

2017-18

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**WAIPA  
REPORT OF  
ACTIVITIES**

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# NOTES

The WAIPA Annual Report 2017-2018 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 addresses:

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# 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 IPAs.

## 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



### ARDA ERMUT

President,  
World Association of Investment  
Promotion Agencies

President,  
Investment Support and  
Promotion Agency of Turkey

We are sincerely delighted that each year our organization is becoming an increasingly important actor in the world of foreign direct investment and a true advocate for our member agencies. WAIPA in its central role is addressing its members' agenda and helping valuable participatory mechanisms take root through effective linkages. These linkages include not only our Consultative Committee members UNCTAD, UNIDO, ILO, ICC, OECD, IEDC, and the World Bank, but also numerous other valued partners. Looking back over the years at our members and partners, impressive number of achievements gives us hope for the even greater added value to come.

Our goal is straightforward. We bring together our member agencies from across the globe, engage them in improving understanding and cooperation, and offer them capacity building programs to support their FDI related works. Our reach across multi-level stakeholders and influential global institutions is the core of a network that enhances information gathering and facilitates access for global investment flows. Our aforementioned consultative committee provides us with incredible structural competency.

Moreover, contributing to a new era for FDI, our theme at the World Investment Conference 2018, is a central objective for us. Ambitious though it is, we intend to achieve it through expanding trade facilitation and investment promotion linkages as well as channeling business impacts through technology. This latter point will be particularly crucial, for we need to leverage these impacts as they will prove to be enormously beneficial for both developing and developed countries alike. The role of investment promotion agencies in this process is vital. Therefore, my ultimate leadership strategy with WAIPA has always been to empower our members with knowledge and to improve investors' access to investment promotion agencies. In short, I strive to make our association an increasingly beneficial organization and partner. In our presidency we focused particularly on the

crucial importance of capacity building. We are all aware that IPAs face increasing competition, thus, trainings and capacity building programs where we also encourage our members to share their best practices and experiences for the benefit of all our members are vital. Last year we opened our Training Center in Istanbul, and through this we reached the next level in our development, making it possible for us to provide, conduct, and manage on-site the opportunity to exchange best practices and capacity building in investment promotion. In fact, due to this development we had the honor to host a UNIDO training earlier this year as well as a World Bank Training last year. Additionally, we launched our FDI Excellence Series where we hold practical trainings that cover FDI related topics such as "Attraction", "Facilitation", and "Aftercare". Hence, the pillar of capacity building will become stronger, more concrete, and more established over the years.

Finally, I would like to use this opportunity to sincerely thank our members for the trust they put in my agency at our previous 22nd WAIPA World Investment Conference in Dubai, where they gave us the opportunity to hold the Presidency for one last, and hopefully equally successful and work-filled, term together with our members and partners.



## MESSAGE FROM THE CEO



### BOSTJAN SKALAR

Executive Director - CEO,  
World Association of Investment  
Promotion Agencies

This report presents the year we supported and strengthened investment initiatives all over the globe. The 2030 Agenda for Sustainable Development (SDG) is dependent on all entities committed to FDI, coming together to ensure both impact and results. We need to economically uplift local communities in Least Developing Nations and developing nations most of all and even economically marginalized communities in the developed world. Investment promotion brings together government, local, regional and international institutions and investment partners to work in realizing SDGs. We have created space for investment promotion activities at each level of engagement to deepen

understanding and cooperation. In achieving these objectives, it is crucial to engage all stakeholders. Therefore WAIPA had over 25 FDI and economic development related engagements this year. We are at the center of global and regional experience sharing and are enhancing technical assistance to investment promotion. We are doing this through our trainings. I am very proud to link with some of the world's leading academic institutions to deliver best practices to our Investment Agency officials and our membership. Our information gathering systems are helping us serve communities by ensuring growth in global investment flows - Especially those investment flows that focus on

reliable and sustainable infrastructure development. We know that there is now a case to improve financial inclusion through FDI.

We are also being thought leaders – pushing the FDI agenda on all forums. With our global partners, we are shaping the global policy dialogue on investment built on sustainability principles. This year WAIPA has taken on other initiatives for its partners with higher added value. The FDI Excellence Series offers six groundbreaking training courses on investment promotion in cooperation with internationally renowned FDI expert Andreas Dressler. It is incredibly private sector driven and empowers governments to think like the people they are meant to serve – investors. The focus is also on best practice sharing from our members according to topic discussed. These courses were organized throughout 2018 and will continue next year. One reason for this enhanced focus of capacity building is that IPAs have to cover many tasks. In fact, our annual survey revealed that 87% of our members have more than one mandate, while an average has four. Also, while four-fifths are governmental institutions, more than half of the respondents indicated that they lack support and understanding from their governments, thus it is crucial to equip them with the right skill sets for their daily work.

In last year's general assembly meeting, WAIPA launched a new strategy to incorporate a sustainable model to operate. This business model makes WAIPA significantly more financially independent and linked with its partners. We have begun to achieve this independence through above mentioned trainings for members and wider investment community. In the upcoming year WAIPA is establishing a pool of experts on FDI; peer-to-peer advisory services, a closer linkage of IPAs with the private sector and also facilitating more business to government linkages.

Inspired by the growing Impact Investing movement and its potential to drive new resources and new thinking to investment promotion stakeholders prompting social change in respective countries, WAIPA with UNIDO and TICA jointly organized Executive Training Program for Investment Promotion Agencies (IPAs). More than 20 high-level participants from 17 selected developing

countries of Africa and Central Asia & Caucasus convened at the WAIPA Training Center in Istanbul to discuss innovative approaches to investment promotion for attaining the SDGs.

A new Steering Committee for the 2017-2019 term was elected at the WAIPA General Assembly, which was convened on the first day of the 22nd WAIPA World Investment Conference in Dubai in November 2017. I heartily welcome them and hope that we can leverage their experience to grow our intellectual and strategic capacities.

WAIPA's presence at all high-level deliberations on how to connect, collaborate and create at global, local, state and regional economies allows us a chance to present the case of IPAs in investment for sustainable development. WAIPA is leading the way in encouraging reforms to ensure an enabling environment for investment by promoting international good practices. Best practices cannot be created in silos. They need to be adopted from academia, especially those institutions that develop their curriculum from industry. WAIPA's research and education partnership with Columbia University USA for instance, is the first of its kind in the FDI eco-system and first executive certification training was conducted in July 2018.

Similarly, more training series and common research project with World Bank will assist IPAs in developing the vocabulary to better brand their region and also effectively serve their investors. WAIPA contributes significantly to the Investor Reforms Network established by the World Bank by articulating IPA challenges to the cadre of policy makers.

We are committed to change the world through increase in sustainable FDI. We offer strategies to deliver on the ambitious targets through unifying the global investment and development stakeholders. Our ever-growing WAIPA human capital is consolidating our efforts to develop networks and succeeded in connecting experts in investment promotion all over the globe under one platform.

WAIPA with all its partners and members is striving forward to deliver the 2030 Agenda and its global goals through increased investment that is both impactful and longstanding.

## MESSAGES FROM CONSULTATIVE COMMITTEE



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**LI YONG**

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**CAROLINE FREUND**

Director of Trade,  
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## MESSAGE FROM CONSULTATIVE COMMITTEE

### JOHN W.H. DENTON AO

Secretary General,  
International Chamber  
of Commerce (ICC)



Trade and investment are today at a decisive crossroads.

Trade growth, having finally overcome the deleterious impact of the global financial crisis, is rising at its fastest rate in six years and many barriers to trade and investment implemented in times of economic crisis are now being reversed. However, a simple glance at the headlines shows that the future of trade growth and our international trading system is now far from certain, with recently-imposed tariffs bringing the world closer to a prolonged global trade war than at any time since the 1930s. How we respond to the twin challenges of rising protectionism and adapting world trade rules for

the 21st century will determine the future openness of the global economy, or how meaningful it is to speak of a 'global economy' at all.

Cross-border investment is also an area of concern, as 2017 saw a sharp drop in flows, with only a modest recovery predicted this year. Sustained increases in international investment will be vital to achieving a range of urgent sustainable development goals in the years to come, from battling climate change to connecting a greater swathe of the world population to the digital economy. Investment facilitation should thus be a top priority for policymakers around the world. Just as the essential role played by foreign direct

investment (FDI) is well-documented, so are many drivers towards facilitating cross-border investment around the world. The most oft-cited policy driver of FDI is the investment climate—a sometimes elusive combination of business regulations and government support. For business, predictability, transparency and efficiency are all crucial criteria for FDI, as companies seek to assess and mitigate their risk when investing abroad.

ICC has a long history of working to promote balanced international investment frameworks—dating back to the publication of the ICC International Code of Fair Treatment for Foreign Investments in 1949—and has laid out a series of the most critical principles for developing an attractive investment climate in our 2016 Investment Guidelines. These are guidelines compiled by ICC's international business network—the largest and most representative in the world—setting

out principles for both investors and governments on a range of issues (ownership and management, finance, fiscal policies, anti-corruption, technology). We encourage all governments to adopt these principles as a means of encouraging responsible and sustainable investments.

At this moment where international investment has perhaps never been more crucial and challenged by protectionist trends, WAIPA continues to play a much-needed role in convening investment promotion agencies to share best practices and determine how to best facilitate FDI on a global scale. WAIPA's renowned network and efficient information-sharing help support and facilitate the access to international commerce for many private sector operators. I am proud to serve as a member of WAIPA's consultative committee and look forward to collaborating in our organisations' shared mission in the years to come.



## MESSAGE FROM CONSULTATIVE COMMITTEE

### CRAIG RICHARD

Board Chair,  
International Economic  
Development Council (IEDC)



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL



Dear WAIPA members,

As Board Chair this year of the International Economic Development Council (IEDC), I congratulate WAIPA and its leadership on a fruitful past year of relationship building, trainings, events, and promotion of FDI. IEDC, an association of more than 5,000 economic developers worldwide, is proud of our partnership and collaboration with WAIPA since our relationship was formalized almost 15 years ago. In these years, our partnership has grown stronger through exchange and promotion of ideas throughout the membership of both organizations that are helping our communities grow. 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.

Foreign Direct Investment (FDI) is a critical tool for growth in economies and in the field of economic development. According to the FDI Report 2017 from the United Nations Conference on Trade and Development (UNCTAD), FDI continues to be the largest and most consistent external source of financing for communities of all types across the world, especially for developing nations. Developed economies in fact saw their share of the global FDI inflows increase significantly and accounted for 59 percent of global FDI inflows in 2017, the highest since 2007.

The global economy also continues to grow. According to the World Bank's Global Economic Prospects report from June 2018, global growth rose to 3.1 percent in the years 2017 and 2018, showing an increase from

2.4 percent from 2016. This growth has allowed the global economy to finally stabilize for the first time in ten years. Both WAIPA and IEDC, along with partner organizations, have a responsibility to ensure that the current growth continues and is sustained.

Although difficult political decisions in the US will be made in the coming several months, the economic development community is committed to work with international partners and peers throughout the world to find solutions and develop strategies that help our communities grow. The work of WAIPA in promoting and educating its member countries on the value of FDI is therefore even more critical now. Collaboration among economic development professionals at all levels and across all regions remains crucial to accelerate collective, inclusive, sustainable growth for all economies.

IEDC looks forward to the continued sharing of representatives to foster the collaborative dialogue

and the dissemination of knowledge to our respective members. IEDC is looking forward to WAIPA's CEO Boštjan Skalar taking the time to come and speak at our Annual Conference in September/October 2018 in Atlanta, Georgia. This year's theme is inclusive economic development and how we as a profession make sure that those that have historically not benefited from rising economic growth are also brought into the fold. And we will continue the tradition of sending a representative to the World Investment Conference (WIC), being held in Xiamen, China this year. The Secretary/Treasurer of our board, Kenny McDonald, is looking forward to joining you there.

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

## MESSAGE FROM CONSULTATIVE COMMITTEE

**GUY RYDER**

Director-General,  
International  
Labour Organization (ILO)



International Labour Organization



Dear WAIPA members,

The ILO has long recognized the important role of Foreign Direct Investment (FDI) in stimulating and advancing decent work, inclusive economic growth and sustainable development. Unique in the UN system, the ILO is tripartite - comprised of governments and representatives of employers and workers in its 187 member States. The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) provides guidance to governments on policies to maximize the positive contribution of FDI and to minimize and resolve challenges which may arise. It also speaks directly to the investors, providing recommendations on how to

enhance their contribution to sustainable development by observing sound social practices, including through linkages with local enterprises. The 2030 Agenda for Sustainable Development advocates the attraction of the right kind of investment that stimulates sustainable development and inclusive growth.

