



World Association of
Investment Promotion
Agencies

ISTANBUL

World Trade Center
Building A2, 12th Floor No:373
34149 Yesilkoy Istanbul Turkey
Tel : +90 212 468 69 80
info@waipa.org

GENEVA

Maison Internationale
de l'Environnement 2 (MIE2) 9,
Chemin de Balexert 1219
Châtelanie - Geneva
Switzerland

www.waipa.org



www.invest.gov.tr

2015-2016

WAIPA REPORT OF ACTIVITIES



TABLE OF CONTENTS

04 NOTE

05 OBJECTIVES

08 MESSAGE FROM
THE PRESIDENT

12 FOREWORDS

24 OVERVIEW
OF ACTIVITIES

66 SURVEY
RESULTS

94 LEADERSHIP
VISION

102 FINANCIAL
STATEMENTS

NOTE

The WAIPA Annual Report 2015-2016 was produced by the WAIPA Permanent Secretariat. WAIPA would like to thank all those who have been involved in the preparation of this report and for their various contributions.

We would also like to thank all those who cooperated with us towards the accomplishment of the activities reported. For further information on WAIPA, please contact the WAIPA Permanent Secretariat at the following address:

ISTANBUL

World Trade Center
Building A2, 12th Floor No:373
34149 Yesilkoy Istanbul Turkey
Tel : +90 212 468 69 80
info@waipa.org

GENEVA

Maison Internationale de
L'Environnement 2 (MIE2) 9,
Chemin de Balexert 1219
Châtelaine - Geneva
Switzerland

Bostjan Skalar

Executive Director, CEO
bostjan.skalar@waipa.org

www.waipa.org

OBJECTIVES

The objectives of WAIPA, as broadly reflected in Article II of the Association's Statutes are to:

PROMOTE UNDERSTANDING

Promote and develop understanding and cooperation amongst
_____ IPA's. _____

SHARE EXPERIENCES

Share countries' and regional experiences in attracting foreign
_____ investment and enhancing outward investments. _____

FACILITATE ACCESS TO DATA

Strengthen information gathering systems, promote the
efficient use of information and facilitate access to
_____ data sources. _____

ASSIST IPAs IN ADVERTISING

Assist IPAs in advising their respective governments on the
formulation of appropriate investment promotion policies and
_____ strategies. _____

PROMOTE TRAINING

Facilitate access to technical assistance and promote training of
_____ IPAs. _____



MESSAGE FROM THE PRESIDENT

MESSAGE FROM THE PRESIDENT



Dear WAIPA members and colleagues,

As we reach the last quarter of 2016, it is with great satisfaction that I look back on a year of WAIPA's work where investment promotion has continued to thrive.

Building on decades of experience and a stellar strategy document, WAIPA has led nations out of their investment slump into more creative ways of being open to investment. We have promoted the idea of regional cooperation and unbounded use of technology to improve investment facilitation quality.

We have stepped up our engagement with our key stakeholders: The Private Sector. Private companies account for most of the FDI around the globe. WAIPA has taken great strides in getting the private sector engaged and on board especially at our World Investment Conference (WIC) 2015 in Milan. This event was hailed as the connector between Europe based private companies and investment agencies, especially from Asia and Africa.

A few achievements made this 2015-2016 period very special: We began a deep cooperation with the consultative committee starting in 2015 which flourished in 2016; we got recognized by an UNCTAD certificate as a strategic partner contributing towards FDI; we participated in over 19 international events including 8 regional meetings and we seriously put our training hat on and offered some of the best FDI training content to members.

We made some spectacular global progress in the WAIPA G20 FDI conference in April 2015. Under my presidency, WAIPA has staged itself as a lead FDI promotion body and truly become a global reference point for FDI.

We are calling this period as "the era of a new investment promotion narrative". It lies between protectionism and liberalism and offers a balance that the world now so desperately needs. It is the narrative of sustainable investment.

As we embark on this era, we want our partners to be in alignment with us. We have followed in the footsteps of the United Nation's Sustainable Development Goals (SDGs). Goals number 8, 9 and 10 are of particular importance and ultimately speak of empowering local communities and improving their wellbeing. World growth rate is modest and in such an uninspiring condition, bodies such as WAIPA become even more crucial. As WAIPA advocated for Investment

Agencies within their governments, internationally it signals the continuous need to churn the engines of growth, as it shares best practices of promotion. FDI thrives in activity, falters in dormancy, WAIPA ensures the hum of discussions, debates, analysis, data and results-oriented procedures on FDI all-year-round.

The central theme at this #WIC16 is the sustainable investment. For the first time, the WAIPA consultative committee is going to be part of the debate on sustainability with participation from senior game-changing officials from UNCTAD, UNIDO, IEDC, OECD and The World Bank.

Undoubtedly, we shall continue to be a part of finding ways to invest in a planet-friendly way; to determine new opportunities in which to reinforce IPAs and to help them achieve returns and rewards in terms of developing more robust FDI matrices.

I would like to convey my gratitude to our growing members for their continuous cooperation. I am honoured to lead a WAIPA steering committee this term.

ARDA ERMUT
President, World Association of
Investment Promotion Agencies

President, Investment Support
and Promotion Agency of Turkey

MESSAGE FROM CONSULTATIVE COMMITTEE

Dr. MUKHISA KITUYI
Secretary-General, UNCTAD
www.unctad.org

LI YONG
Director-General, UNIDO
www.unido.org

ANGEL GURRIA
Secretary-General, OECD
www.oecd.org

BARRY MATHERLY
Board Chair, IEDC
International Economic Development Council
www.iedconline.org

ANABEL GONZALEZ
Senior Director of the World Bank Group
Global Practice on Trade and Competitiveness
www.wbginvestmentclimate.org

MESSAGE FROM CONSULTATIVE COMMITTEE



Dear WAIPA members,


UNCTAD recently reported that global foreign direct investment (FDI) flows rose 38% in 2015 to US\$1.76 trillion, their highest level since the global economic and financial crisis. Yet, part of this increase was due to corporate reconfigurations with limited productive impact. In 2016, we expect a decline in FDI flows, reflecting continues fragility of the global economy. In this environment, investment promotion remains challenging, especially in low-income countries.

A year ago, United Nations member States unanimously adopted the new 2030 Agenda on Sustainable Development, which includes 17 Sustainable Development Goals (SDGs). FDI can contribute substantially to achieving this Agenda. At the recently concluded 14th ministerial UNCTAD Conference and UNCTAD World Investment Forum (WIF) 2016 in Nairobi, thousands of high-level policy makers, investment promotion stakeholder, CEOs of global companies, civil society and youth representatives discussed ways in which trade and investment can help reach the SDGs as well as the role that government institutions, including investment promotion agencies (IPAs), can play.

At the WIF 2016, partnerships were identified as an effective catalyst for attracting and retaining FDI in SDG sectors and a number of WIF events focused on partnerships, particularly collaboration between IPAs and outward investment agencies (OIAs). IPAs and OIAs offer multiple areas for synergies such as the sharing of leads and the preparation of pipelines of bankable SDG projects. I am pleased to report that UNCTAD secured funding for technical assistance in supporting such partnerships and we look forward to working with investment promotion stakeholders on this new project. In Nairobi, UNCTAD also recognized several IPAs for their excellence in partnering for investment promotion and facilitation. I was also very pleased to offer WAIPA a special recognition for its outstanding partnership with UNCTAD.

Another important outcome of the WIF 2016 was the recognition of the lack of effective facilitation measures in national and international investment policy regimes. Inadequate investment facilitation can hamper the efforts of overall investment promotion strategies. Recommendations made at the Forum includes supporting UNCTAD's Global Action Menu for Investment Facilitation, and encouraging governments to adopt and adapt its 10 action lines, each with multiple proposed actions to enhance investment facilitation regimes.

With the 2030 Agenda already underway, I wish WAIPA and its members great success. As a partner of WAIPA for over 20 years, we look forward to continuing our successful collaboration in the years ahead.

A portrait of Dr. Mukhisa Kituyi, Secretary-General of UNCTAD. He is a Black man with glasses, wearing a dark suit, white shirt, and a red tie. He is smiling slightly. The background is a light, neutral color.

Dr. MUKHISA KITUYI
Secretary-General
UNCTAD
United Nations Conference on
Trade and Development

MESSAGE FROM CONSULTATIVE COMMITTEE



Dear WAIPA members,

The crucial role of foreign direct investment (FDI) to drive economic growth has been proven for decades. FDI was therefore rightly recognized as one of the fundamental avenues through which the universal and transformative 2030 Agenda for Sustainable Development can be financially supported. More specifically, when the right institutional, policy and investment frameworks are in place, quality FDI has the potential to fuel the process of inclusive and sustainable industrial development – the core of the mandate of the United Nations Industrial Development Organization (UNIDO). By stimulating industrial, technological and institutional upgrading, and fostering knowledge transfer and job creation, FDI has the potential to ignite and sustain the dynamics of change that allow societies to combat poverty and achieve economic prosperity.

This year marks UNIDO's fiftieth anniversary, and throughout our 50 years of operation, inclusive and sustainable industrial development has been at the forefront of our work in our Member States. This was recognized by UNIDO's General Conference in Peru in 2013, where the landmark Lima Declaration towards inclusive and sustainable industrial development (ISID) was adopted. The role of ISID is further highlighted in the 2030 Agenda for Sustainable Development, and especially in Goal 9, the Sustainable Development Goal that seeks to "build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation."

At UNIDO, we are pleased to see that FDI flows have been rising in recent years and are expected to grow further in the foreseeable future. In fact, according to the World Investment Report, global foreign direct investment flows increased by 38 per cent to \$1.76 trillion in 2015, their highest level since the global economic and financial crisis of 2008–2009. FDI inflows in developing economies reached an all-time high of \$765 billion in 2015, 9 per cent higher than in 2014.

Boosting FDI for development has also been a hallmark of UNIDO's work throughout our fifty years of operation. Our Organization has a network of Investment and Technology Promotion Offices (ITPOs) across the world. These ITPOs, located in Bahrain (Manama), China (Beijing and Shanghai), Italy (Rome), Japan (Tokyo), Nigeria (Lagos), the Republic of Korea (Seoul) and the Russian Federation (Moscow), cooperate with business and institutional partners in ways that align FDI with a given country's particular development priorities. Some ITPO activities aimed at promoting FDI include the delegate programme (hands-on training in investment promotion techniques), professional support to enterprises for partnership and business negotiations, investment seminars and events, capacity-building, business missions and networking.

In addition to the ITPO network, UNIDO has garnered expertise in the use of FDI for inclusive and sustainable development in the construction of industrial parks. Industrial parks have shown their potential to solve business infrastructure problems in particular geographical areas. They have been used to overcome barriers to attract FDI by helping to link domestic manufacturing to foreign firms and international value chains. UNIDO has implemented projects related to industrial parks in Asia, Africa and Latin America, and also organized dedicated regional workshops in Central Asia, China and Eastern Europe.

The strategic partnership between UNIDO and WAIPA reaffirms the commitment of both parties to promote responsible investments for inclusive and sustainable industrial development. In May 2016, UNIDO and WAIPA signed a memorandum of understanding whereby the two organizations outlined their plan to further their cooperation on joint programmes and projects to strengthen the private sector and scale up investments in recipient countries.

I would like to express my gratitude to Mr. Arda Ermut, President of WAIPA, for his strong leadership in carrying out WAIPA's vision, and also to the members of the Consultative Committee for their commitment to implement WAIPA's Strategy and Action Plan.

I am confident that together we can make the difference in promoting quality FDI as a key driver to support the implementation of the 2030 Agenda for Sustainable Development. The recommendations and conclusions presented in this report capture the essence of the challenge, but also the opportunity, ahead.



LI YONG
Director-General
UNIDO
United Nations Industrial
Development Organization

MESSAGE FROM CONSULTATIVE COMMITTEE



In the wake of the historic multilateral agreements on climate and sustainable development made in the past year, our priority in 2016 is to address the challenges of implementing the investment for development agenda and the COP21 commitments.

A number of the OECD's investment policy tools – such as the updated Policy Framework for Investment (PFI) and the OECD Guidelines for Multinational Enterprises – are central to the Organisation's strategic response.

Over the coming decades, high-quality international investment can play a key role not only in realising the potential heralded by these landmark multilateral agreements, but also in driving economic growth that is stronger, greener and fairer.

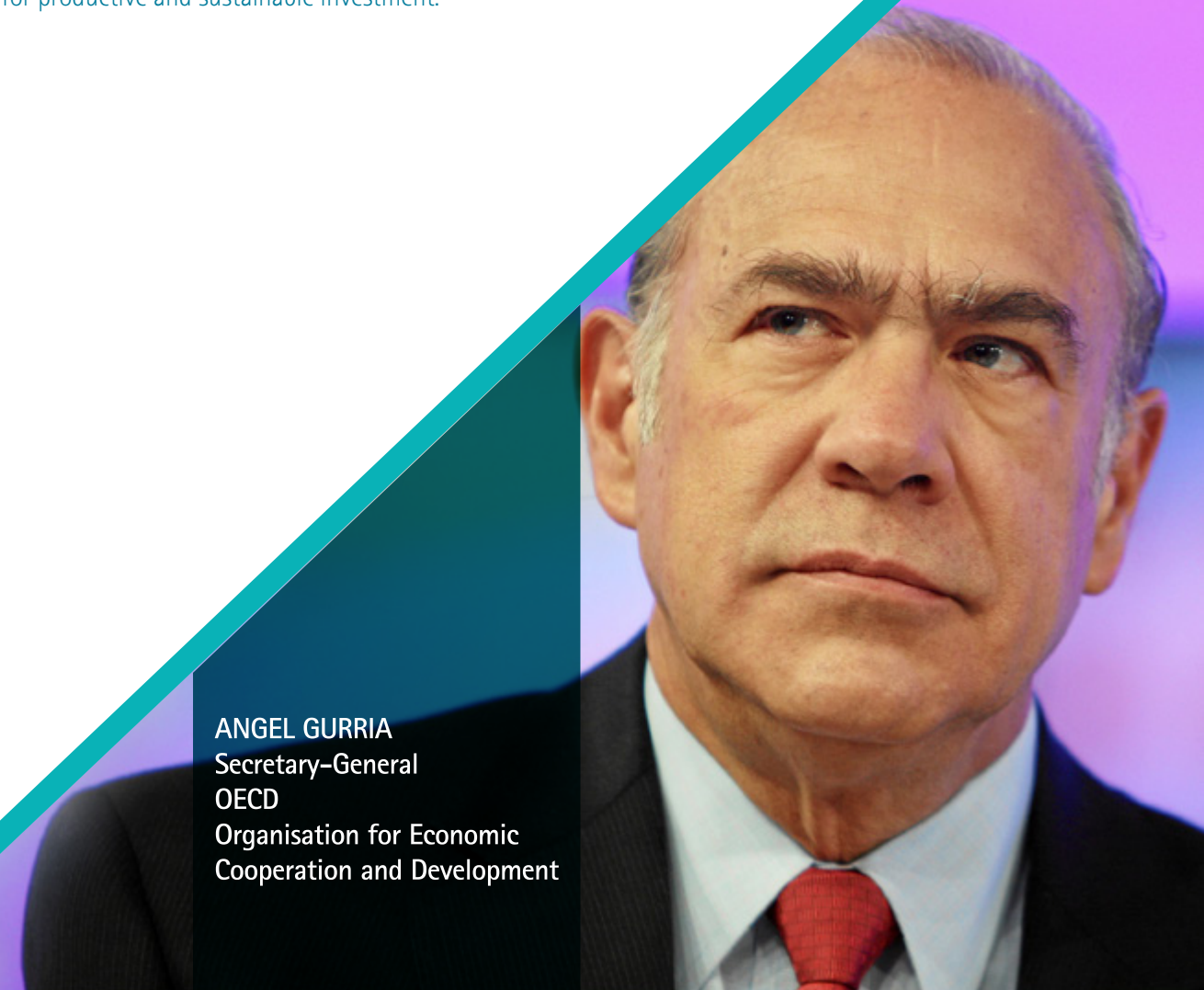
On the face of it, 2015 was also a big year for international investment. After several years of stagnation, global FDI flows bounced back strongly, increasing by 25% to reach USD 1.7 trillion, the highest level since the start of the global financial crisis in 2007. Early indications suggest that 2016 could see flows reach similar levels. However, these encouraging aggregates gloss over some worrying developments. For example, record FDI inflows into some OECD countries have been bolstered by the extent of financial and corporate restructurings as opposed to new and productive investments. At the same time, leading emerging market economies experienced a setback in 2015, with non-OECD G20 countries seeing their FDI inflows drop by 13%, and their share of global inflows falling from about a third to just over a fifth.

In 2016 we have seen important advances in the international investment agenda. Under its G20 Presidency, China established for the first time a Trade and Investment Working Group (TIWG), to advance work on trade and investment policy issues and to focus on their inter-relationship. One of the TIWG's most important deliverables was the G20 Guiding Principles for Global Investment Policymaking, whose negotiation was supported by the OECD. These Principles include many elements that we promote at the OECD (i.e. openness, non-discrimination, transparency, legal certainty and protection, policy coherence, investment facilitation, and responsible business conduct). The objective is to use these Principles as a basis for national and international dialogue on investment policy.

While the multilateral trade negotiation agenda at the WTO has stalled and been overtaken by a number of large plurilateral trade and investment negotiations, the Trade Facilitation Agreement (TFA) shows concrete progress that delivers meaningful benefits for the global economy, and for developing and emerging economies in particular.

In a world of global value chains, the investment equivalent to the TFA – a global framework for investment facilitation – could be both complementary and necessary to make the global economy work for inclusive growth and sustainable development. The mandate of many Investment Promotion Agencies extends also into facilitation, making them both key players in advocating reforms at national level as well as valuable resources to help highlight best practices at a global level.

As we continue to work on the international investment promotion and facilitation agenda, the OECD looks forward to deepening its collaboration with WAIPA, its member agencies, and other international organisations and fora, such as the G20 and G7, in the pursuit of better global policies for productive and sustainable investment.



ANGEL GURRIA
Secretary-General
OECD
Organisation for Economic
Cooperation and Development

MESSAGE FROM CONSULTATIVE COMMITTEE



Dear WAIPA Members,

As Board Chair of the International Economic Development Council, an association of nearly 5,000 economic developers worldwide, I congratulate WAIPA and its leadership on a fruitful past year of relationship building, trainings, events, and promotion of FDI. IEDC is proud of the partnership and collaboration that has occurred with WAIPA since our relationship was formalized in 2004.

