

WAIPA  
**REPORT OF  
ACTIVITIES** 2016-2017

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# NOTES

The WAIPA Annual Report 2016-2017 was produced by the WAIPA Permanent Secretariat. WAIPA would like to thank all those who have been involved in the preparation of this report and for their various contributions.

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

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**Bostjan Skalar**

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# OBJECTIVES

## PROMOTE UNDERSTANDING

Promote and develop understanding and cooperation amongst IPA's.

## SHARE EXPERIENCES

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

## FACILITATE ACCESS TO DATA

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

## ASSIST IPAS IN ADVERTISING

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

## PROMOTE TRAINING

Facilitate access to technical assistance and promote training of IPAs.



## MESSAGE FROM THE PRESIDENT

### ARDA ERMUT

*President,  
World Association of  
Investment Promotion Agencies*

*President,  
Investment Support and Promotion  
Agency of Turkey*



### Dear WAIPA members and colleagues,

WAIPA is evolving along with the increasing role of investment in global development. Today we understand that the sustainability we seek is in direct relation to how we understand the development needs of communities at the very basic level. By addressing those concerns and then scaling them up through participatory mechanisms and effective linkages, we address the global development goals. It is beyond doubt that collaboration is the key to attracting investments in any part of the world and WAIPA is at the center coordinating opportunities that will have huge impacts for regions all across the globe.

The philosophy at work behind WAIPA's operations is to improve understanding and cooperation with and among each of its members, multi-level stakeholders interested in working with those members and global institutions. WAIPA provides support in improving the global FDI flow by creating a

network that enhances information gathering, encourages experience sharing and facilitates access.

WAIPA is simultaneously involved at all levels in efforts to develop reliable and sustainable infrastructure all over the world. We are involved at the highest levels of policy dialogue on investment and sustainable development to promote solutions that engages everyone and works for all. Global investment objectives make WAIPA the focal agency to help identify characteristics of sustainable development.

WAIPA is helping build the capacity of officials of investment agencies in collaboration with the World Bank. Now, leading institutions like WTO are seeking alignment of objectives in working together to support IPAs. Promotion of investment networks at sub-national, national, regional and international level is essential for improvement in global FDI flows that will help the world get closer to achieving SDGs.

WAIPA is becoming increasingly relevant when regions compete for a collective advantage in

today's cutthroat investment environment. We have the capacity to connect with stakeholders at global, regional and state level. We are best suited to present investment opportunities to investors ensuring they contribute in addressing the SDGs.

Presence at all major regional and global investment events over the last year is just an indicator of how WAIPA is achieving its mission to be the voice of IPAs all around the world. We are leading the world towards bankable SDG projects. We are connecting local businesses to global investors by retaining, expanding and linking all stakeholder networks.

Each year we are bringing in more members. With each new member, we enhance our capacities to reach out for more support. We open ourselves to numerous new opportunities of investment and network development. With growth in numbers we are becoming more relevant in the global efforts to achieve the sustainable development agenda. We are more responsible today.



## MESSAGE FROM THE CEO

### BOSTJAN SKALAR

*Executive Director- CEO  
World Association of Investment  
Promotion Agencies*



This report highlights the many ways through which The World Association of Investment Promotion Agencies (WAIPA) supports investment initiatives at all levels to turn the aims of the 2030 Agenda for Sustainable Development into real on ground results. These results matter for everyone. WAIPA works in collaboration with governments, regional and international institutions and a wide range of partners with each of them having a specific role to play. Our role is to be The global reference point for foreign direct investments (FDI). Objectives of investment promotion are multilevel and require engagement at each tier to develop understanding and cooperation. Our success lies in doing the best we can to strengthen information gathering systems, to enable global and regional experience sharing and to facilitate access to all technical assistance. Our efforts at global, regional and sub regional level are focused towards

the development of reliable and sustainable business infrastructure, including regional and trans-border infrastructure.

WAIPA is a regular participant of the ongoing policy dialogues organized by different partners with focus on sustainable investments and sustainable development following Agenda 2030 with Sustainable Development Goals (SDGs). Major global stakeholders like our Consultative Committee Members UNCTAD, World Bank, UNIDO, OECD, ILO, ICC, IEDC and recently also WTO are reaching out to WAIPA in exploring ways to support IPAs in playing a leading role nationally, regionally and internationally. This is a clear evidence of our commitment to members and recognition of our efforts at every platform. In July, with the assistance of the World Bank, we organized the pilot executive training on FDI for more than 30 participants and 22 agencies from 9 Steering Committee regions.

Regional integration and collaboration create the collective competitive advantage for FDI. 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. Speaking about reforms, WAIPA is also actively involved in UNCTAD's International Investment Agreements (IIA) regime reform efforts that will transform or modernize currently over 3000 existing Bilateral Investment Treaties

(BIT) and allow investment ecosystem to be more efficient and friendly to all stakeholders.

Additionally, WAIPA has been active at all major regional events. This year WAIPA participated in the Latin American Investment Conference, Select USA Investment Summit, UNCTAD's seminar on the promotion of bankable SDGs projects, ECOSOC forum on financing for Least Developed Countries (LDCs) where we have designed a special tailor-made program for their capacity building that was proposed to wider UN community, ICC-WBO commission on trade and investment policy, Annual Investment Meeting (AIM) and World Business Angels investment forum (WBAF).

With the vision to change the world through increase in FDI, with emphasis on sustainable component, WAIPA is transforming its strategies to deliver everything that is expected of their role in the global investment and development environment. We are delighted that several new members have recently joined the WAIPA family recognizing the added value that we provide. We will further strengthen our network, aim in achieving our ambitions and strive towards better investment opportunities. By bringing on board a vast network of experts in investment promotion, WAIPA is helping retain, expand and link foreign direct investments with local businesses and opportunities.

Together with many of our partners in every part of the world, WAIPA will continue to deliver for Investment Promotion Agencies (IPAs) assisting them to achieve the UN 2030 Agenda and its global goals, seeking increased sustainable investments all over the world.





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## MESSAGE FROM CONSULTATIVE COMMITTEE



## MESSAGE FROM CONSULTATIVE COMMITTEE

**Dear WAIPA  
members,**

The value of international investment has grown substantially in the past decade, with global flows increasing to nearly USD1.8 trillion in 2017, according to the United Nations Conference on Trade and Development (UNCTAD)—still below the pre-financial crisis peak 10 years prior. 37 new international investment treaties were concluded in 2016, bringing the total number of treaties to 3,324 by the end of the year. The increasing level and expanding nature of international investment flows speak to the recognition by governments—particularly in emerging economies—of the contribution that foreign direct investment (FDI) makes to their sustainable development. Indeed, the value of FDI for inclusive economic development and growth is nowadays rarely disputed. FDI is critical for driving productivity and remains the most common vehicle available for economies to integrate into global value chains. Beyond the immediate employment gains and fiscal benefits it brings, FDI can also increase labour market dynamics through the capabilities they transfer to local workers, often through improvements in working and managerial practices. Local firms may also hire local workers that were previously employed

by multinationals, or local workers may leave a multinational to start their own company with skills that they have learned. Both are instances of FDI facilitating positive local productivity and employment gains. 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).



**JOHN DANILOVICH**  
*Ambassador, Secretary General of  
the International Chamber  
of Commerce (ICC)*

**ICC** INTERNATIONAL  
CHAMBER  
OF COMMERCE  
The world business organization

We encourage all governments to adopt these principles as a means of encouraging responsible and sustainable investments. ICC also champions policy frameworks that enable business investment in line with the UN Sustainable Development Goals—a vital agenda that requires the mobilisation of US\$2.5 trillion each year in developing countries. We strongly believe in the business case for the Global Goals, a longstanding commitment that has culminated in the ICC being granted Observer Status at the UN in late 2016—the first time a business organisation has ever received such an honour. Our continual cooperation with WAIPA in all of these realms is of the utmost value. I am delighted and honoured to have overseen ICC's official joining of the WAIPA Consultative Committee last year. The work of WAIPA

is especially critical amid the increase in investment policy divergence and restrictive measures that we are currently witnessing. According to UNCTAD, 124 policy measures affecting foreign investment were adopted by 58 countries in 2016—the highest number since 2006. 22 of these measures introduced new restrictions or regulations on investment and the overall share of measures that facilitate or promote investment has fallen to a historic low of 79%. In this context, it is essential that business stands alongside the international community to demonstrate how investment can contribute to inclusive economic growth. I look forward to a new year of constructive engagement with WAIPA, as we work together to facilitate international investment for the benefit of all.



## MESSAGE FROM CONSULTATIVE COMMITTEE

On behalf of the International Economic Development Council (IEDC), the largest membership organization of economic developers, I extend sincere congratulations to WAIPA for another successful year as the global reference point for Foreign Direct Investment. IEDC is proud to serve as a member of WAIPA's consultative committee and long-standing partner. Since formalizing our partnership in 2004, IEDC and WAIPA have continuously strengthened our joint resolve to advance economic growth by empowering the global network of economic developers.

As an association of over 5,200 members, IEDC is dedicated to serving economic development professionals. For over 90 years, IEDC has delivered quality programs and services that allow economic developers to building strong and sustainable communities. IEDC's provision of services include opportunities to network with and learn; a well-structured professional development program and certification that unify and set the standard of excellence for the discipline; advisory services and research that create customized solutions for communities and federal agencies; an Accredited Economic Development Organization program, which recognizes excellence in local economic development efforts; and the industry publications Economic Development Journal and Economic Development Now e-newsletter. IEDC realizes success through these channels by empowering our members with the knowledge they need to create high-quality jobs, develop vibrant communities, and improve the quality of life in their regions.

Similarly, WAIPA's commitment to disseminating best practices in investment promotion is needed more than ever. According to the 2017 UNCTAD World Investment Report, overall FDI grew throughout 2015, but stagnated in 2016 with an overall decline of 2 percent. In developing countries, this decline was even more pronounced, with these economies

seeing an average decrease of 14 percent. Weak economic growth and policy risks perceived by multinational enterprises contributed to the global FDI decrease. International developments such as Brexit, uncertainty surrounding the new U.S. administration's intentions for NAFTA and its rejection of the TPP, and European elections have contributed to political uncertainty around FDI.

It is undoubtedly an uncertain time in economic development—one seemingly fraught with challenges but not without opportunities. The emergence of new global markets have awarded communities exciting opportunities to work together to encourage competition and advance economic growth. However, investment policies have become more complex and uncertain, with a record number of new policies implemented in 2016 designed to promote investment, facilitate FDI, and liberalize regulations. These global changes highlight the growing need for international communication and collaboration. IEDC's continued relationship with WAIPA, and other partner organizations, shows the joint belief in the power of knowledge, partnerships, and cooperation to overcome obstacles.

During IEDC's 2017 Annual Conference held in September, we celebrated the transformative power of connecting, collaborating, and creating at the global level. Programming for the conference included panel discussions on supporting foreign start ups and collaborating on a regional level to attract FDI. WAIPA CEO, Boštjan Skalar, spoke with delegates from around the world in a session on Collective, Competitive Advantage for Foreign Direct Investment. As outlined in Mr. Skalar's session, new opportunities for collaboration and growth are emerging.

Despite contracted performance in 2016, moderate FDI recovery is anticipated this year. MNEs have demonstrated renewed optimism and improved perceptions of future FDI inflows. Expected fiscal easing in the United States, cyclical growth in Europe and Japan, rising commodity prices, and expected increases in corporate profits are all expected to contribute to FDI growth in 2017. Services and technology sectors in particular are growing quickly and have been the most attractive sectors for FDI in recent years, while overall international production is expanding. China and developed countries are the top prospective investors, while emerging markets and the U.S. are the chief investment destinations. FDI will remain a critical source of financing and stability for developing economies.

Furthermore, the digital economy is emerging as a key driver of investment and growth. Policy challenges surrounding this rising industry include reducing the digital divide (bridging differing levels of technological advancement), potential negative social and development impacts, and increasingly

complex internet regulatory issues. The digital economy and emerging technological service-based industries are transforming the way MNEs operate both internally and externally, and these changes are especially important for developing countries. Additionally, technological changes and new digital services providers are changing both domestic and international supply chains, with digital MNEs targeting opportunities along traditional supply chains for technological enhancements. Policies to encourage investment in digital service-based MNEs represent critical opportunities to encourage economic growth and FDI in developing countries. Given these opportunities for growth, organizations like WAIPA and IEDC have a responsibility to equip their members with the knowledge needed to act. Continued knowledge sharing within the global community of economic developers is the means to that end. IEDC's body of knowledge and expertise stems from a network of over 5,200 members backed by a 90-plus year commitment to the economic development profession. IEDC has

helped economic developers create high-quality jobs, develop vibrant communities, and improve the quality of life in their regions. From public to private, rural to urban, and local to international, IEDC's members are engaged in the full range of economic development experience. Our members are employed in a wide variety of settings including local, state, provincial and federal governments, public-private partnerships, chambers of commerce, universities, and a variety of other institutions. Coupling our networks and expertise creates mutual benefits for both organizations.

In closing, I look forward to continuing the WAIPA-IEDC knowledge-sharing tradition by speaking at the 22nd annual WAIPA World Investment Conference in Dubai. And, IEDC looks forward to exploring more opportunities for collaboration and knowledge sharing in the upcoming years. Together we will continue to empower our members with the knowledge they need to navigate the challenges they encounter and take advantage of the opportunities they are given.



**F. MICHAEL LANGLEY, FM**  
*Board Chair, International Economic  
Development Council (IEDC)*



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

## MESSAGE FROM CONSULTATIVE COMMITTEE

### Dear WAIPA members,

As Director General of the International Labour Organization, I am pleased to address you for the first time as a new member of the Consultative Committee.

The ILO is the specialized agency of the United Nations tasked with promoting decent work for men and women everywhere. This objective is reflected in the sustainable development goals, specific elements of which are linked not only to SDG 8 on promoting sustained, inclusive economic growth and decent work but also in numerous other goals, such as SDG 1 on poverty reduction, SDG 4 on education and lifelong learning and SDG 5 on achieving gender equality.

The ILO's strength lies in its tripartite structure, which reflects the knowledge and experience not only of the governments but also the representatives of employers and workers in each member state. Through social dialogue, the ILO develops normative instruments and policy guidance which reflects this collective wisdom.

FDI is critical for obtaining not only capital for

enterprise development, but also employment creation, skills development, transfer of technology, and other elements essential for stimulating and advancing inclusive economic growth and sustainable development. This is an important element in the Addis Ababa Action Agenda on Financing for Development. Governments therefore should be mindful of the quantity and quality of jobs created through FDI, both directly and—in many ways more importantly—indirectly through increased linkages with local enterprises, in particular, small and medium enterprises.

I believe that investment and especially FDI can be an important lever for decent work, a sustainable development goal and priority in countries around the world. But we do not just need more FDI, we need the right kind of FDI. Under the leadership of President Arda Ermut and CEO Bostjan Skalar, WAIPA has become more active in conveying this important message to its members: IPAs are the critical liaison between investors and policy makers to maximize the positive contribution of FDI to



International  
Labour  
Organization

### GUY RYDER

*Director-General of International  
Labour Organization (ILO)*

sustainable development and inclusive growth but they need support to develop the capacity to fully assume this role.

