



Smart Promotion Network

UNCTAD: Investing in Sustainable Development

FDI Trends

2011 FDI surpasses pre-crisis levels at US\$1,5 trillion. Despite bad economic news and the ongoing global turmoil, FDI flows grew by 17% in 2011 with increases in all regions, except in Africa and West Asia. Latin America experienced the highest increase (35%). Developed countries as a group rose 18%, mostly driven by M&As. Based on the current prospects of underlying factors (e.g. GDP growth, firms' cash holdings), UNCTAD estimates that FDI flows will rise moderately to around US\$1.6 trillion in 2012. However, the fragility of the world economy will have an impact on FDI flows in 2012. [< more >](#)

Strategy, Did You Know?

Asia dominates top 10 positions on the Global Services Location Index. A.T. Kearney's 2011 Index, which ranks the top 50 countries worldwide as the best destinations for providing outsourcing activities, finds that wage changes and currency shifts from the financial crisis have led to major changes in competitiveness. However, India, China and Malaysia stayed in the top 3 thanks to their deep talent pools and cost advantages. The United States remains the top customer for outsourcing services, accounting for 63% of global IT outsourcing spending.

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Smart Promoter Practices

Benchmark until you drop. Until a few years ago, benchmarking a country's competitiveness seemed to be the realm of a few developed-country IPAs. Today, virtually all IPA practitioners know what makes the investor's mind tick and how site selectors would like to be fed data. Best practice blends quality data, user friendliness and promotional effectiveness. Check the sites of IPAs in Geneva, Turkey and Botswana and get inspired to give site selectors what they want; easy access to information on your location's determinants in a comparative light with competing locations. [< more >](#)

What's On

Who created most jobs in 2011? Is job creation one of your IPA FDI targets? How successful has your strategy been? How many of the new projects your IPA has attracted were high-skilled or contributed to upgrading the skills base? UNCTAD is asking these and other questions to reward top performers with UNCTAD's 2012 Investment Promotion Awards at the World Investment Forum (WIF) in Qatar. If your IPA has a success story to tell, make sure you submit your entry by 20 February. Would you like to know more? Contact ips@unctad.org.

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Read of the Month

Mastering the power of the brand: Lessons from experience. The reputation of countries functions rather like the brand images of companies and products, and they are equally crucial to their progress and investment attraction. Many IPAs and their governments embark every year on grand and costly image-building projects which very often disappoint the stakeholders involved and fail to translate into new FDI. For anyone interested in the dos and don'ts of country branding, Simon Anholt's library of articles is a must-read.

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