The work of WAIPA in promoting and educating its member countries on the value of Foreign Direct Investment (FDI) is critical as the global economy continues to recover. According to the World Bank's Global Economic Prospects report, an unchanged 2.4 percent estimated global growth in 2016 shows a slow, but recovering global economy. It's forecasted that advanced economies will again see lackluster growth this year while emerging market and developing economies will face continued struggles, but with opportunities for growth.

FDI is a critical tool in economic development and growth of economies. While an increase in mergers and acquisitions (M&A) in the United States helped boost global FDI flows 38% in 2015 to \$1.76 trillion (UNCTAD), M&A's primarily do not grow local economies. When discounting these M&A flows, global FDI flows rose a more moderate 15% from 2014.

Compared to M&A, greenfield FDI has a more tangible impact on economic development as it represents new net capital investment and job creation. According to the FDI Report 2016, greenfield FDI continued to show signs of recovery in 2015, with capital investment increasing by nearly 9% to \$713bn, alongside an increase in job creation by 1% to 1.89 million jobs.

Not all news is growth with FDI, however. The forecasted global FDI flows and greenfield investments are both expected to decrease in 2016. This decrease is only short-term as the world economy is projected to continue to grow in 2017 and 2018 and FDI flows are expected to return to \$1.8 trillion according to UNCTAD.

Both WAIPA and IEDC, along with partner organizations, have a responsibility in ensuring the forecasted medium term growth becomes reality and is done so sustainability. Collaboration among economic development professionals at all levels and across all regions remains crucial to accelerate collective, inclusive, sustainable growth. IEDC is proud to continue to serve as a member of WAIPA's Consultative Committee and we look forward to the upcoming year and its many opportunities for collaboration.

Our relationship with WAIPA fosters the exchange of practical experiences and the mutual benefits to train our members on emerging and best practices, inform one another on trending news, and increase collaboration across borders.

IEDC looks forward to the continued sharing of representatives to foster the collaborative dialogue and the dissemination of knowledge to our respective members. IEDC greatly appreciated WAIPA's CEO Boštjan Skalar taking the time to speak at our Annual Conference in September 2016 and I look forward to speaking at the 2016 World Investment Conference (WIC) focused on inclusive investments and a sustainable future. I would also like to acknowledge that in 2015, IEDC's previous Board Chair JoAnn Crary shared expertise in the multi-faceted aspects of promoting food security through FDI.

The 2016 WIC conference theme ties well with one of IEDC's core goals to enhance the quality of life for all. As the world's largest economic development association, IEDC's body of expertise and knowledge comes from our nearly 5,000 our members around the globe. From public to private, rural to urban, and local to international, IEDC's members are engaged in the full range of economic development experience. IEDC member services include four conferences a year, professional development trainings and webinars, certification of economic developers (CEcD) and organizations (AEDO), public policy analysis, and multiple publications including the Economic Development Journal.

I again congratulate WAIPA on a successful past year and looks forward to continued partnership and cooperation. Together we can strengthen both organizations and strive to help everyone and all communities throughout the globe prosper.

BARRY MATHERLY
Board Chair
IEDC
International Economic
Development Council



MESSAGE FROM CONSULTATIVE COMMITTEE



The evolution of cross-border investments over the last two decades is breaking many paradigms and old conceptions about the role of investment and development. Cross-border investments are flowing in new directions, involving new modalities and actors, and changing in composition. Further, trade and investment have evolved from being originally two alternative ways to serve markets to become two complementary dimensions of a single phenomenon, that is, the emergence of international chains of production of goods and supply of services.

Now more than ever, to achieve their development goals, governments from developing countries must fully grasp and catch up with the pace of how international business is evolving in an increasingly globalized economy. Over the last 2 years, the recently constituted Trade & Competitiveness (T&C) Global Practice of the World Bank Group (WBG) has been developing cutting-edge analytical and operational tools to support governments to deal with this challenge. In a nutshell, the evolution of the paradigms in cross-border investment activity and their impact on development can be observed both with a quantitative as well as a qualitative lens. From a quantitative perspective, UNCTAD has estimated that in order to achieve the Sustainable Development Goals (SDGs) to end poverty and fight inequality by 2030, which were agreed at the United Nations Sustainable Development Summit in 2015, developing countries need to generate additional investments in key sectors equivalent to U.S. \$2.5 trillion. The bulk of this investment will clearly need to be generated by the private sector. Despite this huge challenge, optimism is justified considering that over the last 15 years foreign direct investment (FDI) into developing countries has multiplied more than three times -- from US\$200 billion levels to more than US\$700 billion levels every year-- becoming the main source of development finance, well over than overseas development assistance (ODA) and foreign remittances. This context clearly evidences the pivotal role that investment promotion agencies (IPAs) are called to play in the immediate future in contributing to attract increasing flows of cross-border investments into developing countries.

From a qualitative dimension, the path towards development entails much more than increasing the capital flowing into developing economies. It entails for governments to design and implement policies to fully grasp, adapt and maximize the potential benefits of the rapidly changing paradigms of international investment. In this regard, today we face a very interesting paradox. While over the last fifteen years, despite the significant increase in total population, the number of people in the world living in extreme poverty has dropped by more than half -- from 1.9 billion in 1990, to 836 million in 2015. However, at the same time, the gap between the richest and poorest countries in the world is increasing. Indeed, in 1776, when Adam Smith wrote "The Wealth of Nations", the richest country in the world was approximately four times wealthier than the poorest country. Today, the richest country in the world is now more than 400 times richer than the poorest country. What separates them?

History shows that at the end of the day, countries grow because they start producing new goods and services and find more efficient processes for what they already produce, thereby increasing productivity. In a global knowledge economy, international investment becomes critical for domestic private sector development. Research has shown that transfer of technical knowledge and specialized know-how requires direct interaction among people. Beyond schools and universities, the direct interaction between the foreign and domestic private sector becomes the new learning platform where transfer of knowledge is taking place. This explains why FDI is not only about capital, but about technological and knowledge transfer, economic diversification of local production, transformation of exports and more important, socio-economic upgrading through more and better jobs. This finding leads to conclude then, that national development debates should not focus on the question as to whether to privilege domestic over foreign investment or vice-versa. Rather, the path towards development entails connecting both domestic and foreign investors in order to generate a dynamic virtuous cycle of economic transformation. Such a process requires not only attracting but in the end "rooting" FDI into the domestic economy, and it rarely happens automatically. Thus, countries need to fully articulate investment policies and promotion efforts around a cycle comprising (i) FDI attraction, but also (ii) enabling the establishment and effective market access of FDI into the host country, (iii) retain and enable the expansion of FDI operation, and (iv) "rooting" investment through different types of linkages.

Within this context, WAIPA is called to play a critical role in supporting its members to convert the current challenge for attracting and maximizing the benefits of cross border investment into an effective opportunity for development. The T&C Global Practice of the WBG looks forward to working together to achieve such goal.

ANABEL GONZALEZ
Senior Director Trade and
Competitiveness Global
Practice
World Bank Group



OVERVIEW OF ACTIVITIES





The 20th WAIPA World Investment Conference #WIC15Milan is also available as a full report at www.waipa.org. The theme was “Converging Best FDI Strategies” and the conference also focused on cross-border investment; the role of FDI in productivity and on feeding the planet. The conference was held at Palazzo Lombardia, Auditorium Testori and was attended by some of the greatest names in FDI policy, politics and government. They included the Vice Minister of Italy, Carlo Calenda; Director General of UNIDO, Li Yong; Nobel Laureates, Micheal Spence and Eric Maskin, Director of the Investment and Enterprise Division of UNCTAD James Zhan and Board Chair of IEDC, Joann Crary. OECD, ILO, and IPA representatives from diverse countries also attended.

General Assembly

With great aspirations to propel WAIPA forward, the General Assembly elected Investment Support and Promotion Agency of Turkey (ISPAT) to hold the presidency. Newly elected President of WAIPA, Arda Ermut in his message said that WAIPA would strengthen advocacy on behalf of IPAs with their respective governments; determine new ways in which to reinforce IPAs and to help them achieve more robust FDI matrices. The General Assembly also elected both Azerbaijan Export and Investment Promotion Foundation (AZPROMO) and The Italian Trade Agency (ITA) to hold the vice-presidency. President Arda Ermut welcomed the new steering committee and hoped that it would be historic in its leadership of this valued organization for its term.

Executive Summary

The XXth annual WAIPA World Investment Conference (WIC) 2015 called for new and more robust strategies that aimed to channel FDI into faster economic growth and greater employment opportunities worldwide. Held at the Palazzo Lombardia alongside Expo Milan, reflecting an environment of increased investor confidence and buoyant business activity, the 3-day conference brought together leading Investment Promotion Agencies (IPAs) from all around the world. Also in attendance: Nobel laureates, heads of financial institutions, leading political figures from Italy, private sector leaders, prominent economists and academicians. The agenda focused on issues of importance to investment promotion agencies (IPAs): the role of FDI in stimulating aggregate demand and countering the slump in global economic growth; the effects of multilateral investment agreements in global FDI inflows; some best practices in FDI promotion to enhance the quality of human capital and physical infrastructure and how FDI could be channelled into agriculture to feed the planet—also the theme of the Milan Expo. The conference also focused on supporting inclusive and sustainable industrialization, all of which would generate employment worldwide and contribute to global peace and stability. Since 2013 there has been a 30 percent increase in emerging economies FDI flow at a record USD 484 billion in 2014. Arda Ermut, President, WAIPA and Invest in Turkey (ISPAT) focused on WAIPAs vision to bring those emerging economies forward pulling smaller economies with them. He said that WAIPA is working with governments around the world to remove barriers to investments across all sectors, especially those that pertain to feeding the planet. Central to achieving increased FDI for these counties is ensuring that WAIPA has an integrated approach to its progress. This means collaborating with global organizations for more impact as well as playing on the versatile IPA net to implement realistic on-ground results. “Converging best FDI

strategies,” this considered direction will guide our actions. WAIPA WIC15 Milan debate sessions focused on:

- Attracting cross border investment: why it is needed now more than ever;
- The role of FDI in boosting productivity and enhancing the quality of human capital;
- Expo Milan 2015 – The role of FDI in “Feeding the planet, energy for life.” Vice Minister of Italy, Carlo Calenda in his closing remarks at the conference emphasized the importance of drive and goal-setting in terms of FDI. He said that he hoped IPAs would be more ambitious in reaching FDI goals globally because the world needs more investment. This upbeat vision of the world’s current possibilities was shared by most speakers. The conference also included a workshop on Investment Policies and Promotion for Sustainable Development organized by UNCTAD. Participants offered insights on opportunities and tools for mobilizing investment in support of the Sustainable Development Goals (SDGs), including green FDI, as well as advice on institutional and strategic changes. Unanimously IPAs voting at the WAIPA general assembly elections selected Investment of Turkey Support and Promotion Agency (ISPAT) to continue with the presidency. The General assembly also chose Italian Trade Promotion Agency (ICE) and Azerbaijan Export and Investment Promotion Foundation (AZPROMO) to hold the vice-presidency. Regional directorships were also selected constituting a new Steering Committee for WAIPA. The vision of WAIPA’s Presidency is to continuously provide a platform for shared experiences that enhance the understanding of both the challenges and opportunities of investment promotion. Italian Trade Agency (ITA) and WAIPA welcomed IPA officers along with their key constituency: the IPA’S end-clients, the investors. CONFERENCE OPENING The significance of investing in a common future constituted the backdrop for the speakers for the opening session of the conference. The speakers were Arda Ermut, President

of WAIPA and ISPAT; Li Yong, Director General of UNIDO and Riccardo Monti, Italian Trade Agency (ITA) President. Their speeches centred on making the conference aim towards peace and promotion of the global economy. Arda Ermut spoke about the need to capitalize on the network built by WAIPA and serve its members and investors. In his advice to IPAs he said that extracting the maximum socio-economic impact from FDI is only possible when investing firms and national governments look strategically at their needs, available resources and existing businesses instead of just looking at the investment paradigm tactically. He encouraged IPAs to think broadly in that, it is important to change the nature of relationship between the investing concern and the national government from simply spending money on existing goods and services, to helping domestic firms develop capacity to make higher value products. He said that with this paradigm shift potentially significant outcomes in this case can be obtained for the home country. Li Yong, General Director of UNIDO dovetailed Arda Ermut's rationale of the Ricardian Principle with the need of FDI to not just have comparative advantage but also be inclusive and sustainable. He said that the recent UNIDO conference in Lima concluded that no investment or industrialization could have longevity without the above features. He extrapolated on the problem of hunger and malnutrition and how it can be solved by building a sustainable system for FDI and industrialization. He said that the planning stage for these is essential. From his perspective, the financing of infrastructure projects was strategic and encouraged because it provided the network on which industrialization expanded for developing and emerging nations. He reiterated that only sustainable growth can ensure that a real fight is put up against hunger in the world and insure food safety for the world. The journey of Italian Trade Agency (ITA) from being a dormant member in WAIPA to now being the lead and host IPA is indicative of how many European IPAs now

are drifting towards WAIPA for the elevated platform it provides; the connections it serves and the linkages it fosters between. These linkages are not just with IPAs from around the world but leading theorists and implementers of FDI. Riccardo Monti, ITA President said that engaging on WAIPA's platform is now a win-win for all parties and that IPAs like ITA cannot succeed without collaborating. He said he envisions Italy needs being more proactive in terms of both its engagement with WAIPA and in attracting FDI. In the end he hoped that Investment Promotion Agencies (IPAs) as experts of their domain help each other to work more efficiently.

FIRST PLENARY SESSION ATTRACTING CROSS BORDER INVESTMENT:

Why it is Needed Now More Than Ever

Cross border investment refers to all capital flows, both public and private across geographical borders of countries. Attracting foreign investment has a tremendous positive impact on the national economy: more job creation; appropriate technology transfer; know-how and export promotion. FDI, in this way, encourages economic growth. The job creation is brought about by capital infusion. Cross border investment is an important indicator of the economic and social integration of regional economic community. Recent years have seen an increasing interest for intra-regional cross border investment as a key driver for both fostering economic growth and deepening economic integration. Having cross border investments implies on one hand removing barriers to investment and on the other hand regulation to protect public interests. The first panel discussed how cross border investments play a big role both in developing and developed countries for economic development. During the first panel speakers discussed new FDI trends. The speakers included Michael Spence, Nobel Prize laureate; James Zhan, Director of Investment and Enterprise UNCTAD; Andrea Goldstein, Senior Economist in the Investment Division of OECD; Marco





Simoni, Italian Prime Minister Economic Adviser and Nicola Ciniero, President and CEO, IBM Italia. The speakers spoke about a growing interest in linking investment incentives schemes to the Sustainable Development Goals, in order to remedy market failures. No one offers a better response to criticism on market failures than the private sector. As a leader in the corporate world, Nicola Ciniero, President and CEO, IBM Italia talked about how the company under his leadership invested in a data centre that created mega job opportunities in Italy this year and inducted many recent graduates exiting the Italian education system. It took 6 months to build the data centre and cost IBA 15 million euros. He said that in 2015 alone FDI in Italy increased by 12% in terms of projects and 3.5% in terms of investments but also was emphatic about the need to go even faster. Better performance, he said was needed to help bring about more sustainability to investments. For Michael Spence, Nobel laureate, there was one key "take-away": openness. He said the flow of information and knowledge are critical for FDI to be attracted into any region. Throughout his discussion he reiterated that public/private partnerships provide the new frontier for IPAs. The recent scenario of financial crisis and lack of capital inflow have strengthened the importance of cross border investment in the economic context. According to James Zhan, Director of Investment and Enterprise UNCTAD, it is Asia that is emerging as the big player to offset the west-led crisis centres. Not only is it Asia is that invests the most abroad but it is staging itself as the engine of global economic recovery. Hong Kong and China are first in terms of entrant investments whereas China, Malaysia, Thailand are first in terms of outgoing investments. Multinationals have enormous capital storages of more than USD 700 billion and this he said provides a huge buffer to the global economy. Exuberating an overall optimistic outlook Zhan said

that even though there are many variables in the profitability of companies and even though recovery is fragile, he added that he envisions WAIPA to help the global economy integrate and become more open and that this umbrella IPA organization was a pivotal part of investment sustainability goals. The long-tail matters just as much as the larger players when it comes to building sustainability. Andrea Goldstein, OECD, brought this aspect up and said that small and medium-sized enterprises (SMEs, SMLs) are important in helping economies become better shock absorbers. Resultantly, SMEs and SMLs should be part of the investment policies of nations that are serious about bringing stability to their region via FDI. He added that incentive should not be discriminative and that they should also be provided to small and medium-sized companies. James Zahn, UNCTAD added that there are about 200,000 small and medium-sized companies in Europe and the US and they all have a very advanced technology-rich background. He said that digital platforms such as Alibaba or AliExpress need to have matching FDI policies to help enable these platforms to develop within a legal framework. Roberto Marioni, Lombardy Region President said that Lombardy is a region of innovation and research with 3 universities; 500 research centres and numerous companies head quartered. He said that it serves as a model for others who want to emulate its turnaround. The cohort of speakers shed light on how cross-border investments bring economic development to host countries and drove home the point that the policy frameworks that guide them must be built to ensure sustainability.

SECOND PLENARY SESSION

The Role of FDI in Boosting Productivity And Entrepreneurship in Host Countries and Enhancing the Quality of Human Capital

There is potential for significant additional benefits

from FDI for host countries. FDI are important to increase competitiveness and facilitate faster economic growth, with a direct impact on human resources in the transfer of technology and know-how to host countries. Multinational companies provide education and training at local level, bringing new skills, technology and information to host countries. In addition, FDI stimulates new business approaches and positive effects on local firms. In developing countries the presence of foreign companies can help to improve working conditions and to increase wages at international standards. Human resources and FDI reinforce each other: from one side local skills and human resources capabilities enhance the attractiveness as a locations for FDI; on the other side, human capital is a significant determinant of FDI inflows. Speakers of the second panel spoke about emerging global value chains improving standards among SMEs in different countries and how this positive virtuous circle helps focus on the impact of FDI at the local level. Speakers included: Carlo Altomonte, Professor of Economics, Bocconi University; Alessandra Perrazzelli, Italy Country Manager Barclays; Githa Roelans, Head of Multinational Enterprises and Enterprise Engagement ILO; Sandro De Poli, President and CEO, GE Italy and Israel and Sergio Dompe, Chairman of Dompe. Isabella Bufacchi from Il Sole 24 Ore was the moderator for the second panel. She provided a background on how indiscriminate crisis is on both developing and emerging economies and began by asking what panellists thought on FDI and their impact on human capacity indicators. Carlo Altomonte, Professor of Economics, Bocconi University said when you look at companies such as Mamtek, Dell or Hyundai it is evident that their investments help to manage the threat of negative spill overs. For instance they have the capacity to absorb human capital and can exercise some flexibility in the factor markets of labour and capital. When we talk about a better world, we have to consider the people who are left behind. What is the ultimate objective and the

impact of the investment? Githa Roelans from ILO began with this question. She said it is imperative that policy makers first ensure investments benefit the people – the salaried class. FDI serves as an important stimulus for economic development, direct and indirect employment and the sharing of best practises. She said that it is a failure of the imagination when FDI is only formulated to act as a wage-provider, instead it is equally capable of improving the skills; living conditions; knowledge and attitudes of the populous. Sandro De Poli, President and CEO, GE Italy & Israel supported this view and said that companies such as GE would only want to invest where a country had catered for the potential of its people's development and their skills, knowledge and technology. Employment acts as a power bargain in the local economy for most companies. Carlo Altomonte, Professor of Economics, Bocconi University said when it comes to jobs in Italy there is a lack of skills coherence with the jobs market. For any progress it is first important that the human resource is adapted to the needs of Italian companies. For Alessandra Perazzelli, Italy Country Manager Barclays, the more important issue was that of systemic risks. He said that investors have to harmonize themselves with the regulation system. Investors have also to calculate for the increasing lifespans around the world. Sergio Dompe, Chairman of Dompe pointed out an incredible enlargement of the market, skills and lifetimes. He said that in the last 50 years, we are now living 30 years longer, which will completely changes the economic model. He said that investors may not realize it yet but it will be tomorrow's challenge for innovation. Speakers concluded citing human resource advancement, job creation and value addition by multinationals as the key converging points.