The ILO, WAIPA and UNCTAD have partnered in training IPAs on how to attract investment which will create more and better jobs, including through enhanced linkages with local business partners. The ILO is supporting governments to more accurately assess the impact of their investment promotion strategies on decent work; workshops have included participation not only of national statistics offices and central banks but also IPAs. And the ILO is partnering with numerous international organizations to support IPAs in the least developed countries to attract FDI which will contribute more effectively to achieving the SDGs, including those related to decent work.

The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) is the ILO instrument which guides government FDI policies and business behaviour. It addresses employment creation, skills development, conditions of work and industrial relations; and was updated this year to make a stronger link to the 2030 Agenda for Sustainable Development.

I congratulate WAIPA on its visionary approach to elevating the role of IPAs in achieving the SDGs and the central importance it has placed on the promotion of decent work. I look forward to a continued fruitful partnership with WAIPA to support IPAs which will play an important role in achieving the SDGs and in the promotion of decent work.



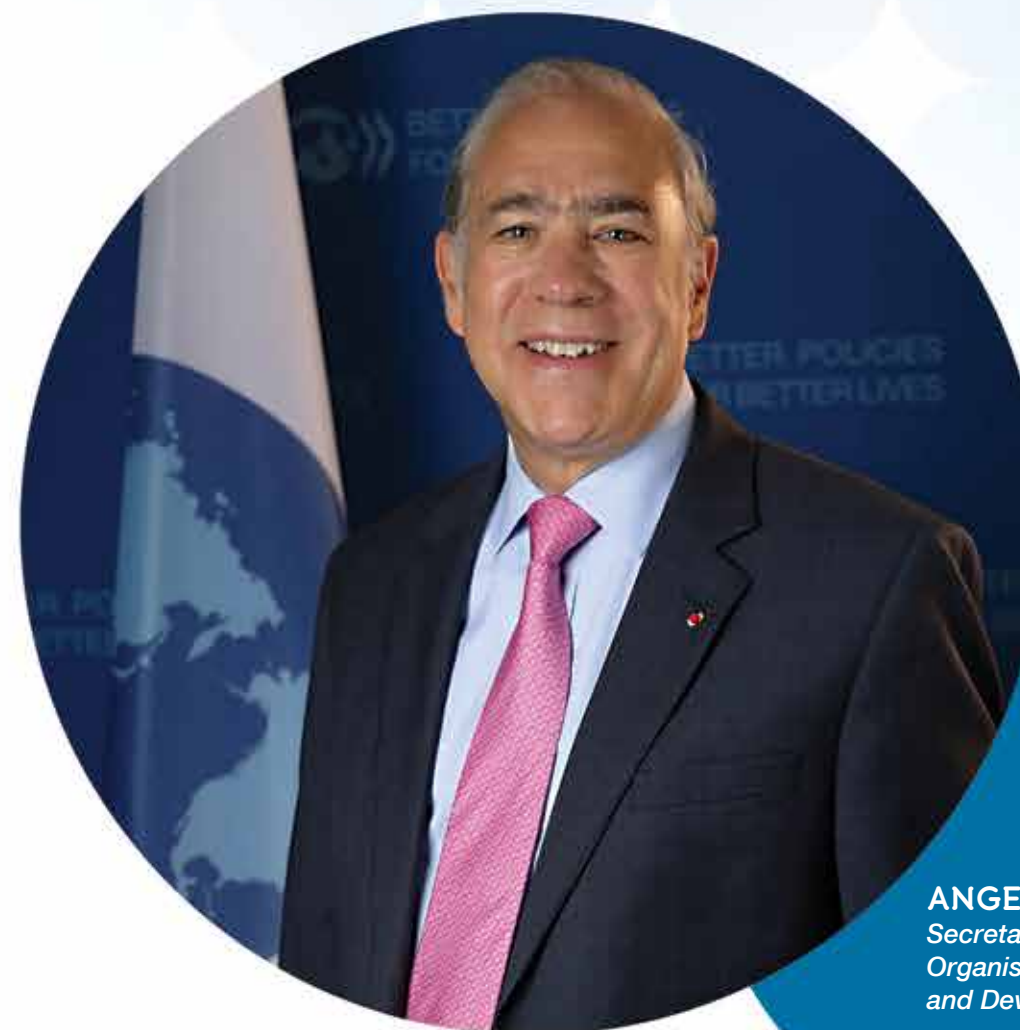
## MESSAGE FROM CONSULTATIVE COMMITTEE

A good investment climate helps to mobilise capital, skills and technology, enabling firms to expand. It should allow enterprises to invest productively and profitably, but it is not just about reducing the cost of doing business and raising corporate profitability. It should also ensure that investment brings about the highest possible economic and social impact, promoting responsible business conduct, inclusive growth, and sustainable development. This is doubly important in the current international investment climate. In fact, global foreign direct investment (FDI) flows were down by 7% in 2016; while outflows from the OECD area decreased by 9%. The biggest declines are concentrated in developing countries, where international investment is needed the most. There is little evidence that these challenging times are behind us as trends in the first half of 2017 do not bode well for this year.

Governments have for the most part avoided investment protectionism. Nonetheless, there have been signs that a number of governments are increasingly adopting more interventionist

approaches towards international investments, including stricter review mechanisms for investments by state-owned enterprises, the imposition of controls on outward investment by some countries, and the proliferation of data localisation requirements. These highlight the need for vigilance to ensure that policymakers do not inadvertently increase policy 'friction' for investment at a time when it is needed the most. This challenging environment holds important implications for the international investment policy community, especially investment promotion agencies (IPAs). Ensuring international investment flows that allow capital to move to where it is most needed is vital in delivering on the great challenges facing the global community. These include delivering on the commitments made in the context of the Paris Agreement and the Sustainable Development Goals (SDGs) but also enabling the new infrastructure needs of the digital economy.

It is therefore crucial that there are credible commitment mechanisms that signal to



**ANGEL GURRIA**  
*Secretary-General of  
Organisation for Economic Cooperation  
and Development (OECD)*

economic partners that investment channels will remain open. This is why the OECD is reviewing its Code of Liberalisation of Capital Movements to provide a balanced framework for countries to progressively remove unnecessary barriers to the movement of capital.

The OECD has also started working with WAIPA and Investment Promotion Agencies to reinforce their role as policy advocates and to help attract sustainable investment. Together we will continue to promote quality international investment, which puts the well-being of people at its heart. This includes promoting, implementing and broadening adherence by major partners to OECD instruments and policy tools in the investment field, such as the OECD Anti-Bribery Convention, the OECD's Guidelines for Multinational Enterprises, and

our Due Diligence Guidance for responsible supply chains. The OECD's updated Policy Framework for Investment (PFI), including sectoral adaptations like the Policy Framework for Investment in Agriculture (PFIA) and Policy Guidance for Investment in Clean Energy Infrastructure, continue to serve as a global reference for investment policy reforms, including for development co-operation.

We look forward to continuing to build our close relationship with the WAIPA and to deepening our collaboration to design, develop and deliver better investment policies and tools, for better lives.



## MESSAGE FROM CONSULTATIVE COMMITTEE

**Dear WAIPA  
members**

In 2016, global FDI flows were trimmed by 2% to 1.75 trillion US dollars after a steep increase in 2015. The recovery is expected to resume in 2017 and 2018. Last year's FDI flows were only slightly below the all-time peak of 2007, having regained most of the territory lost during the global financial crisis. However, the buoyant numbers mask profound shifts in the nature of FDI flows. The most important is that international investment is now increasingly driven by cross-border mergers and acquisitions, notably those motivated by corporate reconfigurations. This means growth in FDI does not automatically translate into an equivalent expansion of productive capacity and associated job creation, which is troubling considering the vast investment needs to implement the Sustainable Development Goals (SDGs).

This trend is compounded by the accelerated digitalization of global value chains (GVCs) of multinational enterprises (MNEs). As highlighted by UNCTAD's World Investment Report 2017, digital MNEs are expanding much faster than their traditional peers. While the digital economy can provide a boost to competitiveness across all sectors and new opportunities for business, the digitalization of GVCs can lead to lighter asset footprints, weaker job creation, shorter supply chains, and an increase in non-equity mode activities in the operations of MNEs.

Investment promotion in this evolving global



**Dr. MUKHISA KITUYI**  
*Secretary-General of United  
Nations Conference on Trade and  
Development (UNCTAD)*

investment landscape is challenging, particularly for countries that seek investment in the SDGs. To increase FDI inflows and attract investment in SDG projects, IPAs need to evaluate their effectiveness, mainstream SDG investment project promotion, develop strategies and project proposals, identify partners, and improve facilitation and aftercare services. Fortunately, some IPAs are already engaged in mobilizing investment in the SDGs. These agencies can be sources of inspiration and motivation for other IPAs. In the past few years, UNCTAD has awarded several agencies for their work in promoting investment in sustainable development.

UNCTAD continues to be ready to assist IPAs in partnership with WAIPA. We are holding regional seminars on the preparation and marketing of pipelines of bankable SDG projects with WAIPA's involvement. Furthermore, UNCTAD, in partnership with other United Nations

agencies, is supporting WAIPA's capacity-building programme, which also embraces the promotion of investment in the SDGs.

Events such as UNCTAD's World Investment Forum and the WAIPA World Investment Conference are excellent opportunities for investment promotion professionals and stakeholders to discuss how best to promote investment for sustainable development and to network and form the partnerships that will be important for investment promotion and facilitation. I would like to warmly invite WAIPA, and its members, to UNCTAD's next World Investment Forum, which will take place in the week of 22 October 2018 in Geneva, Switzerland.

I also wish WAIPA and its members a very successful Annual Conference in Dubai and look forward to new joint activities that can help mobilize investment for sustainable development.

## MESSAGE FROM CONSULTATIVE COMMITTEE

The United Nations Industrial Development Organization (UNIDO) is the UN organization with the mandate of promoting inclusive and sustainable industrial development (ISID). UNIDO's goal of achieving ISID is explicitly recognized and anchored within the 2030 Agenda for Sustainable Development, which comprises 17 Sustainable Development Goals. In particular, UNIDO's mandate of ISID contributes to the achievement of SDG 9: to "build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation".

Promoting impact investment constitutes an important area of work that UNIDO embarks upon to help achieve SDG 9. Impact investment is investment that aims to generate specific beneficial social or environmental impacts in addition to financial gain and is now at a significant turning point as it is mainstreamed. Numbers reflect that the growing impact investment market is already providing capital to address the world's most pressing challenges in sectors such as sustainable agriculture, clean technologies, microfinance, and affordable and accessible basic services including housing, healthcare, and education.

In recent years, UNIDO has brought impact investment to the forefront of its work. In particular, UNIDO's Investment and Technology Promotion Offices (ITPOs), located around the globe, are promoting impact investment and sustainable technology as crucial aspects of their services.

The UN recently called on UNIDO to develop, operationalize and lead the implementation of the programme for the Third Industrial Development Decade for Africa (IDDA 3). Without a doubt, impact investment and sustainable technology will be crucial for realizing IDDA 3. One of the tools UNIDO has proposed to bring about the necessary structural transformation during IDDA 3 is the Programme for Country Partnership (PCP). The PCPs emphasize the importance of attracting investment and technology based on each beneficiary country's development needs, and also leverages financial and non-financial resources, promotes regional integration and mobilizes co-operation among Africa's development partners.

In addition to the PCPs, UNIDO has also responded to the UN's call to assist in IDDA 3 by utilizing the UNIDO ITPO Network.



**LI YONG**

*Director-General of United Nations  
Industrial Development Organization  
(UNIDO)*

ITPO Nigeria has launched a programme to upgrade the financial literacy of Nigerian entrepreneurs, women and youth in order to promote domestic business in the non-oil sectors of Nigeria. Additionally, in cooperation with the Government of Germany, UNIDO has recently established a new ITPO in Bonn, Germany. One of the target regions for our ITPO in Germany will be Africa, in line with the German Government's Marshall Plan with Africa.

UNIDO is also working to achieve the SDGs by promoting Industry 4.0 as a way to improve productivity and competitiveness, increase energy and resource efficiency and to protect the environment.

Several joint projects have been initiated with the signing of the UNIDO-WAIPA memorandum of understanding in 2016. UNIDO and WAIPA

are partnering with the Turkish International Cooperation and Development Agency (TIKA) and the Investment Support and Promotion Agency (ISPAT) of Turkey to organize an investment promotion agency training and study tour under the theme "Finding new solutions to old problems: Innovative approaches to investment promotion for attaining the SDGs". I am confident that through joint initiatives, UNIDO and WAIPA can work towards achieving inclusive and sustainable industrial development and the 2030 Agenda. I would like to take this opportunity to express my gratitude to Mr. Arda Ermut, President of WAIPA, for his strong leadership in carrying out WAIPA's vision, and also to the members of the Consultative Committee for their commitment to implement WAIPA's Strategy and Action Plan.



## MESSAGE FROM CONSULTATIVE COMMITTEE

As 2017 comes to a close, it is a good time to reflect on the importance of the work that international agencies do in promoting cooperation to assist developing countries to attract and maximize potential benefits of Foreign Direct Investment (FDI) and help lift more countries out of poverty. Although global FDI flows have started to recover after the slump of the financial crisis, the relative share of FDI flowing into developing countries has not expanded. While in 2010 developing countries received roughly 50 percent of the \$1.4 trillion of global FDI; in 2016 they received just 40 percent of the total \$1.75 trillion (UNCTAD 2017). These amounts of investment are significant but not sufficient to meet the Sustainable Development Goals (SDGs) of ending poverty and ensuring prosperity for all by 2030. Research shows that private capital is available, but that developing country markets remain too risky to attract investors. We must therefore, continue our work in supporting governments to de-risk investments, crowd-in private funding and maximize the development impact of FDI.

FDI is more than the main source of developing finance, it is also the main vehicle to enable developing countries insert themselves in global and regional value chains, and upgrade their skills, technology, and international market connectivity. FDI therefore has the capacity to enhance productivity, create better paying jobs, and produce more dynamic economies. These benefits, however are not automatic. Countries must attract FDI and root it in the domestic economy, which requires a well-designed investment policy covering the entire “lifecycle” of investments, that is, (i) attraction, (ii) entry & establishment, (iii) retention and expansion, and (iv) linking FDI with domestic private sector through linkages. This means implementing the necessary legal, institutional, and policy reforms to create an

open and stable operating environment that can produce linkages with positive spillover effects for the rest of the economy.

In fact, the WBG’s recently published 2017/2018 Global Investment Competitiveness Report, which surveyed more than 700 private international investors found that the among most determining factors influencing multinational corporations’ decisions to invest in developing countries is political stability and a business-friendly regulatory environment towards FDI. While investment incentives may help attract FDI, of greater importance is the effective level of certainty and predictability for investors against political and regulatory risks. Reducing these risks at the country level is then one of the key foundations needed to increase investment and growth in developing countries. The report also shows that domestic high-growth firms in developing countries are those which can benefit the most from increased FDI in their markets through business linkages and introduction of new technologies and know-how.

To capitalize on these trends, countries need to enhance cooperation between the public and private sectors. Within this context, the WBG is developing new analytical and operational tools to support Investment Promotion Agencies (IPAs) and governments more broadly in meeting their investment needs. IPAs play a critical role in carrying out this needed policy and promotional work. Often thought of as a bridge between the public and private sector, new research by the World Bank Group (WBG) shows that IPAs can deliver better results by being proactive service providers for investors at every stage of the investment lifecycle, from the attraction of investors to the creation of linkages between them and domestic small and medium businesses.