IPAs are the critical liaison between investors and policy makers to maximize this positive contribution. In 2018 the ILO and WAIPA continued a fruitful collaboration in supporting IPAs. The ILO-WAIPA course “Effective investment facilitation and sustainable development”—held last March in the ILO’s International Training Centre in Turin, Italy—provided an opportunity for IPAs

from various parts of the world to learn from leading experts and exchange experiences on topics such as increasing the contribution of FDI to SDG 8 “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” and SDG 9 “inclusive and sustainable industrialization”; facilitating greater linkages with local enterprises, in particular SMEs; and encouraging spillovers of skills and technology.

At the 2018 World Investment Forum ILO, WAIPA and UNCTAD will co-organize a roundtable discussion on “Creating More and Better Jobs through Investment” where IPAs will have the opportunity to exchange on strategies and experiences in seeking FDI with greater potential to foster decent work. This year the ILO published two case studies documenting such experiences of IPAs: “Colombia investment, export promotion and workers’ rights” and “Factors affecting technology spillovers from Multinational Enterprises (MNEs) in backward linkages in the Turkish manufacturing sector: lessons for Investment Promotion Agencies”.

The ILO continues its work on supporting governments to more accurately assess the impact of their investment promotion strategies on decent work, with involvement not only of national statistics offices and central banks but also IPAs. And the ILO is partnering with numerous international organizations to enhance capacities of IPAs in the least developed countries to attract FDI in order to accelerate progress towards attaining the SDGs. A recent ILO Meeting of Experts representing governments, employers and workers acknowledged the constructive relationship between the ILO and WAIPA and proposed further collaboration in relation to decent work in export processing zones (EPZs).

All these illustrate the very promising development of our collaboration. I would like to thank President Arda Ermut and CEO Bostjan Skalar for their leadership and continued commitment to the central importance of decent work in investment promotion. We look forward to a continued fruitful partnership with WAIPA.

## MESSAGE FROM CONSULTATIVE COMMITTEE

### ANGEL GURRIA

Secretary General,  
Organisation for Economic Cooperation  
and Development (OECD)



In this very space last year, I talked about the headwinds facing international investors and their impact on global investment flows, which were down 7% in 2016. Unfortunately, these headwinds are strengthening, with global flows falling a further 18% in 2017.

There are many explanations for this downward trend, including rising interest rates in the developed economies, mounting corporate debt in the developing economies, growing trade and investment protectionism, and political and economic turbulence in major markets around the world. Worryingly, the latest WTO/OECD/UNCTAD report — prepared for the G20 — shows an acceleration in the pace of new trade and investment restrictions.

The situation looks particularly difficult in the developing economies that are particularly dependent on international investments for jobs, technology

transfer, enhanced market access, and for raising the tax revenues needed to fund critical infrastructure. For these countries, we are seeing a double hit, with declines in cross-border flows magnified by declines in domestic business activity. Domestic mergers and acquisitions, a good measure of business vibrancy, have fallen 60% over the past five years in the developing economies.

This comes at a time when the globalised and interconnected multilateral system which was built to enable global integration and promote human progress is being tested. In the face of this critical situation, we need to pull every policy lever we have at our disposal. The OECD is working across multiple fronts to promote a rules-based globalisation that works for all and to rebuild the foundations of multilateralism for more responsible, effective and inclusive outcomes.

This was the focus of the OECD's Ministerial Council Meeting in May 2018, chaired by France and opened by President Macron.

Investment promotion and facilitation go to the heart of this effort. Important discussions and initiatives on these issues have been launched at key global fora like the G20, as well as by international organisations such as the WTO, UNCTAD and the World Bank. The OECD has established its own Investment Promotion Agency Network, regularly attended by partners in WAIPA.

As you are all aware, investment promotion in these challenging times is about a lot more than marketing and “one-stop shops”, although these remain important. Today investment promotion agencies (IPAs) are much more actively engaged in the policy processes of countries and this is a welcome development. The OECD identifies three specific policy areas where IPAs can harness the potential of these opportunities to support healthier global investment flows for more inclusive and sustainable growth:

**Advocacy.** The global rules for trade and investment clearly need to be improved and made to work better to level the playing field and ensure an open, rules-based global economy. One of the greatest threats for all countries would be the widespread outbreak of protectionist trade and investment measures which could accelerate what to-date has been a significant but measured retreat by international investors. An escalation of trade tensions will not bring solutions. Rather, it would hurt growth and harm jobs. The OECD has estimated that in a scenario where China, Europe and the United States all raise trade barriers against all partners on all goods (but not services) by 10 percentage points, global GDP could fall by around 1.5 per cent in the medium-term. And the regions imposing trade restrictions would suffer the biggest losses. IPAs need to help reverse these escalating policy trends by telling their stories about what protectionism is doing to real firms, real societies and real people. IPAs can also support the promotion of credible commitment mechanisms that foster open international investment.

**Co-ordination.** All government ministries to varying degrees contribute to achieving a sound policy framework for investment, but a lack of coherence and coordination between them can sometimes undermine government efforts. Given their proximity to the markets where the lack of coordination is ultimately felt, IPAs could play a more active role in supporting and facilitating better coordination. They have a wealth of OECD tools at their disposal to inform their work, such as the Policy Framework for Investment (PFI) and the country-specific OECD Investment Policy Reviews. In particular, IPAs could help ensure that trade and investment policies are coherent and reflect the complexities of production in a world of global value chains.

**Impact.** Private investment has been declining, but continues to play a critical role in helping countries to develop critical infrastructure, to generate employment, and to foster innovation. Maximising the societal benefits for every “cent” spent is critical. Considerable scope remains in many countries for pursuing domestic policy reform agendas, improving the business climate and putting in place investment promotion and facilitation strategies designed to attract investments with desirable social, economic and sustainable qualities. With the help of IPAs, governments can work to align better business interests with important development and sustainability objectives, including delivering on the Sustainable Development Goals (SDGs) and commitments made in the context of the Paris Agreement, thus generating more impact from less investment.

The OECD looks forward to continuing its fruitful dialogue and productive collaboration with WAIPA and its Members. Even through these difficult times for the global investment policy community, I am confident that our deepening partnership will help governments to take the right steps to avoid a worsening of the current international investment downturn and lay the foundations for a more sustainable and inclusive global investment framework going forward.



## MESSAGE FROM CONSULTATIVE COMMITTEE

**Dr. MUKHISA KITUYI**

Secretary-General,  
United Nations Conference on  
Trade and Development (UNCTAD)



Dear WAIPA members,

The recovery of global investment has been slow, with foreign direct investment (FDI) flows in 2017 falling by 23%, to US\$1.43 trillion, after an increase in 2015 and a slump in 2016. While FDI flows to developed countries declined by 37% in 2017, FDI to developing economies remained the same and developing Asia once again became the largest FDI recipient region. Although FDI flows to Latin America and the Caribbean rose for the first time in six years, FDI flows to Africa registered a decline of 21%.

These figures are troublesome, because FDI is the largest external source of finance for developing economies and substantial increases in investment are

needed to achieve the Sustainable Development Goals (SDGs). In striving to attract FDI, investment promotion agencies (IPAs) will face intense competition—both in promotion efforts abroad and in securing resources for their institutions at home. Through partnerships, IPAs should be better able to meet these challenges, particularly when targeting investment in SDG-related projects.

In addition to working closely with ministries at the country level, national IPAs should collaborate with local IPAs, economic development agencies, and city governments to develop and promote SDG-related projects. Furthermore, the business community and

civil society are valuable sources for insights on investment conditions, opportunities, and how to ensure that FDI has the desired sustainable impact.

At the regional level, we are encouraged by partnerships that have already been established among IPAs, including through associations and enhanced collaboration in Africa, Asia, and Latin America and the Caribbean. Such collaboration enables the exchange of best practices and coordination of regional promotional initiatives.

IPAs should also actively seek to collaborate with outward investment agencies and institutions, including outward investment promotion agencies, development finance institutions, and insurance guarantee schemes. With a mandate to invest and contribute to overseas development, these entities are natural partners for inbound promotion and facilitation efforts.

Over the past year, WAIPA has collaborated with UNCTAD in regional seminars on the preparation and marketing of pipelines of bankable SDG projects. Partnerships were a central theme in these events, in which inward and outward investment agencies and institutions participated. International fora such as UNCTAD's World Investment Forum and WAIPA's World Investment Conference provide many opportunities to pursue partnerships for investment promotion and facilitation to achieve the SDGs. This October, I look forward to seeing many WAIPA members at our World Investment Forum in Geneva, Switzerland.

I wish WAIPA and its members a productive conference in Xiamen, China. UNCTAD stands ready to continue to partner and collaborate in mobilizing investment for sustainable development.

## MESSAGE FROM CONSULTATIVE COMMITTEE

**LI YONG**

Director-General,  
United Nations Industrial  
Development Organization (UNIDO)



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



The large disparities in income and social development between developed and developing countries are often rooted in considerable differences in their industrial development and use of technology, resulting in productivity gaps. With the onset of the new industrial revolution or better known as Industry 4.0, these gaps are likely to widen further. However, effective utilization of innovation enables sustainable solutions for inclusive economic development. To achieve transformative changes and to transfer and deploy technology for entrepreneurship, innovation needs to be scaled-up globally.

Within this context, responsible investment and

sustainable technology can play a key role in Industry 4.0 through its contribution to technological innovation and upgrading, and to the transfer of know-how. Evidence shows that increased investment and technology flows create new jobs, generate income and help diversify the economy by expanding the production base while improving market access and infrastructure development. There is also a global shift in the criteria of becoming a desirable manufacturing location with Industry 4.0. Companies once influenced by the prospect of inexpensive labour costs are beginning to favour locations that can effectively take advantage of new technologies. The traditional path

to development for developing countries, often driven by manufacturing, may be at risk due to this shift in criteria. This is likely to require special attention in the coming years.

UNIDO is the specialized agency of the United Nations mandated to promote industrial development. UNIDO addresses the challenges posed by Industry 4.0 by boosting innovation, mobilizing responsible investment and sustainable technologies, and promoting quality and standards.

With regard to the promotion of foreign direct investment, UNIDO's interventions focus on capacity-building services and networking. In particular, since 1976, UNIDO has operated a Network of Investment and Technology Promotion Offices (ITPOs), strategically located in industrialized and developing countries. The mandate of the ITPO Network is to provide matchmaking services for companies in host and developing countries; promote technology transfer, with a focus on green industries; and to strengthen the institutional capacity of public and private partners, in particular investment promotion agencies (IPAs), by hosting delegates from developing countries.

To this end, UNIDO's partnership with WAIPA is a success story in cooperation. Since the signature of a Memorandum of Understanding between the two parties in 2016, many initiatives have taken shape. UNIDO is an active participant in WAIPA's yearly World Investment Conference with WAIPA contributing regularly to UNIDO global forum events and expert group meetings. Most recently, UNIDO and WAIPA jointly organized training for IPAs, inspired by the concept of "impact investing" in Turkey.

I am confident that the UNIDO-WAIPA collaboration will be further strengthened as the future drives the development and need for new innovative projects and forms of cooperation to achieve the 2030 Agenda for Sustainable Development, specifically SDG 9, on infrastructure, inclusive and sustainable industrialization and innovation. I would like to take this opportunity to congratulate Mr. Arda Ermut, President of WAIPA, for his strong leadership in carrying out WAIPA's vision, and to commend the members of the Consultative Committee for their commitment in implementing WAIPA's Strategy and Action Plan.

## MESSAGE FROM CONSULTATIVE COMMITTEE

### CAROLINE FREUND

Director of Trade,  
Regional Integration and  
Investment Climate, The World Bank



For many developing countries foreign direct investment (FDI) is the largest source of external finance, providing more capital than official development assistance, portfolio investment and remittances combined. In 2017, nearly half of global FDI flows went to developing countries. Beyond being an important source of funding, FDI can provide additional benefits to the local economy. Research shows that multinational corporations (MNCs) pay higher wages and offer more benefits to their employees than indigenous firms. The presence of MNCs can also help countries upgrade their technical, managerial and organizational skills, and provide access to new technology and foreign

markets. They can also help diversify a country's exports by enhancing insertion into global value chains. However, generating FDI is becoming more challenging. Last year FDI fell by nearly a quarter from \$1.87 trillion in 2016 to \$1.43 trillion in 2017, and FDI growth in 2018 is expected to be tenuous. As a result, countries are increasingly competing for FDI and this competition is especially heated for those high-quality projects that will bring not only much needed capital but also add value to the local economy. Research and experience have shown that economic upgrading and transformation come from attracting a few key investors in a strategic industry. This type of targeted

investment has the power to transform an industry and shift the revealed comparative advantage of an economy.