THIRD PLENARY SESSION EXPO MILAN 2015

"Feeding the Planet, Energy For Life:" The Role of FDI Milan is under the radar globally in 2015 for hosting one of the biggest events in the world:

EXPO 2015, the Universal Exposition with 146 countries in attendance, represents an outstanding opportunity both for developing and developed countries on two main topics: agro food and energy. Those two themes are in the agenda of many countries; moreover, many international programs such as Europe 2020 and UN agenda post-2015 underline the importance of sustainability, with the use of renewable resources and improvements in agro food sectors. FDI plays a crucial role in developing those sectors. The multi-faceted aspects of promoting food security through FDI were expanded on by an esteemed set of speakers comprising of: Eric Maskin, Nobel Laureate; Li Yong, General Director of UNIDO; Joann Cray, Board Chair of IEDC; Thomas Lesaffre, General Manager, Lesaffre Italia and Maurizio Tamagnini, CEO, Fondo Strategico Italiano. Food sector multinational companies can have positive effects on developed countries, helping them to improve technologies on soil consumption, and on developing countries, transferring expertise and funds. The scarcity of natural resources encourages companies to keep investing in the development of new technologies and the increase of productivity. Eric Maskin, Nobel Laureate emphasized how powerful globalization has been in terms of improving prosperity in developing countries. He was of the view that international investment in modern agriculture can help fighting inequalities to a great extent. Strategically governments must tweak their investment software and policies before welcoming investors, not later. This prioritization was a key theme in Li Yong's vision of effective investment promotion. He said that since human development is a significant result of FDI, governments need to spend a disproportionate time in trying to attract FDI in the right sustainable sectors, particularly in food and energy. Thomas Lesaffre, GM Lesaffre Italia underscored this thought, by making reference to the need for the planet to be sustained, and in order for that to happen, the world simply needed to crunch up its production engines. He talked about the

need to collectively do more. Interestingly, in the food industry you needed be a local manufacturer to produce local foods. Mauricio Tamagnini, CEO Fondo Strategico Italiano illustrated this thought by citing how olive oil is largely a Japanese investment in Italy. He also said that local producers and growers can get many dividends from investments such as these. Take for example wine, and how younger wine producers are provided a platform to sell world-over. Thomas Lesaffre, GM Lesaffre Italia provided insight to an oft-ignored aspect of food security: wasted food. Not only does the world need to cut down on the food wasted but it should also consider using biofuel made from organic food. The latter, in his opinion was a significant method of utilizing resources for energy. Joann Cray, IEDC stated that biomass and solar systems are competitively priced now and should be the focus of serious investor consideration. She added that we have to go on developing programs where everyone wins, including the planet.

CLOSING REMARKS ARDA ERMUT, PRESIDENT, WAIPA & ISPAT

The president of WAIPA said that a very important aspect of sustainability of investments was delved into at WIC15 Milan. He said that it raised many questions but I hope it also raised our consciousness. The president also spoke about the evolution of WAIPA as it gathers more and more shared knowledge and magnifies it on platforms such as the World Investment Conference. He said that WAIPA synthesizes and creates a profound ability to have more accurate analysis, more exact advisories and better and better examples for other IPAs to benchmark on. He said that each IPA adds to the collective consciousness of WAIPA. He compared this to a journey that WAIPA takes with each IPA hand in hand with an emerging market focus. He said his dream was of a world where wealth and prosperity is equal.



KEYNOTE ADDRESS CARLO CALEDA, ITALY VICE MINISTER

In his closing remarks, Carlo Calenda said that in order to make globalization; open borders a success it was imperative to define what is acceptable. It was also important to identify what can be done to avoid conflict with the national protectionist policies of countries around the world. For there to be a win-win operation everything needs to build on the right base and ground rules. His advice was that countries should move too forward too soon and instead pay attention to foreign investment vis a vis the geopolitical position of the country. Wishing the participants success in their endeavours the Italian vice minister thanked them for their participation and hoped to continue the close liaison between WAIPA and ITA.

WAIPA WIC 2015 MILAN ELECTED STEERING COMMITTEE

Mr. Arda Ermut

President
Investment Support and Promotion
Agency of Turkey
President, Investment Support and
Promotion Agency of Turkey

Mr. Rufat Mammadov

Vice-President
AZPROMO, Azerbaijan

Ms. Ana Maria Badel

South America
ProBarranquilla,
Colombia

Mr. Essis Esmel Emmanuel

Sub-Saharan Africa
CEPICI, Côte d'Ivoire

Mr. Fahad Seddiq Al Gergawi

MENA – Middle East and North Africa
Dubai Foreign Investment Office,
U.A.E.

Mr. Tord Johnsen

European Union
Director for Global Transformation
at UK Trade & Investment

Mr. Stamen Yanev

Eastern Europe
Invest Bulgaria Agency , Bulgaria

Mr. Andrea Napoletano

Vice-President
ICE , Italy

Dr. Jean Alain Rodriguez

Central America and the Caribbean
Center for Export and Investment of
the Dominican Republic (CEI-RD)

Mr. Francisco N. González Díaz

North America
ProMexico, Mexico

Ms. Ameena Cheema

South Asia
Punjab Board of Investment, Pakistan

Mr. Jaehong Kim

East Asia and South East Asia
Korea Trade-Investment Promotion
Agency (KOTRA), Republic of Korea

Mr. Borisbiy Zhangurazov

Central Asia
National Export & Investment Agency
KAZNEX INVEST, Kazakhstan



“ SOUTHEASTERN EUROPE ECONOMIC FORUM(SEE) ”

Sofia, June, 18-19, 2015

Southeastern Europe Economic Forum (SEEF) was held to discuss Challenges Ahead of Economic Recovery at Kempinski Hotel Marina Sofia, 18 - 19 June 2015. The event explored Opportunities for the Business in Southeast Europe and the Importance of the Financial and Private Sectors; Developing High-tech and ICT Products in SEE and the Balkan Trade Bridge 2015. The WAIPA Executive Director (a.i.), Ismail Ersahin spoke about the importance of FDI for the economic recovery of the Balkan region. He said, "Developing countries seek investment to accelerate their development efforts. The first thing is to have a strong liberal economic framework in place."



“ B20 TURKEY ”

Istanbul, Turkey, September 4, 2015

The Business 20 (B20) outreach group is an influential platform bringing together business leaders from G20 economies, and advocates for critical issues for enterprises. In 2015, the group met in Turkey. WAIPA President, Arda Ermut spoke at B20Turkey and talked about a need for a global governance system to deal with economic challenges. He also said that when it comes to Foreign Direct Investment (FDI) the approach should be inclusive and robust. B20Turkey started off with Turkish PM, Recep Erdogan's address where he spoke about the urgent need to bring prosperity and stability to the world. Last year the same conference was jointly hosted by WAIPA and B20.



“ GLOBAL INVESTORS’ INDIA FORUM ”

New Delhi, India, September 23-24, 2015

WAIPA, in association with ASSOCHAM, India's Apex Chamber for Commerce and Industry held a two day investor's forum at Hotel Taj Mahal, New Delhi, India. After this forum there was an official launch of the “Make in India” Campaign by Prime Minister Shri Narendra Modi. The forum also facilitated Investment and Ease of Doing Business; Cross-border Business Development; Strategic Collaborations and Policy Advocacy. India recognized the importance of urgent creation of new infrastructure and a skilled work-force to support the goals of this forum.



“ IDB MEMBER COUNTRIES ” EXPERIENCE-SHARING PROGRAM

Konya, Turkey, October 7, 2015

This event was organized by Islamic Development Bank (IDB) and Turkish Ministry of Economy, Konya Governorship, ISPAT and MEVKA Mevlana Development Agency on 5-9 October, 2015 and held in Istanbul and Konya with participation from 20 IPA's from around the World. WAIPA Executive Director (a.i.), Mr. Ersahin spoke at the event and highlighted to importance of cooperation while in competition and stressed the value of IPA's towards sustainable economic development.



“ COMMONWEALTH BUSINESS FORUM ”

Malta, November 24-26, 2015

This WAIPA-endorsed Commonwealth Business Forum (CBF) is a unique biennial event which occurs in parallel with the Commonwealth Heads of Government Meeting (CHOGM), attended by high-level delegations from the 53 Commonwealth countries, EU Members States, the G7, and from all over the world. 1200 delegates were present. Registrations included top business people, government officials, investors and entrepreneurs are on the confirmed list of delegates. The sessions took place over three days included ample opportunities for networking and meetings (B2B) as well B2B as business to Government (B2G) meetings.



“ WAIPA REGIONAL MEETING ” SOUTHEASTERN EUROPE

Mostar, Bosnia and Herzegovina, April 14, 2016

Many organizations met in Mostar for WAIPA's regional meeting. They included: IPA's; business associations and government officials from Bosnia and Herzegovina; Republic of Srpska, Malta; Tatarstan; Bulgaria; Hebei province in China and Turkey together with representatives of the World Bank Group; foreign diplomats and a selection of foreign investors. This meeting was organised by WAIPA and the Foreign Investment Promotion Agency of BiH (FIPA) and was centred on "Experiences and Challenges in FDI Attraction – Optimal Use of Aftercare Program in Process of FDI Attraction." The meeting enabled participants to exchange experience and best practices regarding attracting investments and to strengthen regional cooperation between IPA's and relevant institutions. WAIPA's CEO Boštjan Skalar explained that WAIPA can support members in the introduction of business excellence and that it is able to

connect members with international organizations such as the World Bank, the ILO and UNCTAD. FIPA's Director Gordan Milinić pointed out that meetings like this offer a unique opportunity to exchange experiences and best practices on policies and attracting FDI as well as to exchange views on how IPA's can influence their government to implement necessary reforms to drive economic growth. Panellists concluded that there is always room for improvement when it comes to a country's investment climate. For an IPA to target its efforts, it is essential to know what type of foreign investment the country wants to attract. Another crucial issue to attract and sustain foreign direct investment is optimal "Aftercare". World Bank's William Mut briefed the participants on "Aftercare", and how important it is for securing reinvestments.



“ JOINT WAIPA - ILO ITC INVESTMENT ” PROMOTION AGENCIES TRAINING

Turin, Italy, May 4-6, 2016

WAIPA and the International Labour Organization (ILO) Multinational Enterprises Unit organized this training course so that the participating IPA's would benefit from both organizations' experience and expertise. IPA representatives from Brazil, Bulgaria, Dominican Republic, Ecuador, Egypt, Haiti, Malaysia, Namibia, the Azores, Spain, the Marshall Islands, Turkey and Zambia discussed new trends in FDI, theories of investment facilitation, how to use FDI metrics, aftercare services and multi-stakeholder dialogues and investment promotion. This was the first time, but definitely not the last, that WAIPA and ILO jointly organized a training course. This training was developed in response to last year's survey about the needs and wishes of WAIPA members. Many of our members indicated that they were interested to participate in training dedicated to the topics of "Aftercare" and "Empowered Analytics". As a result WAIPA approached the ILO to develop the training together. The feedback from participants clearly shows that his kind of activity is very advantage ous.

"Really a very good course and highly enjoyable days. The training was very inspirational, energizing, bringing lots of ideas. It was highly participatory and inclusive and I have gained a lot of knowledge. The guest speakers were excellent; I very much liked their approach. The other participants were amazing and I learned a lot from their experience and insights." Teresa Mano da Costa, Departamento de Promoção (Azores)

"The training was a great experience definitely worth every penny spent. The theme was well constituted in the content of the course with the significance of the MNE Declaration and the need for sustainable and decent jobs emphasized as highly essential for FDI facilitation... The differentiating factors for me of this course were the practical experience exchanges through presentations, participating IPA delegates and the onus that rest with IPAs in ensuring decent labor practices in FDI facilitation. I would highly recommend this course to all IPA's as it is a great value add." Mrs Bonaventura Hinda, High Commission of the Republic of Namibia Commercial Office.

“ WAIPA SIGNS MoU WITH UNIDO ”

Vienna, Austria, May 20, 2016

The United Nations Industrial Development Organization (UNIDO) and the World Association of Investment Promotion Agencies (WAIPA) will cooperate on joint programs, various projects pertaining to strengthening the private sector, and engage in activities aimed at scaling up investments for inclusive and sustainable industrial development. A memorandum of understanding on the partnership was signed in Vienna today by Li Yong, the Director General of UNIDO, and Bostjan Skalar, CEO and Executive Director of WAIPA. Considering UNIDO's track record as an investment catalyst, the cooperation with WAIPA can be seen as a mutually beneficial alliance.

The partnership will be based on the shared belief that foreign direct investment has always been the key driver of economic growth and can play a pivotal role in a multi-stakeholder approach towards promoting inclusive and sustainable development. This will be done to boost not just investments, but achieve sustainable investments in support of decent jobs and the wellbeing of people. The agreement signed between the two organizations will also strengthen the cooperation between WAIPA and UNIDO Investment and Technology Promotion Offices (ITPO). Currently, UNIDO has ITPO's in Nigeria, Bahrain, China (Beijing and Shanghai), Italy, Japan, the Republic of Korea, and Russia.





“PRIVATE SECTOR FORUM ON INVESTMENT” OPPORTUNITIES IN LEAST DEVELOPED COUNTRIES

Antalya, Turkey, May 26, 2016

A private sector forum on investment opportunities in least developed countries was convened today in Antalya, Turkey. The Forum was held by the Government of Turkey and the UN Office of the High Representative for Least Developed Countries, Landlocked Developing Countries, and Small Island Developing States in cooperation with the World Association of Investment Promotion Agencies (WAIPA). It was convened on the eve of the high-level comprehensive midterm review of the Istanbul Programme of Action (IPoA), a framework adopted by the United Nations five years ago, which highlights the priorities and sets out concrete action through which the world's least developed countries can alleviate poverty, including through a vibrant private sector, the engine of growth. The one-day Forum brought together about 300 participants and speakers from the least developed countries, investment promotion agencies, private sector, financial institutions and investors. The forum highlighted the challenges that least developed countries face in attracting sustainable foreign direct investment and the opportunities that exist

in least developed countries. Experiences of the national investment promotion agencies in these countries point to the need to be proactive, seek value addition, better integration into global value chains, as well as coherence and creativity in country branding. The role of public finance including, the important role of official development aid in leveraging additional private finance was also highlighted.

“Improving the business climate and providing a transparent regulatory environment remain key objectives for these countries”, said Gyan Chandra Acharya, UN Under-Secretary- General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. “At the same time development partners of the least developed countries and their investment promotion agencies can very usefully provide specific support to their counterparts in the least developed countries”.

WAIPA CEO Bostjan Skalar spoke of the need for investment agencies to come together and focus on serving investors efficiently. He stressed that “60% of new investment comes from already present foreign investors in the country, and therefore, investment agencies should focus on improving after-care services. “He also underscored that many IPAs are beginning to understand the importance of sustainable investments, a trend that WAIPA strongly advocates.

Many speakers emphasized the importance of international support to increase the flow of sustainable investment to the LDCs in order to realize the aspiration of the the

IPoA and the sustainable development goals. The need to ensure inclusive growth and increase the focus on small and medium enterprises and entrepreneurs was a main theme in the discussion. The role that vocational training can play in providing practical and context driven solutions was also highlighted.

The importance of a better alignment and coordination between trade and investment policy at the national level was also underscored. The need for a conducive environment at the national level in LDCs based on good governance and political leadership to encourage foreign direct investment was highlighted, including by means of autonomous and empowered IPAs. Finally, many speakers stressed the need for enhanced corporate social responsibility by investors in LDCs.

“We are pleased that the forum allowed for a frank exchange on a number of key issues including on the opportunities that do exist in least developed countries as well as the challenges that prevent these same countries from meeting their sustainable development aspirations”, said Mr. Acharya. “It contributed to launching the high-level midterm review by setting the scene for the next three days with a focus on practical examples and on-the- ground solutions on how investment in these countries can be better promoted.”



“STRENGTHENED COOPERATION BETWEEN” WAIPA AND CAIPA

Curacao, June 7-8, 2016

IPA representatives from CAIPA member states Barbados, Belize, Curacao, Dominica, the Dominican Republic, Grenada, Haiti, Jamaica, Saint Lucia, St. Vincent and the Grenadines, Suriname and the Turks and Caicos came together in Curacao on 7-8 June 2016 for the Annual General meeting of the Caribbean Association of Investment Promotion Agencies (CAIPA). Outgoing President Mr. McHale Andrew (who is also the CEO of Invest Saint Lucia) in his opening remarks noted the continued importance and relevance of Caribbean investment promotion agencies (IPAs) to the region's economic development and encouraged members to persevere despite the continued challenges of declining budgets and governmental changes that often adversely affect the continuity of investment promotion programs. Ismail Ersahin, Executive Director(A.I.) of the World Association of Investment Promotion Agencies (WAIPA) stated that WAIPA is working hand in hand with Consultative Committee Members to create more value for IPAs and to make the world to understand that "IPAs does matter". IPA's do not only create jobs but can act as a bridge

between private sector sector and government to bring about a more inclusive investment environment. WAIPA stands firmly behind its members and support their efforts to position themselves as essential for FDI promotion towards their respective governments. The CAIPA Annual Meeting 2016 saw the members making a special commitment to collaborating with WAIPA in a meaningful way with an agreed work program that will draw on WAIPA's experience and knowledge of good practices in investment promotion. To solidify the cooperation, CAIPA is becoming an associate member of WAIPA. WAIPA congratulates the newly elected CAIPA President, Ms. Diane Edwards of JAMPRO, Ms. Racquel Moses of invesTT, who will serve as the 1st Vice President, Ms. Bernadette Ambrose-Black, 2nd Vice President, while the 4 Directors are: Mr. Ramon Koffijberg of CINEX, Ms. Rhoda Joseph of Invest Dominica Authority, Mr. Owen Verwey of GO-INVEST and Mr. Ronald Theodore of the Grenada Industrial Development Corporation. WAIPA looks forward to further cooperation with CAIPA.