The traditional conceptions of promotion, facilitation, and aftercare have become blurred over the years, making it difficult to assess the



**ANABEL GONZALEZ**  
*Senior Director of the World  
Bank Group's Trade &  
Competitiveness Global Practice*



level of effectiveness of IPAs in accomplishing their mission. Thus, there has been a need to redefine and refresh the investment promotion space by bringing innovative and more proactive approaches to respond to current challenges faced by investors. After several years of research, the WBG has been working on a new investment promotion toolkit to support IPAs to become more effective and proactive service providers in four key service categories throughout the different stages of the investment life cycle.

These four types of services are marketing services, information services, investors’ assistance services and policy advocacy. This new conceptual framework places the services given to investors, and not simply the timing of service delivery, at the core of investment promotion. It entails going beyond the conventional understanding of what IPAs do. It is not just about only attracting investment, but also about creating a long-term relationship

between the host State and investors by providing tailored services to the latter to enable them to take root and expand their businesses and linkages in the long term. Using intelligence and insights learned from working with investors, IPAs can also influence domestic policy-makers to strengthen the economy’s competitiveness, including its investment climate and other aspects important to investment projects such as skills, infrastructure, and utilities. In the coming months, the WBG will continue working together with WAIPA in disseminating the knowledge and tools developed in the new investment promotion toolkit based

WAIPA’s work on promoting and developing cooperation among IPAs and investors serves to strengthen the global effort in the investment policy and promotion arena, and the WBG is keen in continue to contribute to these efforts through our partnership and continued work on achieving our shared development goals.



## OVERVIEW OF ACTIVITIES

21<sup>ST</sup> WAIPA WORLD INVESTMENT CONFERENCE ,  
13-14 OCTOBER 2016, ISTANBUL, TURKEY

ECUADOR INVESTMENT SUMMIT  
QUITO, ECUADOR, OCTOBER 25-26, 2016

13<sup>TH</sup> VIENNA ECONOMIC FORUM, VIENNA FUTURE DIALOGUE 2016,  
21 NOVEMBER 2016, VIENNA AUSTRIA

UNCTAD TRADE AND DEVELOPMENT BOARD 63<sup>RD</sup> SESSION,  
6 DECEMBER 2016, GENEVA SWITZERLAND

BILATERAL MEETINGS : WORLD BANK GROUP, UN GLOBAL COMPACT, UNCDF,  
BLUE STAR STRATEGIES, UN-OHRLLS, IEDC , JEFFREY SACHS WITH COLOMBIA  
UNIVERSITY TEAM, 8-13 JANUARY 2017 - WASHINGTON DC & NEW YORK USA

BUSINESS ANGELS FORUM,  
13 FEBRUARY 2017, ISTANBUL TURKEY

THIRD ROUND-TABLE ON INVESTMENT FOR SUSTAINABLE DEVELOPMENT,  
22 FEBRUARY 2017, GENEVA SWITZERLAND

WORLD ECONOMIC FORUM & ICTSD:FORUM ROUNDTABLE ON SUSTAINABLE  
INVESTMENT CRITERIA, 4. 23 FEBRUARY 2017, GENEVA SWITZERLAND

WAIPA TRAINING CENTER INAUGURATION RECEPTION,  
28 FEBRUARY 2017, ISTANBUL TURKEY

2<sup>ND</sup> WAIPA & ILO INVESTMENT FACILITATION COURSE,  
21-24 APRIL 2017, TURIN ITALY

ANNUAL INVESMENT MEETING DUBAI 2017,  
2-4 APRIL 2017, DUBAI UAE

ISPAT & WAIPA HOST KAZAKH INVEST DELEGATION IN ISTANBUL,  
05 MAY 2017, ISTANBUL TURKEY

ANIMA ANNUAL MEETING,  
15 MAY 2017, ATHENS GREECE

ISLAMIC DEVELOPMENT BANK GROUP ANNUAL MEETING,  
16 MAY 2017, JEDDAH SAUDI ARABIA

KAZAN SUMMIT,  
18-19 MAY 2017 , KAZAN TATARSTAN

ECOSOC FORUM : INVESTMENT PROMOTION AND FACILITATION  
MEASURES FOR LDCS, 25 MAY 2017 NEW YORK, USA

UNCTAD REGIONAL SEMINAR ON INVESTMENT PROMOTION  
PARTNERSHIPS FOR THE DEVELOPMENT AND MARKETING OF SDG  
PROJECTS, 29 MAY 2017, JOHANNESBURG SOUTH AFRICA

SELECT USA INVESTMENT SUMMIT  
16-20 JUNE 2017, WASHINGTON DC USA

WAIPA & WORLD BANK EXECUTIVE TRAINING ON FDI,  
17-20 JULY 2017, ISTANBUL TURKEY

LATIN AMERICAN INVESTMENT CONFERENCE,  
13-14 SEPTEMBER 2017, FOZ DE IGUAÇU, BRAZIL

IEDC ANNUAL MEETING AND WAIPA PANEL  
17-20 SEPTEMBER 2017, TORONTO CANADA

UNCTAD ANNUAL HIGH-LEVEL IIA CONFERENCE,  
9 OCTOBER 2017, GENEVA SWITZERLAND

KNOWLEDGE FORUM ON FDI EFFECTIVE  
INVESTMENT ATTRACTION AND FACILITATION  
BY WAIPA & MEVKA/INVEST IN KONYA  
10-11 OCTOBER 2017, KONYA TURKEY

# 21<sup>ST</sup> WORLD INVESTMENT CONFERENCE

Istanbul, TURKEY,  
October 13-14, 2017

Inclusive Investments and a Sustainable Future  
Istanbul



In the context of a global call for a new narrative on investment promotion, the 21st annual World Investment Conference (WIC) took place in Istanbul. The flagship event of the World Association of Investment Promotion Agencies (WAIPA) was held for two days (October 13-14) and it brought together Investment Promotion Agencies (IPAs) from all around the world, international organization's leaders, heads of financial institutions, leading political figures, private sector representatives, prominent economists and researchers. Following WIC in Milan (2015), a consensus has been established among WAIPA members that there is a need to bring marked policy shift to create sustainable investments at the investment agency level. That is why WAIPA have chosen "Inclusive Investments and a Sustainable Future," as the overarching theme for the 2016 conference.

In perspective of FDI for sustainability, WAIPA hosted three debate sessions, with focus on the following topics:

- How Inclusive investments for sustainable development matters for IPA's;
- Technology and its role in Investment Promotion and Foreign Direct Investment (FDI);
- Factors that drive private sector investment into markets.

The conference also included a number of workshops conducted by United Nation's Conference on Trade and Development (UNCTAD), Organization for Economic Co-operation and Development (OECD), United Nation's Industrial Development Organization (UNIDO), World Bank and International Labor Organization (ILO). Participants offered insights on opportunities and tools for mobilizing investment in support of the Sustainable Development Goals (SDGs).

## CONFERENCE OPENING

At the official opening, Arda Ermut, President of WAIPA and Invest in Turkey (ISPAT) greeted high-ranking participants from 49 countries. In his opening remarks he focused on WAIPA's vision for sustainable development and the protection of vulnerable communities through inclusive investments with a specific emphasis on achievement of the United Nation's SDGs. Central to achieving this goal, he emphasized WAIPA's 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. The opening session of the conference accented on how FDIs can be used for sustainable development, and the investment opportunities

that exist in such arena. The key speakers of the opening session were; Mehmet Şimşek, Deputy Prime Minister of Turkey, Arda Ermut, President of WAIPA and Invest in Turkey (ISPAT), Celestin Monga, Chief Economist and Vice President of African Development Bank, Oussama Kaissi, CEO of the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) and the Chairman of ITAP Supervisory Committee, Islamic Development Bank, James Zhan, Director of the Division on Investment and Enterprise, UNCTAD and Chief Strategic Advisor, WAIPA. The speeches centered on FDI strategies and opportunities that optimize sustainable development. At the end of the opening statements, Bostjan Skalar, CEO of WAIPA signed a Memorandum of Understanding (MoU) with Oussama Kaissi, CEO of the Islamic Corporation for the Insurance of Investment and Export Credit



(ICIEC) and Chairman of ITAP Supervisory Committee, Islamic Development Bank; Githa Roelans, Head of the Multinational Enterprises and Enterprise Engagement Unit of the ILO; James Zhan, Director of the Division on Investment and Enterprise, UNCTAD.

## PLENARY SESSION 1: LEADER'S TALK

Steering towards sustainable FDI – FDI as a main driver to achieve SDGs

The first panel was moderated by Bostjan Skalar, CEO of WAIPA and focused on how FDIs can help achieve sustainability, current opportunities and challenges that influence investment decisions and steps that must be taken to achieve Sustainable Development Goals. The speakers for the first panel included Michael Gestrin, Senior Economist for Financial and Enterprise Affairs, OECD; Bernardo Calzadilla Sarmiento, Director Department of Trade, Investment and Innovation, UNIDO; Roberto Echandi, Global Investment Policy Lead, The World Bank; Barry Matherly, Board Chair, International Economic Development Council; Nicolle Graugnard, Senior Policy Manager Trade and Investment, International

Chamber of Commerce; Githa Roelans, Head of the Multinational Enterprises and Enterprise Engagement Unit of the ILO; James Zhan, Director of the Division on Investment and Enterprise, UNCTAD.

## PLENARY SESSION 2: TECH TALK

Influence of technology in IPA service excellence  
In the second session, technological advancement and how it creates opportunities and threats to FDIs in contributing to a sustainable environment was discussed. By moderation of Alexander Meyer, Vice President of SAP, with keynote statement of the Bülent Hiçsönmez, Country Director of Turkey, Google, the speakers Mallikarjun Rao, Chief Technological Officer, Vodafone Turkey; Lucia Cartini, Senior Industrial Development Officer and Coordinator for the UNIDO Investment and Technology Promotion Offices (ITPOs); Uygur Doyuran, GE Digital Country Manager Turkey; H.R.H. Princess Abze Djigma, CEO AbzeSolar; Sarah Bauerle Danzman, Assistant Professor, Indiana University, targeted the search for pragmatic solutions, for technology to be successful in the long run.

Analyzing factors that determine private sector investments into markets previous panels as well as the keynote speeches that



Private Sector – small and large businesses ought to play an active role in the achievement of SDGs through FDIs for a sustainable and better future. Building on that, the third plenary session's agenda was focused on the drivers of investment decisions in companies, and implications of those decisions on IPAs. The panelists for the second plenary session were Teresa Fogelberg, Deputy Chief Executive, GRI; Roberto Echandi, Global Lead, The World Bank; Cristian Rodriguez Chiffelle, Global Leadership Fellow and Lead for International Trade and Investment Policy at the World Economic Forum; Cenk Kivilcim, General Manager Cisco Turkey; and Marc Seiler, CFO Nestlé Turkey, moderated by Andreas Dressler, Managing Director, Conway.

In perspective about role of IPAs in shaping the products of the company, the panelists were in agreement that IPAs need to better understand the markets and the customers, and hence to communicate to the customers, companies need dialogues with their IPAs.

## CLOSING REMARKS

The CEO of WAIPA, Bostjan Skalar, in his concluding address highlighted, that due to dynamic shift in the geo-political situations globally, there is an increased need to promote FDIs, for which the Investment Promotion strategies should be restructured, and rebuilt. He said that WAIPA helps its members in achieving global goals by doing it together through global partners like, World Bank, OECD, UNCTAD, UNIDO, IEDC, ILO, ICC. During his live broadcasted interview to TRT World, he underlined, "A sustainable investment 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. WAIPA will continue putting full effort on empowerment of IPAs and their corporate development with the support of other international bodies and global community."



## ECUADOR INVESTMENT SUMMIT



Quito, ECUADOR,  
October 25-26, 2016

Ecuador is focused on changing the productive matrix and promoting public-private relations and to this end is generating suitable spaces to show its best investment sectors and opportunities to the world. Therefore, Pro Ecuador hosted, for the first time in its history, the 2016 Investments Summit, an authentic milestone in attracting international investments.

WAIPA CEO Bostjan Skalar delivered a keynote speech on the Importance of FDI in the Competitive Development of the Economies and the Potential of Latin America for New Investments within the Framework of the UN Sustainable Development Goals (SDGs). Skalar stated: "We share a common global business environment. It binds our fates together. The policies we implement today have global imprints. And this makes us more responsible for actions that affect the global economy." Unfortunately, the level of FDI is lagging behind, and both developed and developing countries are facing the effects of decreased FDI. Skalar: "This shared concern drives our future strategy. We get together here to devise a plan to the get global economy going again. And this plan sums up to investment. Investment we need to promote. Investment, that builds the competitive potential of individual economies and integrates them in regionally. Sustainable and inclusive investment."

With sustainable investments, it is understood that infrastructure, industry, innovation and production take place taking sustainability into account. Bostjan Skalar stressed that "we realize today that our growth must have a positive and

sustainable effect on the environment and that we are here today for a discourse on mutually agreed reforms that combine sustainability and growth."

WAIPA promotes investment promotion integrated with UN SDGs. Skalar: "We envision investments that are profitable for the communities and the investors alike. We seek development that brings competitors together, delivering outcomes shared by local, regional and global stakeholders."

Skalar finished by thanking the organizers and stating that "The Ecuador Investment Summit 2016 is a historic milestone for a country that seeks foreign support to create an ideal space for business relations. We all should take advantage of this event by promoting long term ties and encouraging investment in Ecuador, in Latin America and across the globe."

On the sidelines of the Summit, Bostjan Skalar met with Minister of Foreign Trade Juan Carlos Cassinelli.



## 13<sup>TH</sup> VIENNA ECONOMIC FORUM, VIENNA FUTURE DIALOGUE 2016

Vienna, AUSTRIA,  
November 21, 2016

The 13th Vienna Economic Forum – Vienna Future Dialogue 2016, held on November 21st, 2016 in Vienna, was co-organized by VEF and WAIPA. Approximately 140 participants discussed investment trends and regional cooperation in the field of investment promotion. Bostjan Skalar was the moderator of the panel session "Investment Strategy – Regional and worldwide." This session focused particularly on the experiences of the Investment Agencies and their role for a better investment climate not only in the region of Vienna Economic Forum but worldwide.

The WAIPA CEO stated that the global development agenda requires us to move

investment promotion to a higher level and create a new narrative towards SDGs. Skalar: "We should also address policy gaps by facilitating investors, Investment Promotions Agencies (IPAs) and governments and aim to strengthen a multi-stakeholder dialogue."

Furthermore, Skalar explained that WAIPA advocates policy measures to strengthen cooperation in the investment process. WAIPAs services are focused to attract foreign investment, enhance regional cooperation, and identify and resolve obstacles to growth – all with the goal to enhance FDI flows.



# UNCTAD TRADE AND DEVELOPMENT BOARD 63<sup>rd</sup> SESSION

**Geneva, SWITZERLAND,  
December 6, 2016**



WAIPA CEO Bostjan Skalar and Deputy CEO Ismail Ersahin participated in the 63rd Session of the UNCTAD Trade and Development Board, held on December 6th in the Palais des Nations in Geneva.

During this meeting, James Zhan, Director of UNCTAD Division on Investment and Enterprise and Chief Strategic Advisor for WAIPA, presented the Global Action Menu for Investment Facilitation.

