

# Launch of the IPA Toolbox

A practical guide to support Investment Promotion Agencies (IPAs)

Online Event, 25.11.2020, 12:00 CET

This event is being recorded!





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## Agenda

1. Welcome and Updates from WAIPA
2. GIZ's work with IPAs
3. The IPA Toolbox
4. Panel Discussion and Q&A
5. Wrap Up and Satisfaction Survey

Moderator: Ismail Ersahin, WAIPA



## QUICK GUIDELINES

- You can ask any questions you would like through the chat box.
- We will collect these questions and ask the presenters to respond in our panel discussion round
- Finally we would like to ask you to rate your satisfaction with the webinar before we close the webinar.
- This online event will be recorded. Names of participants will not be visible but if anyone still disagrees with the recoding, we would need to ask you to kindly leave now.

# Welcome and Updates from WAIPA





## Why WAIPA?



WAIPA **serves as a platform** for its members and provides the opportunity for investment promotion agencies (IPAs) to network and **exchange best practices in investment promotion**



Promotes and develop understanding and **cooperation among IPAs** and facilitates access to technical assistance and capacity building of IPAs



**We assist IPAs** together with partners in advising their respective governments on the **formulation of appropriate investment promotion policies and strategies**



World Association of  
Investment Promotion  
Agencies



## Global Reference Point for FDI



WAIPA frequently publishes papers and research results on its website: <https://waipa.org/publications/>. On WAIPA's blog section: <https://waipa.org/blog/>, FDI experts and IPA practitioners regularly share their insights and expertise.



WAIPA's FDI overview section: <https://waipa.org/fdi-overview/> and State of IPA's dashboard: <https://waipa.org/state-of-investment-promotion-agencies/> provide IPAs and practitioners with interactive tools on the current situation of FDI and IPAs.



To support IPAs, WAIPA created on its website a COVID platform: <https://waipa.org/covid-19-platform/>, a collection of information, interviews, and material on the subject and central point to the most relevant insights on the effects of the pandemics on FDI published by the international community. It showcases data, analysis, policy efforts and best practices related to the COVID-19 and FDI at one place.

# GLZ's work with IPAs







## Who is GIZ?



We support the German Government in achieving its objectives in the field of **international cooperation for sustainable development.**



As a **public-benefit federal enterprise** we uphold **German and European values.**



We work with our partners on more than **1,600 ongoing projects** in about **120 countries.**



## Where does GIZ work with IPAs and how?



### **Tunisia:**

- Preparation of manuals, M&E system, target sector identification
- Development of partnerships with German investment agencies
- Digital platform for accessing Covid-19 support measures for businesses and investors; webinars and after-care services



### **Ghana:**

- Strengthen business development division
- Set up Customer Relationship Management System



### **Moldova:**

- Training of staff on how to attract investors
- Linkages platform for Small and Medium Enterprises
- Set up regional IPA in Gagausien
- Database for Green- and Brownfield investment sites
- Digital business matching events



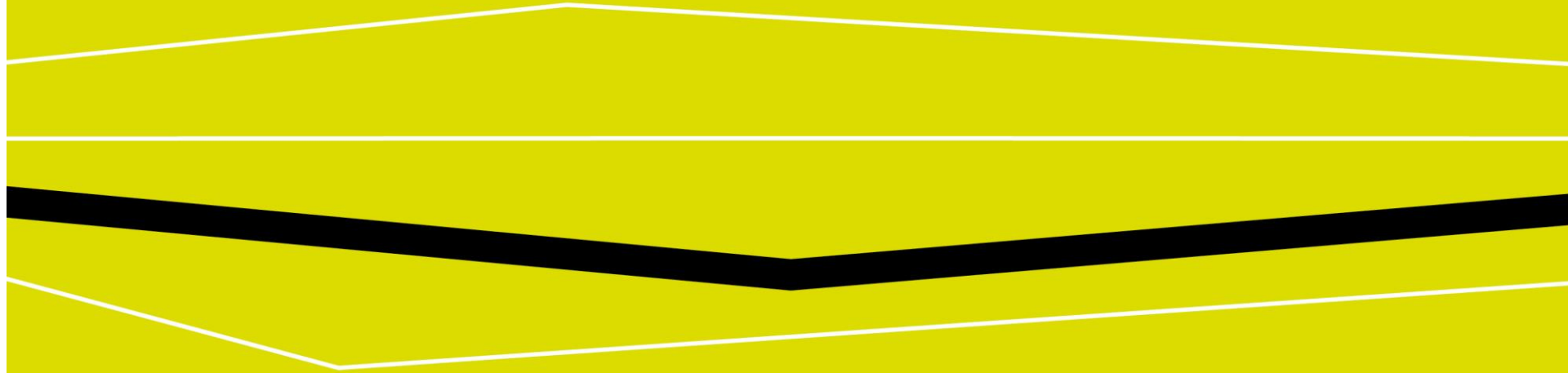
## How can IPAs collaborate with us?