Key to attracting this type of transformational FDI is having a proactive and efficient investment promotion agency (IPA) that not only promotes investment but also advocates on behalf of investors on ways to improve the host country's competitiveness. Indeed, empirical analysis has shown that strong IPAs are correlated with higher FDI flows. When IPAs actively target specific sectors, FDI flows to those sectors double.

These potential payoffs are significant and support the idea that if economies want to succeed within the fierce global competition for FDI they must have a proactive IPA that offers highly specialized investor services focused on priority sectors. IPAs must treat investors as customers and provide high-quality services throughout the entire investment lifecycle of attraction, entry and establishment, retention and expansion of investment, linking FDI with local enterprises and taking advantage of the positive spillovers MNCs offer. The World Bank Group (WBG) is engaged in countries across the globe in helping IPAs improve their investor-focused services. The WBG supports the design and implementation of better-performing service programs

in four key areas (marketing, information, assistance and advocacy) across the four different stages of the investment lifecycle (attraction, entry, retention/expansion and linkages with the local economy). In its engagements, the WBG applies an innovative 4X4 service approach (built on the dimensions mentioned above) to move beyond the traditional focus on investment attraction, to a more comprehensive, service oriented and investor centric approach emphasizing the importance of providing services to the investor at every stage of the investment cycle. In doing so IPAs can achieve higher levels of impact.

WAIPA is a global convener for IPAs to network, learn, and cooperate. The WBG and WAIPA have worked together to deliver cutting-edge training courses and peer-to-peer learning opportunities that allow IPAs to gain knowledge and share insights on best practices in investment policy and promotion. We look forward to continuing our partnership to help IPAs in the developing world build capacity and improve the effectiveness of their services to investors, to maximize the benefits FDI and allow economies to achieve their development goals.

# OVERVIEW OF ACTIVITIES

**SIXTH ROUNDTABLE - INVESTMENT FOR SUSTAINABLE DEVELOPMENT TRAJECTORY**  
GENEVA-SWITZERLAND,  
30 OCTOBER 2017

**THE WORLD ENTREPRENEURS INVESTMENT FORUM (WEIF 2017)**  
MANAMA-BAHRAIN,  
31 OCTOBER - 2 NOVEMBER 2017

**UNCTAD LATIN AMERICA SEMINAR ON THE PROMOTION OF SUSTAINABLE DEVELOPMENT GOAL PROJECTS**  
MEXICO CITY-MEXICO,  
07 - 08 NOVEMBER 2017

**THE INAUGURAL TOBIAS CENTER CONFERENCE: VISIONS OF DEVELOPMENT**  
INDIANAPOLIS-UNITED STATES OF AMERICA  
10 - 11 NOVEMBER 2017

**22ND WAIPA WORLD INVESTMENT CONFERENCE**  
DUBAI-UNITED ARAB EMIRATES,  
27 - 28 NOVEMBER 2017

**FDI EXCELLENCE SERIES: FDI ESSENTIALS**  
ISTANBUL-TURKEY,  
16 - 18 JANUARY 2018

**WAIPA & UNIDO INNOVATIVE APPROACHES TO INVESTMENT PROMOTION TRAINING PROGRAMME FOR INVESTMENT PROMOTION AGENCIES (IPAs)**  
ISTANBUL-TURKEY,  
20 - 22 FEBRUARY 2018

**FDI EXCELLENCE SERIES: FDI ATTRACTION**  
ISTANBUL-TURKEY,  
13 - 15 MARCH 2018

**WORLD ECONOMIC FORUM ON LATIN AMERICA 2018**  
SÃO PAULO-BRAZIL,  
13 - 15 MARCH 2018

**ISDB GROUP PRIVATE SECTOR FORUM**  
TUNIS-TUNISIA,  
3 APRIL 2018

**ANNUAL INVESTMENT MEETING 2018**  
DUBAI-UNITED ARAB EMIRATES,  
9 - 11 APRIL 2018

**WAIPA & ILO TRAINING: EFFECTIVE INVESTMENT FACILITATION AND SUSTAINABLE DEVELOPMENT**  
TURIN-ITALY,  
9 - 13 APRIL 2018

**FDI EXCELLENCE SERIES: FDI MARKETING**  
HELSINKI-FINLAND,  
22 - 24 MAY 2018

**UNCTAD REGIONAL SEMINAR ON THE PROMOTION OF BANKABLE SUSTAINABLE DEVELOPMENT GOAL PROJECTS**  
BANGKOK-THAILAND,  
30 - 31 MAY 2018

**WTO TRADE DIALOGUES 2018 : BREAKOUT SESSION ON INVESTMENT FACILITATION**  
GENEVA-SWITZERLAND,  
7 JUNE 2018

**INVESTMENT PROMOTION AGENCIES: EMPOWERING INNOVATIVE EUROPE ON THE OCCASION OF BULGARIAN PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION**  
SOFIA-BULGARIA,  
20 JUNE 2018

**WAIPA CERTIFICATION COURSE WITH THE COLUMBIA CENTER ON SUSTAINABLE INVESTMENT, COLUMBIA UNIVERSITY**  
ISTANBUL-TURKEY,  
2 - 5 JULY 2018



# SIXTH ROUNDTABLE - INVESTMENT FOR SUSTAINABLE DEVELOPMENT TRAJECTORY

Geneva  
Switzerland  
30 October 2017



International Centre for Trade  
and Sustainable Development



WAIPA CEO Bostjan Skalar participated on the Sixth Roundtable – Investment for Sustainable Development Trajectory: Facilitating Investment for Sustainable Development II. This workshop was the sixth in the 2016/2017 series of investment policy dialogues, jointly organized by the World Economic Forum and ICTSD, with the support of the Government of the Netherlands.

At the previous Roundtable on 5 July 2017, participants discussed the meaning of investment facilitation for sustainable development, the role of sustainability characteristics in addressing the qualitative element of investment facilitation and explored supporting mechanisms.

This dialogue focused on investment facilitation agreements and share of best practices on facilitating sustainable investment.

The roundtable participants discussed the rationale of supporting investment facilitation programs in developing countries; examined the necessary elements of a model investment facilitation agreement, drawing on lessons from regional and bilateral trade agreements and addressing sustainability concerns; examined how sustainability criteria could be used in

an investment facilitation agreement; shared examples of developing country experiences in facilitating sustainable investment and thus identify best practices. They also discussed actions governments should be undertaking to identify, create and support sustainable investment projects, as well as investment facilitation policies they need to implement; identified challenges, especially for developing countries, in carrying out investment facilitation policies and practices; and last but not least, discussed what could be done to assist developing countries in this regard, including institutional capacity building, sharing of best practices and multilateral/plurilateral action.

WAIPA CEO underlined two main issues on the topic of “Facilitating Investment for Sustainable Development”, namely strategy or definition and coordination. “It can be argued that all investments are positive, as they ideally create beneficial spillovers, and for some countries or regions it is indeed more difficult than for others to merely receive investments let alone the desired sustainable investments. However, in order to meet the challenges ahead there must be a deepened focus on sustainable FDI ” he said.

# THE WORLD ENTREPRENEURS INVESTMENT FORUM (WEIF 2017)

Manama  
Bahrain  
31 October – 2 November 2017



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



The World Entrepreneurs Investment Forum (WEIF 2017) was organized under the Patronage of HRH Prince Khalifa Bin Salman Al Khalifa, the Prime Minister of the Kingdom of Bahrain at Bahrain International Exhibition & Convention Centre.

Under the theme “Achieving the SDGs through Entrepreneurship & Innovation” this event which is the only United Nations global event covering entrepreneurship for development was organized by our Consultative Committee United Nations Industrial Development Organization (UNIDO), respectively the UNIDO ITPO Bahrain and the Arab International Center for Entrepreneurship & Investment.

More than 1000 entrepreneurs, representatives of international organization, development organizations and funds, industry leaders’, financial institutions, and investors as well as academicians and MSME agencies and partners converged to discuss on three sub-themes: the Maritime-Continental Silk Road, Women in Industry & Global Impact Investing – in which WAIPA Coordinator Andreas Hora was a panelist.

Andreas Hora underlined that clear strategy is a key for attracting sustainable investment. “SDGs are offering huge opportunities particularly for developing countries” he said and stressed that capacity building is essential.

# UNCTAD LATIN AMERICA SEMINAR ON THE PROMOTION OF SUSTAINABLE DEVELOPMENT GOAL PROJECTS

Mexico City  
Mexico  
7 – 8 November 2017



UNITED NATIONS  
UNCTAD



WAIPA CEO Bostjan Skalar participated at UNCTAD's seminar on the promotion of Sustainable Development Goal projects for Latin America and the Caribbean. Hosted by WAIPA's member ProMexico, the seminar focused on developing and marketing bankable SDG investment project proposals which investment promotion agencies (IPAs) can use in their promotional work. Experts from UNCTAD, outward investment agencies and institutions, best practice IPAs from the region, and the private sector presented and shared lessons learned.

WAIPA CEO Bostjan Skalar was panelist at International partners for promoting investment in the SDGs session where panelists discussed the role that different type of organizations can play at multilateral, global and regional level to support the work of investment promotion agencies (IPAs) in their quest to generate and effectively promote and implement investment projects related to the SDGs. WAIPA CEO underlined that joint efforts to strategically promoting SDG investment opportunities can ensure better positioning of projects.

# THE INAUGURAL TOBIAS CENTER CONFERENCE: VISIONS OF DEVELOPMENT

Indianapolis  
United States of America  
10 – 11 November 2017



WAIPA CEO Bostjan Skalar was invited to contribute as a speaker to the session on "Incentivizing Sustainable Development," moderated by SGIS Assistant Professor Sarah Bauerle Danzman. "Reaching SDGs is dependent on each stakeholder at every level of global development committing to these goals in a true sense. The private sector is indispensable" he said. The conference also featured a keynote speaker who has been influential in international development. Panels included lessons learned from fifteen years of



U.S. nation-building in Afghanistan as well as expert discussion on the main research clusters of the Tobias Center: measuring development; private investment for development; climate change and the environment, and development; and global public health. By bringing together key stakeholders in development study and practice, conference participants developed an agenda for collaborative research, best practices, and outreach in these areas moving forward.





## 22<sup>ND</sup> WAIPA WORLD INVESTMENT CONFERENCE

Dubai  
United Arab Emirates  
27 – 28 November 2017

The 22<sup>nd</sup> WAIPA World Investment Conference (WIC17), the annual flagship event of World Association of Investment Promotion Agencies (WAIPA) hosted by Dubai Investment Development Agency (Dubai FDI), an agency of Dubai Economy and WAIPA Steering Committee Member, was held in Dubai, UAE. The two-day event that included the General Assembly, began on 27 November and brought together leading investment promotion agencies (IPAs) from all around the world; other government officials, development sector leaders, private sector representatives and academics relevant to FDI policy and strategy.

The first day of the conference was dedicated to WAIPA Members. In the morning, member IPAs had the opportunity to network and share best practices in investment promotion as well as to listen to best practices workshop conducted by Andreas Dressler, FDI Advisor; David Evans, Head of Data and Insight, CNBC; Ian Bowen-Morris, Director of the Invest GREAT campaign, Department for Trade and Industry DTI (United Kingdom); Tomohiro Takashima, Director General, Invest Japan Department, Japan External Trade Organization – JETRO and M. Onur Partal, Senior Expert, Invest in Istanbul.

The WAIPA General Assembly, which was convened on the first day, re-elected Investment Support and Promotion Agency of Turkey (ISPAT) to hold the presidency of the Steering Committee for the 2017-2019 term. The Azerbaijan Export and Investment



# 22<sup>ND</sup> WAIPA WORLD INVESTMENT CONFERENCE

Dubai  
United Arab Emirates  
27 – 28 November 2017



Promotion Foundation (AZPROMO) and Dubai Investment Development Agency (Dubai FDI) were elected by the General Assembly to hold the vice-presidencies.