Bostjan Skalar participated in the panel discussion “Global Action Menu for Investment Facilitation – Stakeholders’ perspective.”

He clarified that the investment facilitation issue brings together high-level policy makers, intergovernmental organizations, private sector, ministers, Investment Promotion Agencies (IPAs), and treaty negotiators, at a single agenda of global consensus development. Skalar: “Despite being two different activities, investment promotion and investment facilitation work hand in hand. Investment promotion is limited to promoting a certain location as an investment destination being majorly country

specific, whereas, investment facilitation is all about helping the investors establish or expand their investments in the host countries. We at WAIPA are involved to maximize the cooperative potential of all stakeholders in the overall investment process.”

According to the WAIPA CEO, the policy process at the international level is hindered by the absence of any concrete facilitation action. He emphasized that there is a need to promote unilateral options that have the potential to guide international collaboration and can be further integrated in to IIAs. Confronted with the SDG 2030 Goals and lagging investment, Skalar stated that “Collaboration for investment is the only way forward. Our investment facilitation incentives should focus on mobilizing support for the sustainable development goals. Channeling investment towards enhancing production capacities and developing critical infrastructure to countries and regions that need our most support should be an integral part of the overall investment policy framework.”

# BILATERAL MEETINGS : WORLD BANK GROUP, UN GLOBAL COMPACT, UNCDF, BLUE STAR STRATEGIES, UN-OHRLLS, IEDC, JEFFREY SACHS WITH COLOMBIA UNIVERSITY TEAM



**Washington DC &  
New York, USA,  
January 9-13, 2017**

WAIPA CEO Bostjan Skalar, Deputy CEO Ismail Ersahin and Communications Advisor Aisha Sarwari visited the United States (New York and Washington DC) from 9th to 13th January, 2017.

## A series of meetings took place with:

- Under-Secretary-General of the United Nations, Gyan Chandra Acharya. Acharya is the United Nations Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UNOHRLLS).
- United Nations Capital Development Fund (UNCDF) Head of Partnerships, Policy and Communications Esther Pan Sloane and Knowledge, Policy and Advocacy Officer, Simona Santoro
- Director of the Center for Sustainable Development at Columbia University, Lisa Sachs, Resident Senior Fellow, PhD, Karl Sauvant and Jeffrey Sachs, Professor and Director of the Earth Institute at Columbia University, New York.

- UN Global Compact Executive Director, Lise Kingo
- USAID Financial Sector Specialist, Autumn Gorman
- The World Bank Investment Policy Global Lead of the Investment Climate Unit, Roberto Echandi and all Investment Team leads.
- IEDC's Vice President of Knowledge Management and Development, Lynn Knight and Economic Development Associate, Mishka Parkins

The first agenda item of this visit was to turn the current strong coordination with existing organizational networks into concrete steps. The main idea was to work on the implementation of WAIPAs strategy to further the role of IPAs by intensive capacity development programs in association with these networks. Secondly to seek private sector engagement for WAIPA's efforts towards putting IPAs more into the forefront of the UN SDG agenda.





### WAIPA UN-OHRLS join forces to support LDC IPAs

WAIPA CEO Bostjan Skalar met with Under-Secretary-General of the United Nations, Gyan Chandra Acharya on January 9<sup>th</sup>, 2017.

The current situation of IPAs in Least Developing Countries (LDCs) was discussed. Officials agreed that IPAs from LDCs need to be strengthened and comprehensive training programs should be designed and implemented according to the maturity level of these LDCs. A scoping study was proposed and a timeline was set for its implementation.

There was an exchange of ideas on the effective involvement of investors as active stakeholders in the global development. This requires all resources to be brought together. There is a pressing humanitarian side to development in LDCs and development banks, donors and the private sector need to work together for a strong strategic push.

### WAIPA and UNCDF Agree to Collaborate

The discussion was focused on local development particularly by driving finance to less economically mature economies. IPAs are central to bridging the business community and governments in LDCs. It was agreed that the thinking of bureaucracies needs to be transformed. They should be encouraged to take a pro-business approach.

WAIPA and UNCDF agreed to collaborate and promote each other to create policy frameworks for IPAs in LDCs.



### WAIPA CEO Meets with Jeffrey Sachs

The importance of pushing the sustainability narrative on the investment map was the key topic of the discussion. For this there is to be a strengthening between the national banks and IPAs to empower them financially for SDG projects. IPAs should be fully involved in the strategy to achieve SDGs.

Among several other topics, WAIPA and Sachs discussed to work on preparing research materials such as white papers on SDGs together. It was agreed that there is an immediate need to develop an indicative list of sustainable FDI to promote SDGs. Sachs was invited to the WIC 2017 conference as keynote speaker.

### WAIPA CEO Meets with UN Global Compact Executive Director Lise Kingo

WAIPA and Kingo agreed that it is essential to know how companies are pursuing SDG goals. The available (quantitative) data on FDI fails to explain the quality. It is essential, they agreed, to promote investment support for SDGs. Various bodies along the investment cycle are not as involved as the companies are and their bureaucratic structure sometimes hinders swift measures. Toolkits should be developed to enhance capacities of other stakeholders in working with the governments.

### WAIPA and USAID to address Gaps in development

The discussion was specific to closing down the 2.5 trillion dollar gap in SDGs. It was emphasized that investment can fill this gap. Funds are not the only way to do this, strategic collaborations could also be a way forward. Local and Foreign investments can lead the way to sustainability.

### WAIPA – World Bank to enhance collaboration with joint projects

The World Bank team presented a detailed workshop on the investment cycle for the WAIPA team.

The workshop presented the World Bank's findings what drives investment and why investments fail in developing countries and how to change this situation. To promote FDI there should be sound investment linkages and spillovers. Locals must be at the center of investment. Local development drives the political aspect of investment in developing countries.

Linkage development collapses due to information, coordination or supply failures. Restrictive investment and visa regimes are a

major hindrance for investors. Only existing investors agree to reinvest, to attract new players there is an immediate need to protect investors, both at local and international level. IPAs stand at the center. They need to involve the governments proactively. The new framework for investment must align IPAs with the development agenda. There is a very important subnational dimension to investment with lower levels of governments moving for assistance and the central governments delegating responsibilities.

Several other collaborations are also underway between WAIPA and World Bank as well.

### IEDC Executive Training programs

Building on WAIPA and IEDCs continuous collaborations, it was imperative that future trainings will be jointly executed particularly in regions of interest for both IEDC and WAIPA. These trainings could be executive trainings or management trainings but would cover the business aspects of investment promotion.

IEDC's professional development and training modules are currently under review and new coursework for WAIPA members will be announced in the near future.





## BUSINESS ANGELS FORUM

Istanbul,  
TURKEY,  
February 13,  
2017



On Monday, 13th February, 2017 WAIPA CEO Bostjan Skalar was invited to speak and to moderate at the World Business Angels Forum 2017 held under the theme “Partnering with corporate ventures from start-up to scale-up exit” with Global leaders of early-stage investment markets, stock exchange executives, experts, policymakers and academicians in Istanbul. In the main session of the day the “Panel Discussion: Global Action Plans for the Future of Corporate Venturing and Angel Investment Collaboration” Skalar highlighted that cross-

border investments must be made strategically and sustainably and that strengthening linkages and cooperation is essential.

Furthermore, he gave his insight as panelist in the session on “Innovative Policies for the Promotion of Innovative Financial Instruments for SMEs and Early-Stage Investment Markets.” The WAIPA CEO also had the pleasure of moderating the panel “The Role of Corporate Ventures as Sources of FDI in Creating Sustainable Cross-Border Investments,” where the discussants all agreed that the creation of a sound ecosystem is crucial for sustainable cross-border investments.

At the WBAF 2017 Bostjan Skalar and Baybars Altuntas, Chair of the World Business Angels Forum, signed a MoU between WAIPA and WBAF to consolidate their partnership.

WAIPA congratulates Invest in Turkey (ISPAT) for winning the World Business Angel Award 2017 for “Best Government Agency of the World Supporting Cross-Border Investment Ecosystem.” ISPAT currently holds the presidency of WAIPA.



## THIRD ROUNDTABLE ON INVESTMENT FOR SUSTAINABLE DEVELOPMENT

Geneva, SWITZERLAND,  
February 22, 2017

WAIPA CEO Bostjan Skalar participated in the Third Roundtable on Investment for Sustainable Development. This workshop is the third dialogue in the 2016/2017 series of investment policy dialogues, following from the E15 Initiative, jointly organized by the International Centre for Trade and Sustainable Development (ICTSD) and the World Economic Forum, with the support of the Government of the Netherlands.

This workshop aimed to clarify the linkages between investment and sustainable development by drafting an indicative list of sustainability characteristics of FDI, which may be beneficial for: i) host-country governments seeking guidance on the type of inward investment to attract; ii) for home-country governments wishing to support sustainable outward investment; iii) arbitrators in investor-state disputes who are increasingly called-upon to take the sustainable development impact of investment into account. The criteria could also be of use in the event of deeper international cooperation that may lead to a framework on investment facilitation.

In Bostjan Skalar's session “Sustainable Investment for Sustainable Development - Stakeholder Perspectives” the panelists mapped the landscape of existing sustainability criteria (OECD, ILO etc). They aimed to clarify how today's discussions aim to complement or build upon them.

Skalar explained that WAIPA, in collaboration with the Columbia Center on Sustainable Investment (CCSI) conducted a survey of WAIPA member IPAs from around the world. In this survey, WAIPA identified four major dimensions of sustainable FDI: Economic Development, Environmental Sustainability, Social Development, Governance. The survey findings show that IPAs place different values

on each of the sustainable FDI characteristics. The economic development dimension gets the most attention, followed by environmental sustainability. Of the four, social dimensions and governance are the least prominent characteristics that IPAs consider in their sustainable investment strategies. These findings are coherent with IPAs attention to economic cost benefit analysis and their interest in international labor norms. The lack of interest in environmental concerns is simply because most IPAs are not required to carry out environmental assessments before carrying out a project. Most IPAs view governance characteristic as being synonymous with transparency. Since few IPAs are willing to share their contracts and other business agreements with the public, they shape their sustainable investment strategies without incorporating the sustainable governance characteristic.

A second topic addressed by Skalar was how international organizations and NGOs can better coordinate their efforts in promoting sustainable investments. Currently every organization has its own projects, own guidelines and own priorities. If resources would be effectively bundled there would be an increased cumulative impact to change the current paradigm. Skalar added that the role of investment promotion agencies should not be overlooked in this respect, as they play a crucial intermediate role between investors and governments. WAIPA, as the only global association of IPAs looks forward to join forces and contribute to better cooperation and coordination.

Skalar also participated in the second panel “Sustainability Characteristics of FDI - Regional Perspectives”, during which he stressed the importance of regional cooperation among IPAs.



# WAIPA TRAINING CENTER INAUGURATION RECEPTION



**Istanbul, TURKEY,  
February 28, 2017**

On February 28th, IPA representatives from Mexico, Chile, Peru, Colombia, Flanders, Switzerland, Austria, Turkey, Japan and Italy visited the office for an informal opening reception. The reception was hosted in the new WAIPA Training Center.

The WAIPA Training Center consists of 5 training rooms with different sizes to accommodate 15 to 40 participants each and 120 in total. We are pleased with the space and the opportunities

that our new office provides us, and our members, with. Should you be in Istanbul, you are most welcome to come and visit us as we always value contact with our members and would love to discuss possible cooperation with you or learn from your feedback. If you are in Istanbul please know that our premises are at your disposal. Email us at [info@waipa.org](mailto:info@waipa.org) or call us at +90 212 465 0025 and we look forward to welcoming you at our office.



# ANNUAL INVESTMENT MEETING DUBAI 2017

Dubai, UAE,  
April 2-4, 2017

From April 2nd to April 4th, 2017 Annual Investment Meeting took place in Dubai, United Arab Emirates. Participants from 120 countries assembled in Dubai to facilitate strategic networking and promote investments. Global leaders, such as WAIPA Consultative Committee members John Danilovich (Secretary-General of the International Chamber of Commerce) and Mukhisa Kituyi (Secretary-General of the United Nations Conference on Trade and Development) discussed how FDI can pave the way towards sustainable growth competitiveness and development.

## Capacity Building workshop for Investment Promotion Officials

One of the official pre-events was the Capacity Building workshop for Investment Promotion Officials, organized by WAIPA on April 1st. Approximately 50 participants gathered for a training by FDI Expert Andreas Dressler, the sharing of best practices by CEPICI (Cote d'Ivoire), Invest Tatarstan (Tatarstan) and ICE (Italy) and a Presentation followed by Q&A by WAIPA CEO Bostjan Skalar. Skalar highlighted that "Multi stakeholders have a stake in FDI. All have an equal weightage in the success of investments." Skalar also mentioned the tough competition between IPA's, as in 2016 roughly 4000 IPAs around the world competed for 14381 greenfield projects, translating in an

average of 3,5 projects per IPA.

In the best practices session, Taliya Minnulina, the CEO of the Tatarstan Investment Development Agency explained about the newly developed concept of a 5D cinema. The 5D cinema tries to reflect the circumstances of a certain potential greenfield location – without the possible investor actually having to travel to the location.

Ms. Carole Versteeg, Director of Investment Attraction at CEPICI, Cote d'Ivoire, represented CEO Mr. Emmanuel Essis, and presented CEPICI's best practices and the key achievements that led to a positive investment climate in the Cote d'Ivoire.

Mr. Gianpaolo Bruno, Italian Trade Commissioner to the UAE, Oman and Pakistan rounded up the best practices session with his presentation on the "Implementation Model for FDI Attraction" of the Italian Trade Agency. He referred to the newly established FDI desks e.g. in Istanbul, London, New York, Tokyo, Dubai etc., its mission and activities and the joint activities of the Italian Trade Agency and the FDI desks as well as their industry 4.0. national plan.

## Plenary speeches by WAIPA President and CEO

WAIPA CEO Bostjan Skalar participated in the Plenary Session "Achieving Competitiveness through FDI". In this speech Skalar stated that

# ملتقى الاستثمار السنوي ANNUAL INVESTMENT MEETING

2 - 4 April 2017  
Dubai, United Arab Emirates



"IPAs should provide feedback to policy makers regarding investor needs to work towards a better investment climate".

The President of WAIPA, Arda Ermut, joined a debate "Global corporations and government drivers and enablers of FDI and competitiveness". He stated that "IPAs assure smooth communication between government and investor and thus prevent misunderstandings". He added that "bureaucrats are so powerful that they can find one million different solutions to facilitate but also two million to unfacilitate". The proper feedback of investment promotion agencies can nudge bureaucrats towards

finding solutions and thereby better facilitating investors. Ermut: "IPAs by providing facilitation services to foreign investors play an active role to enhance competitiveness". He finished by underlining the important role of IPAs in shaping a competitive business environment.