- In the countries listed above, your IPA should be in contact with GIZ already.
- See if there is a GIZ-programme working on sustainable economic development in your country ([www.giz.de/en](http://www.giz.de/en)). Contact the person listed on the website.
- To partner with German associations contact for example EZ-Scouts, German Chambers of Commerce Abroad (ExperTS); or Business and Cooperation Desks
- Seek short-term support through the Investment Climate Reform Facility for ACP countries: <https://www.icr-facility.eu/>



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# The IPA Toolbox





## The IPA-Toolbox has been developed based on an integrated approach ...



Reflecting the **needs of both IPAs and international partners**



Focusing **not only on the main tasks** of IPAs, but also the **organisational and financing dimension**



Not looking at IPAs in isolation, but also considering **interrelations within the institutional and policy framework**



Building upon **existing tools and good practices**



## Against this background, the toolbox covers the following modules:

Core tasks	<b>Module A</b> Creating awareness and generating interest with effective investment promotion measures	<b>Module B</b> Providing needs-oriented facilitation services to secure and fast track investment projects	<b>Module C</b> Combining systematic aftercare with advocacy and further business development services
Target groups	<b>Module D</b> Defining and refining target groups for investment attraction efforts		
Organisation & financing	<b>Module E</b> Aligning the organisational and financing model to the core tasks and target groups		
	<b>Module F</b> Exploring opportunities for cooperation with strategic partners – cross-organisational perspective		
Monitoring	<b>Module G</b> Designing monitoring systems reflecting the key objectives and tasks		



## Audience Poll



**In what areas does your IPA currently cooperate with international partners (e.g. WAIPA, GIZ, UNIDO, EBRD etc.)?**

- Investment promotion and facilitation measures
- Aftercare and advocacy
- Defining / reviewing target groups
- Designing / refining the organisational and financing model of the IPA
- Monitoring



## Each module of the toolbox comprises:



### Introductory section

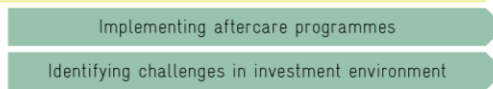
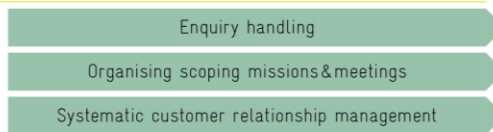
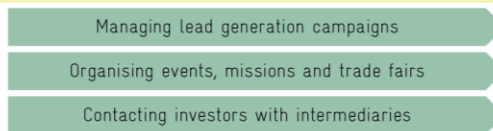
- Relevance of the topic for the success of an IPA
- Recent changes in the investment environment
- Guiding questions
- Overview of interrelations with other modules

#### PROCESSES:

*Management and planning processes:*



*Core processes:*



*Support processes:*



KPIs (*aggregate + target group level*)

- > No. new contacts
- > No. events/missions/fairs and participants

- > No. investment enquiries
- > No. scoping missions
- > No. leads/projects at final stage
- > No. investment projects

- > No. aftercare visits
- > No. reinvestment projects
- > No. of supported reforms

- > *Investment volume*
- > *No. new jobs*
- > *Quality of investment projects and jobs*

### Aligning KPIs to core tasks and processes





## Each module of the toolbox comprises (cont.):



### Key steps for designing relevant measures and structures



### *Key steps for developing a structured aftercare programme*



## Each module of the toolbox comprises (cont.):

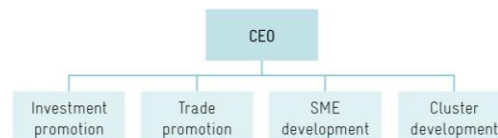


### Commonly used tools and methodologies incl. alternative options

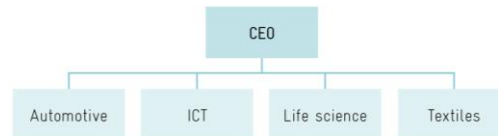
CRITERIA	WEIGHTING
	%
Size (number of employees)	15
Quality of jobs provided	15
Employment growth potential	10
Contribution towards innovation dynamics	5
Forward and backward linkages	10
Reinvestment potential	15
Risk of relocations	10
Relevance of aftercare services for company	15
Role of company as opinion leader	5

#### ***Exemplary selection grid for aftercare clients***

by mandate/service area:



by target industry:



by region:



#### ***Different types of divisional structures***



## Each module of the toolbox comprises (cont.):



### Ideas and hands-on tips for future cooperation projects

#### *Exemplary mentoring programme*

Over the course of two years, the local GIZ project has assisted the Namibia Investment Centre (NIC) in adopting a targeted approach to investment attraction.

The support rendered to NIC was structured in the form of a mentoring programme. As a first step, NIC staff participated in interactive training sessions on the different activities and processes of investment facilitation. The training sessions helped to identify the skills and tools that NIC was lacking and, thus, formed the basis for providing hands-on mentoring and capacity development support. Furthermore, the project team jointly with NIC developed a number of tools and templates.

