



World Association of
Investment Promotion
Agencies



28th World Investment Conference

Dialogue between Ambassadors and IPA Leaders

“Synergies between Diplomacy and Investment Promotion”

Executive Summary

Date: November 25, 2024

Location: Fairmont Hotel, Riyadh, Kingdom of Saudi Arabia

Attendees: 30 ambassadors, the executives of IPAs and the CEO of WAIPA

Chair: H.E. Ibrahim Almubarak, Assistant Minister of Investment, Kingdom of Saudi Arabia

Moderator: James Zhan, Chair, Executive Board of World Investment Conference, WAIPA

Context

The high-level roundtable brought together over 30 ambassadors from various countries and executives from the global community of the Investment Promotion Agencies (IPAs), to discuss ways and means to create synergies between embassies and IPAs in promoting inward foreign direct investment (IFDI) and outward foreign direct investment (OFDI), as well as trade and other types of economic activities.

Key Discussion Points

1. Investment Promotion and Facilitation

- **Understanding Business Mindset**
 - Emphasized the importance of understanding the mindset of businesses and investors to tailor approaches effectively, speaking the investor language from promotion to attraction, requiring closer collaboration.
- **IPA Development**
 - The role and importance of IPAs and the need for ambassadors to align with staff to provide country profiles, data points, and key conditions for fostering relations was



highlighted. Forward and backward linkages for IFDI and OFDI were also highlighted, i.e. the nature of IFDI in receiving country as OFDI of another, leading to requirement for strengthened embassy to embassy and IPA to IPA cooperation.

- **Investment Facilitation**

- Ambassadors suggested establishing offices in their host countries to facilitate investment opportunities and highlighted various incentives for investment currently in place in their respective countries, including incentives for women, and the digitalization of government processes, which has significantly contributed to the improvement of these economies and has led to greater opportunities for investment.

- **Investment Sectors**

- Ambassadors identified key investment sectors in their respective countries and recommended them as prime areas for establishing investment relations with their host country. These sectors are well-established in their home countries and can serve as the foundation for long-lasting investment partnerships with their host countries.

- **Training and Mechanisms**

- The importance of training and upskilling, along with establishing mechanisms for bilateral and multilateral relations, was emphasized to better equip countries' IPAs and embassies in establishing effective investment relations. This preparation is crucial for successfully managing investment and trade relationships and adopting best practices for successful investment opportunities. It was also suggested that WAIPA should provide such training programs.

2. Trade Relations and Collaboration

- **Trade Relations**

- Participants noted efforts to establish trade relations, including the opening of trade commercial offices with the aim of deploying a trade officer in their host country to engage local colleagues and other partners in the region to diversify opportunities.

- **Collaboration in Key Sectors**

- Ambassadors highlighted ongoing collaborations in key sectors within their host country, such as education and healthcare, where their respective countries are actively involved. These collaborations serve as a foundation for strengthening



bilateral relationships and creating further investment opportunities between their countries and their host country.

- **Cultural Dialogue**

- Emphasized the significant role of cultural familiarity and dialogue in promoting investment. Participants noted that being comfortable with the culture of investment partners facilitates smoother interactions and stronger relationships. It was recommended to include cultural dialogue in discussions with ambassadors and partners to better convince them of the countries as attractive trade and investment destinations.

- **Human Talent**

- Participants emphasized the importance of selecting the right human talent to advocate for investment opportunities. It was noted that this role doesn't necessarily have to be filled by ambassadors. For example, designating specific individuals within the embassy to focus on promoting investment in particular sectors can prove as an effective method, successfully connecting promoters to relevant sectors and enhancing the overall investment strategy.

3. Role of Ambassadors

- **Ambassadors as Bridges**

- Ambassadors possess unique abilities to open doors and identify opportunities due to their deep understanding of both their home country's and host country's economic landscapes, cultural nuances, and political environments. This makes them vital in connecting investment promoters to specific sectors. Their knowledge is critical for IPAs to effectively target and facilitate investment, as they can provide valuable insights into market conditions, regulatory frameworks, and potential business partners, ensuring that investment efforts are strategically aligned and more likely to succeed.