At last year's WIC in Istanbul (2016), it was emphasized that WAIPA has the crucial role as an informative intermediary between IPAs and governments to help increase the FDI score for countries, and between private sector businesses and IPAs to address key economic challenges and create a Global Investment Policy Narrative to enhance and promote inclusive investments. These sustainable investments should create decent jobs and should help the technology transfer. The fight against investments that are exploitative or inequitable cannot be won singlehandedly by IPAs alone, but collectively as a global community.

That is why WAIPA continued to put full effort on empowerment of IPAs and their corporate development

with the support of other international bodies and global community and created this year together with its Consultative Committee Members programs and projects to enhance IPAs capacities, for them to use FDI as a driving force for sustainable development, our overarching theme for this conference. It guided the discussions in the different sessions of #WIC17.

**WAIPA #WIC17 Dubai debate sessions focused on the following topics:**

***Empowering IPAs in developing countries and LDCs and the creation of a positive investment environment to achieve the SDGs***

Led by moderator Felipe Sandoval, Senior Advisor, Trade Law and Negotiations, International Centre for Trade and Sustainable Development the panel discussed the following rationale: WAIPA advocates the empowerment of IPAs as often the legal status and institutional anchoring for some IPAs is still inadequate. Particularly developing and least developed countries

could greatly benefit by empowered IPAs attracting quality FDI and thus contributing to prosperity and growth.

***Global Value Chain: Growth and Entrepreneurship through Linkages***

Under the moderation of Wim Douw from the Trade and Competitiveness Global Practice Investment Climate of the World Bank Group the second panel of the day looked at the following rationale: In our globalized world products are often manufactured and assembled in more than one country. This also means that know-how is shared, creating beneficial added value. Therefore, the global value chain also can generate higher productivity through linkages. In this sense FDI can be instrumental to bring access to the GVC.

***Corporate Investment Drivers, Challenges and the Future of FDI***

Under the moderation of Lucia Cartini, Senior Industrial

Development Officer and Coordinator for the UNIDO Investment and Technology Promotion Offices (ITPOs) the following rationale was discussed in the last session. FDI driven by multinational enterprises may be one mean that can help to achieve inclusive and sustainable industrialization and growth as well as improvement of the overall investment climate.

The conference featured a notable line-up of keynotes by Oussama A. Kaissi, CEO of the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC); as well as Vic van Vuuren, Director of Enterprises Department at the International Labour Organisation (ILO) and Michael Langley, Chair of the IEDC Board of Directors, two Consultative Committee members of WAIPA.

# WAIPA WIC 2017 Dubai Elected Steering Committee for 2017-2019 term

**Mr. Arda Ermut**  
President

Investment Support and Promotion Agency of Turkey (ISPAT)

**Mr. Rufat Mammadov**  
Vice-President  
AZPROMO, Azerbaijan

**Mr. Ken Poonoosamy**  
Sub-Saharan Africa  
Board of Investment Mauritius

**Mr. Wojciech Fedko**  
European Union  
Polish Investment & Trade Agency, Poland

**Mr. Gordan Milinič**  
Eastern Europe  
Foreign Investment Promotion Agency of  
Bosnia and Herzegovina

**Mr. Adalberto Netto**  
South America  
APD Parana Development Agency, Brazil

**Ms. Mona Zobaa**  
Middle East and North Africa\*  
General Authority for Investments and Free  
Zones (GAFI)

**Mr. Fahad AlGergawi**  
Vice-President  
Dubai FDI, UAE

**Ms. Pilar Madrigal**  
Central America and the Caribbean  
Costa Rican Investment & Development Board  
(CINDE)

**Mr. Paulo Carreño King**  
North America  
ProMexico, Mexico

**Mr. Deepak Bagla**  
South Asia  
Invest India

**Mr. Yong Kook Kim**  
East Asia and South East Asia  
Invest KOREA, Republic of Korea

**Mr. Saparbek Tuyakbaev**  
Central Asia  
KAZAKH INVEST National Company JSC ,  
Kazakhstan

**Mr. Gelpen Silas**  
Oceania\*  
Vanuatu Investment Promotion Authority (VIPA)



WAIPA organized The FDI Essentials training, which was the first out of six separate FDI Excellence Series courses organized throughout 2018.

Participants from the EU, South America, MENA and Sub-Saharan Africa Steering Committee Regions convened at the WAIPA Training Center in Istanbul to gain knowledge from Andreas Dressler, who is one of the world's leading advisors in the field of foreign direct investment, as well as from other selected FDI practitioners and professionals, such as Natalia Guerra from UNCTAD, David East from Bureau van Dijk and John Rutherford OBE.

The course covered following topics:

- Definitions and types of FDI – what are the key modes of foreign investment? What are the benefits and risks of FDI for host locations?
- Drivers of FDI and location choices – what drives international investment decisions and how do companies choose where to locate?
- Global FDI trends – where are companies investing today and why? Where is investment coming from? What factors are influencing global investment flows?
- National investment policies – what policies can governments put in place to attract more and higher quality investment?
- International investment regulations and

## FDI EXCELLENCE SERIES: FDI ESSENTIALS

**Istanbul  
Turkey**

**16 – 18 January 2018**

agreements – how do international agreements affect the flow of FDI?

- Role and functions of IPAs – what are the key functions of IPAs and what they require to be successful? What other stakeholders are important in FDI attraction?

- The FDI market – who are the key players in the global market for FDI? What opportunities exist for IPAs to position themselves in this market?

- Competition among locations – how do locations compete with one another? What methods and tools can IPAs use to compete effectively?

- Key success factors – what are the factors that determine how successfully IPAs and locations can attract investment? What can IPAs do differently from their competitors?

- Global best practices – who are the most successful locations and IPAs around the world and what makes them the best?

The training helped IPAs to strengthen foundations of the FDI world, covering the key concepts, trends, investment drivers and success factors that all investment professionals must understand to be effective in a dynamic and competitive global environment.

\* The regional directorships for MENA and Oceania were co-opted by the Steering Committee on 9th April 2018.



# WAIPA & UNIDO INNOVATIVE APPROACHES TO INVESTMENT PROMOTION TRAINING PROGRAMME FOR INVESTMENT PROMOTION AGENCIES (IPAs)

Istanbul  
Turkey  
20 – 22 February 2018



Inspired by the growing Impact Investing movement and its potential to drive new resources and new thinking to investment promotion stakeholders prompting social change in respective countries, WAIPA and UNIDO, in collaboration with TIKa jointly organized Executive Training Programme for Investment Promotion Agencies (IPAs).

More than 20 high-level participants from 17 selected developing countries of Africa and Central Asia & Caucasus convened at the WAIPA Training Center in Istanbul to discuss innovative approaches to investment promotion for attaining the Sustainable Development Goals (SDGs).

The objectives of the training were to:

- sensitize investment promotion agencies (IPAs) on the relevance of Impact Investing in working towards attaining the SDGs;
- expand global outreach on UNIDO's and WAIPA's technical assistance activities and foster linkages with developing countries;
- highlight UNIDO impact maximizing capacity

building measures and main tools pertaining to:

- monitoring of FDI activity in developing countries;
- investment networking through the Subcontracting and Partnership Exchange (SPX) Programme and ITPOs;
- promotion of Public-Private Partnerships (PPP), COMFAR and Investment Learning Centre
- expose IPAs to best practices in investment promotion as showcased by the Turkish International Cooperation and Development Agency (TIKA), the Investment Support and Promotion Agency of Turkey (ISPAT) and the Istanbul Development Agency (ISTKA);
- provide networking opportunities, sensitization and information exchange

This 3-day training programme aimed to help participants to gain better understanding about the approach of UNIDO and WAIPA for investment promotion while gaining new insights in new trends of international investments, in particular with regards to Impact Investing.

## FDI EXCELLENCE SERIES: FDI ATTRACTION

Istanbul  
Turkey  
13 – 15 March 2018



Participants from 12 countries, Vanuatu, Hungary, Mauritius, Cote d'Ivoire, South Africa, UAE, Niger, Mauritania, China, Northern Ireland, UK and Turkey have come together to gain real skills and proven techniques for winning projects and attracting more investment.

The FDI Excellence Series is a training program for investment promotion agencies organized by the World Association of Investment Promotion Agencies (WAIPA) in collaboration with Andreas Dressler, who is one of the world's leading advisors in the field of foreign direct investment, as well as other selected FDI practitioners and professionals.

Experience sharing is one of the important pillars of WAIPA trainings. Speakers from leading investment promotion agencies provided participants with the insight into their investment attraction strategies and

activities. Peta Conn from Invest Northern Ireland talked about their strategy to open new offices around the world. Anisa Muhammad Ali from Dubai Airport Freezone (DAFZA) shared her experience of managing a global network of lead generation consultants. Abbey Heffer from Foshan Investment Promotion Agency (FIPA) presented investment attraction in the Chinese context. Participants had an opportunity to network and learn from the best practices also from Michel Lemagnen, and Can Gurlek from the Ministry of Economy of Turkey.

The training provided participants with the know-how knowledge and skills they need to proactively identify, approach and attract investors, as well as to compete successfully for investment projects using different business development methods and tools.

# WORLD ECONOMIC FORUM ON LATIN AMERICA 2018

Sao Paulo  
Brazil  
13 – 15 March 2018



COMMITTED TO  
IMPROVING THE STATE  
OF THE WORLD

World Economic Forum on Latin America brought together global and regional leaders from government, business and civil society around the world.

WAIPA CEO Bostjan Skalar participated as a Fire Starter in highly interactive session on “Maximizing the Benefits of Trade Facilitation in Latin America” which aimed to:

- Exchange best practices and lessons learned from trade facilitation efforts in the region by government, private sector and other regional stakeholders;
- Discuss concrete examples from the Global Alliance for Trade Facilitation’s projects in Latin America. The Alliance is a public-private platform that supports trade facilitation reforms by leveraging private sector expertise.

# ISDB GROUP PRIVATE SECTOR FORUM

Tunis  
Tunisia  
3 April 2018



The IDB Group Private Sector held annual meeting to discuss development issues and institutional matters. The Private Sector Forum showcased activities, services and initiatives in OIC countries and provided unique platform for participants to network and establish business relations and partnerships with other leading representatives and counterparts from local business community and to share related experiences, success stories and best practices.

The main theme “Catalyzing strategic alliances between export credit agencies and MDBs to address commercial and political risks” provided a comprehensive overview of the state of investment and trade in the OIC member countries, with a view to identifying existing opportunities, investment climate challenges, perceptions of investor and traders, while shedding the light on the role of Governments, MDBs, ECAs and Private Sector Business Partner on the linkages and drivers of investment and trade.

WAIPA CEO Bostjan Skalar participated as one of the lead speakers in the second sub-session on “The role

of ECAs and Banks in securing domestic and regional trade flows”. The session focused on the following topics:

- Building capacity in OIC ECAs to provide new tools and services to boost trade and investment
- Where ECA demand will come from in the future in terms of countries and sectors
- Challenges in assessing investment and trade risks and opportunities, particularly in Africa and in energy sector
- Co-operation and partnership between banks, ECAs and others to accelerate intra-OIC trade and investment

Skalar in his speech highlighted that WAIPA’s aim is to equip its members with the right skill so that they can convince their decision makers. He shed a light on importance of WAIPA working together with various stakeholders, such as their Consultative Committee members: UNCTAD, UNIDO, World Bank, ICC, IEDC, OECD and ILO, as well as other partners such as the World Economic Forum, ITC and ICIEC.



# ANNUAL INVESTMENT MEETING 2018

Dubai  
United Arab Emirates  
9 – 11 April 2018



Investors, delegates, government officials and participants from more than 140 countries convened at the Dubai World Trade Center in United Arab Emirates for the Annual Investment Meeting. The annual forum is one of the leading regional events on foreign direct investments (FDI) in Middle East and North Africa and is organized by the UAE Ministry of Economy under the patronage of H.H. Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai.

The 8th edition of the Annual Investment Meeting focused on Driving sustainable development through FDI; Investment in the Fourth Industrial Revolution; How technology is changing the future of productivity and growth; Public-private partnerships for infrastructure projects, Sovereign Wealth and Private Equity Funds and their role in investment.

One of the official pre-events was a full-day series of capacity building workshops for investment promotion

officials. WAIPA as an official knowledge partner of AIM hosted a workshop on 8 April. Participants from all over the globe gathered at this training to learn how IPAs can contribute to create a sound investment climate for attracting and promoting emerging technologies, as well as how these emerging technologies can be used to further attract investment. Best practices were shared by Chris Knight, Global Commercial Director of fDi Intelligence; Antti Aumo, Head of Invest in Finland and Yong Kook Kim, Head of Invest Korea.