## AIM Investment Awards

WAIPA Deputy-CEO Ismail Ersahin was a member of the jury determining the winners of the AIM 2017 Investment Awards. WAIPA is proud that many of the Investment Award Members are longtime WAIPA members. This is a full overview of all winners:

REGION	COUNTRY	FINAL RANK
Central, Eastern Europe & Turkey	Slovak Republic, Slovak Investment and Trade Development Agency (SARIO)	Winner
	Republic of Poland, Polish Investment and Trade Agency	Runner Up
Central Asia, Caucasus & Russia	Islamic Republic of Afghanistan, Ministry of Commerce & Industries (Invest in Afghanistan)	Winner
	Republic of Kazakhstan, Kazakh Invest	Runner Up
East Africa	Kenya, Kenya Investment Authority - KenInvest	Winner
	Ethiopia, Ethiopian Investment Commission	Runner Up
Europe	Kingdom of Belgium, Flanders Investment & Trade	Winner
	French Republic, Business France	Runner Up
Latin America & The Caribbean	Argentine Republic, Agencia Argentina de Inversiones y Comercio Internacional	Winner
	Republic of Colombia, Invest in Bogota	Runner Up
Middle East & North Africa	Kingdom of Morocco, Moroccan Investment Development Agency	Winner
	People's Democratic Republic of Algeria, Agence Nationale de Développement des Investissements (ANDI)	Runner Up
South East Asia and Oceania	Republic of India, Invest India	Winner
	Republic of the Philippines, Philippine Board of Investments (BOI)	Runner Up
Southern Africa	Republic of Mauritius, Board of Investment Mauritius (BOI)	Winner
	Republic of South Africa, the DTI - Investment South Africa (ISA)	Runner Up
West and Central Africa	Republic of Ghana, Ghana Investment Promotion Centre (GIPC)	Winner
	Republic of Mali, API - Mali	Runner Up



## 2<sup>nd</sup> WAIPA & ILO INVESTMENT FACILITATION COURSE

**Turin, ITALY,  
April 21-24, 2017**



From March 21 until March 24, twenty-five IPA officials from twenty countries assembled in the ILO International Training Center in Turin, Italy for the WAIPA-ILO Course “Effective investment facilitation and sustainable development”.

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. Getting the most out of FDI requires strategic thinking. Investment Promotion Agencies (IPAs) are the public face of governments seeking to increase investment and promote economic and social development. They are often instrumental in negotiating investment treaties and concluding investment contracts; and manage investment relationships through after care services. The course was jointly organized by WAIPA (World Association of Investment Promotion Agencies) and the International Labour Organization (ILO). UNCTAD, the United Nations Conference

on Trade and Development, was part of the technical team, providing input on FDI and sustainable development.

Through the presentation of best practices and tools on investment promotion and after care services, participants gained a better understanding of how to improve investment facilitation, converting possible leads into real breakthrough investment projects. Furthermore, driven by the 2030 Agenda for Sustainable Development, participants actively examined the positive links between FDI, Decent Work and Sustainable Development.

In his opening lecture, WAIPA CEO Bostjan Skalar stated that “Investment promotion is about being a great observer of investor needs and matching them with host SDG goals”. This training is important because it brings participants up to speed with the latest trends and opportunities in investment facilitation.

FDI Consultant Andreas Dressler said that effective facilitation is an effective door opener for potential investors. He further elaborated on this by mentioning that that effective facilitation

helps differentiation and in the end, is essential for winning projects and how damaging poor facilitation can be.

Furthermore, participants learned about the positive links between FDI, Decent Work and Sustainable Development through a case study about the direct connection among FDI and development. Ralf Krueger, Manager of the Sustainable Development Programme (SDP) of the International Training Centre of the ILO, led an exercise on the positive and negative effects FDI can have on development was held. Key points were that FDI is a valuable resource package that impacts in many ways, not just financial.

Bostjan Skalar stated the importance of aftercare: “Investment promotion doesn’t end with the contract signing it follows well into after care and reinvestment.” Because of the importance of after-care, we were delighted to have Paul Wessendorp, Chief of the UNCTAD Investment Promotion Section, making a presentation about aftercare services and investment promotion measures.

WAIPA thanks Emily Sims from ILO, Prof Maria Alejandra Gonzalez Perez and Martin G. Kaspar for their valuable presentations as well as its colleagues from ITCILO. Furthermore, WAIPA thanks Dilyara Tektigulova from KAZNEX INVEST, Samet Akyüz from ISPAT, Phillipe Yvergnaux from Business France and Tord Johnsen from the Department for International Trade of the UK for sharing their expertise and insights.

And last but not least WAIPA was happy to host participants from members all around the world incl.: Bosnia and Herzegovina, Brazil, Cabo Verde, Democratic Republic of Congo, Cote d’Ivoire, Dominican Republic, El Salvador,

Grenada, Italy, Lesotho, Malaysia, Mali, Pakistan, Portugal, Saint Lucia, South Africa, Tanzania, Turkey and Uganda.

Some testimonials from the training’s participants:

- The opportunity was simply spot on, right on time as the trend in Investment Promotion is both at the level of the real impact of IPAs role in the process of economic growth, but beyond also what kind of services and what strategy an IPA should implement to contribute to achieve the Sustainable Development Goals. By Mr Romaric ATCHOUROU, Head of Communication & CEO’s Advisor, Centre de Promotion des Investissements en Côte d’Ivoire (CEPICI)
- The program was successfully organized and perfectly designed in terms of duration and selected issues that were covered with a very valuable training presentations. By Ms Adrijana MARIC, Head of Department for Projects, Foreign Investment Promotion Agency of Bosnia and Herzegovina
- The WAIPA trainers are very resourceful with a lot of hands-on experience that gave me the chance to evaluate the performance of my IPA against the best practices in the market today. By Mr Emmanuel EREM, Investment Executive, Uganda Investment Authority
- I definitely would recommend this course to those professionals interested in gaining more knowledge about the latest trends in investment facilitation from different points of views, because it has the participation of experts from other IPAs, the private sector and renowned international organizations. By Ms Abdi Joselin AGUIRRE DE MONROY, Market Intelligence Manager, Export and Investment Promotion Agency of El Salvador/PROESA

## ISPAT & WAIPA HOST KAZAKH INVEST DELEGATION in ISTANBUL

Istanbul, TURKEY,  
May 4, 2017



On May 4th, 2017 WAIPA CEO Bostjan Skalar and Deputy CEO Ismail Ersahin joined the High-Level ISPAT-Kazakh Invest Workshop on Investment Facilitation Best Practices meeting at ISPAT's new Istanbul office.

The Kazakh Delegation headed by Kazakh Invest CEO Maxat Kabashev, Deputy Chairman Birzhan Kaneshiev and Managing Director Margarita Kapustyanskaya were briefed by WAIPA CEO Bostjan Skalar and Deputy CEO Ismail Ersahin about the new trends on FDI

as well as upcoming projects and activities of WAIPA in line with the new strategic alliances. Kazakh Invest National Company JSC is the official body in the field of attracting investments to the Republic of Kazakhstan that provides a full range of services to support investment projects from idea to implementation on the principle of "one-stop shop" and acts as Unified Coordination Center for Special Economic Zones of the Republic of Kazakhstan.

## ANIMA ANNUAL MEETING

Athens, GREECE,  
May 15, 2017

On May 15, WAIPA CEO Bostjan Skalar has attended the ANIMA General Assembly, which was organized during the ANIMA Annual Meeting in Athens, Greece. WAIPA is a founding member of ANIMA Investment Network, a platform for the Economic Development in the Mediterranean.

The ANIMA network gathers 75 members in 22 countries in the Euro Mediterranean zone and comprises national and regional investment promotion agencies, business federations, innovation clusters, financial investors and research institutes from the region. ANIMA's objective is to contribute to the continued improvement of the Mediterranean business

and investment climate, as well as encourage a shared and sustainable economic development for the region.

The meeting was focused on various approaches developed across the Mediterranean to address common challenges. It showcased new solutions to shape the future in the Mediterranean and drive economic and social change. In the course of the meeting, WAIPA CEO Bostjan Skalar presented upcoming projects and activities of WAIPA in line with the new strategic alliances.

The two organizations look forward to work closely together and intend to sign a MoU in the near future.





# ISLAMIC DEVELOPMENT BANK GROUP ANNUAL MEETING

**Jeddah, SAUDI ARABIA,  
May 16, 2017**

On May 14-18, 2017, WAIPA Deputy CEO Ismail Ersahin participated in a high-level discussion panel on “Risk Mitigation tools to support GCC’s investment in the Sub-Saharan Africa Region”, which was organized by ICIEC in conjunction with the 42nd Annual Board of Governors Meeting in Jeddah, Saudi Arabia. The panel enabled participants to discuss on how the corporation is intending to meet the investors requirements in terms of profitability and risk mitigation tools as well as delivering projects and services which are in line with the IDBG development impact requirements. Ismail Ersahin said “IPAs are not simply promoting but also facilitating and providing aftercare services. They are as successful as the tools that they are equipped with and ICIEC provides an excellent one. WAIPA proudly signed and MOU with ICIEC and joined forces to empower IPAs also to give them risk mitigation role to more efficiently welcome investors to their respective countries.”



# KAZAN SUMMIT

**Kazan, TATARSTAN,  
May 18-19, 2017**



WAIPA CEO Bostjan Skalar participated in the 9th International Economic Summit Russia – Islamic World: KazanSummit 2017, which is one of the leading international economic events that focuses on opportunities for Russia and Islamic countries.

The key topic of KazanSummit 2017 was islamic investments in the context of international economic relations. WAIPA CEO participated in the plenary session “Strength lies withing cooperation. Partnership finances as Russia and OIC Member Countries cooperation potential in the context of the turbulent International Economic Relations,” where he shared WAIPA’s views on the global challenges that influences FDI.

Skalar in his speech said that the global economic environment clouded by weak growth trends pushes for an urgent need for structural reforms. It makes cooperation essential to build the competitive potential of individual economies and to integrate them to form strong economic blocks. He emphasised that increased cooperation between Russia and OIC countries is possible through increased FDI flows.

Furthermore, he explained that WAIPA services are focused on identifying and resolving obstacles to cooperation and growth. Skalar:

“We are here to transform the world into a sustained hub of economic activity.”

WAIPA is a global policy stakeholder in the investment process. With a 170-strong network of member Investment Promotion Agencies (IPAs), WAIPA is working to maximize the cooperative potential of all stakeholders; to aid investors and agencies in conducting multi-stakeholder dialogue, inform them regarding decision-making, and help build their capacities to improve the overall investment environment. The WAIPA CEO also had a pleasure to attend the “Ministry of Economic Development of the Russian Federation Workgroup Meeting on Regional Investment Agencies’ Efficiency Improvement.” His speech was focused on improving the efficiency of investment agencies. Skalar: “Improvement in efficiency means that the agency will be able to identify what activities are most appropriate for it to do, in its specific environment and circumstances, and ensure the best use of resources employed.”

He also explained that sharing experiences in attracting foreign investment and enhancing outward investments is central to WAIPA’s vision. WAIPA stand to bring together IPAs from all over the world and help them deliver more efficiently.

## ECOSOC FORUM

### INVESTMENT PROMOTION AND FACILITATION MEASURES FOR LDCs

**New York, USA,  
May 25, 2017**

On May 25 WAIPA CEO Bostjan Skalar was a panelist at the side event: INVESTMENT PROMOTION AND FACILITATION MEASURES FOR THE LDCs at the ECOSOC Forum on Financing for Development in New York, USA. The discussion aimed to explore what LDCs development partners can do to help them to attract, receive and ultimately benefit from more sustainable FDI.

Skalar emphasized the importance of IPAs in this endeavor and underlined the fact that LDC IPAs need a special tailored long-term program to

develop the skills to attract FDI. He highlighted the valuable contribution of IPAs to countries by attracting FDI to spur growth by expansion of productive capabilities and mobilization of capital and technology. This should go hand in hand with an improvement of the general business climate to also be able to attract quality FDI and the promising opportunity to enhance the positive contribution of FDI to sustainable development and the realization of the SDGs.

## UNCTAD REGIONAL SEMINAR ON INVESTMENT PROMOTION PARTNERSHIPS FOR THE DEVELOPMENT AND MARKETING OF SDG PROJECTS

**Johannesburg,  
SOUTH AFRICA,  
May 29, 2017**

On 29-30 May, 2017: Regional seminar on the promotion of bankable SDGs projects that was organized by UNCTAD and WAIPA Member Department Trade and Industry Republic of South Africa (DTI) took place in Johannesburg, South Africa.

16 IPAs from Africa attended the seminar to learn about best practices in global and regional foreign direct investment trends. Experts from UNCTAD, outward investment agencies, best performing IPAs from Africa, and private sector representatives exchanged their experiences. WAIPA CEO Bostjan Skalar underlined the need for quality investment to reach Sustainable Development Goals during the panel “Programmes and partners for promoting investment in the SDGs”.

He highlighted the importance of private investments and stated that private investment enables job creations, spurs innovation and provides essential infrastructure for economies to strengthen public and corporate governance. However, scaling up investment does not solely guarantee development for any country. Development are majorly dependent on the quality of investment, he said.

Skalar also explained that WAIPA is encouraging reforms to ensure an enabling environment for investment by promoting international good practice, coordinating and collaborating with international stakeholders, and partnering with IPAs, investors and global institutions.





## 4<sup>th</sup> ROUNDTABLE IN THE TRAJECTORY OF INVESTMENT FOR SUSTAINABLE DEVELOPMENT

**Geneva, SWITZERLAND,  
June 2, 2017**

On June 2nd, 2017 WAIPA CEO participated on the fourth dialogue in the 2016/2017 series of investment policy dialogues, following from the E15 Initiative, jointly organized by the International Centre for Trade and Sustainable Development (ICTSD) and the World Economic Forum, with the support of the Government of the Netherlands.

The dialogue aimed to deepen the discussions initiated at the February 22 workshop on clarifying the linkages between investment and sustainable development by developing an indicative list of the sustainability-oriented attributes most often sought after when facilitating cross-border investment flows.

Discussions examined the rationale for developing the indicative list, by considering its use in light of recent changes within the global political and business landscape.

Skalar pointed out the lack of capacity. He said that many of the developing countries and almost all of the least developed countries lack the capacity to have any chance at competing in the highly competitive Foreign Direct Investment (FDI) world market.

He mentioned that three key determinants, namely: economic stability, regulatory framework and investment facilitation predispose the FDI flow towards any country or region. For countries all over the world, FDI is an important tool that drives their growth and development, he said. Therefore, Investment Promotion Agencies (IPAs) play a key role in the sustainable development agenda and are responsible for both attracting FDI and ensuring it is beneficial for the host countries. Furthermore, he presented the survey that WAIPA conducted in collaboration with the Columbia Center on Sustainable Investment (CCSI) to determine what IPAs consider as characteristics to sustainable investment. However, identifying these characteristics of sustainable investment is just the part of a larger process that ensures sustainable investment, he said and continued that it will contribute extensively to international investment debate by highlighting the desirable characteristics of FDI and what can be done to promote and encourage sustainable FDI.

## SELECT USA INVESTMENT SUMMIT

**Washington DC, USA,  
June 16-20, 2017**

On June 18th WAIPA CEO Bostjan Skalar participated at the SelectUSA Investment Summit in Washington, USA and took part in the Investment Promotion Agency Best Practice Roundtable.

Investment Promotion Agencies (IPAs) from numerous countries came together to share best practices. Skalar used this opportunity to discuss current challenges with Austrade, Apex-Brasil, Japan External Trade Organization (JETRO),

Invest Hong Kong as well as WAIPA Steering Committee Members: Italy Trade Agency (ITA), Korea Trade-Investment Promotion Agency (KOTRA), and the Department for International Trade (former UKTI).

On the sidelines of the Summit Skalar also had a fruitful meeting with host SelectUSA CEO Fred Volcansek with a lot of promise for future cooperation.