Mentoring activities included:

- › Introductory sessions on key facilitation services and tools
- › Development of an enquiry response template and structure
- › Review of NIC's enquiry handling process and identification of challenges
- › Support for handling incoming enquiries and building an information database
- › Introduction to the concept of customer/investor relationship management
- › Research and recommendations of appropriate software solutions



Content	
1. Introduction	x
2. Reasons for your investment in Namibia	x
3. Your questions answered:	x
Question A	x
Question B	x
Question C	x
4. Investment facilitation and after-care services	x
6. Your contact at Namibia Investment Centre	x









## Audience Poll



**With how many international partners (e.g. WAIPA, GIZ, UNIDO, EBRD etc.) does your IPA currently cooperate?**

-  Currently no cooperation with international partners
-  1 partner
-  2 – 4 partners
-  5 or more partners



## Each module of the toolbox comprises (cont.):



### Practical examples

Piloting targeted investment promotion  
in Namibia

Assessment of needs of existing investors  
in Albania

Establishment of Investment Councils with  
the support of the EBRD

Defining target groups for the  
Namibia Investment Centre

Building up partnerships as part of a study  
tour of the Tunisian Investment Authority

Investment facilitation service packages of  
the IPA of the Federal State of Brandenburg

Aftercare and private sector involvement of  
the IPA of the Federal State of Berlin

UNIDO's Subcontracting  
and Partnership Exchanges (SPX)

Support for the reorganisation of the  
Moldovan Investment Agency

Key Performance Indicators used  
by CzechInvest

*Selected practical examples in the toolbox*



## Each module of the toolbox comprises (cont.):



### Tables “What works vs. What does not work” summarising success factors



WHAT WORKS	WHAT DOES NOT WORK
<ul style="list-style-type: none"><li>+ Assessing first if the IPA has a coherent strategic framework the monitoring system can relate to</li></ul>	<ul style="list-style-type: none"><li>- Diving directly into a discussion of key performance indicators</li></ul>
<ul style="list-style-type: none"><li>+ Using a focused set of key performance indicators reflecting the strategic objectives, core tasks and processes</li></ul>	<ul style="list-style-type: none"><li>- Overloading the monitoring system with a wide array of indicators that provide a limited added value</li></ul>
<ul style="list-style-type: none"><li>+ Integrating qualitative aspects of investments (e.g. salary levels, environmental impact, local sourcing)</li></ul>	<ul style="list-style-type: none"><li>- Focusing solely on the quantitative dimension of attracted investment projects</li></ul>
<ul style="list-style-type: none"><li>+ Comparing the performance between different target groups to finetune the focus of investment attraction measures</li></ul>	<ul style="list-style-type: none"><li>- Focusing only on the aggregate level without comparing the performance between different target groups</li></ul>
<ul style="list-style-type: none"><li>+ Using the potential of modern CRM solutions to increase the efficiency of monitoring processes</li></ul>	<ul style="list-style-type: none"><li>- Relying on outdated or inappropriate CRM systems that do not allow to track the performance</li></ul>
<ul style="list-style-type: none"><li>+ Streamlined reporting processes with clearly defined institutional responsibilities, formats and intervals</li></ul>	<ul style="list-style-type: none"><li>- Reporting to various institutions with varying indicators and intervals resulting in a high administrative burden</li></ul>



## Each module of the toolbox comprises (cont.):



### Lists of further sources of information on tools and approaches



A number of IPAs provide information on their KPIs as part of published strategic plans or annual reports, e.g. Invest in Estonia and CzechInvest

→ [https://www.eas.ee/wp-content/uploads/2019/01/EAS\\_Strateegiline\\_Kava\\_ENG.pdf](https://www.eas.ee/wp-content/uploads/2019/01/EAS_Strateegiline_Kava_ENG.pdf)

→ <https://www.czechinvest.org/de/About-CzechInvest/Download/General-materials/Strategy-de>

The OECD has published a note exploring monitoring and evaluation (M&E) practices of investment promotion agencies (IPAs) in OECD countries. It provides a brief overview of the main M&E practices across agencies as well as explains how impact evaluation can be conducted in the context of investment promotion.

→ <http://www.oecd.org/investment/Monitoring-and-evaluation-a-brief-guide-for-investment-promotion-agencies.pdf>

The ANIMA Investment Network, a multi-country cooperation platform for economic development in the Mediterranean, has launched in 2020 as part of the EBSOMED project in close collaboration with several partners the initiative *Impact Invest* focusing on the promotion of investments that contribute to sustainable development. The creation of a common frame of reference for monitoring the impact of investments linked to the SDGs forms part of the project activities.

→ <https://anima.coop/en/our-projects/ebsomed/>

# Panel Discussion and Q&A

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**Please type your Questions into the Chat box**



# Wrap up and Satisfaction Survey