WAIPA CEO Bostjan Skalar participated in the plenary session “Incentives Policies for the Benefit of Nations” to discuss whether or not Sustainable Development has the answers on how incentives policies can change. Panelists in this session under the moderation of Henry Loewendahl, Founder and CEO of Wavteq discussed among other how incentives can be used to ensure they actually make a difference and maximize benefits for the country – not just the company.



REGION	IPA NAME	TYPE	COUNTRY
Central Asia, Caucasus & Russia	Kazakh Invest	Winner	Kazakhstan
	Uzbekistan, Committee of Investment	Runner Up	Uzbekistan
Central, Eastern Europe & Turkey	Vojvodina Development Agency	Winner	Serbia
	Slovak Investment and Trade Development Agency	Runner up	Slovakia
East Africa	Ethiopian Investment Commission	Winner	Ethiopia
	Rwanda Development Board	Runner up	Rwanda
Europe	Flanders Investment Trade	Winner	Belgium
	Department for International Trade	Runner up	United Kingdom
Latin America & the Caribbean	Invest Saint Lucia	Winner	Saint Lucia
	ProNicaragua	Runner up	Nicaragua
Middle East and North Africa	Moroccan Investment and Export Development Agency	Runner up	Morocco
	GAFI General Authority for Investment Egypt	Winner	Egypt
South, East Asia and Oceania	Invest India	Winner	India
	Vietnam Trade Promotion Agency	Runner up	Vietnam
Southern Africa	Swaziland Investment Promotion Agency	Winner	Swaziland
	Economic Development Board of Mauritius	Runner up	Mauritius
West and Central Africa	Ghana Investment Promotion Centre	Winner	Ghana
	Nigerian Investment Promotion Commission	Runner up	Nigeria



# WAIPA & ILO TRAINING: EFFECTIVE INVESTMENT FACILITATION

Turin  
Italy  
9 – 13 April 2018



International Labour Organization

Following the successful first two editions of the Investment Facilitation Course jointly organized by WAIPA and the International Training Centre of ILO in May 2016 and March 2017, a third edition was held from 9-13 April 2018 at the ILO International Training Centre in Turin, Italy.

Foreign Direct Investment (FDI) is vital to maintain and strengthen economic growth, integrate countries into the global economy, boost technological innovation and know-how, enhance skills transfer and contribute to the creation of decent work. But not all investments have the same development impacts.

This three-day course focused on “Effective investment facilitation and sustainable development” and helped investment promotion officials from various countries around the world to strengthen their investment promotion and facilitation capacities, expand their after-care services and enhance the development impacts of FDI flowing into their countries, particularly as regards the creation of more and better jobs and the overall contribution of FDI in achieving the Sustainable Development Goals.

Furthermore, participants learned about:

- The latest trends and opportunities regarding sustainable development, decent work and investment facilitation
  - Positive links between FDI, sustainable development and decent work
  - The dominant development frameworks concerning sustainable development and decent work relevant for investment facilitation and
  - How to implement a system of aftercare services and investment promotion measures in the framework of sustainable development and decent work
- Sessions were led by Ismail Ersahin, WAIPA Deputy Executive Director, Karl Pfeffer, Programme Officer MNE and Global Supply Chains at the International Training Centre of the ILO; Johannes Weiss, Technical Officer at ILO; Emily Sims, Senior Specialist and Manager at ILO and best practices were shared by Samet Akyuz, Project Director at Investment Support and Promotion Agency of Turkey (ISPAT) Stefan Kratzsch, Industrial Development Officer at UNIDO and Arkadiusz Tarnowski, Private Sector Liaison Officer to the World Bank Group, Economic Development Department at Polish Investment and Trade Agency (PAIH).



# FDI EXCELLENCE SERIES: FDI MARKETING

Helsinki  
Finland  
22 – 24 May 2018



The FDI Marketing training course was held in cooperation with the renowned FDI Advisor Andreas Dressler as part of the FDI Excellence Series and hosted by WAIPA member Invest in Finland.

Participants from Chile, Cote d'Ivoire, Australia, Greece, Cayman Islands, United Kingdom, Marshall Islands, Germany, Korea and Denmark gathered in Helsinki to learn from marketing and investment promotion specialists as well as representatives of leading investment promotion agencies how to:

- Select the right target groups and develop effective value propositions as a basis for successful marketing
- Use social media to increase visibility and generate leads
- Develop an overall brand for your location
- Create a website that reflects your location's strengths and contributes to attracting investment
- Find the optimal mix of marketing channels that reflect your budget
- Use cutting-edge digital market tools
- Manage integrated marketing campaigns in key target sectors

The training program covered the latest digital techniques and tools for investment promotion and how these can be used to generate real investment outcomes. It also focused on location branding, media communications, advertising and other marketing channels. Investment promotion officials had an unique opportunity to hear from leading IPAs and gain practical insights on topics that are not usually addressed in other FDI training programs.

Best practices were shared by Liisi Toots from the Estonian Investment Agency who presented how to develop and leverage a successful country brand; Hetta Huittinen and James O'Sullivan from Business Finland shared their insights on how positive news about different aspects of a location can be used to raise awareness and enhance the location's image as an investment destination; Karin Lachner from CINDE – Costa Rica Investment Promotion Agency focused on how to integrate your digital assets for enhanced results; WAVTEQs Chris Knight shared how to make the most of advertising and Louise Juhl from Copenhagen Capacity spoke about how to build a leading business hub through digital marketing.

# UNCTAD REGIONAL SEMINAR ON THE PROMOTION OF BANKABLE SDG PROJECTS FOR ASIA AND THE PACIFIC

Bangkok  
Thailand  
29 – 30 May 2018



Hosted by the International Institute for Trade and Development of Thailand, the seminar focused on developing and marketing bankable SDG investment project proposals which investment promotion agencies (IPAs) can use in their promotional work. Experts from UNCTAD, outward investment agencies and institutions, best practice IPAs from the region, and the private sector presented and shared lessons learned.

WAIPA CEO Bostjan Skalar was invited to speak on the promotion of partnership for financing the SDGs. In his speech he highlighted joint efforts to strategically promoting SDG investment opportunities to ensure better positioning of projects. He said that WAIPA stands to bring together all international partners from developing and developed countries to cooperate for promoting investment in the SDGs.

# WTO TRADE DIALOGUES 2018: BREAKOUT SESSION ON INVESTMENT FACILITATION

Geneva  
Switzerland  
7 June 2018



WAIPA CEO Bostjan Skalar participated at the WTO Trade Dialogues to share his insights at the Breakout session on Investment Facilitation.

Mr. Skalar highlighted the role of Investment Facilitation and the work that IPAs are doing regarding these issues. Furthermore, he underlined that in order to properly facilitate investments, a sound facilitation in terms of clear regulations and transparency is crucial. Building on this Informal Dialogue at the 11th WTO Ministerial Conference held in Buenos Aires in December 2017 (MC11), 70 WTO members co-sponsored a Joint Ministerial Statement calling for the start of structured discussions to develop a multilateral framework on investment facilitation. Participating Members are focusing on identifying and developing the elements of a framework for facilitating foreign direct investments, with development at the core of the initiative.

## INVESTMENT PROMOTION AGENCIES: EMPOWERING INNOVATIVE EUROPE ON THE OCCASION OF BULGARIAN PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION

Sofia  
Bulgaria  
20 June 2018



WAIPA Executive Director Bostjan Skalar took part at the event “Investment Promotion Agencies: Empowering Innovative Europe!” on 20 June 2018 in the National Palace of Culture in Sofia, Bulgaria organized by WAIPA Member Invest Bulgaria Agency on the occasion of the Bulgarian President of the Council of the European Union.

The event focused on the following topics:

- Innovation policy : the basis for competitiveness and sustainability in the EU
- Focusing the investments for the development of the innovation potential in Bulgaria according to ISIS 2
- European practices and models for funding and promoting innovation
- Horizon 2020
- Innovators and prospects ahead of them at European and international level

The meeting was attended by representatives of a large number of investment agencies to discuss how their work promotes innovation in the business sector.

## WAIPA CERTIFICATION COURSE WITH THE COLUMBIA CENTER ON SUSTAINABLE INVESTMENT, COLUMBIA UNIVERSITY

Istanbul  
Turkey  
2 – 5 July 2018



From July 2 until July 5 2018 investment promotion officials assembled in the WAIPA Training Center in Istanbul, Turkey for the first WAIPA Certification Course on “International Investment, Investment Promotion and Sustainable Development”.

This 3,5 day executive training, organized by our partner Columbia Center on Sustainable Investment (CCSI), Columbia University covered key trends and issues relevant for understanding FDI – and the role of IPAs in shaping it – in an era that is linked to an unprecedented degree through global value chains, experiencing rapid technological transformations, and that must pay much more serious attention to the environmental, social and economic sustainability of international business activity.

Course covered disciplines and issues including international business, economics, law and sustainable development:

- SDGs and Their Connection to FDI
- Where Does The FDI Go? Recent Patterns in FDI Flows
- Drivers and Determinants of FDI: Applying traditional concepts to modern trends

- Influencing FDI: Costs and Benefits of Various Strategies
- Focus on Investment Incentives: Whether, why, to whom and how to grant them
- Shaping the Impacts of FDI: A role for host and home country governance
- Assessing the Expected and Actual Impacts of FDI
- Focus on PPPs: value, risks, and how to structure them
- Focus on IPAs

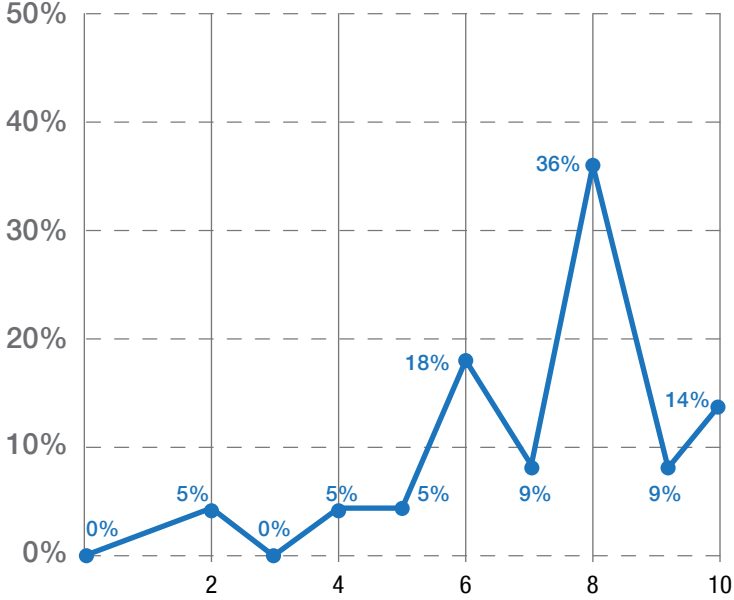
This certification course helped participants to gain skills and knowledge in FDI. They developed a better understanding of FDI flows and sustainable development, how to measure FDI impact and gained knowledge about harnessing FDI and the role of government, strategies and practices of IPAs.

Instructors included Lise Johnson and Brooke Guven from the Columbia Center on Sustainable Investment, Sarah Bauerle Danzman, an assistant professor of International Studies at Indiana University, Ellen Harpel from Smart Incentives and Douglas Van den Berghe from Investment Consulting Associates.

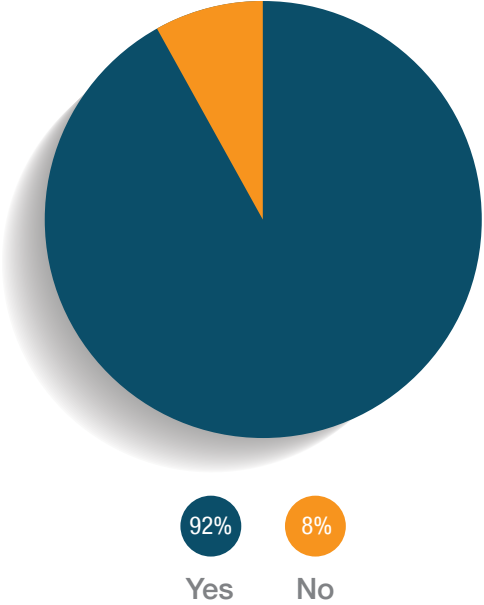


**SURVEY  
RESULTS**

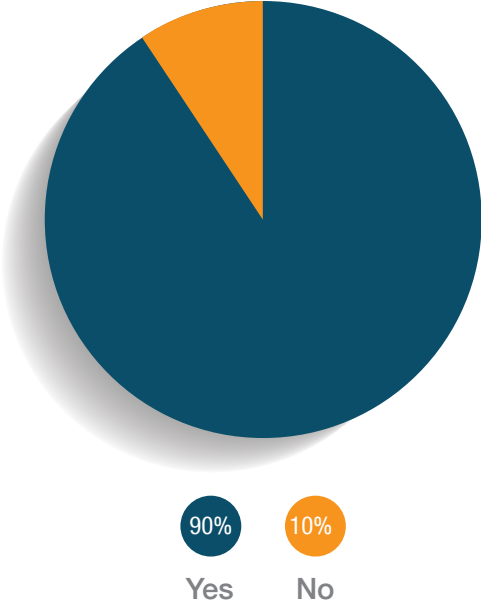
How would you rate WIC 2017 effectiveness when it comes to networking and learning latest trends in investment promotion?