# WAIPA & WORLD BANK EXECUTIVE TRAINING ON FDI

WAIPA and the World Bank Group jointly organized the Pilot Executive Training on FDI. More than 30 participants and 22 agencies from 9 Steering Committee Regions participated in the first training in WAIPA's new Training Center in Istanbul.

This course 4-day full training program followed the life-cycle logic. Sessions included moderated group discussions, as well as best practices sessions from IPAs and the business sector, around the following topics, e.g.:

- The evolution of FDI, its role in development, international investment agreements and the current debate on globalization.
- Anchoring Investment Policy Reforms: how to translate investment strategies into concrete reform agendas that lead to measurable results
- Attracting Investors: becoming visible and attractive for new types of investment
- Removing Barriers to Entry, with a focus on services sectors
- Investment Incentives: do they work?
- Making Investors Stay in the Long Term: investment protection and expansion
- Promoting Linkages between FDI and the Local Economy

Istanbul, TURKEY,  
July 17-20, 2017

This pilot training helped IPAs to strengthen capacities regarding the effectiveness of policies and efforts aimed at attracting and facilitating FDI, to gain knowledge in good practices in improving the effectiveness of investment incentive and to better understand how to retain FDI and maximize the positive spillovers of FDI for their economy.

Furthermore, we thank the General Manager of CISCO Turkey Mr Cenk Kivilcim and the

Spanish Banco Sabadell for their valuable input to learn directly from investors what IPAs need and how better cooperation can lead to better results.

WAIPA and the World Bank plan to keep working closely together both regarding capacity building and research. WAIPA and the whole team is looking forward to this fruitful collaboration.





## LATIN AMERICAN INVESTMENT CONFERENCE

**Foz de Iguaçu,  
BRAZIL, September  
13-14, 2017**



From 13-14 September 2017, the Brazilian Trade and Investment Promotion Agency (Apex-Brasil) in partnership with the Paraná State Development Agency (APD) organized the Latin American Investment Conference. More than 200 participants from 20 countries participated in the conference under the theme “Connecting strategies. Creating opportunities.”

The conference aimed to promote the debate on investment attraction strategies and to share good practices between participating countries and investment agencies with a promise to create opportunities for the whole region.

WAIPA as the global reference point for FDI with an objective to increase FDI, especially the emerging world was actively involved in the programming of the conference. WAIPA CEO Bostjan Skalar was invited to address the audience with a speech at the opening ceremony. He said, “We are here to identify and resolve obstacles to cooperation and growth.” He shed a light on increasing dependency and said that thinking regionally has become more essential today than ever. “We share a common business environment and it binds our fates together. The policies we implement today have long lasting regional imprints. And this makes us more responsible for actions that affect the

global economy. Therefore, we shall follow the paradigm of cooperation over competition.”

The event also hosted an innovative A2A Agency-to-Agency collaboration and exchange session aiming to build new partnerships, exchange practices and foster collaboration among Latin America IPAs at country, state and local levels.

WAIPA CEO had a pleasure of moderating the panel “The New Role of Investment Promotion Agencies (IPAs)” where the discussant agreed that the sustainable development considerations have made investment policy making more challenging and multifaceted. IPAs are now responsible for incorporating development considerations in plans to attract foreign investment, while balancing investor rights and obligations.

Another major factor contributing to the change in the role of IPAs is the impact of regional attractiveness on FDI inflows to individual economies. Countries complementing each other in a region improve the regional competitiveness in seeking FDI inflows. IPAs now have to collaborate with more partners and build image of the region while focusing on sustainability of all initiatives.

## IEDC ANNUAL MEETING AND WAIPA PANEL

**Toronto, CANADA,  
September 17-20, 2017**

From September 17-20, 2017 WAIPA Consultative Committee member IEDC hosted its first annual conference outside of the United States. The 2017 Conference focused on how to Connect, Collaborate, and Create at the global level to contribute to the transformation of local, state, and regional economies.

WAIPA CEO Bostjan Skalar had a pleasure to lead the WAIPA panel that focused on Collective Competitive Advantage for FDI. Investments flow in to regions where project success is ensured through sensible regional strategy and where there is room for leveraging linkages and assets through connectivity and innovative approach. Regional collaboration is even more critical in today's economy where regional

competitive advantage attracts investor's interest. Leaders, policy officials and economic experts seek to address challenges to regional collaboration.

While investment liberalization is making its way in to all policy measures, there are still national considerations and regulations that inhibit inward flows to any country. These regulations protect national interest by denting the regional attractiveness to investors. This session will address the issue by pointing out why today's global economy demands regional collaboration, what is going to drive or restrict the regional approach and how to overcome challenges to enhanced regional collaboration.



# KNOWLEDGE FORUM ON FDI

## EFFECTIVE INVESTMENT ATTRACTION AND FACILITATION



### Konya, TURKEY October 10-11, 2017

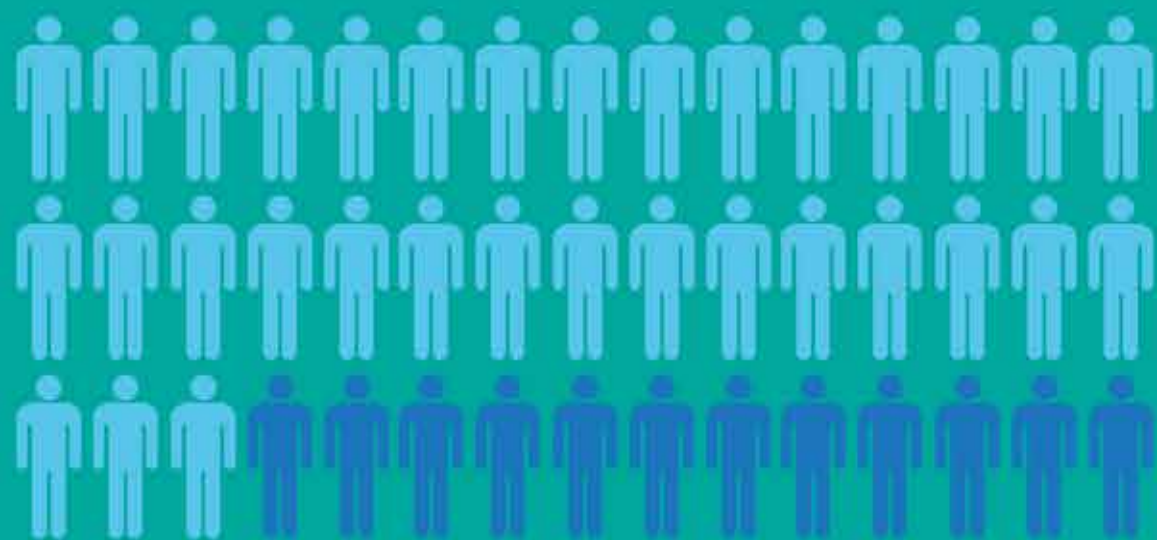
The World Association of Investment Promotion Agencies (WAIPA) organized together with their colleagues from MEVKA/Invest in Konya a Knowledge Forum on FDI under the theme “Effective Investment Attraction and Facilitation”.

At the official opening Arda Ermut, President of Invest in Turkey (ISPAT) and WAIPA greeted around one hundred participants from nine countries.

In these two days attendees were able to listen to presentation around the topics such as Providing True Value to investors, Fundamental Investment Promotion Principles, FDI Trends and Innovation in Investment Promotion as well as a workshop exercise on organizing trade shows and road shows conducting strategic meetings with investors. Presenters included FDI experts such as Andreas Dressler, FDI Advisor, Dr. Henry Loewendahl, CEO of WAVTEQ and Chris Knight, Global Commercial Director, fDi Intelligence as well as from EY and best practice input by Mohamed Juma Al Musharrkh, Director of Sharjah FDI office from the United Arab Emirates. Business input came from the Austrian company Hamburger Containerboard Turkey which recently invested in Kutahya. These sessions were followed by a visit to the Konya Organized Industrial Zone and MEVKA’s realized project InnoPark Technology Development Zone.

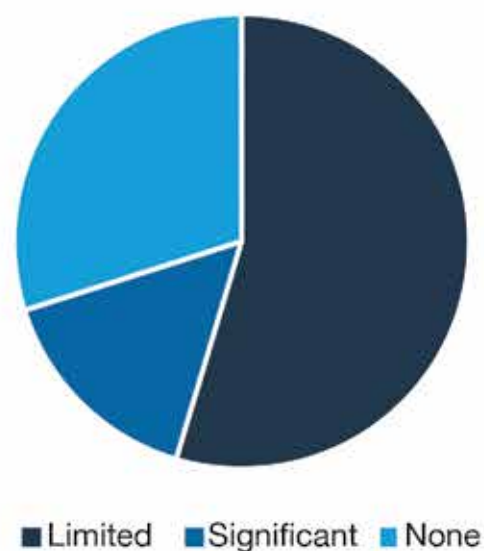


At the cornerstone of boosting FDI globally and analyzing its triggers lies understanding how Investment Agencies organize and perceive investment promotion. This survey was launched earlier this year and polled our members on numerous aspects of their work. The findings give a good overview what IPAs require as well as their perceptions, targets and on our work as WAIPA. We hope this key data will provide you with a good insight in the work of your colleagues.



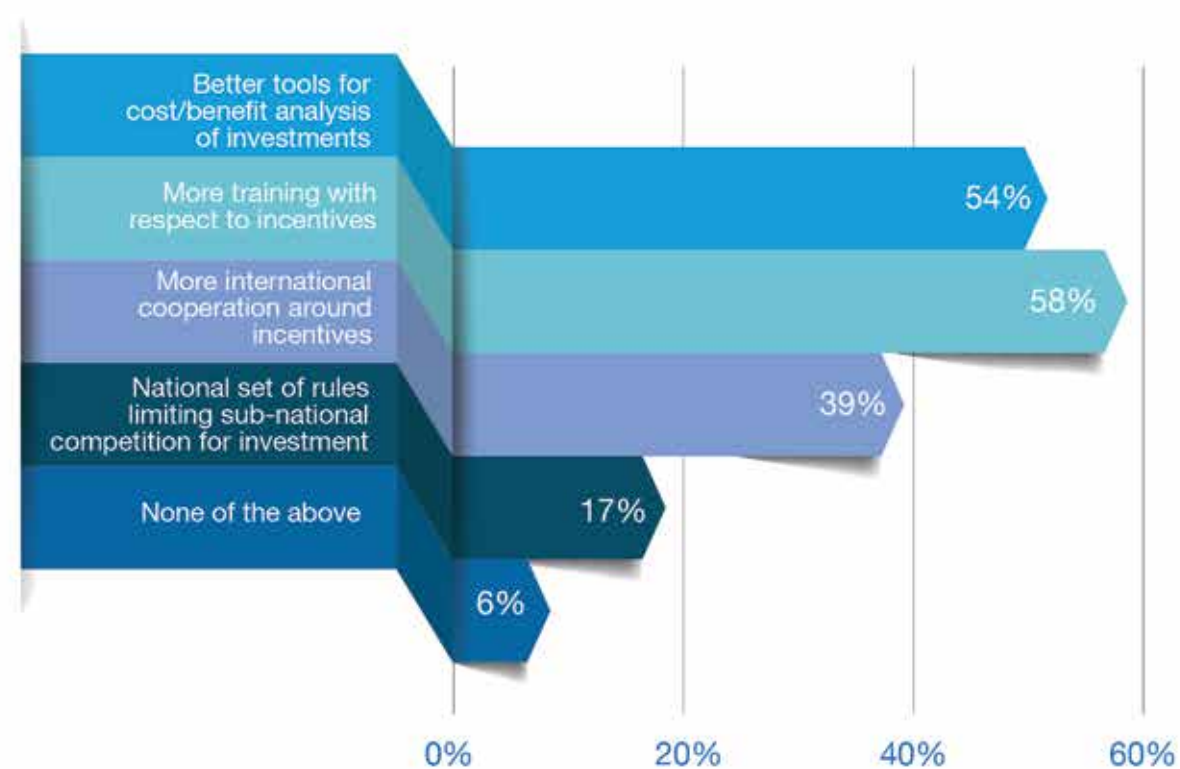
## SURVEY RESULTS

What authority does your IPA have in terms of issuing incentives for investments?



■ Limited ■ Significant ■ None

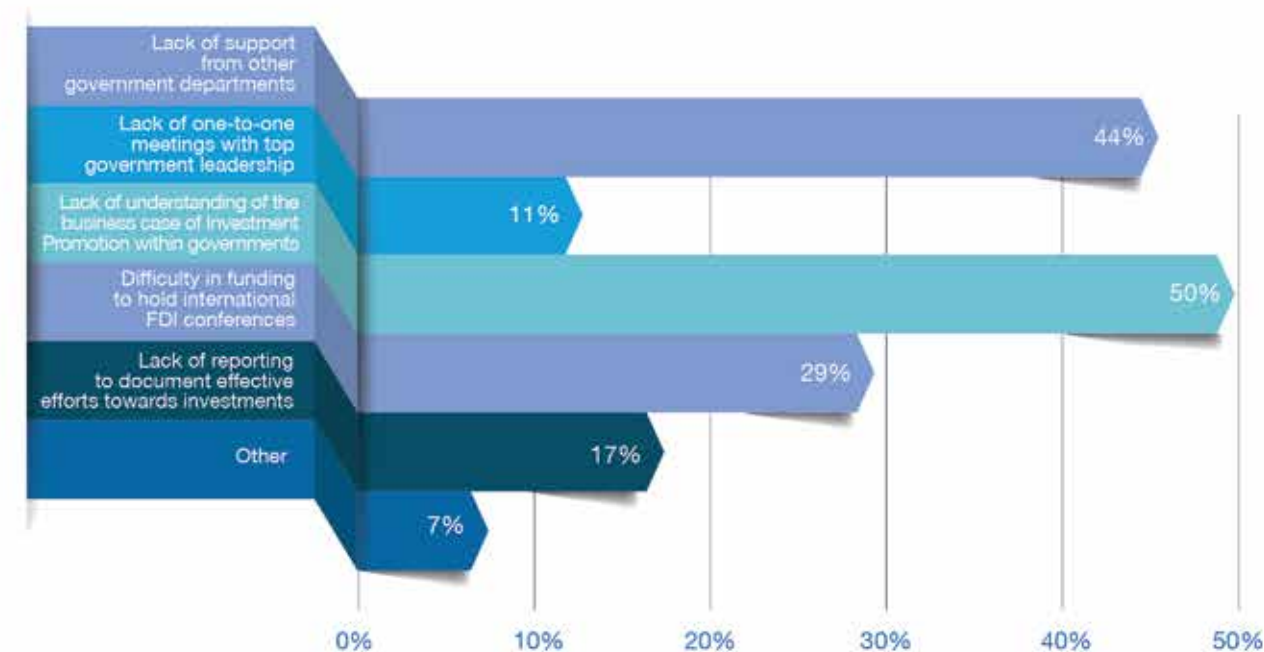
Would you (IPAs) be in favor of?



On a scale 1-10, how important do you think the Sustainable Development Goals will be for your role?