- **Engagement with the Private Sector**

- In successful governments, the private sector plays a significant role in guiding government actions. Participants encouraged ambassadors to engage with the private sector and work closely with IPAs to provide concrete recommendations.

- **Facilitation of Relationships**

- Ambassadors act as bridges between their home countries and their host countries, facilitating the signing of agreements and fostering strong bilateral relationships. This



role is crucial because it helps to build trust, streamline communication, and ensure that both parties are aligned in their objectives.

4. Strategic Opportunities and Challenges

- **Challenges and Opportunities**

- The discussion addressed the challenges for IPA to expand their presence within embassies. One significant challenge is the need for resources and support to establish a more robust presence. However, there are also substantial opportunities presented by digital channels, e-government, and AI.
- These technologies offer new ways for IPAs to engage with potential investors and promote investment opportunities without relying solely on physical presence. For example, understanding the most effective non-physical channels, such as social media platforms, can greatly enhance communication and outreach.
- Tailoring campaigns to the preferred platforms in each country can significantly increase their impact, and ultimately lead to more successful investment promotion.

- **Promotion and Connectivity**

- Participants emphasized the critical role of connectivity and collaboration with embassies for successful trade missions. They suggested interventions to enhance these efforts, including organizing promotional activities and familiarization trips, such as sending host country delegations to partner countries, to build stronger ties and showcase investment opportunities.
- Additionally, conducting roadshows to bring representatives to the host country and addressing connectivity gaps were highlighted as essential steps to facilitate smoother interactions and collaborations.
- These interventions aim to strengthen bilateral relationships, improve the effectiveness of trade missions, and create a more conducive environment for investment.
- By enhancing connectivity and collaboration, countries can better leverage their trade and investment potential, leading to mutual benefits and the adoption of best practices.

5. Partnerships and Networks

- **Addressing Investors**

- Importance of addressing investors at different levels and using various tools, strategies, and frameworks to identify the best opportunities and build high-level



- relationships. They emphasized the need to consider policy level, investment promotion, and business-level matchmaking when engaging with investors.
- The presence of embassies where IPAs are not present creates significant opportunities to open doors for investments. Embassies can provide a clear connection between IPAs and potential investors, facilitating trade and investment promotion.
 - **Partnerships and Investment Promotion**
 - The crucial role of partnerships with different countries and embassies in opening investment opportunities was highlighted. Embassies often have personnel dedicated to trade, but trade promotion differs from investment promotion, which is a long-term process requiring extensive negotiations.
 - It was recommended that IPAs work closely with embassies and assign specific individuals/representatives within the embassies to facilitate investment.
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Conclusion

The session underscored the importance of understanding the business mindset, developing IPAs, and facilitating investment through strategic collaborations between IPAs and embassies. Ambassadors emphasized the need for training and upskilling to enhance bilateral and multilateral relations. Efforts to establish trade relations and collaborations in key sectors were highlighted, along with the significance of cultural dialogue and selecting the right human talent. Ambassadors were recognized as crucial for opening doors, engaging with the private sector, and fostering strong bilateral relationships within their host countries. The challenges and opportunities of digital channels and AI were discussed, stressing the need for effective non-physical communication channels. Finally, the importance of addressing investors at different levels, leveraging partnerships, and ensuring close collaboration between IPAs and embassies was underscored to enhance investment promotion and connectivity.

Notes

The Executive Summary of the Dialogue between Ambassadors and IPA Executives was prepared by the Secretariat of the 28th World Investment Conference, WAIPA, under the guidance of the Moderator of the Dialogue. The summary aims to capture the views and proposals of the speakers, but does not necessarily represent the consensus of the Dialogue.