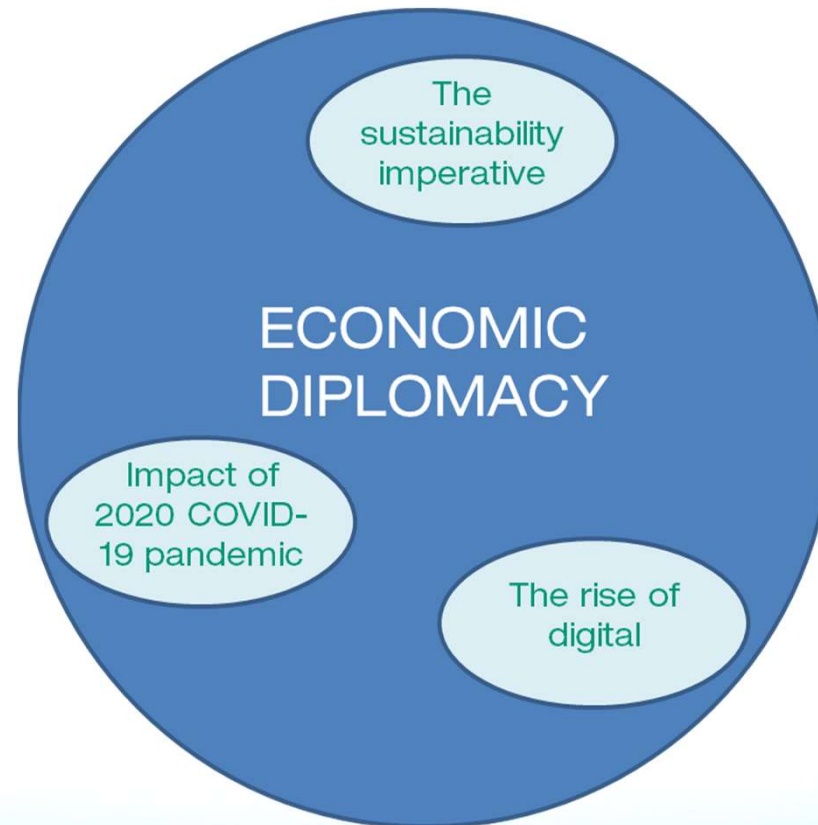
Source: UNCTAD.

# I. Introduction: The role of diplomats

- Having a permanent presence in strategic market locations abroad can be helpful to support an IPA's mission to attract FDI, including in SDG sectors.
- Cooperation with embassies is a key strategy to expand physical outreach and can be a cost-effective means of managing overseas investment promotion activities.
- How embassies carry out investment promotion depends on their size and resources
- Diplomats can proactively engage at several stages of the investment promotion process

# Introduction: The role of diplomats

- Involving diplomats in investment promotion is in line with the broader trend of economic diplomacy which is being shaped by several factors.



## II. How diplomats can engage in investment promotion for the SDGs

- Mechanisms to facilitate the diplomat's role in SDG-investment promotion:
  - ✓ Ensure there is clarity about the diplomat's mandate
  - ✓ Ensure SDG investment promotion is integrated into the organizational structure of diplomatic missions
  - ✓ Ensure diplomats have access to systematic staff training and capacity building on investment promotion and the SDGs

Country examples:



## II. How diplomats can engage in investment promotion for the SDGs

- Find and secure partners:
  - ✓ Commercial investors
  - ✓ Outward investment agencies
  - ✓ NGOs & IOs
  - ✓ Academia & business schools
  - ✓ Institutional investors
  - ✓ Asset management firms
  - ✓ Diaspora





## II. How diplomats can engage in investment promotion for the SDGs

- Promote sectors and projects
  - ✓ Media (digital!)
  - ✓ Promotional events with SDG focus

Country examples:



### III. How diplomats can contribute to investment facilitation for the SDGs

- Facilitate SDG investments
- Provide aftercare
- Pursue stakeholder feedback and contribute to policy advocacy

Country examples:



## IV. Training and Tools

### Some preliminary questions

- Have you ever received training in economic diplomacy?
- Do you have experience in trade and investment promotion/facilitation?
- Are you aware of your government's objectives related to sustainable economic development?
- If you need information about an investment sector or project in your country, do you know who to contact in the investment promotion agency?

# Training

- Investment promotion in sustainable development draws on the diplomat's existing skillset
- However, diplomats will benefit from specialized training to bring such skills up to speed with an area of work that is complex and may be unfamiliar
- Investment and trade diplomacy training can be timed to coincide with other programmes or activities such as:
  - ❖ Head of Mission Conferences
  - ❖ Trade and investment modules in a wider course on Economic Diplomacy
  - ❖ Hands on learning participating in study tours and site visits with potential investors
  - ❖ Training made available by international organizations, national investment promotion agencies and the private sector.



