



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.
New York, April 13, 2011

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:

<http://www.vcc.columbia.edu/pubs/index.php#Handbook>

[http://mci.ei.columbia.edu/sitefiles/file/MCI-City-Investment-Promotion-Handbook-FINAL\[1\].pdf](http://mci.ei.columbia.edu/sitefiles/file/MCI-City-Investment-Promotion-Handbook-FINAL[1].pdf)

- World Bank Group 'Investment Promotion Toolkit:

www.https://www.wbginvestmentclimate.org/toolkits/investment-generation-toolkit/



We welcome your advice and suggestions.

Thank You!