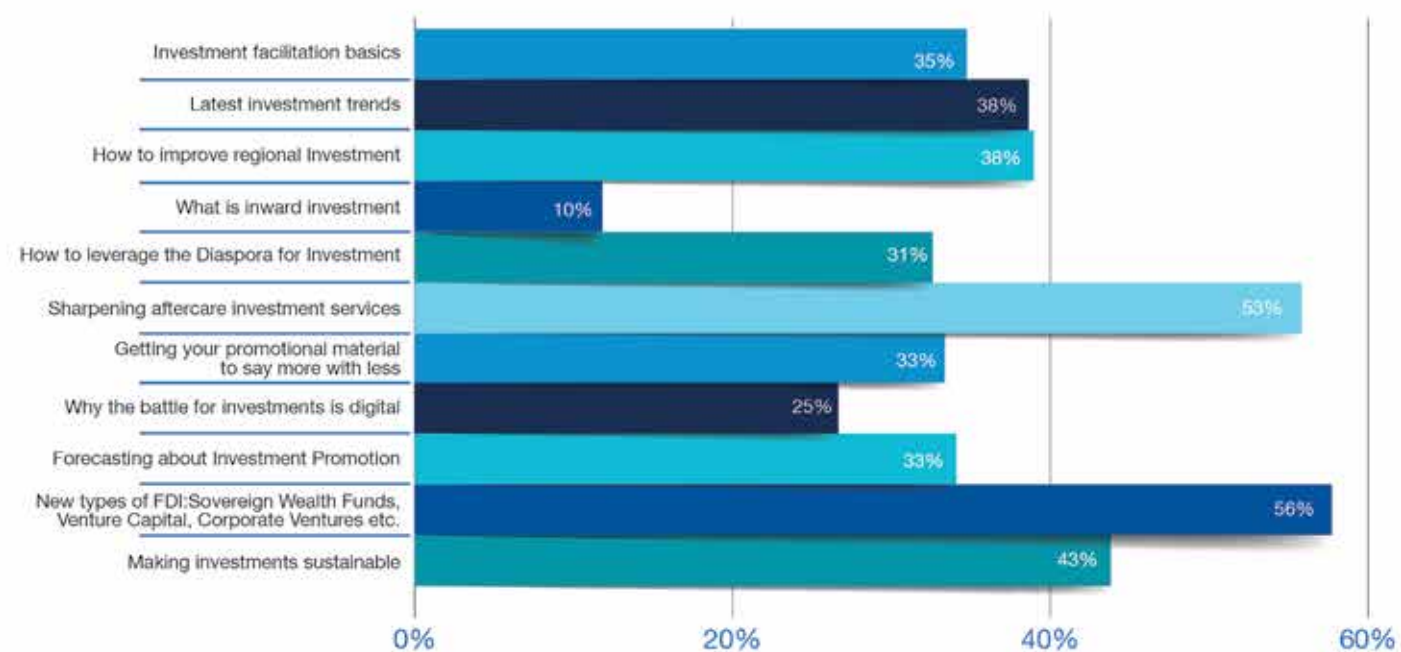


What is the biggest impediment in improving your IPA brand image internally within your government?

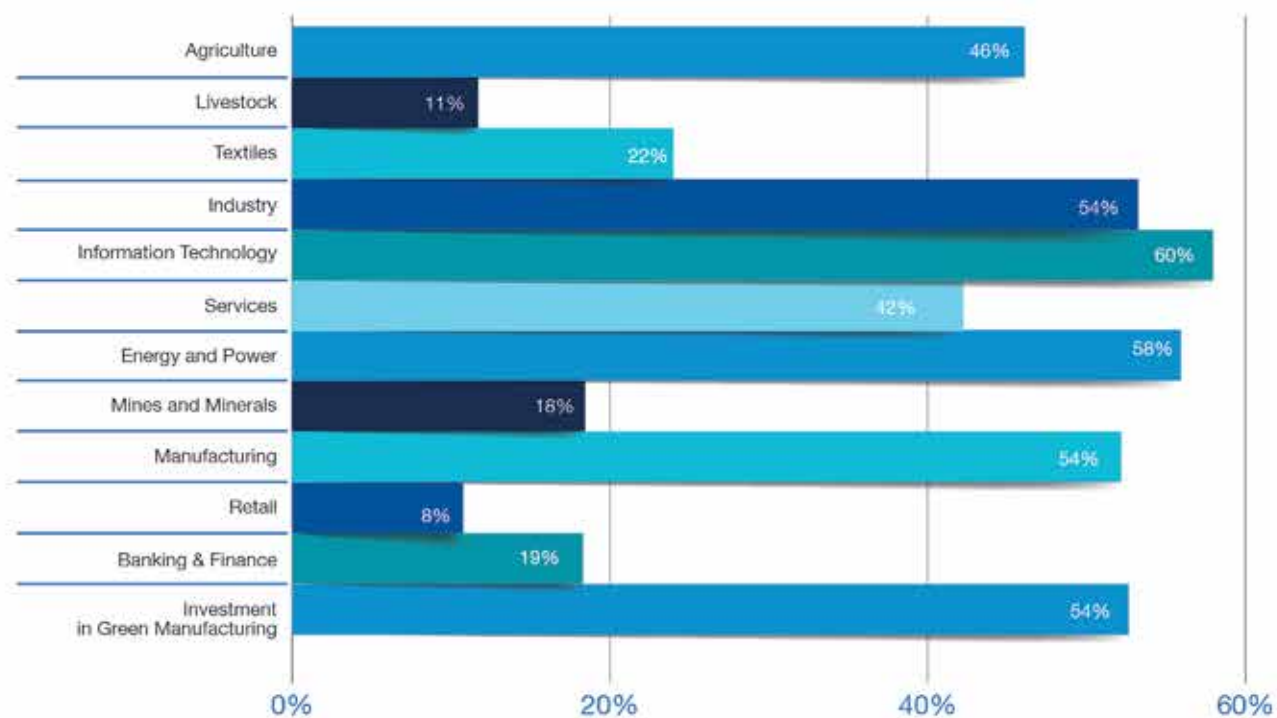




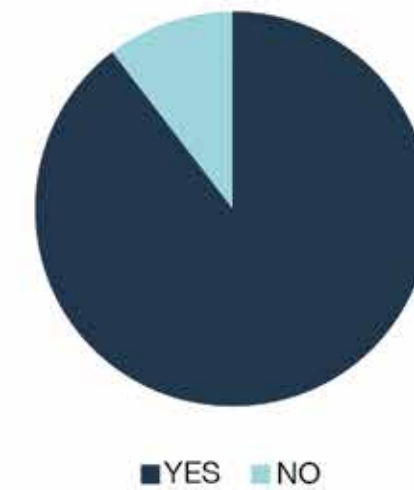
Which of these trainings would you like to most participate in?



What sectoral capacity building programs would you like to participate in?



Do you think new WAIPA Training Center will ease the access to more IPAs and provide more added Value?



How useful do you find World Investment Conferences for networking and linkages on a scale of 1-10?

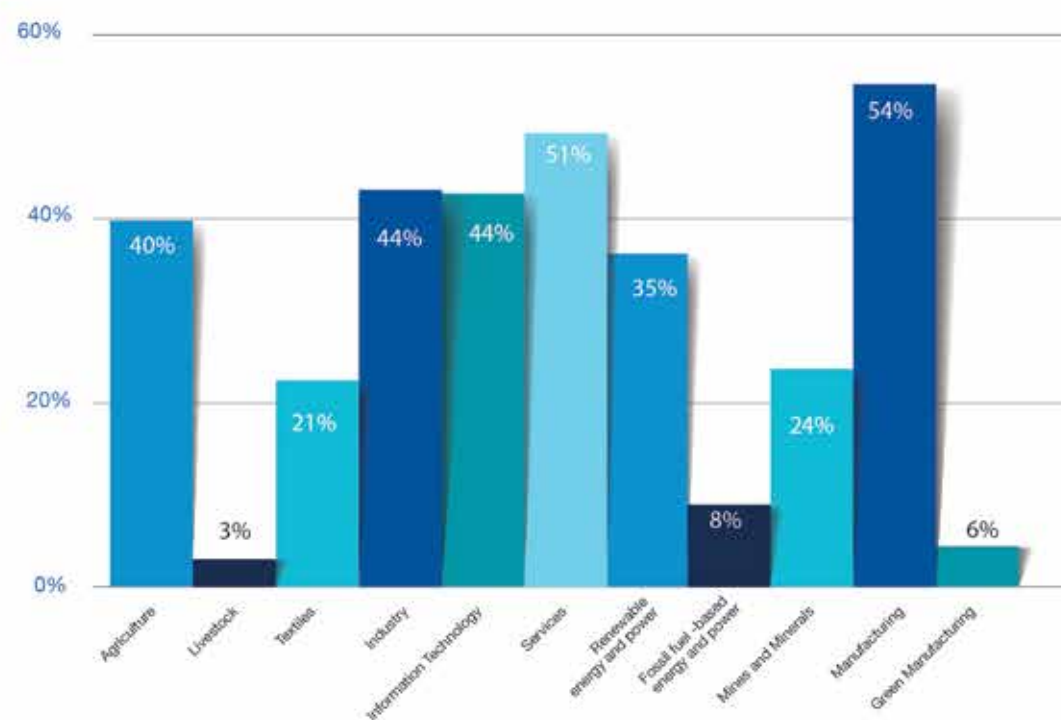




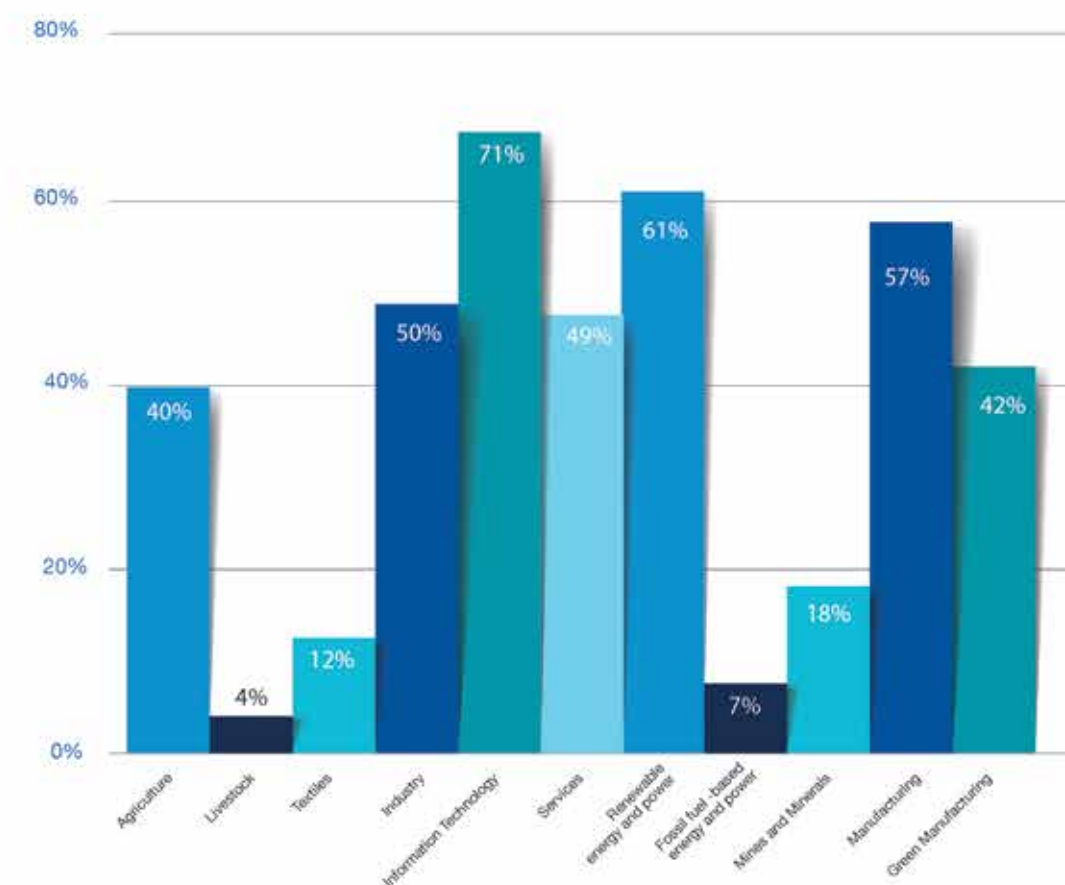
How would you rate WAIPA's communications efforts from a scale of 1-10?



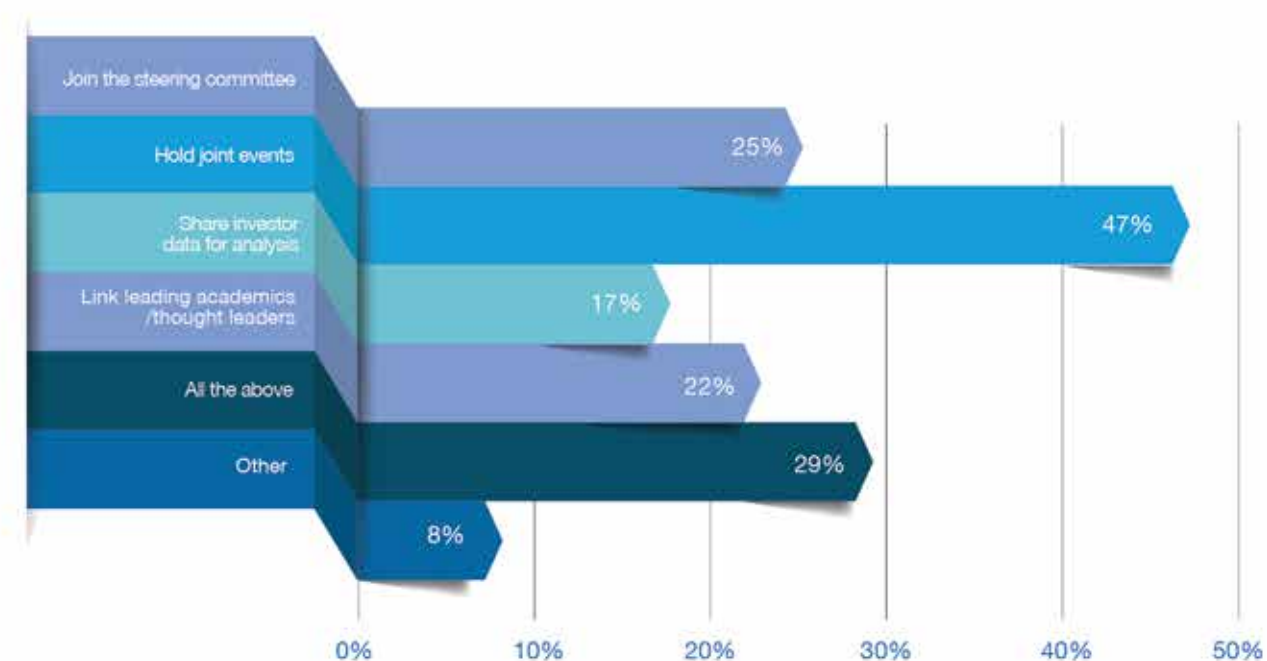
What are your best performing sectors?



What are your target sectors?



What best way can you contribute to making WAIPA a more effective international organization?