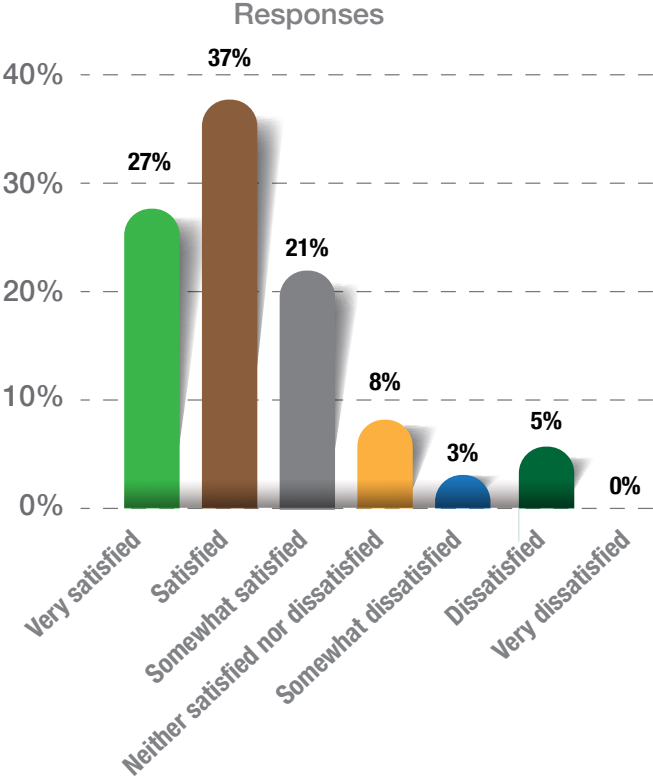
Would you like to have more participants from private sector included in the upcoming WAIPA events and conferences?



Would you like WAIPA to assist in facilitating meetings between IPAs and investors?

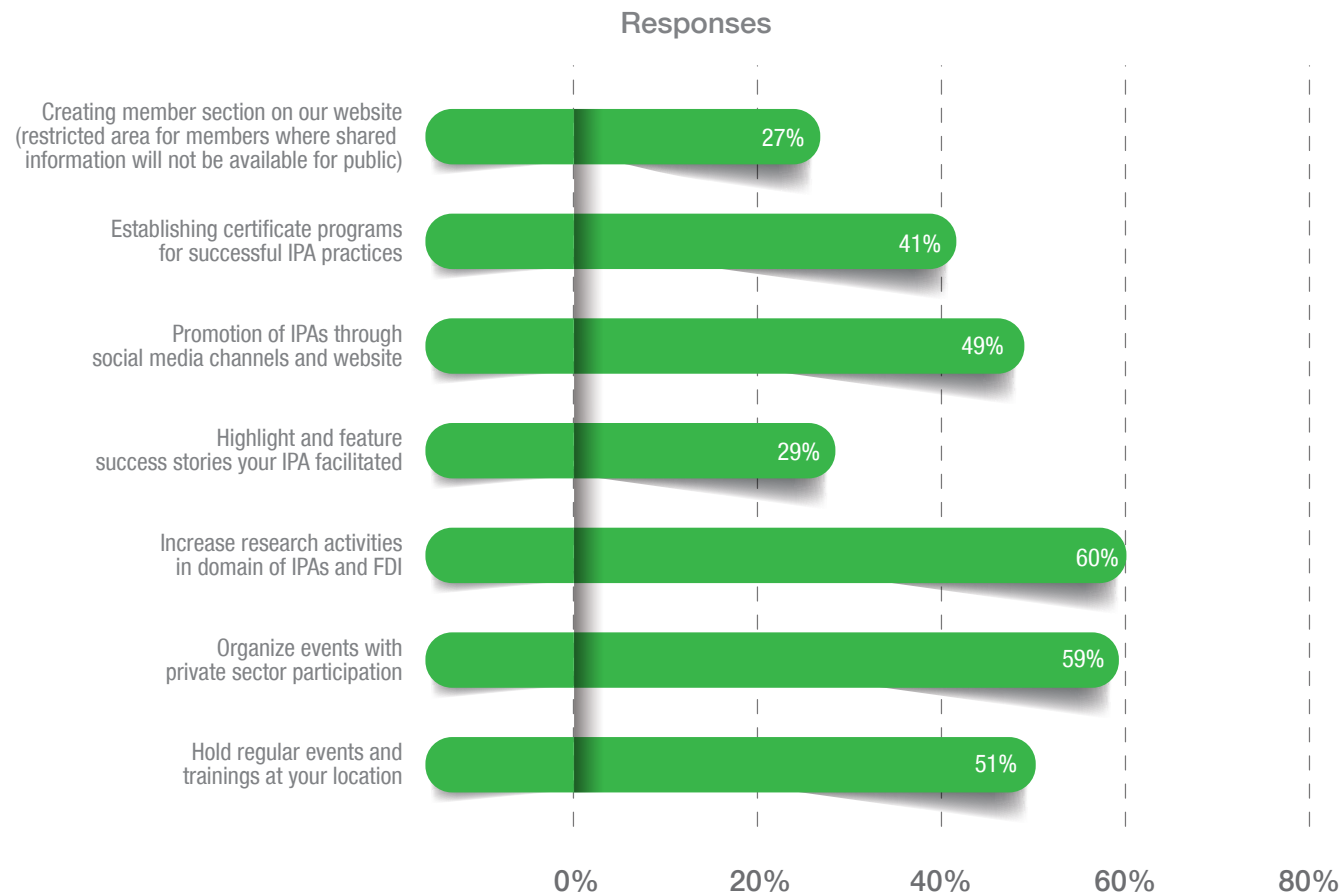


Are you satisfied with the overall quality of WAIPA's activities?

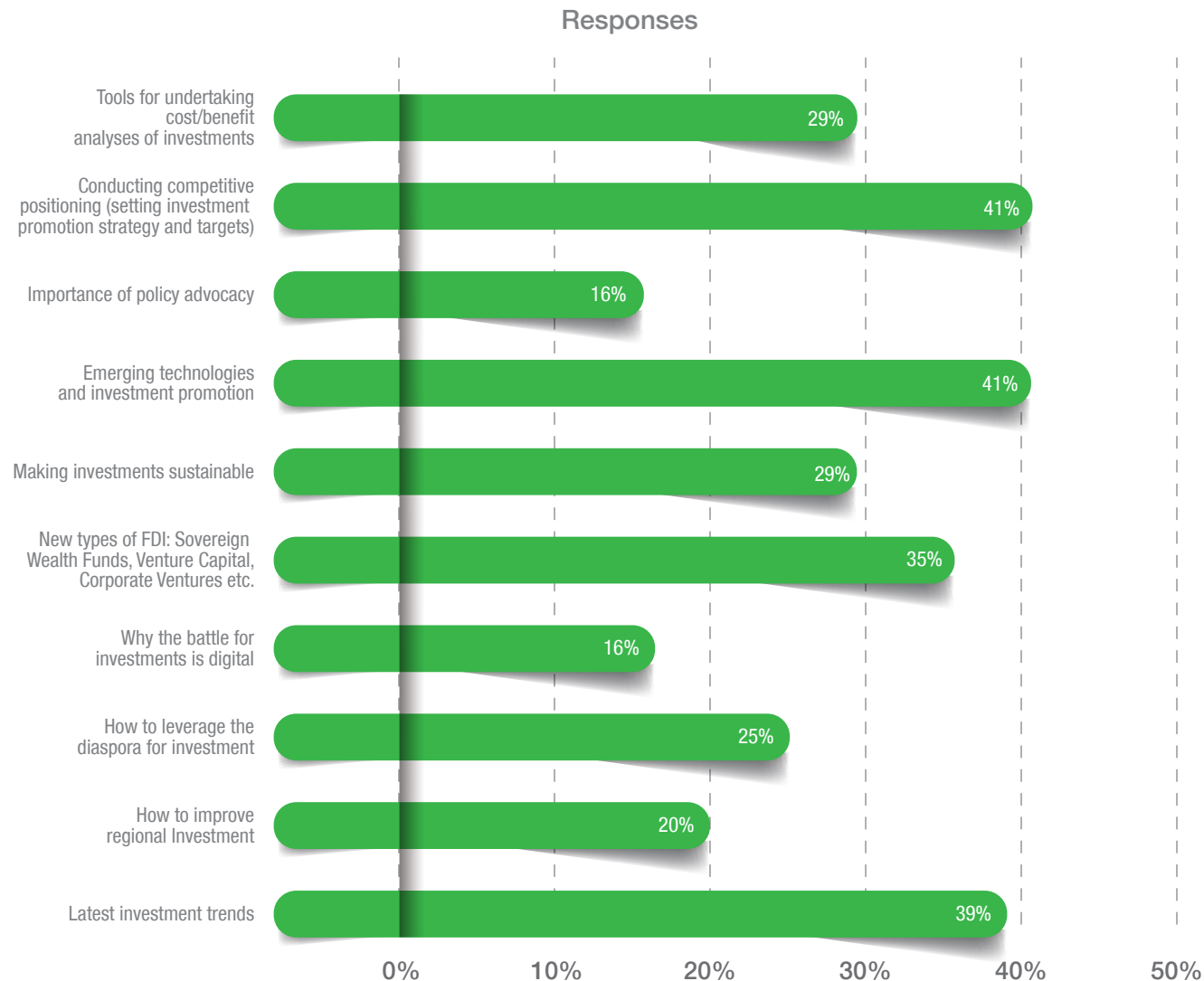




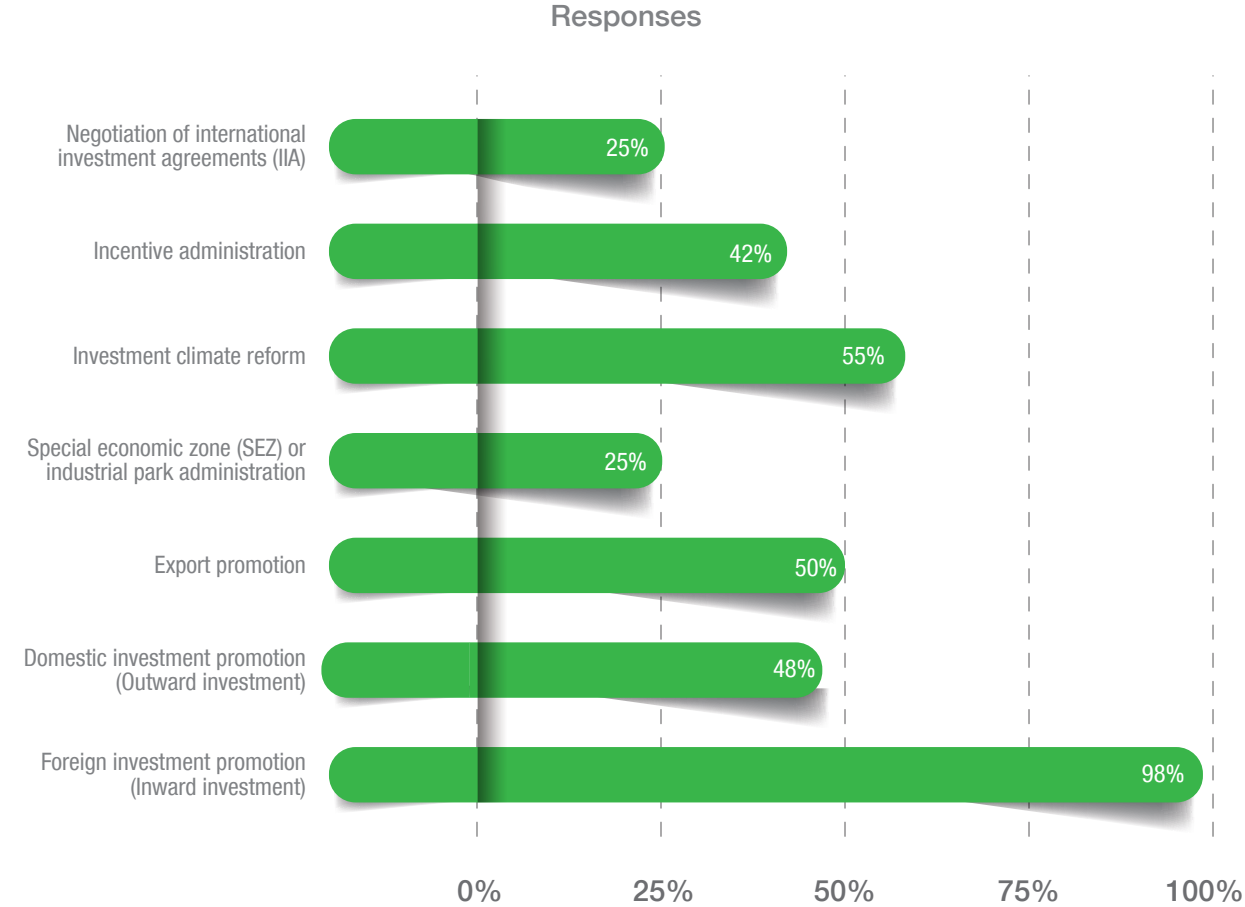
According to you, in which way WAIPA can improve its services ?



