

Thursday, 15 September 2016

## Participants at Vienna event highlight role of quality foreign direct investment for growth, value addition and industrial development

VIENNA, 15 September 2016 – With the right policies in place, quality foreign direct investment (FDI) can be a key driver for the growth of domestic enterprises and help improve investment climate.

This was emphasized by LI Yong, Director General of the United Nations Industrial Development Organization (UNIDO), who spoke at a two-day international conference that ended in Vienna. It brought together prominent experts in the field, and was organized by UNIDO and the Kiel Institute for the World Economy.

“Quality FDI is a key driver for growth of domestic enterprises and improvement of the overall investment climate, provided the right policies and incentives are designed to strategically direct such investments towards target areas with high growth potential. Quality FDI, driven by the activities of multinational enterprises, can help achieve inclusive and sustainable industrialization, foster innovation and build resilient infrastructure, as set out in Sustainable Development Goal 9,” said Director General Li.

Goal 9 is one of the 17 goals of the UN Agenda 2030 for Sustainable Development, and focuses on building resilient infrastructure, promoting sustainable industrialization and fostering innovation.

Participants discussed various policy options and global best practices geared towards attracting and harnessing quality FDI. Theodore Moran of Georgetown University highlighted three policy components that are crucial in attracting quality FDI. They include efficient infrastructure, access to trained workforce, and labor market flexibility.

Beata Javorcik of the University of Oxford underlined the importance of well-implemented investment policy as a tool for bringing about quality FDI through targeting specific activities as opposed to sectors.

**Douglas van den Berghe** of Investment Consulting Agencies (ICA) stressed three key factors that are crucial to private investors in terms of FDI: transparency, stability and predictability.

Boosting FDI for development has been a hallmark of UNIDO's work throughout its 50 years of operation. UNIDO supports and coordinates a global network of Investment and Technology Promotion Offices (ITPOs), including in Africa, Asia, and Europe. The ITPOs collaborate with business and institutional partners in ways that align FDI with a given country's particular development priorities.

***Research papers published in conjunction with the conference can be found [here](#)***

UNIDO also works to promote quality FDI by disseminating methodologies and tools for investment project development, promotion and implementation through its Investment Learning Programme. UNIDO's publications and software have helped introduce the best practices and quality standards for project preparation and evaluation recognized by commercial banks and international development and financial institutions.

*For more information, please contact:*

*UNIDO Department of Trade, Investment and Innovation*

*[email](#)*