## LEADERSHIP VISION







**RUFAT MAMMADOV**

*Vice-President of WAIPA  
President of AZPROMO*

## LEADERSHIP VISION

The world economy has accounted constructive movements in recent years, given that worldwide flow of FDI had taken a turning point to reach the pre-crisis peaks of 2008 in the period of 2015-2016. Nonetheless, this up-sloping trend in global investment climate was unbalanced. In other words, there were considerable differences between sources and destinations of FDI, while in some cases M&A had the upper hand over others. In its turn, this tendency gave way to acceleration of diversification of particularly resource based economies affiliated with WAIPA through specific courses and strategies. Since we are heading into 2018, IPAs need to strictly adjust to these ever increasing competitive times with even more limited resources and higher demands, while initiating competent action plans to win FDI. Investment facilitation and elimination of barriers to secure comfortable investment climate for new and existing investors are the key point in this direction, which should be on the agenda of IPAs in the following year.

In our region, there are challenges faced by the

IPAs in evaluating opportunities and promoting foreign investments in different non-oil sectors, like food processing, high technologies and other industries, which ended up in inclusion of companies operating in relevant sectors in the process of gearing 'invest in a country' mechanisms. Therefore, these private sector units explore international markets and follow trends of application of new technologies for catching up with competitive and high quality production. This being so, WAIPA members, especially those with resource-based economies, ought to concentrate primarily on 2 types of investment attraction: market-seeking FDI to substitute imports and technology-seeking FDI to stimulate information exchange and know-how techniques. On the other hand, since investment policies and legal protection of foreign investors reflect and guarantee investor-friendly atmosphere, IPAs should regularly consider reforms of IIAs. Undoubtedly, it needs more sophistication and precise goal-orientation, which is possible through WAIPA in terms of developing practical alternatives to deal with potential investment perspectives.





## ESSIS ESMEL EMMANUEL

CEO of Centre de Promotion des  
Investissements en Côte d'Ivoire  
(CEPICI)

## LEADERSHIP VISION

On the occasion of the 22nd World Investment Conference (WIC), organized by WAIPA, with the central theme, “Foreign Direct Investments as a driving force for Sustainable Development”, as it is worth highlighting the crucial role of Private Investment in the economic growth and sustainable development of our states, it is also good to highlight, the impact of the promotion of private investment, since the creation of WAIPA in 1995, under the impetus of the United Nations Conference on Trade and Development (UNCTAD).

Improvement of investment attraction techniques, investment enhancement mechanisms, after care and advocacy for a better business environment, these are some of the fields in which our investment promotion agencies that are keeping on making progress, as they are committed to a stronger Private Sector serving Sustainable Development.

This 22nd World Investment Conference is also an opportunity for WAIPA to elect the members of its Steering Committee, on the sidelines of its General Assembly. As Regional Representative for Sub-Saharan Africa and candidate for a second term, CEPICI, which I have the honor to lead, is happy to have contributed to strengthen the institutional presence of WAIPA in sub-Saharan Africa.

While foreign direct investment (FDI) flows around the world fell by 13% in 2016 to US \$ 1.525 billion, with only US \$ 59 billion going to the whole of Africa, our IPAs are even more solicited to help revive the investment dynamic. To this end, CEPICI will place its second mandate under the banner of capacity building of IPAs, with the aim of strengthening measures for greater attractiveness and a greater flow of FDI to our destinations.





**MAXAT KABASHEV**

CEO of "KAZAKH INVEST"  
National Company JSC

## LEADERSHIP VISION

On behalf of "KAZAKH INVEST" National Company JSC, I would like to express compliments to all the members of WAIPA. We, as the investment and trade promotion agency of the Republic of Kazakhstan, have always understood the importance of cooperation and networking in field of investment promotion. That is why we have strived to become the member of this Association since our foundation. Partnership with WAIPA has provided networking opportunities among IPAs and facilitated the exchange of best practices in investment promotion. You have our heartfelt appreciation for the given opportunity to be the part of this global community.

2017 became a landmark year for Kazakhstan. For the first time the country of the Central Asian region and the CIS held the International Specialized Exhibition "EXPO 2017". Under the theme of "Energy of the Future", different countries shared their prospects for the development of renewable energy. 115 states

and 22 international organizations have participated in EXPO 2017 in Astana. More than 2 million tourists has visited the exhibition. 2017 also became remarkable for our Company. Following the best practices, we, in conjunction with the World Bank, have developed the National Investment Strategy of the Republic of Kazakhstan, which was approved in the august of 2017. One of the institutional mechanisms for the implementation of the National Investment Strategy for attracting and retaining investments was the transformation of "KAZAKH INVEST" NC. The Board of Directors is now headed by the Prime Minister of Kazakhstan that shows that the Government places a high priority on attracting foreign direct investments.

KAZAKH INVEST is looking forward to strengthening an ongoing partnership with WAIPA, aiming to reach sustainable development goals and raise economy of Kazakhstan.



## LEADERSHIP VISION

### JAHANZEB BURANA

CEO of Punjab Board of Investment



On behalf of Punjab Board of Investment and Trade (PBIT), I take great pride in being a member of WAIPA since our foundation as the agency of the Government of Punjab, Pakistan, responsible for promoting economic and knowledge engagement of national and international investors in Punjab and strengthening Punjab's participation in national economy. We are truly privileged to be an active steering committee member of this esteemed organization.

Permit me at the outset, to express my deepest admiration for the remarkable achievements of WAIPA that have made this organization a great source of encouragement, facilitation and learning for not only PBIT but many other IPA's around the world. The many successes of WAIPA in strengthening, promoting and assisting the core endeavors of IPA's around the world are not only appreciated but globally acknowledged. The Workshop on Investment Promotion after

the launch of the World Investment Forum 2016 served to create a new narrative on investment promotion.

I have the honor of leading the Punjab Board of Investment and Trade (PBIT), the foreign interface of Pakistan's most populous and developed province. In recent years, Punjab accounting for 60% of Pakistan's GDP, is quickly emerging as a secure and economically vibrant investment destination. The wide-ranging projects envisaged within the framework of China Pakistan Economic Corridor (CPEC) have further given impetus to this process and placed Punjab on the map of preferred investment destinations.

My team and I, work extensively with foreign partners to enhance and expand Punjab's potential as a dream destination for foreign investments. In pursuit of achieving this dream and capitalize the potential, PBIT has successfully harnessed substantial foreign direct investment and played a pivotal role in driving sustainable economic growth. The presence of foreign conglomerates from a number of countries in important sectors like

energy, infrastructure, textiles, agriculture and livestock, light engineering, public transport and mass transit, telecom and social sectors like health, education and provision of municipal services is fast multiplying in Punjab.

PBIT has also remained actively engaged in policy advocacy, development of Industrial and Special Economic Zones as well as investor facilitation and after care.

We commend WAIPA's contributions and ongoing endeavors to optimize investment promotion practices. WAIPA has played an instrumental role in guiding us to develop new and effective investment facilitation measures to realize inclusive and sustainable industrial development in Punjab.

I hope that WAIPA will continue to serve as a catalyst for inspiring IPA's across the world towards increased regional collaboration, inclusive dialogue and policy formulation for addressing shared challenges. We look forward to continued partnership and cooperation with WAIPA, to promote responsible investments, strengthen the private sector and augment quality FDI in Punjab.



## LEADERSHIP VISION

### ANA MARIA BADEL

*Executive Director of  
ProBarranquilla*



On behalf of ProBarranquilla, I would like to thank WAIPA's leadership and commitment these last years to increase and strengthen South American IPA's work and capacities for FDI attraction.

Since 2011, consecutively, ProBarranquilla has been elected as the South America Regional Director within the Steering Committee and it is in our great interest to continue working actively on regional IPA's development.

According to UNCTAD, in 2016, FDI flows for South America represented 8% among the global flows. IPA's need to adapt to this complexity, with smarter and more efficient ways to attract FDI, within years of tight resources and high expectations from our political leaders.

As a result, ProBarranquilla has reinvented itself and has developed new strategies to improve the

competitiveness of the territory without leaving aside our core business: FDI Attraction. We have developed a strategy to attract and retain high-performing talent. Knowledge attraction is definitely one of our greatest challenges, which purpose is to interest multinational companies to invest where the know-how is located.

In recent years, we have identified that meetings industry is another source of economic development. This has been an opportunity to work hand-in-hand with the public and private sectors to develop this industry. As a result, the largest Events and Exhibition Center of the Colombian Caribbean Region was built, which has had a significant impact on the local economy in the form of greater profits for sectors such as construction, real estate, fairs and events, tourism and goods and services.

Our work in the years to come, will be focused on strengthening South American IPA's to improve

their capabilities and skills for FDI attraction. To this end, we have fostered the generation of networking and training spaces where national and international IPA's can share their experiences and good practices in investment promotion and facilitation. These activities will contribute to the identification and generation of bankable projects that can help our countries to achieve SDG's and strengthen our role as key players for regional and country development. As part of this approach, ProBarranquilla works with the national government to measure the impact of FDI in the country's accomplishment of the SDG's.

Lastly, I would like to wish WAIPA a very successful World Investment Conference and confirm the commitment of ProBarranquilla to work together for our common goals.

## LEADERSHIP VISION

### PAULO CARREÑO KING

*Director General of Promexico*



In the last couple of decades, country trade promotion and investment agencies went from less than a dozen to nearly 200. Despite isolated nationalistic movements (that have certainly shocked us all) world economy is getting more integrated and the model has proven to be the right one.

Perhaps more important, we have learned in the process that we can work together -it's not a "zero sum game"- and by doing so we get better results. In Mexico, we are proud of results (more than half of FDI has come from ProMéxico's direct involvement) yet convinced we have to do more, particularly in the cooperation arena. As a representative for the North American Region, I have had the opportunity to actively collaborate with the members of WAIPA, and I know that we share an optimistic and future-oriented outlook.

However, we must keep on working to strengthen this synergy, because there is no doubt that we still face great challenges.

According to UNCTAD, in 2016 58 countries introduced around 124 investment policies of trade liberalization and promotion, but, at the same time, one fifth of the created policies considered restrictions or regulations with regard to investment.

In this context, the WAIPA engagement in the international scene is particularly relevant. We should continue to advocate for the principles that 17 years ago brought us together to foster and develop the cooperation between trade and promotion agencies; we should create more networks to exchange experiences about promotion and investment practices.

I firmly believe that we have a great ally in this organization because we have seen the results in our economies and in our societies.

Now, more than ever, we must continue working together.





**STAMEN YANEV**

*Executive Director  
of InvestBulgaria*

## LEADERSHIP VISION

WAIPA is a very dynamic organization and 2015-2017 were the most fruitful years. Being at the position of the Eastern Europe Regional Directorship for these two years, we share the same experience and we are glad that WAIPA turned into very important opinion and/or decision maker in the area of FDIs. Our main mission was to strengthen, widen and deepen our relations. In addition, we worked to raise WAIPA profile and share knowledge within our members and potential members. It was a great pleasure to be responsible for the region, which currently is in the spot of most of the foreign investors and according to the analysis is the economic center of gravity. Most probably, this center will move more and more to the east, but currently Eastern Europe and the region is in the radar of the investors. We consider that our main goals to promote and encourage the FDIs worldwide would be in the center of our agenda within the Bulgarian presidency of European Union. In the light of Bulgarian presidency, we

will strive for more investments and innovations in order to bring our economies, countries and WAIPA on the next level. We believe that investments in innovations would create better economic environment for our countries and provide perspective for a better life of our nations and people. The next step for your success is the innovative WAIPA.



## FINANCIAL STATEMENTS



# 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, 2016



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Geneva, May 31, 2017

### 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, 2016.

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 848'549, do not comply with Swiss law and the association's statutes.

Yours faithfully,

HORWATH 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 AT DECEMBER 31, 2016

	Note	31.12.2016 USD	31.12.2015 USD
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	544'627	630'844
Sponsoring receivable	7	400'000	-
Prepaid expenses		3'570	3'447
<b>TOTAL CURRENT ASSETS</b>		<b>948'197</b>	<b>634'291</b>
<b>FIXED ASSETS</b>			
Office renovation costs		16'399	-
<b>TOTAL FIXED ASSETS</b>		<b>16'399</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>964'596</b>	<b>634'291</b>
<b>LIABILITIES AND RESERVES</b>			
<b>SHORT TERM LIABILITIES</b>			
Provisions		-	22'115
Dubai restricted funds	6	60'047	60'047
Accrued liabilities		56'000	37'146
<b>TOTAL SHORT TERM LIABILITIES</b>		<b>116'047</b>	<b>119'308</b>
<b>RESERVES</b>			
Accumulated reserves		848'549	514'983
<b>TOTAL RESERVES</b>		<b>848'549</b>	<b>514'983</b>
<b>TOTAL LIABILITIES AND RESERVES</b>		<b>964'596</b>	<b>634'291</b>

## WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES, Geneva

## INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2016

	Note	2016 USD	2015 USD
<b>OPERATING REVENUES</b>			
Membership fees		339'131	326'384
Sponsoring for Annual Conference	7	800'000	800'000
Sponsorship		79'483	-
Release of provision		22'115	-
Other income		336	-
Financial revenues		27	-
Exchange gain		4'458	-
<b>TOTAL OPERATING REVENUES</b>		<b>1'245'551</b>	<b>1'126'384</b>
<b>OPERATING EXPENSES</b>			
Staff salaries and related costs		(363'799)	(277'533)
Annual Conference costs and Meetings expenses		(284'190)	(595'388)
Office and staff travel expenses		(131'224)	(35'071)
Human resources consulting expenses		(11'761)	(151'312)
Rental expenses	5	(14'460)	(21'016)
Legal fees		(20'615)	-
Other expenses		(35'881)	(18'095)
Exchange loss		(194)	(14'362)
Bank charges		(6'169)	(5'111)
ILO training expenses		(5'591)	-
Website and IT expenses		(29'853)	-
Interest expenses		(48)	-
Depreciation		(8'200)	-
<b>TOTAL OPERATING EXPENSES</b>		<b>(911'985)</b>	<b>(1'117'887)</b>
<b>SURPLUS FOR THE YEAR</b>		<b>333'566</b>	<b>8'497</b>



## WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES, GENEVA

### NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016

#### 1 Introduction

The World Association of Investment Promotion Agencies (hereinafter « WAIPA ») is a Swiss association, established in 1995 and registered as a non-governmental organization in Geneva, Switzerland. WAIPA acts as a forum for investment promotion agencies to provide networking opportunities and facilitate the exchange of best practices in investment promotion and capacity-building.

WAIPA has no capital.

On an annual average basis, the number of full time positions did not exceed 10 employees in 2016 (2015: < 10).

#### 2 Accounting Principles

The present annual accounts of WAIPA have been prepared in accordance with the regulations of Swiss financial reporting law. The new regulations of Swiss financial reporting law were adopted in 2015 for the first time by WAIPA.

The 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 Cash and cash equivalents

The cash and cash equivalents balance consists of:

	31.12.2016	31.12.2015
	USD	USD
Cash at banks on current account (incl. cash on hand)	537'158	623'430
Cash at banks on savings account	7'469	7'414
<b>Cash and cash equivalents</b>	<b>544'627</b>	<b>630'844</b>

## WORLD ASSOCIATION OF INVESTMENT PROMOTION AGENCIES, GENEVA

### NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016

#### 4 Income and capital taxes

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

#### 5 Rental agreement

WAIPA has entered into a new rental agreement from April 1, 2015 through March 31, 2020. Under this agreement, the non-cancellable leases amount to CHF 42'293 (USD 42'985).

#### 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, shall be used by WAIPA for financing a future conference.

#### 7 Sponsoring funds and sponsoring receivable

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

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.

