

# Sharing experience to strengthen investment promotion

As part of a project to foster trade and investment between China and Africa, ITC is helping investment promotion agencies in Ethiopia, Kenya, Mozambique and Zambia improve their capacity to attract and sustain foreign direct investment. To that end, ITC connected these agencies to a role model – a top-performing agency from Costa Rica.

Coalición Costarricense de Iniciativas de Desarrollo (CINDE), the Costa Rican investment promotion agency, has won awards for its services, results and corporate culture. Its excellence was confirmed by an ITC benchmarking assessment specially adapted to gauge the capabilities of investment promotion agencies. The August 2017 assessment took stock of CINDE's managerial, governance and service delivery capacities, and provided focused recommendations for improvement.

Despite its boutique size, limited resources and large regional competitors, CINDE delivers exceptional results with a focus on customer service; interagency cooperation; and a determined approach to results measurement and continuous improvement. CINDE's 'magic formula' relies on smart use of online platforms, social media and existing information sources. Innovation is core to its culture: ideas, rather than money, generate results. This approach has strong relevance for African agencies.

With input from CINDE, ITC created a tool to assess the four African investment promotion agencies across the full investment promotion lifecycle. This took into account their limited resources and the complex political environments in which they operate. Each assessment provided a baseline of current practices and identified areas for improvement.



## Partnership for improvement

In light of the array of technical skills and knowledge needed, ITC and CINDE partnered to conduct the assessments and prepare performance improvement roadmaps. The CINDE team also helped ITC develop the capacity building to deliver on the roadmaps. The cooperation reflected the interest of CINDE's leadership in supporting institutional capacity building in Africa.

The triangular cooperation between African investment promotion agencies, CINDE and ITC included capacity-building activities, such as training workshops and peer-to-peer mentoring and coaching. ITC used the 2017 Dubai conference of the World Association of Investment Promotion Agencies to arrange a problem-solving workshop for African CEOs with CINDE's managing director, Jorge Sequeira.

'Continuous improvement is an element which we work hard to make part of our corporate DNA and which helps us to aim for excellence,' Sequeira said. 'This collaboration is very exciting for us because it builds on that growth process. In teaching and sharing, we are learning about new perspectives, new cultures and creative ways to face challenges.'



This partnership is producing new tools and modes of collaboration, contributing to ITC's continuous efforts to innovate and refine its service delivery.

The process of benchmarking CINDE served as a pilot to refine good practice indicators for investment, such as the ability to foster links to local suppliers or simplify inward investment processes. These specifically investment-focused measures supported insightful assessments of the four African agencies, and are guiding their improvement process.

Each of the African agencies has an Improvement Roadmap that traces a path for development. These draw on relevant tried-and-tested practices in Costa Rica. Regional workshops and agency-specific, capacity-building sessions in 2018 and 2019 included implementing customer-centric processes and behaviours; targeting and improving presentations to potential investors; and learning how to respond to the specific needs of investors in target markets.

### Seeking to extend cooperation

Developing a better basis for measurement is an underlying theme. One regional workshop addressed how to design and adopt a performance measurement framework based on the investor journey. Such a framework can provide information and results to improve performance and increase impact. The project is also developing tools to support this framework.

Involving counterparts from other countries to share practices has proven effective in bringing knowledge, empathy and credibility to discussions within African investment promotion agencies. For ITC, working with one trade and investment support institution to deliver impact for another tested new models of procurement and engagement with partner institutions.

ITC plans to replicate this partnership model with other institutions working to attract investment to promote sustainable development. It is exploring other partnerships to support trade promotion organizations, chambers of commerce and business coalitions, and other trade and investment support institutions. This effort recognizes good practice and identifies leaders and role models with the capacity and generosity to support their peers.

**Source:** ITC.