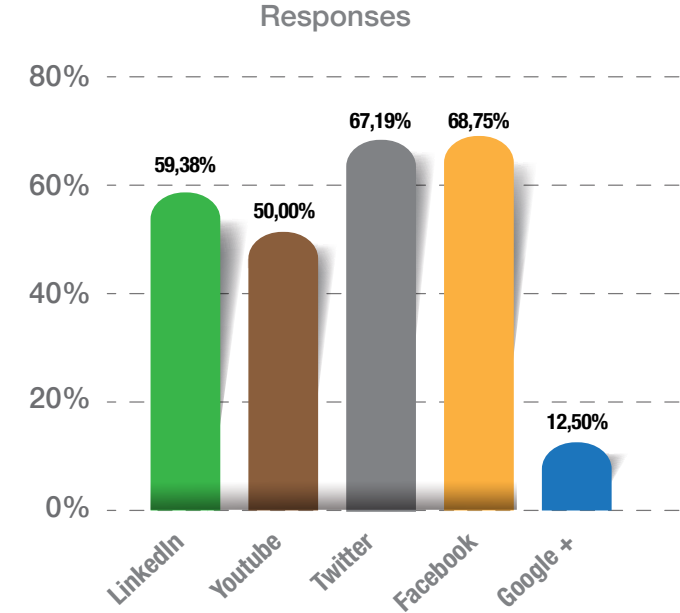
Which of the following topics you would like to be covered by WAIPA's future training courses?



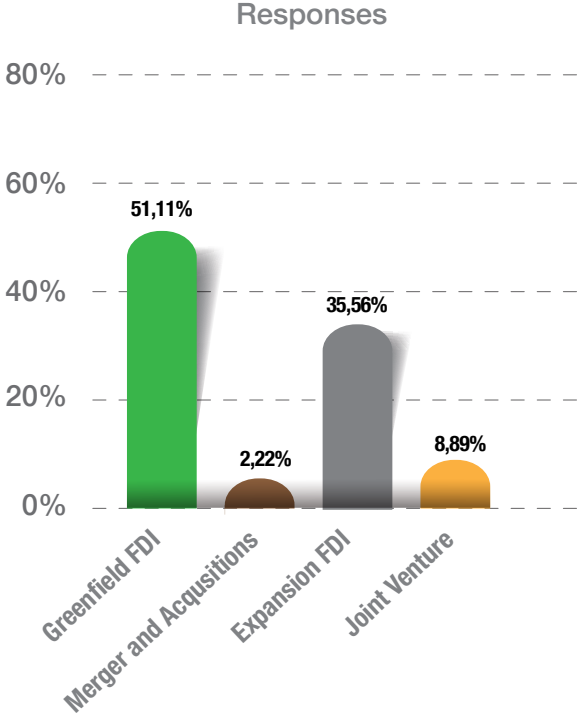
Which of the following functions are included in your IPA's mandate?



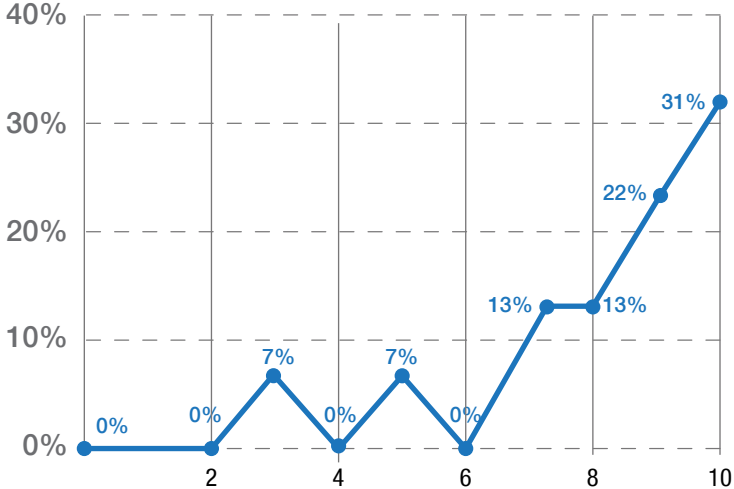
Which of the following social media tools is your IPA using for promoting its activities?



Which of the following forms of investment does your agency consider the most important ?



On a scale 1-10, how important do you think the Sustainable Development Goals (SDGs) are for your role?





**LEADERSHIP  
VISION**



## LEADERSHIP VISION

### **FAHAD AL GERGAWI**

CEO of Dubai Investment Development  
Agency (DUBAI FDI),  
Vice President of WAIPA



As global uncertainty continues to prevail, WAIPA plays an integral role in the collaboration with Investment Promotion Agencies (IPA's) policy development and investor engagement thereby enhancing global Foreign Direct Investment (FDI). However, FDI is undergoing a fundamental shift where investor's decisions are impacted, not only by profit levels, but also by the ability to deploy their investments in sustainable projects, thus changing the way investor's process and make investment decisions. Through extensive stakeholder engagements, with Global Thought Leaders, NGO's and Investors; WAIPA ensures that IPA's are ready, and enables them to react, with key proven policy measures as well as be proactive in their hunt for FDI. WAIPA's ambition is in line with helping IPA's align the needs of their country with investors and Sustainable Development Goals (SDG's). Actionable policy discussions merged with real life examples, helps our members better plan and realize these goals. Several key strategic engagement's and initiatives such as the Columbia Center on sustainable investment workshop, where IPA's learn how to measure FDI impact and utilize strategies to enhance the role of Government for FDI attraction, and the Hamdan Center

for the Future of Investment (HCFI), a global initiative that aims to promote the contribution of foreign direct investment (FDI) to sustainable development help IPA's better achieve their sustainable development goals. At the 22nd WAIPA World Investment Conference, held in Dubai UAE, IPA's highlighted the drivers and challenges needed to identify a positive environment to attract FDI and SDGs to their respective country. Best practices were shared, from strategies to policies all with the goal to support global FDI into SDG's. These engagements have continued to strengthen and attract more members, while increasing their capacity to continuously deliver. Continued sharing of expertise amongst IPA's ensures a more competitive environment by leveraging each other's strengths. WAIPA remains at the forefront for FDI policy, and we will continue to work towards more improved understanding, collaboration and readiness thus ensuring an IPA community that is investor ready. I look forward to WAIPA offering continued, and enhanced support to its members through various engagements as we all strive to create a better investment environment for FDI and Sustainable Investments.

## LEADERSHIP VISION

### **KEN POONOOSAMY**

Managing Director of Board of Investment Mauritius,  
WAIPA Regional Director of Sub-Saharan Africa



First and foremost, I would like to thank all WAIPA members who had voted for the Economic Development Board Mauritius, formerly known as the Board of Investment as the Regional Director for the Sub-Saharan region last year in Dubai. On behalf of all the members of the Sub-Saharan region, I would like to commend WAIPA for the work achieved so far and the leadership role it is playing to further promote the cause of Investment Promotion Agencies across the World.

Investment promotion in today's evolving global landscape is challenging, particularly for new emerging countries in the African region, that seek long-term quality and sustainable investment that are capable of unlocking growth, enhance standard of livings and reduce inequality.

Being a member of the steering committee is indeed an opportunity for me to ensure the region's sustained progress and push the agenda for a genuine, equitable, and sustainable economic transformation. If we want to achieve this objective it cannot be business as usual. Africa must become an attractive investment destination in the world and for this to happen, we will need to increase private sector investment, embark on industrialization, development and modernization of key infrastructure, which will in turn help to unlock the potential for job creation and poverty reduction in African Countries.

As the Regional Director, my vision is to create a multi-disciplinary platform that will bring together collaborative leadership for the purpose of creatively and strategically transforming economic and social development of Africa. I am determined to contribute to these visionary efforts through partnerships and consistent work through WAIPA. I am hopeful that through joint initiatives, we can work towards achieving an inclusive and sustainable industrial growth.

I am also looking forward to further improve our relationships and reinforce our engagement through intensified collaboration for better investment strategies and to gear up for an improved ease of doing business in the region. Together, we should all work to offer the world a collective deal for investment in and the development of Africa.

To help us in this endeavor, we will undoubtedly need the support of WAIPA. WAIPA's consultative committee which regroups representatives from Organization for Economic Co-Operation and Development (OECD), United Nations Conference on Trade and Development (UNCTAD) & United Nations Industrial Development Organization (UNIDO) offers an ideal structure for capacity building and build necessary networks and linkages to make our Investment Promotion Agencies (IPAs) among the best in the world.

## LEADERSHIP VISION

### MONA ZOBAA

Executive Director of Egyptian General Authority  
for Investment and Free Zones (GAFI),  
WAIPA Regional Directorship of  
Middle East and North Africa



It is my great honor and pleasure to convey the warmest of greetings from Egypt's IPA, GAFI, the General Authority for Investment and Free Zones. GAFI is the principal governmental body promoting, facilitating and regulating investment in Egypt, in line with Egypt's Vision 2030 goals and political and economic policy directives and targets. Our mission is to support Egypt's path to integrated, sustainable and equitable economic growth and prosperity through the promotion, facilitation and advocacy of an investor friendly business environment for investors regionally and internationally. We are well aware that achieving such national objectives requires an outward looking, cooperative and interactive role within valued organizations like WAIPA.

Investment is a core determinant of economic growth, the private sector is its engine and a stable and conducive business environment is fundamental. We look forward to working closely through WAIPA to meet the challenges of achieving UN SDG goals through greater regional cooperation, matchmaking between regional private sectors as well as in-country

collaboration and coordination. We look forward to developing greater channels regionally for the exchange of information, identification of regional technical cooperation areas and utilizing WAIPA's collaborations with development partners to enhance investment capabilities regionally and the wider WAIPA membership.

GAFI and Egypt have made significant strides to enhance the investor experience. In this respect, we created Investor Services Centers (ISCs); single bodies for approvals and procedures with clear processes and online functionality. Furthermore a series of legal, administrative and financial reforms to protect investments and robust dispute resolutions mechanisms are in place.

We hope to share these experiences during our tenure through enhanced information sharing mechanisms, robust and structured networking and strengthened capacity building through complementarity and coordination regionally and globally as we meet our challenges together.

## LEADERSHIP VISION

### WOJCIECH FEDKO

Executive Vice President of the Polish Trade and  
Investment Agency (PAIH),  
WAIPA Regional Directorship of European Union



As a Steering Committee member representing European Union it is my distinct pleasure to address you briefly on behalf of the Polish Investment and Trade Agency (PAIH).

Since the election time in November 2017, I have experienced a very challenging task of contributing to WAIPA's work as a regional director. I am very glad I have been given this opportunity to add to the global network of IPA's efforts for effective promotion of sustainable economic growth at political and business levels. Also, I am very committed to the organizational development effort of WAIPA itself in order to make our organization more meaningful and more effective to the global investment community. Let's emphasize the value of our collective knowledge base at the political level all around the globe. And let's get more business initiatives in our business.