“ WAIPA REGIONAL MEETING ”

Ivory Coast, Abidjan 20 June, 2016

A regional meeting for Investment Promotion Agencies took place in Abidjan, Côte d'Ivoire. The meeting dedicated to "Promotion and Role of FDI in the Emerging Economies in Sub Saharan Africa" was hosted by the CEPICI (Centre de Promotion des Investissements en Côte d'Ivoire) as the Sub-Saharan Africa Representative for WAIPA in cooperation with the World Association of Investment Promotion Agencies (WAIPA). More than 200 participants came together to reflect on the role that FDI can play to reinforce structural, economic and regional transformation. The meeting's first topic was the economic outlook of Sub-Saharan African countries, their issues and challenges. The economic situation of the African continent has clearly improved, with growth rates ranging from 4.7% in 2013 to 5.2% in 2014, according to the World Bank 2014 Africa's Pulse report. Despite the increase in FDI and the rise in raw material prices and the improvement of governance and macroeconomic management, Sub-Saharan Africa continues to face real challenges in terms of access to the local, regional and global markets. More investment leading to more sustainable growth is therefore of the utmost importance. This was recognized by WAIPA CEO Bostjan Skalar: "We know that it is

all about decreasing poverty, creating decent jobs, and industrialization that is inclusive." The President of WAIPA, Arda Ermut, stressed the positive dynamics in Sub Sahara Africa: "The flow of FDIs towards Africa reached USD 54 billion just a year or so ago, with the trend going upwards this year. Investors are forced to pay attention to this emerging region because those that have been early adopters in putting their bets with Africa have reaped many rewards." IPA Representatives from Sub-Saharan countries shared investment promotion strategies explicitly tailored to and tested in their economies. IPAs from Nigeria, Angola, Guinée and Mali presented their organization, mission, success stories and challenges. Emmanuel Esmel Essis, Côte d'Ivoire's IPA's CEO, as the Representative of Sub-Saharan Africa for WAIPA stated that "WAIPA is the platform for IPA's of the Sub-Saharan region to develop collaborative solutions for the development of promotional tools to attract FDI in this part of the world". Furthermore, WAIPA is the linchpin between IPA's, international organizations such as UNCTAD, UNIDO and ILO and the private sector. As such it advocates its members' interests and it can easily connect its members to each other, and to international organizations. Daniel Kablan Duncan, Prime Minister of Côte d'Ivoire, met with WAIPA and ISPAT President Arda Ermut, to discuss crucial cooperation between governments and IPAs. The event ended with an affirmation from Sub Saharan African regions and from WAIPA to put the region on the forefront of the investor map.



“UNCTAD WORLD INVESTMENT FORUM”

Kenya, Nairobi, July 17-21, 2016



INVESTMENT PROMOTION WORKSHOP

With the promise towards continued collaboration, UNCTAD and WAIPA organized a Workshop on Investment Promotion after the launch of the World Investment Forum 2016. This workshop in which over 150 investment officials and other stakeholders participated discussed data on investment promotion; best practices for investment efficiency and the role of investment agencies in promoting Sustainable Development Goals (SDGs).

The workshop highlighted the need for investment agencies to be empowered by governments; to identify the best methods of facilitating investments and how sustainability needs to be factored in when letting in investments into host countries. WAIPA CEO, Bostjan Skalar said, “We have a responsibility to enable investment agencies to have the right assessment tools to quality check FDI.”

Bostjan Skalar's thoughts were shared by UNCTAD Director of Investment and Enterprise, James Zhan, who reaffirmed that the joined partnership between UNCTAD and WAIPA will assist in making sustainable investments a reality.

WAIPA RECEIVES APPRECIATION AWARD FROM UNCTAD

In an awards ceremony, UNCTAD presented a memento to Bostjan Skalar. This was for WAIPA's tireless efforts to make IPAs the center of all investment decisions within governments. As a result, private sector investors across different regions find the investment process more effortless and business-centered as opposed to being overly bureaucratic.

During WAIPA's Steering Committee meeting, James Zhan was awarded with a certificate of appreciation on behalf of WAIPA. As the newly appointed Chief Strategic Advisor of WAIPA, James Zhan stated, “We need to work together to create a new narrative on investment promotion.”

HIGH LEVEL TRIPARTITE CONFERENCE ON INVESTMENT PROMOTION

Bostjan Skalar also participated on a High-level Tripartite Conference in Investment Promotion in the Sustainable Development Goals. Over 200 participants joined this conference. He spoke about the role of non-traditional investments such as sovereign wealth funds and pension funds in propelling SDGs.



“ JAMES ZHAN APPOINTED ” CHIEF STRATEGIC ADVISER OF WAIPA

Nairobi, Kenya, July 19, 2016

Zhan is the Director of the UNCTAD Investment and Enterprise Division and was appointed WAIPA Chief Strategic Adviser during WAIPAs Steering Committee Meeting, organized on July 19 on the sidelines of UNCTAD 14 in Nairobi, Kenya.

As a consequence of the economic crisis of 2009 and ensuing years, we find that the pendulum is swinging from liberalization to regulation.

This, according to James Zhan, has brought back a demand for quality of foreign direct investment. “This is the era of a new narrative” and investment promotion agencies need to take bold and concrete steps towards changing the now dominant narrative and drive for more quality FDI. We are facing a struggle between the camps that want less government with those that want large governments, while at the same time resources are shrinking. As a result, Zhan stated: “there is less importance on FDI promotion than there was, say, a decade ago.” For many countries performance alone is a sizeable challenge, Zhan pointed out. “There are few projects out there with a SDG component to them. In the end people are losing out and governments are feeling the pressure”. To deal with the challenge of new expectations, according to Zhan, WAIPA's strategy fits right in:

Creating a positive framework

This involves setting concrete SDG goals. This is not to be done in isolation but in collaboration with international organizations, with commitment at the leadership level. This also means creating linkages and best practices, not just in terms of defining them but practicing and implementing them at the IPA level. IPAs need to zero in on those one or two SDG projects that will make a difference. When these are identified, IPAs should introduce them to the ministerial level and ask their governments to back them. IPAs also need to broaden their horizon and think about other organizations that can help. They need to find other organizations to act as partners for their key SDG projects. Governments need to establish SDG villages or incubators. Zhan said WAIPA and UNCTAD will offer their support to IPAs to the extent that they need. Essentially

the new narrative is about creating best practices and a new brand image; increase capacity and develop bankable SDG projects.

Build on treaties

When countries embark on trade agreements they need to ensure that it has an investment promotion component in it. They need to follow up on this by creating awareness and to increase the playing field. Promotion itself is not just promotion – it has other important components. Governments need to build a series of model investment zones – zones that are the opposite of sweat shops. These zones should prioritize the wellbeing of the communities they operate in.

Policy advocacy

Trade facilitation is the other side of investment facilitation, there are enough academic studies to prove this. IPAs must recognize this. There needs to be enough ministerial engagement to put this on the forefront. There need to be creative approaches to expand this, particularly with regard to South-South facilitation and promotion. It is ultimately business links that lead to investment links. While this is pursued, the business community needs to understand that sufficient institutional linkages to government are important. There needs to be a respect for the formal setup and an ability and flexibility to move within it. Governments' understanding of this helps to safeguard valuable resources for IPAs. As much as possible, the existence of separate silos should be discouraged and there must be a concerted effort to create synergies and linkages. This will ultimately lead to a better social policy. There has to be an inward and outward promotional partnership within and beyond governments. WAIPA is working towards that goal. For UNCTAD one of its aspirations is to bring WAIPA on the G20 agenda so this can be made a reality.



“ WAIPA TO STRENGTHEN COOPERATION WITH CIFIT ”

Xiamen, China, September 8-9, 2016

A WAIPA delegation consisting of CEO Bostjan Skalar and Deputy CEO Ismail Ersahin participated in the China International Fair for Investment and Trade (CIFIT) 2016. This large international gathering took place in Xiamen, China on September 8-9. Bostjan Skalar was invited to comment on the importance of Chinese investments for both China and Africa, during the High Level Forum on Investment in Africa. According to recent research the foreign investment rate of return in Africa is higher than that of any other major developing area in the world. Bostjan Skalar stated that "by working to secure a solid base of critical raw materials, China strengthens

its economy for decades to come." FDI supports economic diversification in Africa. In turn, economic diversification is crucial in ensuring the continent is free from high unemployment rates, food shortages and widespread health problems. But of course, when of investing in another country, in order to be successful a localization strategy is of the utmost importance. Skalar advised investors to take into account the company's motives, the acquisition and development of Chinese and local talents, local regulations, the organizational strengths and a costs analysis.



“ UNIDO VIENNA INVESTMENT CONFERENCE: QUALITY ” FDI, GROWTH AND DEVELOPMENT

Vienna, Austria, September 14-15, 2016

On September 14-15 WAIPA CEO Bostjan Skalar gave a speech about Investment Promotion Strategy for Increasing Skill and Technology Content for IPAs in Vienna, Austria. Skalar explained that “The most important aspect of investment promotion that WAIPA drives home is that aftercare and follow-up service delivery matters just as much as initial investment attraction. More than 50% of new investments come from already present satisfied investors on the market. WAIPA is helping to create, together with its consultative partners, a new and more comprehensive narrative for FDI promotion.” WAIPA envisions a more empowered Investment Promotion Agency network around the world and is creating an Investment Promotion Strategy for Increasing Skill and Technology Content for IPAs. Furthermore, WAIPA, together with its partners, advocates the United Nations Sustainable Development Goals (SDGs). Skalar: “Our focus is on sustainability. WAIPA closely aligns with the SDGs. WAIPA supports the careful design of FDI, ensuring that investments address decent work and economic growth (SDG#8), Industry, Innovation and Infrastructure (SDG#9), and Reduced Inequalities (SDG#10)”.



“ AFRICA PARTNERSHIP CONFERENCE ”

Mauritius, September 20-21, 2016

On September 20-21 the Mauritius Board of Investment (BOI) hosted the Africa Partnership Conference. This conference, serving as a WAIPA Regional Meeting, was officially launched by Honourable Pravind Kumar Jugnauth, Minister of Finance and Economic Development of the Republic of Mauritius. In his keynote speech, WAIPA CEO Bostjan Skalar stated that “Africa is making a concerted effort to become efficient in its regulatory framework in terms of Foreign Direct Investment (FDI) and WAIPA prioritizes Africa because FDI can add to investible resources and capital formation”. Bostjan Skalar moderated the panel “Empowering Investment Promotion Agencies: Moving toward the fourth generation investment promotion”. The panelists addressed the shift to sustainable investment and the challenges & opportunities involved. Furthermore they discussed tools and systems that can be developed for Investment Promotion Agencies, as well as skills and technology transfer within Investment Promotion Agencies. All of these issues pertain to the ambition to to strengthen the business case for a successful Investment Promotion Agency. During a private meeting, Bostjan Skalar and Minister Pravind Kumar Jugnauth addressed the importance of a common Africa initiative and cooperation between African IPA's to strengthen concerted promotion efforts. Mr Skalar asserted that WAIPA supports the efforts of BOI to make Mauritius as gateway to Africa and also a financial hub. WAIPA congratulates its member the Uganda Investment Authority for being awarded the title ‘Most Collaborative IPA’.



“ KOREA FOREIGN INVESTMENT WEEK ”

South Korea, Seoul, September 27-29, 2016



In Seoul, on September 28th, WAIPA Deputy CEO Ismail Delivered delivered a speech on “The importance of Korea to promote FDI globally” during the Opening Ceremony of the Korea Foreign Investment Week (KFIW). Ersahin stated that “When we speak of FDI around the world the importance of Korea for promoting Global FDI cannot be missed”. Given the changes brought forth by the globalizing world economy, the Korean government has recently pursued an FDI policy regime very different from that of the previous “compressed industrialization” era. As a result, Foreign Direct Investment in South Korea increased multifold in 2016. Korean firms were able to assimilate imported embodied technology so rapidly that they managed to achieve subsequent expansion while upgrading industrial structure to emerge as global brands like Samsung, Hyundai and LG. Korea moved from an

agrarian economy to a mature economy in just three decades. Ersahin: “This model of economic uplift is what inspires other IPAs” and therefore, the investment promotion example set by Korea shows us that aftercare and follow-up service delivery matters just as much as initial investment attraction. According to Ismail Ersahin “It is helping to create, together with its consultative partners, a new narrative for FDI promotion.” As the WAIPA Deputy CEO elaborated, WAIPA envisions a more empowered measured of Investment Promotion Agency network around the world for FDI growth and development. And therefore, Ersahin stressed “We proudly have KOTRA in WAIPA’s board which forms a perfect example for other IPAs to get inspired by. I believe KOTRA represents the reason why IPAs are important for countries if they want to succeed in promoting trade and investment.”

“ IEDC ANNUAL CONFERENCE ”

Cleveland, Ohio, September 27, 2016

Cleveland, Ohio, on September 27 WAIPA CEO Bostjan Skalar delivered a speech in the plenary Future Economic Development Panel. He addressed the need to propel sustainable FDI to reach SDG's. Quality FDI is needed to contribute to economic development that will bring wellbeing to people. Bostjan Skalar: "We are aware that FDI triggers technology spillovers, assists human capital formation, contributes to international trade integration, helps create a more competitive business environment and enhances enterprise development. All of these contribute to higher economic growth, which is the most potent

tool for alleviating poverty in developing countries. And, more importantly, beyond the strictly economic benefits, FDI may help improve environmental and social conditions in the host country by, for example, transferring "cleaner" technologies and leading to more socially responsible corporate policies." Skalar pointed out that FDI has the potential to bring social and environmental benefits to host economies through the dissemination of good practices and technologies within MNEs, and through their subsequent spillovers to domestic enterprises.





politiques pour la
croissance inclusive et
l'intégration
économique de la
région MENA
Conférence ministérielle
4-3 octobre 2016 – Tunis, Tunisie

نمو
اقتصادي
رق
إفريقيا
س

“ MENA OECD MINISTERIAL CONFERENCE ” COMPETITIVENESS FORUM

Tunis, Tunisia, October 3, 2016

Ministers, OECD and EU officials, business representatives and investment promotion agencies discussed competitiveness of the Middle East and North Africa region during the Competitiveness Forum. WAIPA CEO Bostjan Skalar stressed that the public and private sector need to work together to achieve sustainable development goals. That is why WAIPA strives to develop and promote an investment Esperanto to improve public-private sector

understanding. Skalar: “International organizations should consult the private sector more when formulating investment policy recommendations. Investment Promotion Agencies are the gateway to their countries and when they work together they are even stronger. WAIPA believes in the regional approach because countries profit when their region is flourishing.

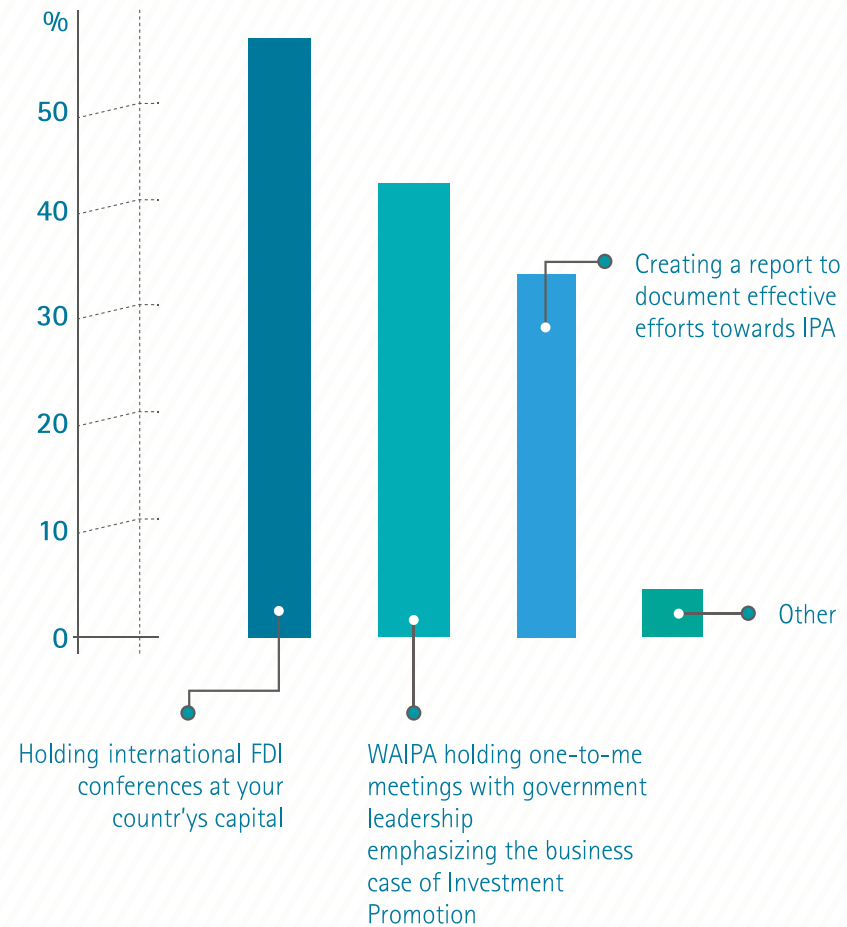
SURVEY RESULTS

At the cornerstone of boosting FDI globally and analysing its triggers lies understanding how Investment Agencies organise and perceive investment promotion.