## Possible topics to train diplomats in investment promotion and facilitation of SDG projects

The investment promotion cycle	<ul style="list-style-type: none"> <li>• Marketing a location and investment projects</li> <li>• Targeting investors</li> <li>• Facilitating the investment (making it easier to invest</li> <li>• Aftercare and policy advocacy</li> </ul>
Investment promotion in the SDGs	<ul style="list-style-type: none"> <li>• How investment, including FDI, can help to fill the SDG financing gap</li> <li>• Goal-related sectors relevant for private investment.</li> <li>• National SDG priorities</li> <li>• National SDG-related mechanisms and institutional set-ups</li> <li>• How and to what extent SDGs have been translated in the country's investment promotion strategy</li> <li>• How Goal-related investment promotion differs from traditional investment promotion; range of Goal-related investment stakeholders.</li> </ul>
The investment cycle from the investor's perspective	<ul style="list-style-type: none"> <li>• Reasons that motivate investors to invest in another economy.</li> <li>• Motivations of SDG investors, including companies, NGOs and institutional investors.</li> <li>• The process through which investors go when they invest in another economy.</li> </ul>
The national investment promotion network	<ul style="list-style-type: none"> <li>• Key members of the network; their interests; strategic coordination of the network; the role of the IPA providing operational coordination; where embassies fit in.</li> </ul>
Tools	<ul style="list-style-type: none"> <li>• <b>Individual action plans and stakeholder account plans.</b></li> <li>• <b>Enquiry handling and company meetings.</b></li> </ul>

## Sample Action Plan for diplomats on SDG-related investment promotion and facilitation

### Priority SDG sectors and related objectives and actions:

[e.g. SDG 7 renewable energy: create new sustainable sources of energy in the country with the participation of the local and international private sector.][e.g. identify target stakeholders in collaboration with IPA]

### Investment project proposals (may come from leads or the IPA project pipeline)

[e.g. Production of a solar energy power plant, solar panels, components, or services related to solar energy.]

### Means and communication channels:

[e.g. Local advertising campaign, embassy's social media accounts, invitations to target stakeholders for networking activities in the embassy (national holiday reception), participation in energy related meetings and events.]

### Partners:

[e.g. Energy companies, key public and private intermediaries, financial and technical partners including outward investment promotion agencies, development finance institutions, local research or academic institutions and non-government and international organizations working on solar energy projects, institutional investors, diaspora, etc.]

### Budget :

### Team members and support required from senior staff:

### IPA and other key contacts:

### Investment promotion and facilitation sample actions:

Research	Image building	Investor targeting	Networking
Identify additional key local partners and stakeholders in target SDG sector(s).	Develop and disseminate promotional material and activities such as videos, virtual visits.	Organize meetings with target investors and key stakeholders, including online.	Identify targets and generate investment leads through online platforms.
Develop or adapt information on the investment project for local audiences.	Place promotional articles or op-eds in specialized media (magazines, online blogs).	Prepare for meetings with investors and tailor promotional material if needed.	Use social media tools for outreach to individuals and wider audiences.
Identify investors from your duty station already established in your country.	Develop advertising campaigns.	Follow up with potential investors and coordinate next steps with the IPA, including physical or virtual site visit.	Liaise with investors from your duty station already established in your country.

# Stakeholder account plan

Description of company or institution:

Sector:

Sustainable Development Goals and targets:

Turnover (if applicable):

Number of employees:

The establishment is a:

Parent company  Regional headquarters  Foreign affiliate  Other

**Assessment of the company or institution:**

**Strategy of the company/ institution:**

*[e.g. company expands operations in emerging markets; transfers production overseas, will offshore back-office operations, seeking diversification of its supply chains, considering near-shoring]*

**Investment project description (if applicable):**

*[e.g. including stage of development and any critical requirements including proximity to local partners, raw materials, suppliers, physical infrastructure and skills, preferred location]*

**Recent initiatives by the company/ institution:**

*[e.g. opened pilot business process outsourcing (BPO)]*

**Does the company/institution have previous experience or expertise in your country?**

*[e.g. has conducted a previous visit or has other investment projects in your country]*

**What types of support does the company/institution require?**

*[e.g. wants to be put in touch with the IPA]*

**Opportunities:**

1) *[e.g. attract BPO operations]*

2)

3)

**Contact information for future correspondence**

Company address:

Contact name/ position /email of key people:

Telephone/ Website:

## Activity log

Date/ Activity and objective /By whom/ Follow up

## Sources of key information

<https://sustainablefdi.org/index.php/resourcecenter>

<https://investmentpolicy.unctad.org/>

<https://waipa.org/>

<https://worldinvestmentreport.unctad.org/>

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