I am sure that we can bring this increased effectiveness through training, promotional/political, fundraising events and various regional initiatives that WAIPA is implementing in 2018.

Representing Poland that is the 6th largest EU and one of the fastest growing economies in the region, I have a fairly comprehensive perspective on the development

of FDI in the Europe. Poland has had a double digit year-on-year growth in FDI with flagship investments by Volkswagen, Mercedes Benz, Lufthansa, Miele, JP Morgan and LG Chem. However, many countries are now experiencing turbulent times, as we all facing a lot of political and economic instability. The advent of CETA on one hand as well as the tariff squabbles between the United States and the European Union, and China for that matter, along with the "overhaul" of NAFTA -they all clearly demonstrate the need for WAIPA's role in the world. I am very committed to joining with you in keeping a careful eye on "deglobalization" threats and opportunities as we all promote our national interests in the global marketplace.

Giving that in 2017 PAIH has joined the European Trade and Promotion Organization (ETPO) and I have personally established close to fifty trade offices of PAIH worldwide, I believe I have a valuable vantage point to share in the implementation of WAIPA's objectives for the next few years.

I am looking to seeing you all at the upcoming 2018 World Investment Forum in China and I am very excited to tackle collectively the challenges that lay ahead of WAIPA.

## LEADERSHIP VISION

### GORDAN MILINIC

CEO of Foreign Investment Promotion Agency of  
Bosnia and Herzegovina (FIPA BiH),  
WAIPA Regional Directorship of Eastern Europe



Foreign Investment Promotion Agency of Bosnia and Herzegovina is a State Agency. The core FIPA goals are the securing of the investment and economic progress for the Bosnia and Herzegovina.

With this in mind, I believe that by working together, we can develop the best value for investors in our country as well as in the region.

As the CEO of FIPA BiH, I have been working closely with many IPAs and WAIPA representatives, regional and international peers and International organization. As part of the region of Southeast Europe, we always emphasize the importance of cooperation among neighbors and we are not considered as frontal competition. We cooperate at the regional level and we connect each other through development and investment projects. Our development relies on the neighborhood and we see the region of Southeast Europe as one whole.

FIPA was the initiator of establishing the Network of

Southeast Europe IPAs Cooperation in 2009 by signing a Memorandum of Understanding in Vienna in June 2009 with the aim to promote the SEE region as a whole. This was one of the steps to promote the region, its positioning and attractiveness for investments in global frameworks.

I believe that WAIPA's activities and support has grown thanks to its active members and a dedicated Steering committee. I also strongly believe that moving forward, the success of WAIPA's members will further strengthen WAIPAs global standing. That is why, FIPA BiH is looking to actively participate in shaping the future of WAIPA to better serve the success of all its members.

As a member of the Steering Committee I will be devoted to promoting understanding and cooperation amongst IPAs and long-term business relationships.

## LEADERSHIP VISION

### PAULO CARREÑO KING

Director General of ProMexico,  
WAIPA Regional Directorship of North America



“Economic uncertainty” has been one of the most repeated term on the news and social media in the last decade. More often than we can possibly like to, we learn of new financial crises, natural disasters, economic shocks and a wide array of disruptions that have presented some of the main challenges that most economies, if not all of them, have faced in the last years. It seems like economic strain has become the “new normal”.

This has inevitably posed a new challenge to investment and trade promotion agencies, like ours, devoted to fostering economic growth and commercial integration in the entire world. In fact, according to UNCTAD, global foreign direct investment fell by a staggering 16% just in 2017; a figure that clearly illustrates the extent of the problem we have in our hands.

Our job has undoubtedly become both increasingly challenging and relevant in a constantly changing world. In addition, forums for cooperation have become a fundamental tool for fulfilling our tasks.

Bringing our efforts and voices together is one of the

most valuable endeavors WAIPA has undertaken. During the past 23 years, WAIPA has provided every one of its members with a unique platform for sharing best practices, understanding new global trends and allying our goals.

To this day, we have been able to build a network 170 Members from 130 countries committed to common growth and prosperity; all starting from a common premise: international trade and investment is not a “zero-sum-game”.

In the near future, partnerships will be our clue mechanisms for adapting and transforming our uncertain reality. I am confident that, together, we will be able to turn these challenges into opportunities. As the proud representative of the North American Region and on behalf of all in ProMéxico, it is my great honor and privilege to work hand-in-hand with such distinguished colleagues towards achieving sustainable development.

All the best and warmest regards!



## LEADERSHIP VISION

### ADALBERTO NETTO

CEO of Parana Development Agency, WAIPA  
Regional Director of South America



On behalf of APD Invest in Parana, it gives me great pleasure in addressing our members of WAIPA and share recent highlights from our region. According to UNCTAD, FDI to South America increased by 10 per cent last year as recession in the region ended. However, investment flows to and from the region are expected to stagnate or decline marginally, due to the growing global uncertainty.

To progress towards attracting more investment, further dialogue, integration and cooperation among IPAs is required. This was the consensus built by more than 54 IPAs during the last *Latin America Investment Conference (CLAIN)*, created by APD and promoted with APEX Brasil and the Interamerican Development Bank, with the support of WAIPA.

WAIPA plays a pivotal role towards this goal. We have further strengthened the dialogue and connection among South American IPAs. We run an inventory of all IPAs in the region, launched a South America IPAs

Social Network group at LinkedIn bringing together more than 100s IPAs at all levels. We also helped to promote Latin America as a destination for FDI by taking part at ECLACs panel *Invest In: Latin America and the Caribbean* at the Annual Investment Meeting in Dubai. A further IPA research is in progress to profile IPAs and identify their needs. We believe in the relevance and unique opportunities offered by South America to global investors.

Working together with other Steering Committee members and WAIPAs management, we will continue to foster networking, exchange and collaboration among members to strength the role of IPAs in South America as an instrument for growth and prosperity. We wish a very successful 2018 World Investment Conference at Xiamen, a milestone of the evolution of the work performed by the association.



# FINANCIAL STATEMENTS

**WORLD ASSOCIATION OF  
INVESTMENT PROMOTION  
AGENCIES**

Geneva

report of the statutory auditor on the limited  
statutory examination to the general  
assembly of the financial statements for  
the year ended December 31, 2017

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www.crowe-berney.ch

Geneva, April 9, 2018

**REPORT OF THE STATUTORY AUDITOR ON THE LIMITED STATUTORY  
EXAMINATION TO THE GENERAL ASSEMBLY OF THE  
WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES, GENEVA**

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, 2017.

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 939'933, do not comply with Swiss law and the association's statutes.

Yours faithfully,

CROWE BERNEY SA



Sébastien BRON  
Licensed Audit Expert



Philippe JOERG  
Licensed Audit Expert  
Auditor in charge

Enclosure : financial statements (balance sheet, income statement, notes)



WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES, Geneva

BALANCE SHEET AS OF DECEMBER 31, 2017

	Note	31.12.2017 USD	31.12.2016 USD
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8.1	881'747	544'627
Sponsoring receivable	7	125'000	400'000
Prepaid expenses		3'066	3'570
<b>TOTAL CURRENT ASSETS</b>		<b>1'009'813</b>	<b>948'197</b>
<b>FIXED ASSETS</b>			
Office renovation costs and furniture	8.2	11'594	16'399
<b>TOTAL FIXED ASSETS</b>		<b>11'594</b>	<b>16'399</b>
<b>TOTAL ASSETS</b>		<b>1'021'408</b>	<b>964'596</b>
<b>LIABILITIES AND RESERVES</b>			
<b>SHORT TERM LIABILITIES</b>			
Dubai restricted funds	6	-	60'047
Accrued liabilities	8.3	81'475	56'000
<b>TOTAL SHORT TERM LIABILITIES</b>		<b>81'475</b>	<b>116'047</b>
<b>RESERVES</b>			
Accumulated reserves		939'933	848'549
<b>TOTAL RESERVES</b>		<b>939'933</b>	<b>848'549</b>
<b>TOTAL LIABILITIES AND RESERVES</b>		<b>1'021'408</b>	<b>964'596</b>

WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES, Geneva

INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2017

	Note	2017 USD	2016 USD
<b>OPERATING REVENUES</b>			
Membership fees		354'198	339'131
Presidency sponsorship	7	500'000	800'000
Other sponsorship		-	79'483
Release of provision		-	22'115
Release of Dubai restricted funds	6	60'047	-
Other revenues		20'393	336
Financial revenues		28	27
Exchange gain		2'474	4'458
<b>TOTAL OPERATING REVENUES</b>		<b>937'140</b>	<b>1'245'551</b>
<b>OPERATING EXPENSES</b>			
Staff salaries and related costs		(386'680)	(363'799)
Annual Conference costs and Meetings expenses		(56'270)	(284'190)
Workshops and training expenses		(62'775)	(5'591)
Office expenses		(28'053)	(24'806)
Website and IT expenses		(17'889)	(29'853)
Advertising and printing expenses		(26'227)	(14'077)
Rental expenses	5	(13'041)	(14'460)
Travel expenses		(151'661)	(108'418)
Consulting expenses		(49'162)	(11'761)
Legal fees		(27'944)	(20'615)
Professional fees		(5'989)	(21'218)
Other expenses		(1'159)	(586)
Bank charges		(8'954)	(6'169)
Exchange loss		-	(194)
Interest expenses		(53)	(48)
Depreciation	8.2	(9'897)	(8'200)
<b>TOTAL OPERATING EXPENSES</b>		<b>(845'756)</b>	<b>(911'985)</b>
<b>SURPLUS FOR THE YEAR</b>		<b>91'384</b>	<b>333'566</b>

**1 GENERAL**

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 and is not registered in the Geneva Trade Register.

The seat of WAIPA is in Geneva - Switzerland. The administrative offices of WAIPA are located in Turkey. All the employees of the association are based in Turkey.

The financial statements have been prepared in accordance with the Swiss law and in particular with articles 957 to 963 of the Swiss Company Law dealing with the commercial accounting and the presentation of financial statements.

**2 ACCOUNTING PRINCIPLES**

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

**2.1 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.

**2.2 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.

**3 CONFIRMATION WITH RESPECT TO THE AVERAGE NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES**

The average number of full-time equivalent employee for the year 2017 is lower than 10 (2016: <10).

**4 INCOME AND CAPITAL TAX, SOCIAL 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 in Turkey.

**5 RENTAL AGREEMENT**

WAIPA has entered into a rental agreement for its Geneva office from April 1, 2015 through March 31, 2020. Under this agreement, the non-cancellable leases amount to CHF 27'070 (USD 27'779).

**6 DUBAI RESTRICTED FUND**

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, were released in 2017 as decided by the Steering Committee.

**7 SPONSORING FUNDS AND SPONSORING RECEIVABLE**

In 2017, WAIPA received a sponsoring income of USD 500'000 from Invest in Turkey to finance the running expenses of WAIPA. Invest in Turkey paid USD 375'000 in 2017 and the remaining amount, i.e. USD 125'000, at the beginning of 2018.

In 2016, WAIPA received a sponsoring income of USD 800'000 from Invest in Turkey to finance the running expenses of WAIPA. Invest in Turkey paid USD 400'000 in 2016 and the remaining amount, i.e. USD 400'000, at the beginning of 2017.

**8 DETAILED INFORMATION ON SELECTED ACCOUNTS**

	31.12.2017	31.12.2016
	CHF	CHF
<b>8.1 Cash and cash equivalents</b>		
UBS Swiss francs accounts	274'663	266'403
UBS US dollars accounts	599'543	270'755
UBS Swiss francs - guarantee for rental agreement	7'542	7'469
<b>Total</b>	<b>881'747</b>	<b>544'627</b>

The UBS Swiss francs - guarantee for rental agreement is pledged as a guarantee for the rental commitments of WAIPA.

WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES, Geneva

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2017

8.2 <u>Fixed assets</u>	NBV 31.12.2016	Acquisition/ disposal	Depreciation	NBV 31.12.2017
	CHF	CHF	CHF	CHF
Office renovation costs and furniture	16'399	5'092	(9'897)	11'594
<b>Total</b>	<b>16'399</b>	<b>5'092</b>	<b>(9'897)</b>	<b>11'594</b>
8.3 <u>Accrued liabilities</u>			31.12.2017	31.12.2016
			CHF	CHF
Accrued professional fees			26'929	10'045
Accrued office expenses and travel expenses			12'005	8'000
Accrued social taxes			31'541	27'000
Accrued audit and accounting fees			11'000	10'955
<b>Total</b>			<b>81'475</b>	<b>56'000</b>