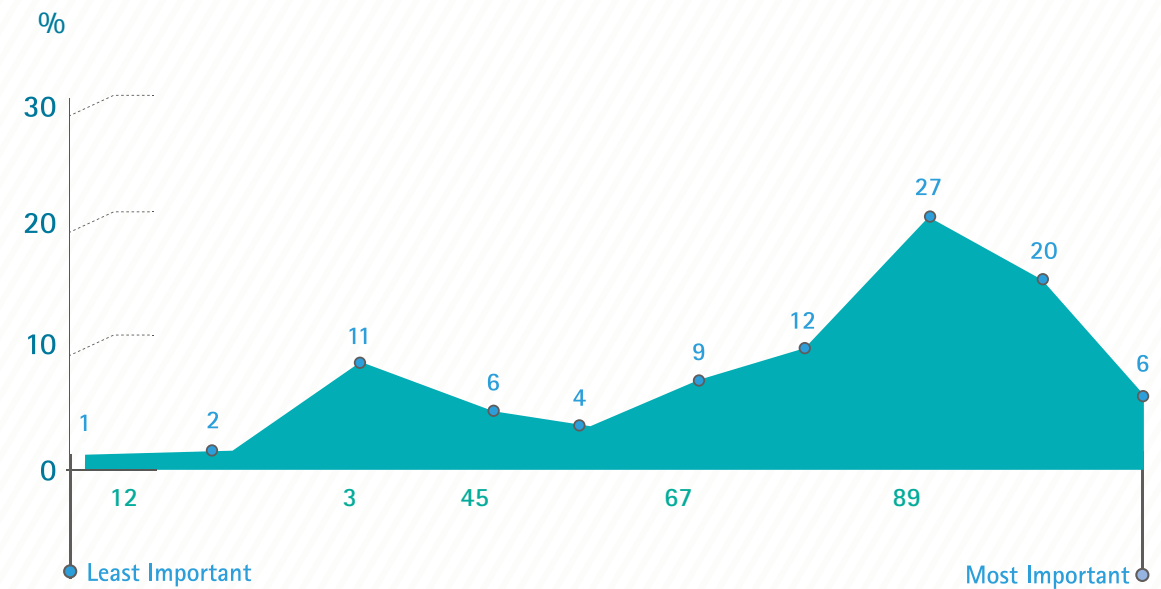
This survey was launched early this year and polled over 90 agencies on numerous aspects of FDI promotion. The full spectrum was analyzed from investor assessment to after care services. The findings give us deep insight into what IPAs need and what their strengths and weaknesses are. Above all they give us a peek into the maturity of the investment promotion industry as a whole.

We hope this key data will provide you the data you need to improve your services and take your agency to the next level of excellence.

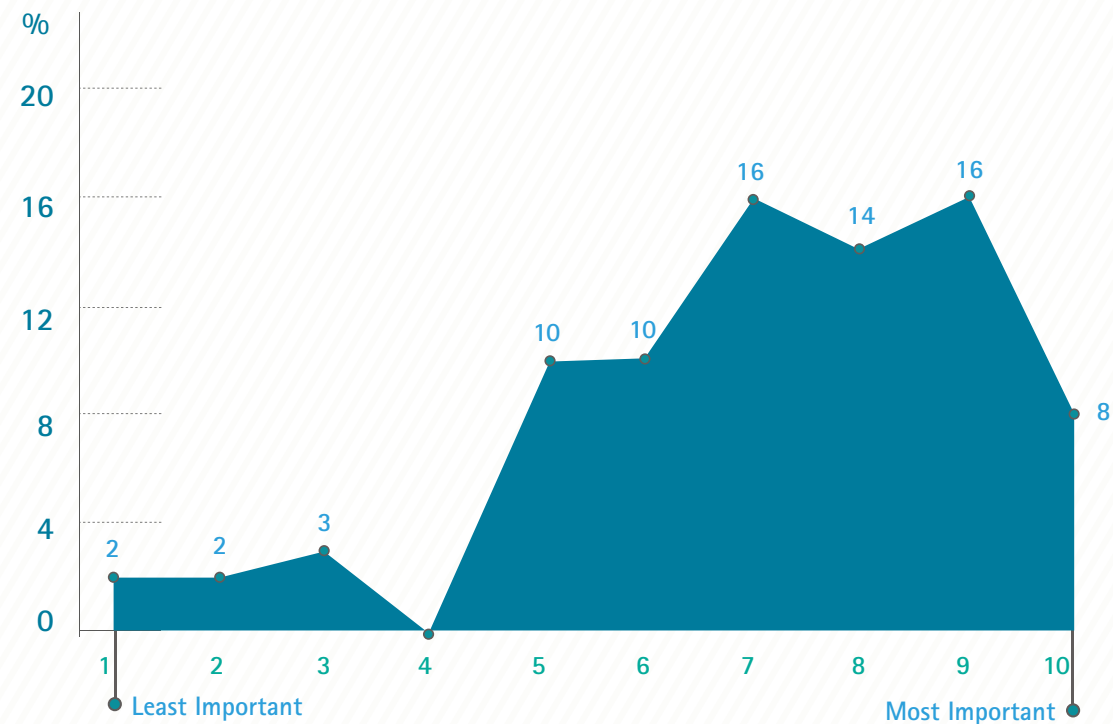
TO HELP YOR IPA WITH INTERNAL GOVERNMENT ADVOCACY, WHAT TACTICS WOULD YOU LIKE TO EMPLOY?



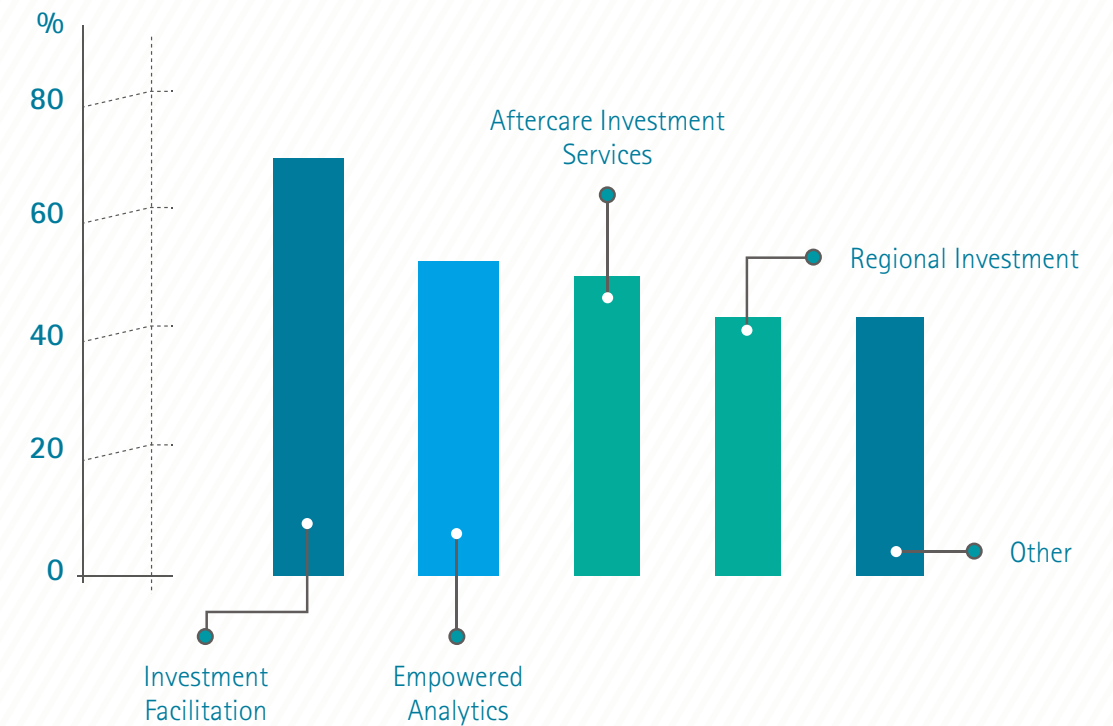
HOW IMPORTANT IS THE ADVOCACY WORK THAT WAIPA DOES FOR IPAS ON A SCALE 1-10?



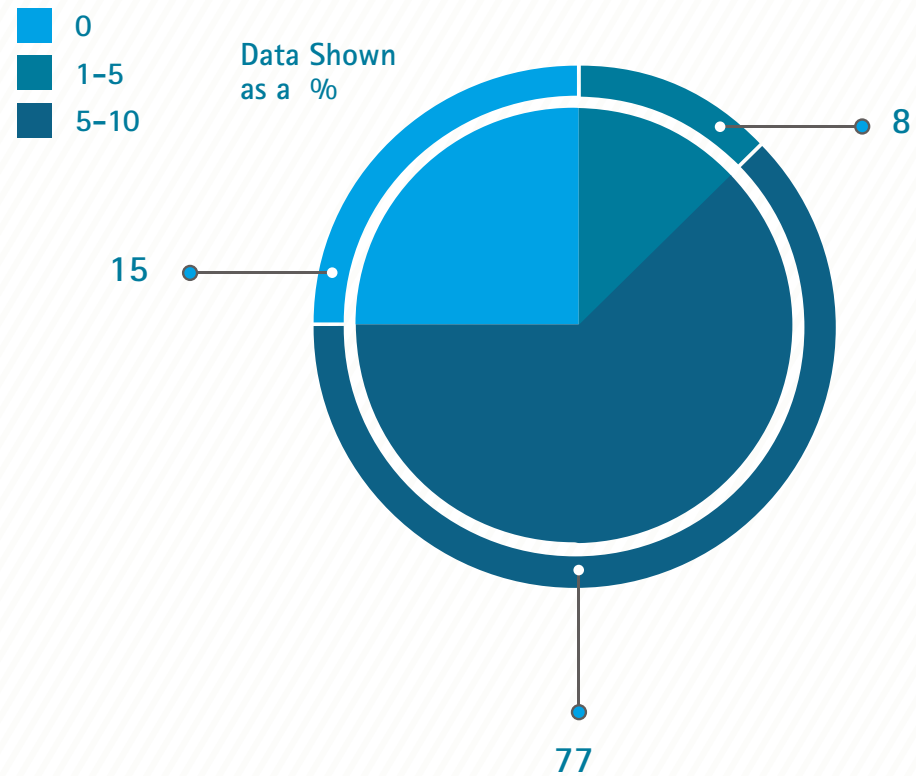
HOW MUCH INTERNAL SUPPORT DO YOU GET FROM YOUR GOVERNMENT IN TERMS OF INVESTMENT PROMOTION?



IN WHICH OF THESE TRAINING PROGRAMS WOULD YOU BE MOST INTERESTED TO PARTICIPATE?

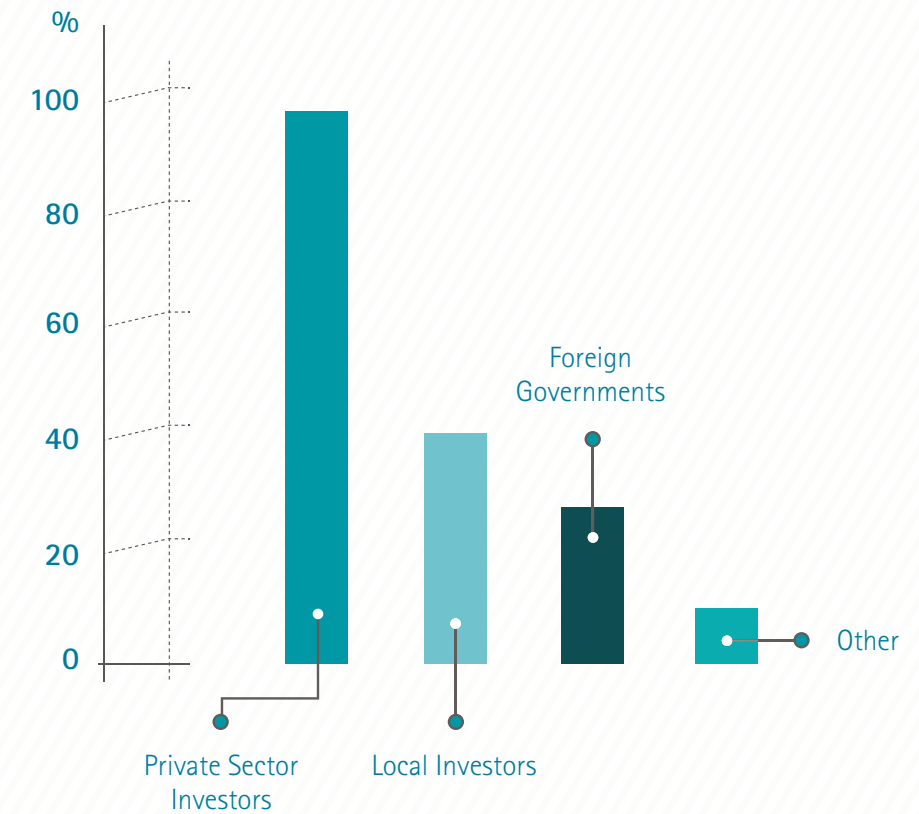


HOW OFTEN DO YOU PARTICIPATE IN TRAININGS/ CAPACITY BUILDING PROGRAMS IN YOUR OWN COUNTRY IN A YEAR?



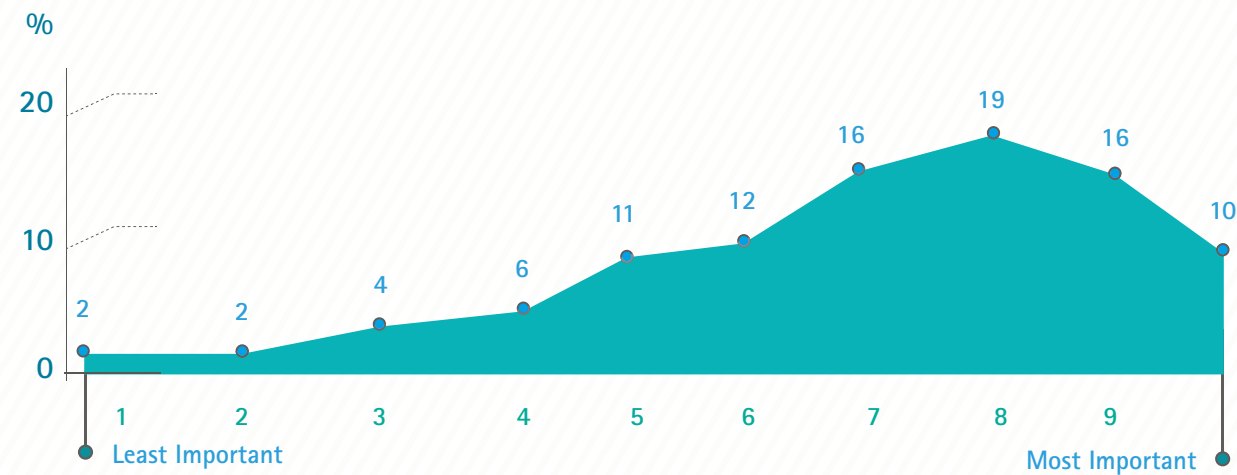
70

WHAT AREAS WOULD YOU LIKE MOST TO CREATE LINKAGES WITH?

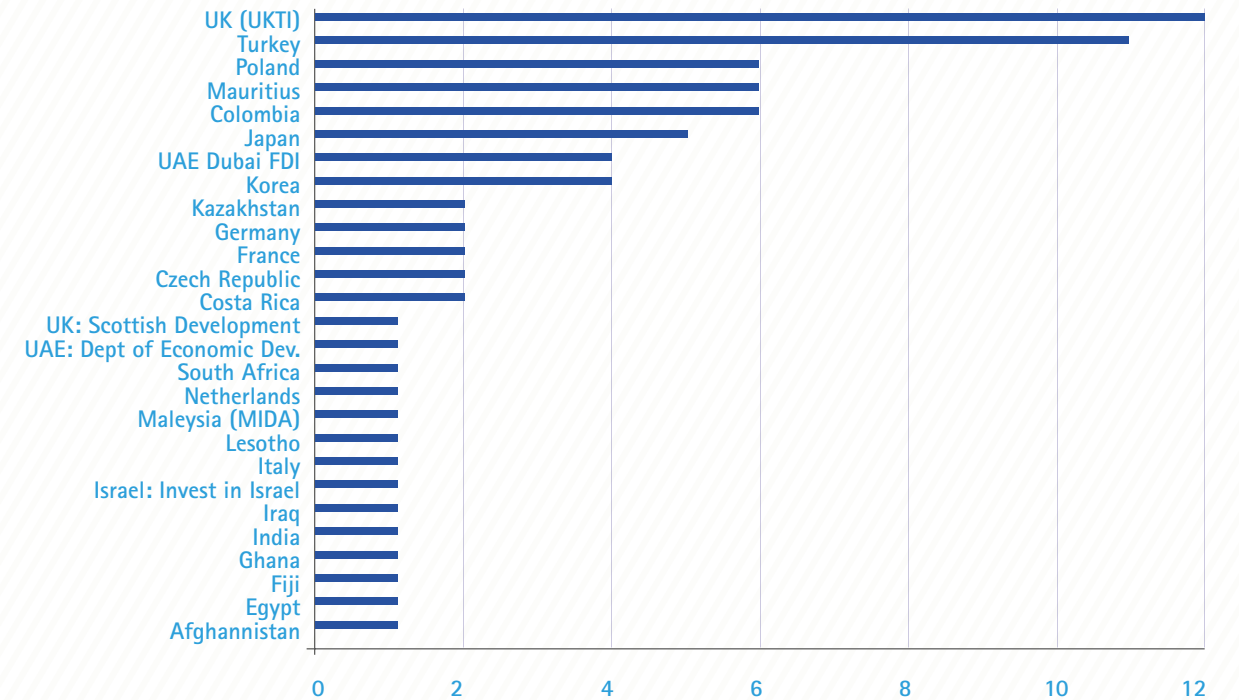


71

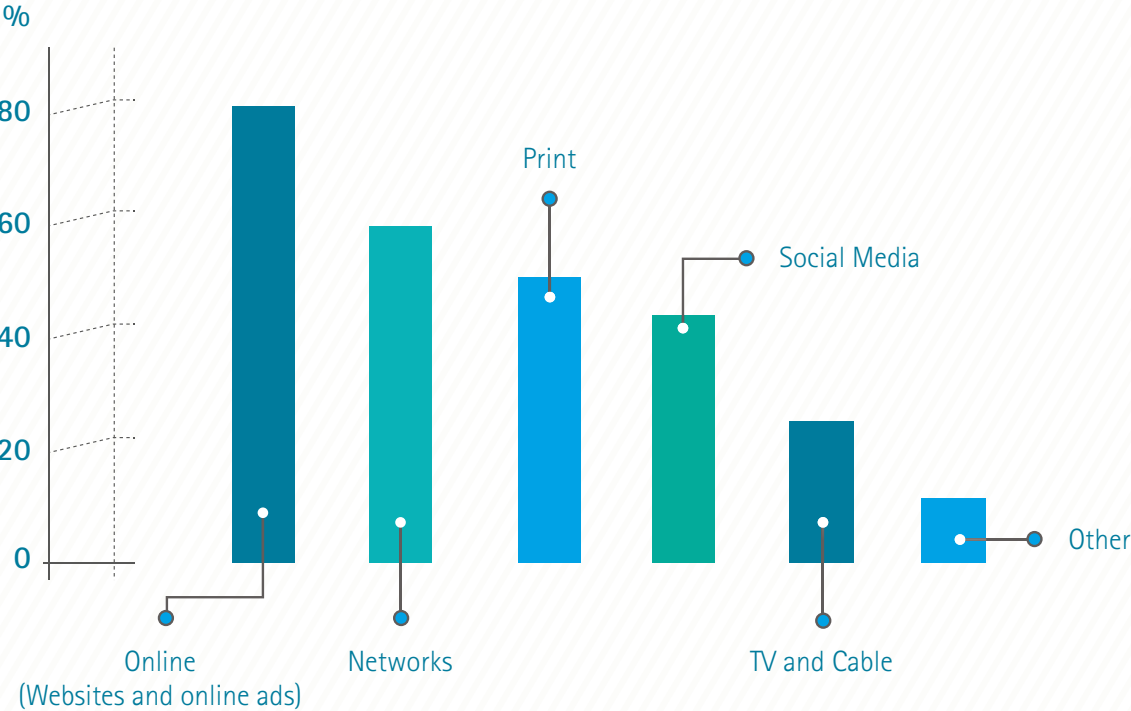
HOW USEFUL DO YOU FIND WORLD INVESTMENT CONFERENCES FOR NETWORKING AND LINKAGES ON A SCALE OF 1-10?



