Millennium Cities Initiative
Regional Partnership to Promote Trade and Investment in sub-Saharan Africa

Tools to Support Sub-National Efforts to Target and Win Productive Investment

A presentation by Dr. Karin Millett
to the Project Advisory Group.
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Tools to Strengthen Capacity of Cities to Promote Investment

- Handbook for Promoting Foreign Direct Investment in Medium-Size, Low-Budget Cities in Emerging Markets
  - Developed by MCI and VCC (supported by Government of Finland, Government of Kenya, and UNDP), launched Dec. 2009
- Published in English, now being translated into Arabic, Chinese, French, Russian and Spanish.
Handbook Contents…

Contains a wealth of information on:
- Introduction to FDI
- Framework for Investment Promotion
- How to develop a city investment promotion strategy
- How to build a city investment promotion agency
- How to market a city to foreign investors
- How to target investors and generate leads
Handbook Contents (cont’d)

- How to facilitate inward investment
- How to develop after-care and policy advocacy
- How to move forward with city investment promotion
World Bank Group’s Investment Promotion Toolkit

- Covers many of the same topics as the MCI/VCC Handbook
- Key difference between Handbook is (a) that the WB Toolkit is mostly pitched at national level, whereas Handbook is pitched at city level; (b) the Handbook is in narrative form, whereas the Toolkit is in module format, with icons, tips and step-by-step guides on what to do.
Why develop a Toolkit?

- Toolkit will serve both as a learning tool and a teaching tool to develop capabilities and knowledge of staff in agencies charged with investment promotion
  - Step-by-step guide to what to do and how to do it
  - Easy to transform the modules into training materials
- Toolkit will be in hardcopy, CD and web-based, with the electronic versions facilitating ease of updates and less costly distribution than hard copy
Incorporating existing and new learning on investment promotion

- Toolkit modules will be based on
  - The MCI/VCCHandbook
- The World Bank Group’s ‘Investment Promotion Toolkit’ (originally developed in 2001, since updated on-line)
- Lessons from sub-national investment promotion in World Bank projects
- Lessons from experiences of Millennium Cities
Potential Additional Topics for Inclusion in the Toolkit

- How do decentralized cities and local governments address ‘binding constraints’ that require national level action?
- Investment incentives—the types of incentives and their pros and cons. Using cost-benefit analysis.
- Best uses of technology in investment promotion.
- Others?
Where we seek guidance from the Advisory Group

- What is the added value of an Investment Promotion Toolkit for Cities?
- If it makes sense, how best to fund it?
- World Bank Group will make available its existing Toolkit for adaptation/expansion—and provide some modest contribution of staff time and expertise
- Other organizations that might partner/contribute to Toolkit development?
To view MCI/VCC Handbook and the WBG Toolkit Online:

- MCI/VCC Handbook:

- World Bank Group ‘Investment Promotion Toolkit:
We welcome your advice and suggestions.

Thank You!