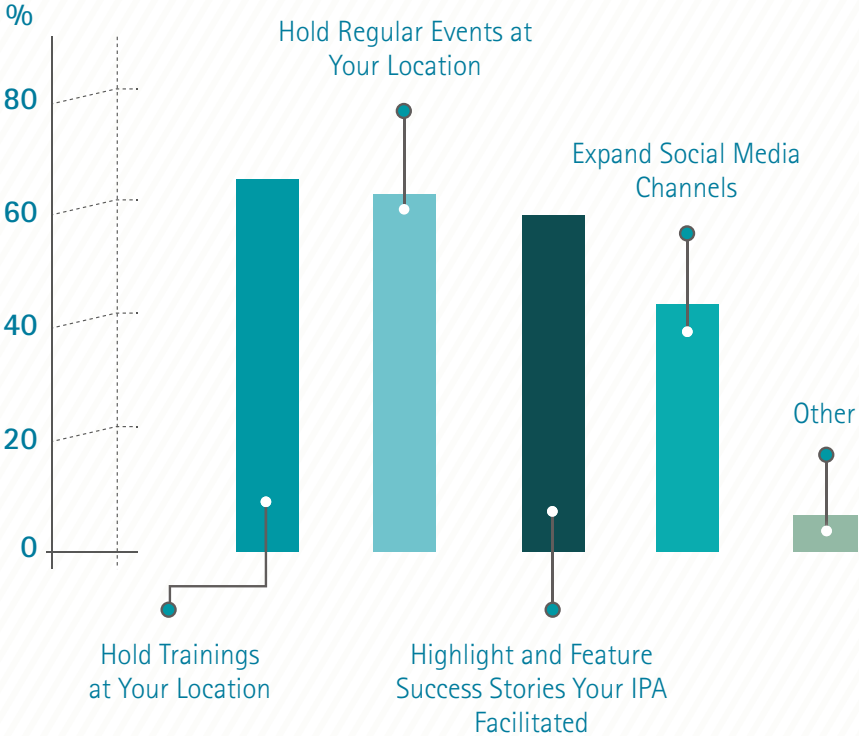
WHICH IPA, OTHER THAN YOUR OWN, DO YOU FEEL IS MOST SOPHISTICATED AND ADVANCED IN ITS INVESTMENT PROMOTION ACTIVITIES?



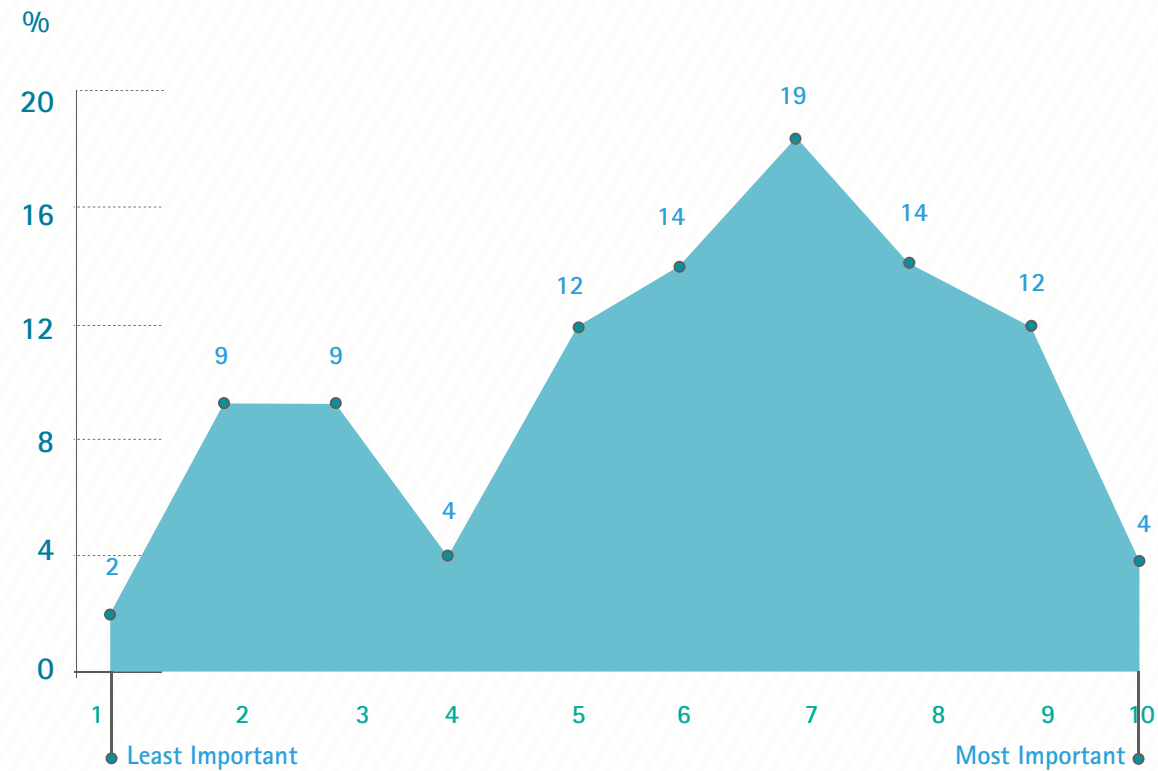
WHAT COMMUNICATION MEDIUMS DO YOU MOSTLY
RELY ON MOST TO GET THE WORD OUT ABOUT THE
ATTRACTIVENESS OF YOUR
COUNTRY OR REGION?



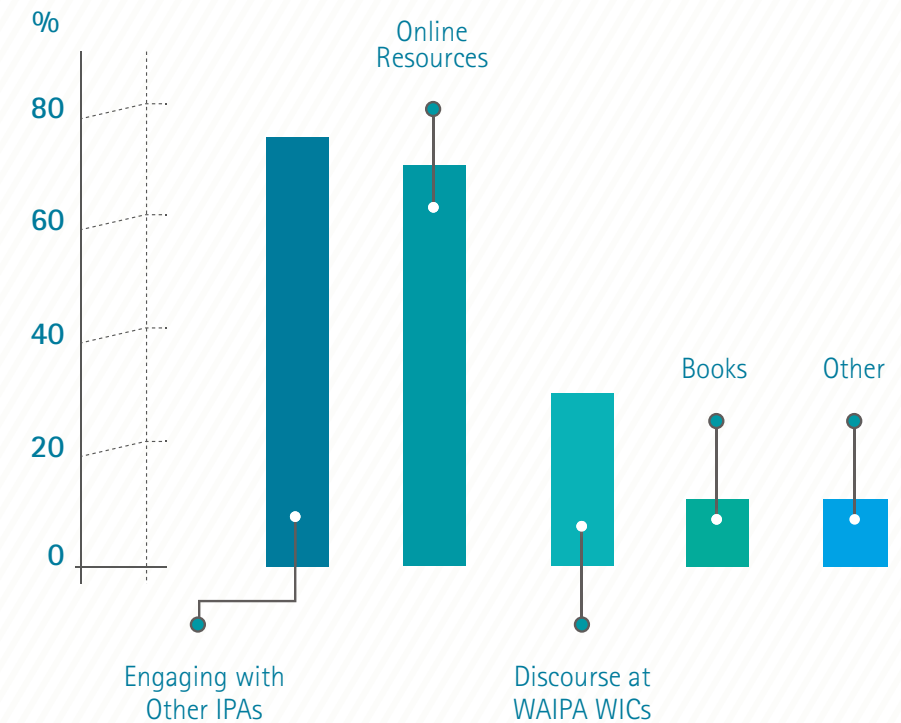
WHAT ASSISTANCE CAN WAIPA PROVIDE TO HELP
YOU MARKET/BRAND YOUR DESTINATION?



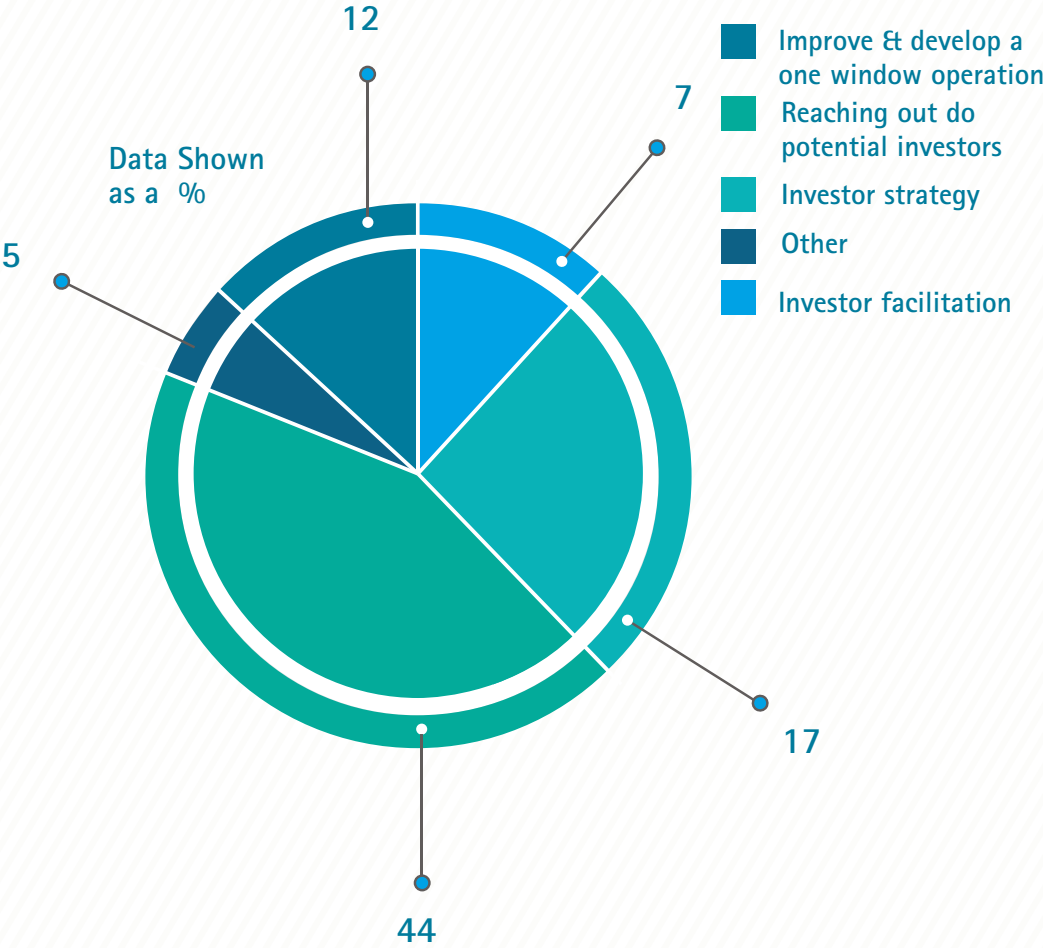
HOW WOULD YOU RATE WAIPA'S COMMUNICATIONS EFFORTS ON A SCALE OF 1-10?



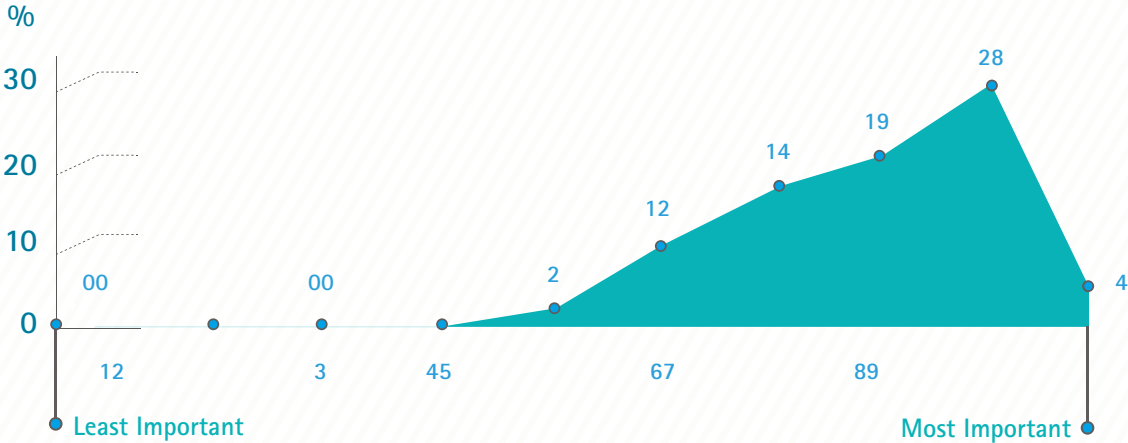
WHAT IS YOUR KEY SOURCE OF LEARNING BEST PRACTICES PERTAINING TO INVESTMENT PROMOTION?



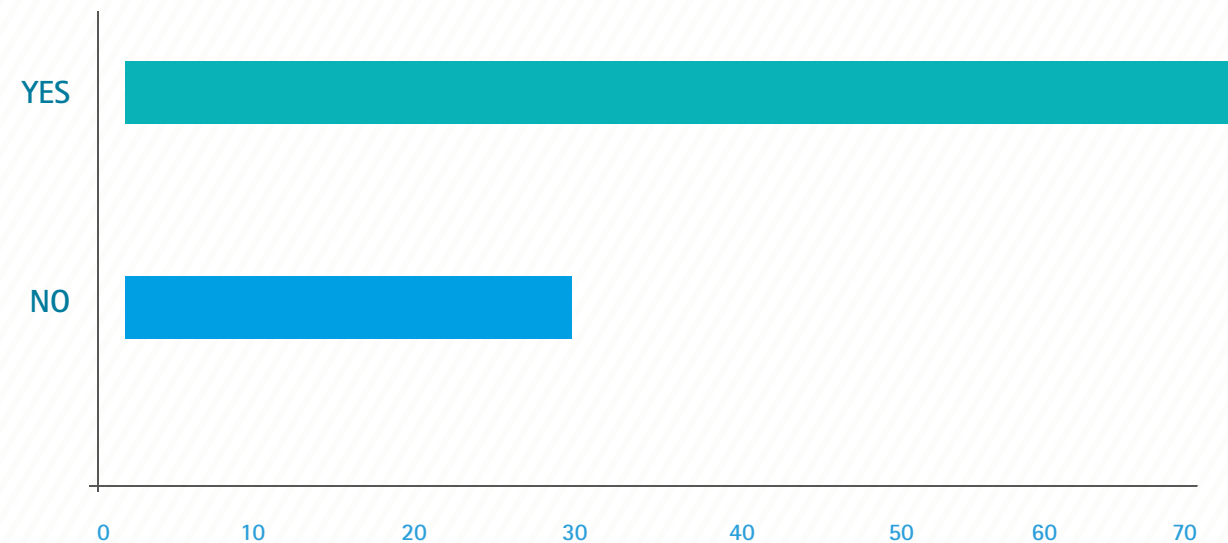
WHAT PART OF THE INVESTMENT PROMOTION
PROCESS DO YOU MOST NEED TO KNOW BEST
PRACTICES OF?



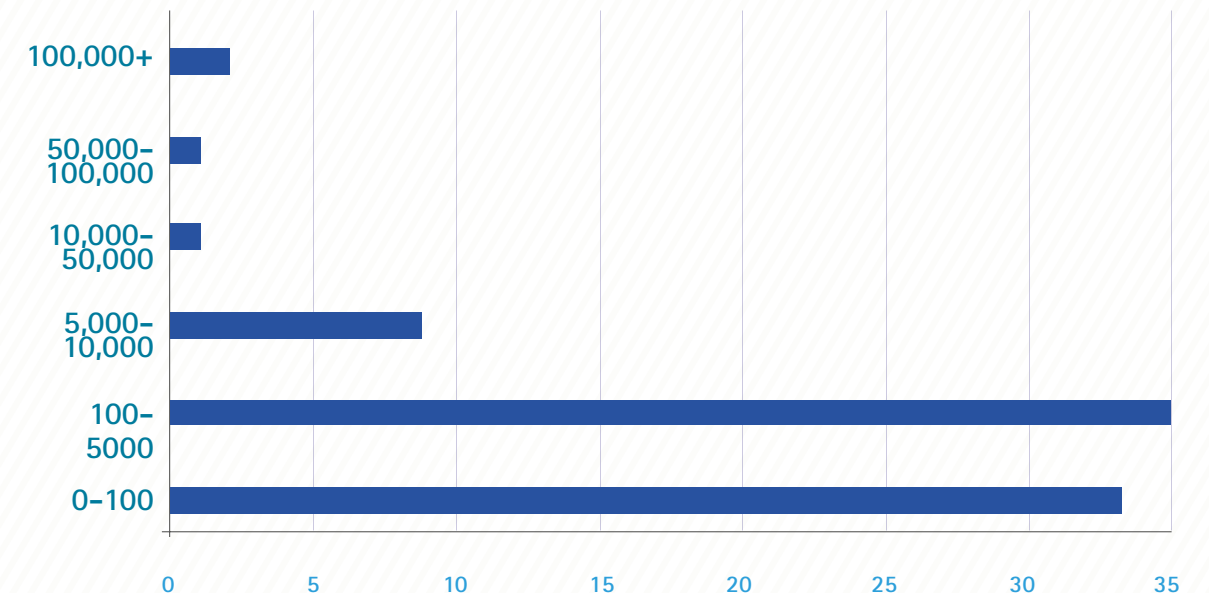
HOW IMPORTANT DO YOU RATE THE
ADOPTION OF BEST PRACTICES TO EFFECTIVE
IMPLEMENTATION OF INVESTMENT PROMOTION
ON A SCALE OF 1-10?



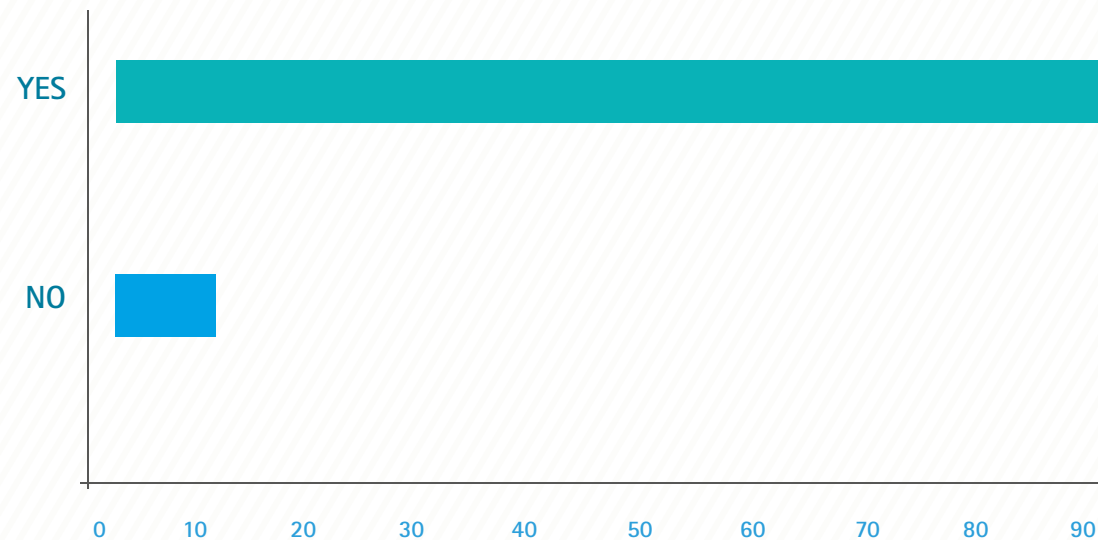
DO YOU OR YOUR GOVERNMENT MAINTAIN A PRIVATE SECTOR DATABASE WITH UPDATED CONTACT INFORMATION?



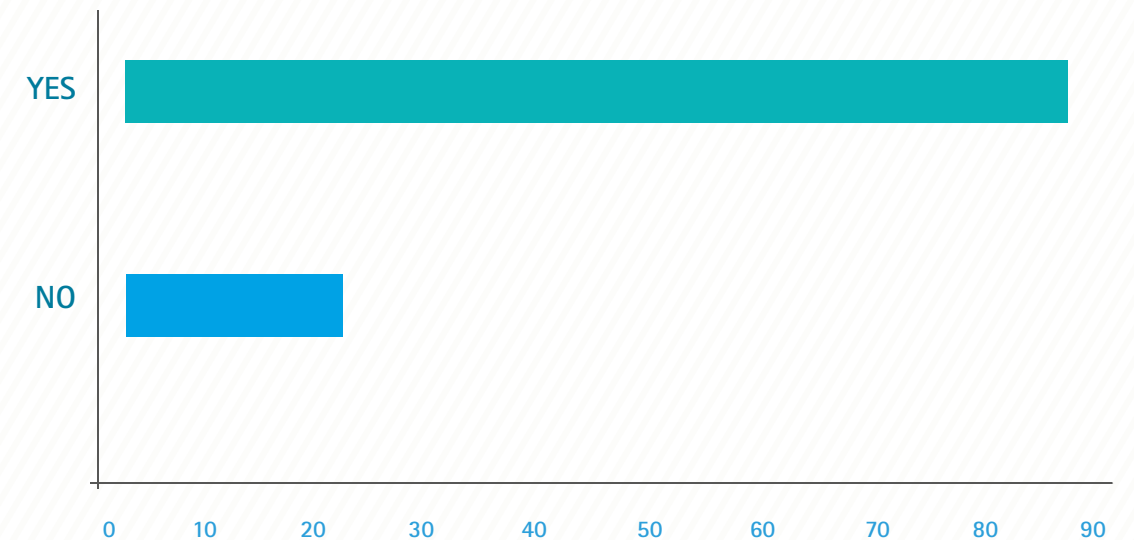
WHAT IS THE SIZE OF YOUR IPA'S DATABASE OF CONTACTS THAT HAVE A TURNOVER OF OVER USD 5 MILLION OR MORE?



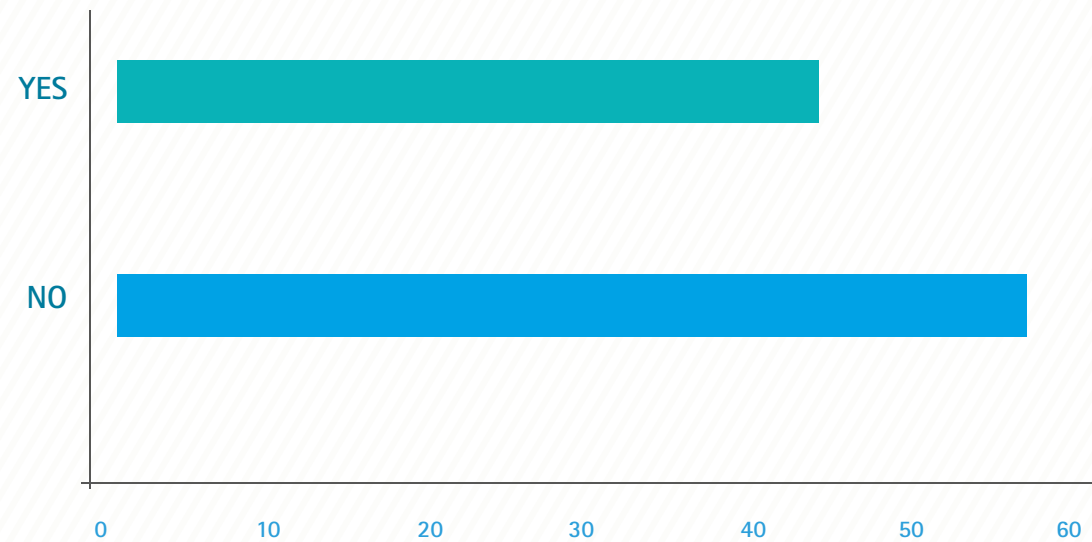
**WOULD YOU LIKE WAIPA TO SHARE WITH YOU
AN INVESTOR DATABASE FOR FACILITATION/
LINKAGES PURPOSES?**



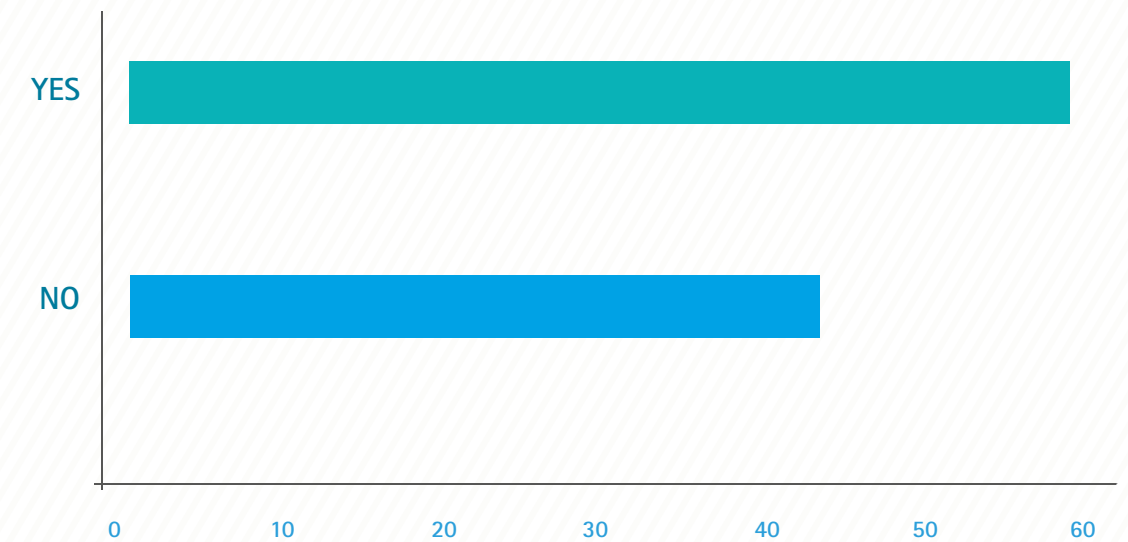
**DO YOU HAVE ANY INVESTOR INFORMATION
THAT YOU COLLECT FOR ANALYSIS ON SERVICE/
PERFORMANCE OR OTHER NEED?**



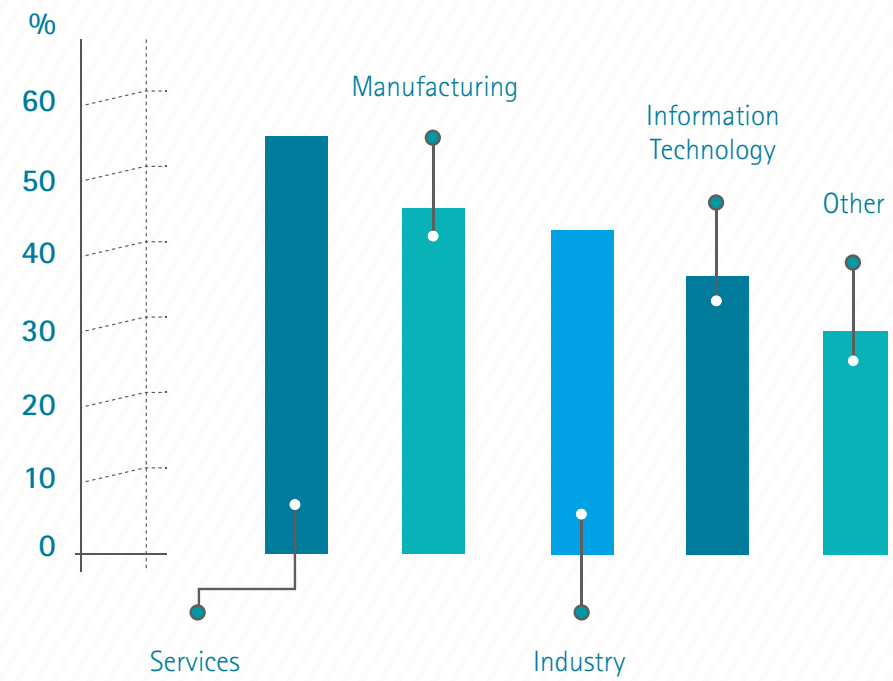
DO YOU USE ANY SOFTWARE FOR DATA COLLATION/ANALYSIS?



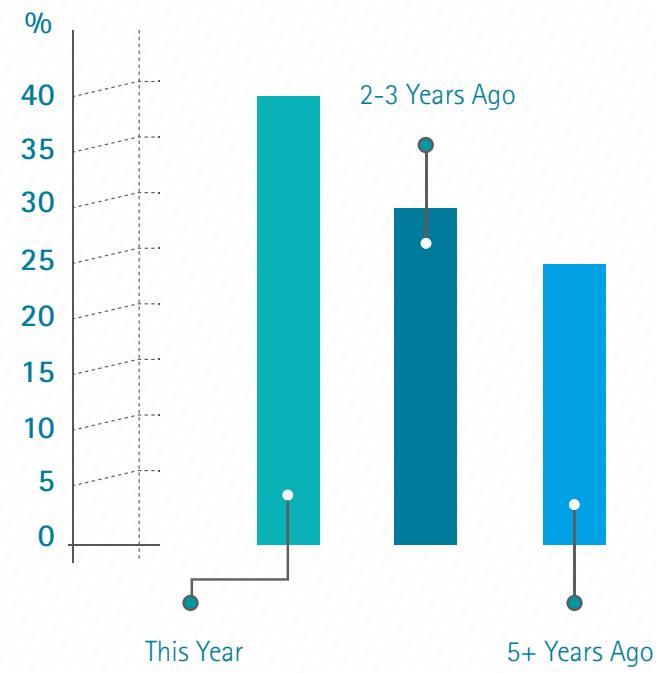
WOULD YOU BE WILLING TO SHARE THAT DATA WITH WAIPA?



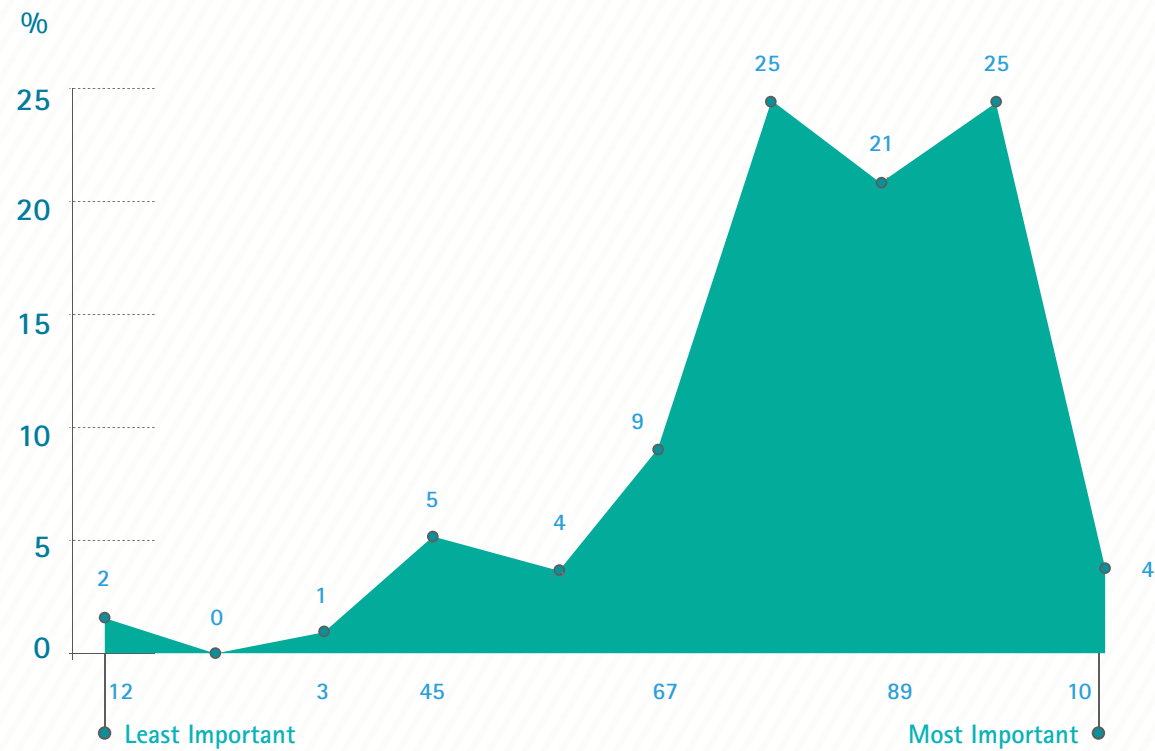
WHAT ARE YOUR BEST PERFORMING SECTORS



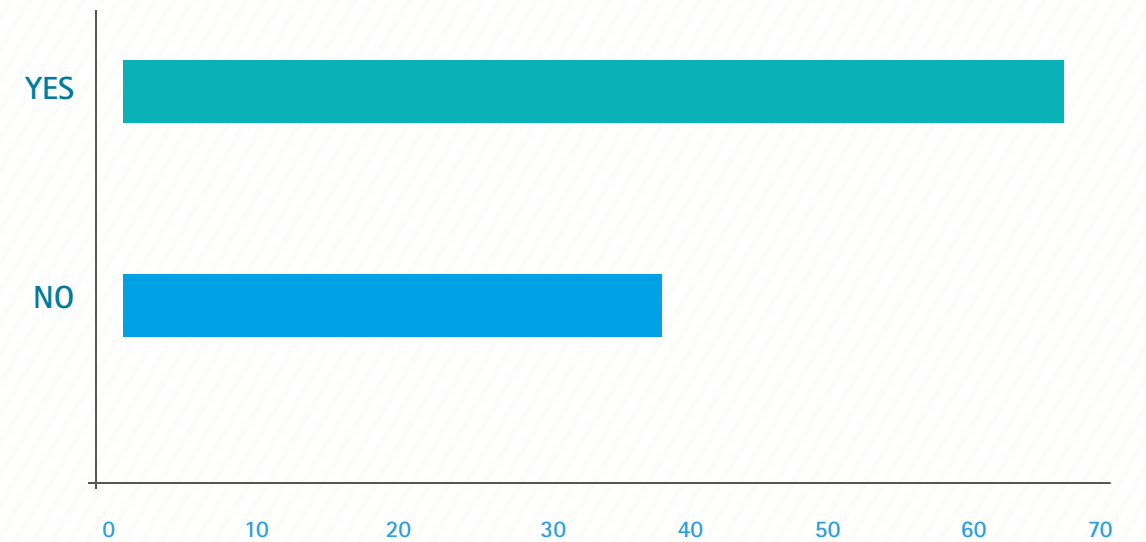
WHEN WAS THE LAST FDI REGIONAL/ INTERNATIONAL EVENT HELD WITH YOU AS A HOST/CO-HOST?



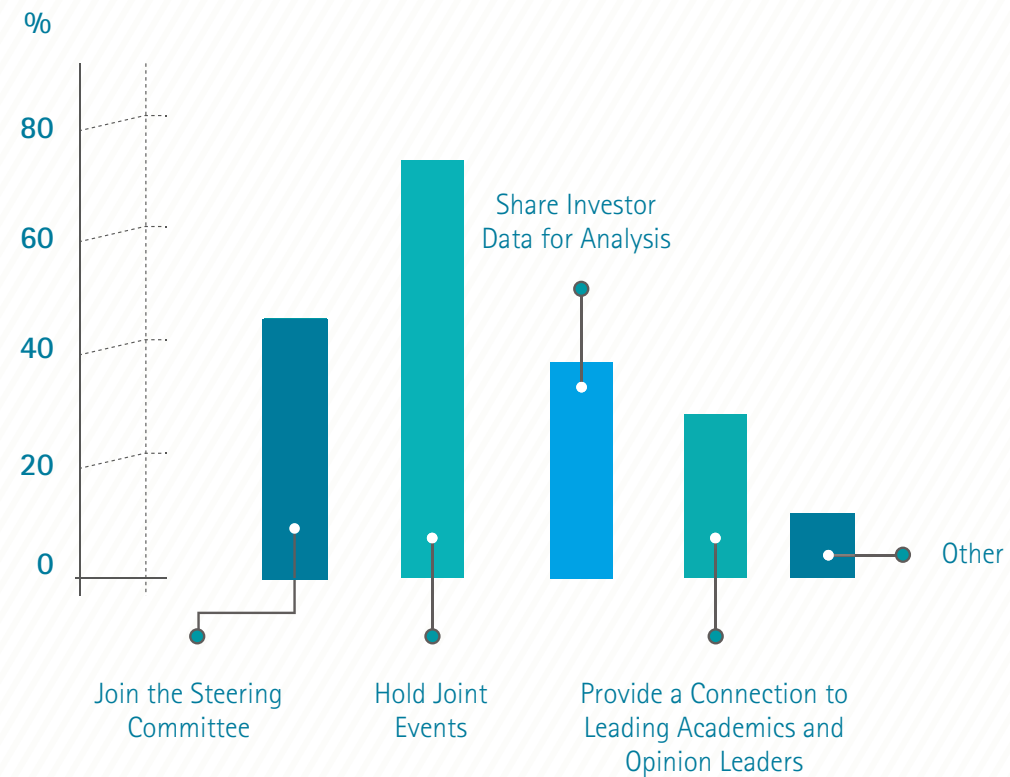
HOW EFFECTIVE DO YOU FIND REGIONAL EVENTS/ CONFERENCES TO SUPPORT INVESTMENT PROMOTION ON A SCALE OF 1-10?



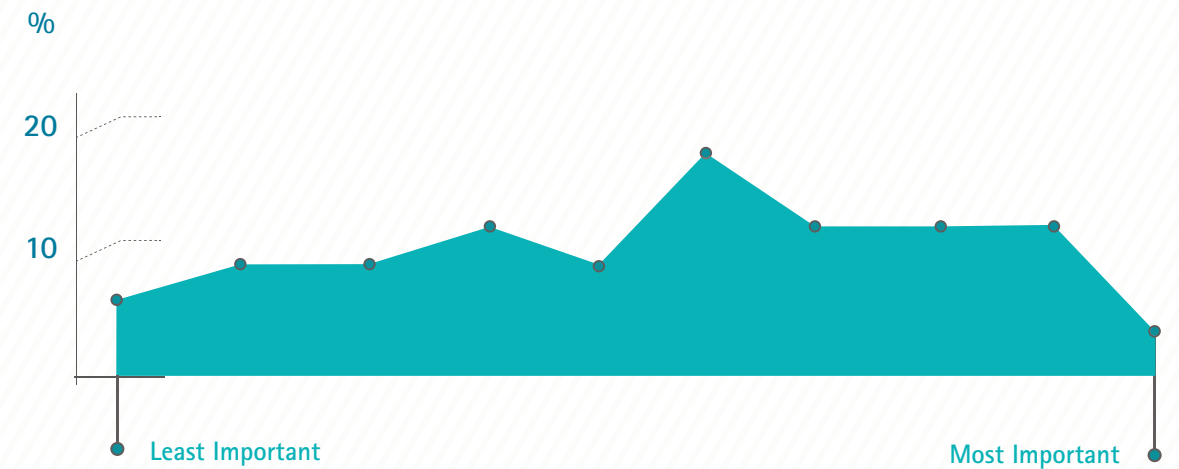
DO YOU HAVE POST-EVENT PROCESSES IN PLACE TO CAPITALIZE ON INVESTOR CONNECTIONS THROUGH EFFECTIVE FOLLOW-UP?



WHAT WOULD BE THE BEST WAY THAT YOU COULD CONTRIBUTE TO MAKE WAIPA A MORE EFFECTIVE INTERNATIONAL ORGANIZATION?



HOW EFFECTIVE DO YOU RATE YOUR CONTRIBUTION/PARTICIPATION IN WAIPA FROM 1-10?





LEADERSHIP VISION



Rufat Mammadov
CEO of AzPromo
Vice President of WAIPA

The years of 2015–2016 revealed complex trends in the global economy. Whilst levels of the flow of foreign direct investment have recovered to their pre-2008 crisis levels, to US\$1.76 Trillion, this recovery has been uneven. The source countries and destinations for this FDI have been uneven, and in certain types of FDI, such as mergers and acquisitions have dominated. This has increased attention on policies and strategies for economic diversification, amongst WAIPA members, particularly resource-based economies. As we enter 2017, IPAs need to adapt to this complexity, with smarter and more efficient ways to attract FDI, within an era of tight resources, and high expectations from our political leaders and people. Investment facilitation will play a crucial role in competing for new investors and retaining existing ones. In my region, IPAs face challenges and opportunities to promote the attraction of FDI into the non-oil sectors, such as industry, food processing, and high technologies.

The companies in these sectors have tailored motives to invest a country. They are looking for new markets, or new technologies for product development. For economic diversification to progress, WAIPA members in resource-based economies need to focus their attention on attracting greater levels of 'Market-seeking FDI' to encourage import substitution, and 'Technology Seeking FDI' to encourage the transference of new ideas and technical know-how. This requires members to adopt more tailored, and targeted approaches. We also need to become more pro-active. Through co-operation and sharing of information, WAIPA plays a key role to provide independent and credible advice to inform new policies that are required to create an attractive business environment, to develop tailored 'value propositions', and to develop practical ways to approach potential investors. Whilst 2015–2016 was a year of uneven growth, WAIPA can play a role to ensure the growth of FDI in 2017, is distributed more evenly.



Borisbiy Zhangurazov
CEO Kaznex
WAIPA Regional Directorship of Central Asia

On behalf of National Export and Investment Agency "KAZNEX INVEST" JSC I would like to compliment our multinational WAIPA family. We consider that partnership is based on the symbiotic needs of the partners and WAIPA's members and other constituents. We witness that supporting and training activities are undertaken by highly qualified partners. Let me congratulate all Members of WAIPA for all their efforts contributed to the improvement of their respective countries and peoples. The investment promotion community and WAIPA are crucial partners in UNCTAD's work. Due to WAIPA's invitation KAZNEX INVEST took participation in the 2016 UNCTAD Investment Promotion Awards Survey, where we had an opportunity to share our experience of collaboration with OECD to enhance investment promotion activity and structural reorganization. We are the main national development institute that assists Kazakhstani enterprises to develop and promote local

export and attracts foreign direct investments into the priority sectors of our economy. Kazakhstan is one of the fastest developing countries in the world, has already drawn the attention of investors worldwide. According to the E&Y survey on Kazakhstan's investment attractiveness, 57% of existing investors consider their investments as successful. WAIPA has ultimate knowledge about the challenges faced by IPAs of developing countries. We hope that in the upcoming years WAIPA will consolidate its positions as best organization that enhances the IPAs around the world, generating a wide network of the best practices in the investment promotion. KAZNEX INVEST is looking forward to strengthening an ongoing partnership with WAIPA, aiming to reach sustainable development goals and raise economy of Kazakhstan. Let me express my gratitude to the WAIPA for the opportunity to cooperate and network with all Investment Promotion Agencies around the world.



Essis Esmel Emmanuel

CEO CEPICI (Centre de Promotion des Investissements en Cote d'Ivoire)
WAIPA Regional Directorship of Sub-Saharan Africa

I've had the honor of representing Sub Saharan Africa's 48 countries for WAIPA since June 15, 2015. These countries rank among the most dynamic economies of the World. The potential market is equally as promising, with an average growth rate of 4.5 % for the 5 past years (ref. World Bank) consisting of 950 million inhabitants in 2014, and projected to increase to 1.5 billion in 2050. However, despite these encouraging developments, Sub-Saharan Africa continues to face major challenges. In spite of the region's profitable endowment in energy, mining and raw material, these countries lack competitiveness on the global market due to the low level of transformation of natural resources. In addition, FDI directed to Sub-Saharan African region is low, and has a tendency to stagnate. This situation is in part related to Investment Promotion Agencies and their low capacity in successfully mobilizing the private sector. The CEPICI's candidacy for the position of Regional Representative of WAIPA for Sub-Saharan Africa was

motivated by the fact that Investment Promotion Agencies cannot progress single-handedly and produce satisfactory results. Indeed, IPAs need to unite to successfully fulfill their mission. Thanks to the platform that WAIPA offers, solutions for business environment improvement and FDI attraction in Sub Saharan Africa can be developed through integration and concertation. WAIPA's commitment in repositioning our regional IPAs in the global value chains, is tremendous. This year, WAIPA co-organized several meetings to promote Africa's regions in order to showcase business opportunities in the continent. WAIPA continuously empowers Investment promotion agencies with Investment tools and systems, as well as skills and technology transfer within Investment Promotion Agencies. Furthermore, WAIPA's plays an important role of advocacy for IPA's better institutional anchoring. Together, let's move toward the fourth generation investment promotion Agency.



Francisco N. González Díaz

CEO of ProMéxico
WAIPA Regional Directorship of North America

On behalf of ProMéxico, it is with great satisfaction that we are heading into our tenth anniversary of WAIPA membership. We have been part of this fine institution since our foundation as the agency of the Mexican Government responsible for the strengthening Mexico's participation in the international economy, supporting Mexican firms and attracting foreign direct investment. We were also elected for the third time consecutively as Regional Director for the chapter of North America within the Steering Committee and last year renovated our interest in continuing with this trend and distinction. In recent times, we have seen first handedly how economic uncertainty has had an effect on policy, yet firmly believe that confining our economies would mean worsening conditions for all. This is why this year, as head of the North American region, we call upon the WAIPA membership to double our efforts in the decisive promotion of trade and investment as engines for growth. We must ensure investment flows continue to lead the

way towards development, and innovation is the key to achieve this goal. Last July in Nairobi, we concluded with our fellow WAIPA members that promoting investment in new technologies for development should be one of our national priorities. We must foster the use of disruptive technologies to pave the way for a smooth transition towards better automation and data exchange in manufacturing technologies all across the globe and benefit from Industry 4.0. This way, interconnection will be enhanced all along the value chains, where more small and medium companies can be inserted with multinationals, and trade and investment will become reinvigorated. We are sure that, in close collaboration with our fellow Steering Committee members, we will succeed in bringing our efforts together and ensuring the flow of investments. Finally, I wish WAIPA a very successful World Investment Conference '16 in Turkey and confirm the commitment of ProMéxico to work hand in hand in our common endeavor.



Amena Cheema

CEO, Punjab Board of Investment and Trade Lahore, Pakistan
WAIPA Regional Directorship of South Asia

Punjab Board of Investment and Trade (PBIT), the premier investment promotion agency of the most populous province of Pakistan, takes great pride in its close, long and productive association with World Association of Investment Promotion Agencies (WAIPA). As an active member of the Steering Committee of WAIPA, PBIT has both contributed as well as significantly benefitted from the best practices in investment promotion advocated by WAIPA. Over the years, WAIPA has emerged as an excellent forum for global networking and exchange of information, policies and strategies for effective investment promotion. Our association with WAIPA has been instrumental in developing new and innovative methodologies, for investment promotion and creating an effective and result oriented interface between foreign entrepreneurs and the Pakistani private sector. We in PBIT take special pride in the fact that the province of Punjab that accounts for approximately 60% of Pakistan's GDP, has become a veritable engine of growth and sustainable and inclusive development, becoming an example for the rest of the country to emulate. In recent years, PBIT has successfully harnessed substantial foreign direct investment and played a pivotal role in forging mutually beneficial cooperation with a large number of foreign conglomerates from a number of

friendly countries in important sectors like energy, infrastructure, textiles, agriculture and livestock, light engineering, public transport and mass transit, telecom and social sectors like health, education and provision of clean drinking water and municipal services. PBIT has also remained actively engaged in policy advocacy, development of Industrial and Special Economic Zones as well as investor facilitation and after care. Thanks to the wide-ranging projects envisaged within the framework of China Pakistan Economic Corridor (CPEC), Pakistan is well on course to becoming one of the fastest growing emerging markets in the world. PBIT commends WAIPA's contributions and its ongoing initiatives. The 'Workshop on Investment Promotion' co- organized by UNCTAD and WAIPA, after the launch of the World Investment Forum 2016 in Nairobi, in July this year, was particularly rewarding. I take this opportunity to wish great success to the WAIPA's upcoming World Investment Conference to be held in Istanbul in October, 2016. We have no doubt that this conference will greatly benefit member agencies in adopting best investment promotion practices to optimize FDI in their respective countries. PBIT looks forward to ever closer association with WAIPA as well as with investment promotion agencies of its member countries.

WAIPA APPOINTS NEW EXECUTIVE DIRECTOR

Mr. Skalar is a Slovenia-based expert in Investment Promotion and previously held the position of a senior counsellor at Ministry of Economic Development and Technology, Slovenia. Before that, he was the Director of Public Agency for Entrepreneurship, FDI and Tourism SPIRIT Slovenia. He is said to have led the country through a period of investment and growth. Mr. Skalar has studied Science of Economy in the University of Maribor. WAIPA looks forward to Mr. Skalar's leadership and over 20 years' experience to lead IPAs towards a more defined success in attracting FDI in their respective regions.



BOSTJAN SKALAR
Executive Director
CEO

FINANCIAL STATEMENTS

“ WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES ”

Geneva, 31.12.2015

REPORT OF THE STATUTORY AUDITOR ON THE LIMITED STATUTORY EXAMINATION TO THE GENERAL ASSEMBLY OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of the World Association of Investment Promotion Agencies, Geneva, for the financial year ended December 31.2015.

These financial statements are the responsibility of the Steering Committee. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law. An employee of our company assisted in the bookkeeping during the reporting year. This individual was not involved in the limited statutory examination.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements, disclosing accumulated reserves of **USD 514'983**, do not comply with Swiss law and the association's statutes.

Yours faithfully,
HORWATH BERNEY SA



Sebastien BRON
Licensed Audit Expert



Philippe JOERG
Licensed Audit Expert
Auditor in Charge

Enclosure: Financial Statements
(Balance sheet, income statement, notes)

“ BALANCE SHEET AS OF ”

31.12.2015

	Note:	31.12.2015 USD	31.12.2014 USD
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents	3	630'844	618'178
Prepaid expenses		3'447	4'758
TOTAL CURRENT ASSETS		634'291	622'936
TOTAL ASSETS		634'291	622'936
<u>LIABILITIES AND RESERVES</u>			
Short Term Liabilites			
Provisions		22'115	22'115
Dubai restricted funds	6	60'047	60'047
Accured liabilites		37'146	34'288
TOTAL SHORT TERM LIABILITIES		119'308	116'450
<u>RESERVES</u>			
Accumulated reserves		514'983	506'486
TOTAL RESERVES		514'983	506'486
TOTAL LIABILITIES AND RESERVES		634'291	622'936

“ INCOME STATEMENT FOR THE YEAR ENDED ”

31.12.2015

	Note:	2015 USD	2014 USD
OPERATING REVENUES			
Membership fees		326'384	443'657
Participation conference WIC 2014-2015	7	800'000	699'980
Financial revenues		-	201
Other income		-	1'407
TOTAL OPERATING REVENUES		1'126'384	1'145'245
OPERATING EXPENSES			
Staff salaries and related costs		(277'533)	(477'898)
Annual Conference costs		(595'388)	(670'797)
Regional meetings and workshops expenses		-	(92'543)
Steering committee expenses		-	(49'831)
Office and staff travel expenses		(35'071)	(37'157)
Human resources consulting expenses		(151'312)	-
Rental expenses	5	(21'016)	(31'105)
Other expenses		(18'095)	(24'046)
Exchange loss		(14'362)	(65'891)
Bank charges		(5'111)	(1'280)
TOTAL OPERATING EXPENSES		(1'117'888)	(1'450'548)
SURPLUS (DEFICIT) FOR THE YEAR		(8'497)	(305'303)

“ NOTES TO THE FINANCIAL STATEMENTS AS OF ”

31.12.2015

INTRODUCTION

The World Association of Investment Promotion Agencies (hereinafter « WAIPA ») is a Swiss association, established in 1995 and registered as a non-governmental organization in Geneva, Switzerland. WAIPA acts as a forum for investment promotion agencies to provide networking opportunities and facilitate the exchange of best practices in investment promotion and capacity-building. WAIPA has no capital. On an annual average basis, the number of full time positions did not exceed 10 employees in 2015 (2014: < 10).

ACCOUNTING PRINCIPLES

The present annual accounts of WAIPA have been prepared in accordance with the regulations of Swiss financial reporting law. The new regulations of Swiss financial reporting law were adopted in 2015 for the first time by WAIPA. The comparative figures for 2014 have not been restated.

The main accounting and valuation principles used, which are not already specified by the Code of Obligations, are described as follows:

Revenue Recognition

Membership fees and conference related fees are recorded on an accrual basis. Membership fees and conference fees not collected at the time of the preparation of the financial statements are not accrued for. Other revenues such as grants and financial revenues are recorded on an accrual basis. Donations are recorded on a cash basis except for donations for specific projects which are recognized as income when the related project expenses are actually incurred.

Foreign Currency

The currency in which WAIPA operates is the US dollar. Transactions in foreign currencies are converted into the currency in which the association operates at the exchange rate on the day the transaction takes place. The assets and liabilities in foreign currencies are converted into the currency in which the association operates at the exchange rate on the balance sheet date. Any profits or losses resulting from the exchange are recorded in the income statement.

	Note:	31.12.2015 USD	31.12.2014 USD
CASH AND CASH EQUIVALENTS			
The cash and cash equivalents balance consists of:			
Cash at banks on current account (inci. cash on hand)		623'430	353'534
Cash at banks on savings account		7'414	264'644
Cash and cash equivalents		630'844	618'178

In 2015, the cash at banks on savings account has been transferred to the current account.

INCOME AND CAPITAL TAXES

WAIPA does not pay any income or capital taxes as it benefits from a tax exemption, which is renewed every five years. WAIPA employees are subject to personal income tax and social charges.

RENTAL AGREEMENT

WAIPA has entered into a new rental agreement from April 1, 2015 through March 31, 2020. Under this agreement, the non-cancellable leases amount to CHF 42'942 (USD 42'985).

DUBAI RESTRICTED FUN

in 2010, WAIPA received a sponsoring income of USD 95'000 from Dubai to finance a specific project. Such project did not materialize. Part of the funds was used in 2012 for organizing an event in Dubai. The remaining funds, i.e. USD 60'047, shall be used by WAIPA for financing a future conference.

SPONSORING FUNDS

In 2015, WAIPA received a sponsoring income of USD 800'000 (2014: USD 699'800) from Invest in Turkey to finance the Annual Conference costs and the running expenses of WAIPA.

