

III. STATISTICAL DEVELOPMENT - SELECTED AREAS - DÉVELOPPEMENT DE LA STATISTIQUE - SUJETS CHOISIS

Background of UNIDO's Regional Investment Programme

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The UNIDO Regional Investment Programme is a data based capacity building programme to support African countries in understanding the dynamics of investment flows and their role in development and poverty reduction. The programme currently includes 20 African countries and has as main beneficiaries the private sector, government departments and Investment Promotion Agencies (IPAs). Developed as an outgrowth of UNIDO's support programmes for African IPAs, the Programme is a response to their requests and is designed in the context of the Network of African Investment Promotion Agencies (AfrIPANet). This Network is a platform of 43 member countries established by UNIDO in 2001 for the development and implementation of investment-related activities in Africa.

The Programme provides an empirical basis and tools to **support policy makers** in changing the culture of investment promotion in Africa with the following objectives:

- To shift the **emphasis of investment promotion** from quantity of promoted foreign direct investment (FDI) flows, to a more holistic measurement of the impact that foreign investments have on local economies, particularly on the growth and competitiveness of domestic firms;
- To **mainstream investment promotion** into private sector development and small and medium enterprise support programmes to foster poverty reduction and wealth creation on a broad based level;
- To emphasize the **role of domestic investment promotion**;
- To enhance the **quality and speed of delivery** of business support services and information that IPAs provides to existing and potential investors;
- To provide a **policy tool** for Ministries, an **operational tool** for IPAs and a **business tool** for private sector enterprises.

UNIDO's Africa Investor Survey

A core component of UNIDO's Regional Investment Programme is a **firm-level survey** of the investment activities, performance and perceptions of companies active in sub-Saharan African countries. During 2010, close to 7,000 face-to-face interviews were conducted with top-level managers of foreign- and domestic-owned firms. The data collection activities were conducted simultaneously in **19 sub-Saharan African countries**, and covered a range of economic activities from agriculture to services, albeit with a focus on manufacturing. This has been UNIDO's fourth Investor Survey, with previous surveys conducted in 2001, 2003 and 2005.

The preparatory phase of the survey included the theoretical and methodological groundwork required to ensure that the survey met rigorous standards and would be internationally recognized as an authoritative reference survey of investment in sub-Saharan Africa. National project governance was established through setting up an Implementation Committee (IC) in each country, consisting of government authorities, IPAs, the National Statistics Offices (NSOs) and representatives from business associations. These ICs facilitated a high level of ownership of the survey activities as well as promotion and dissemination of the survey results. Moreover, the ICs will ensure a sound continuation of the programme for future survey rounds.

The survey was designed to cover a representative sample of all public and private sector, for-profit enterprises which were formally registered and employed more than ten employees. Significant effort was invested into collecting business directories from various national institutions, harmonizing these directories, and verifying the entries. Eventually, the sampling frame for each country contained, apart from each firm's contact details, information on three sampling strata: economic sub-sector (ISIC 2-digit level), size (number of employees), and ownership status (foreign- or domestic-owned). These directories are now available for institutions that are planning to carry out firm-level surveys. They can also be used as a tool for encouraging business-to-business linkages.

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UNIDO's Investment Monitoring Platform –
<http://investment.unido.org>

The objective of the programme is to make the aggregated data available to a large and diverse audience in order to mainstream the findings into the day-to-day routine operations of policy makers, IPAs and investors in Africa. To this end, UNIDO has developed an online Investment Monitoring Platform (IMP), which offers participating government authorities, private sector associations, firms that participate in the surveys, financial institutions, development organizations, and civil society organizations access to an array of the most recent primary data and analysis on investment in Africa.

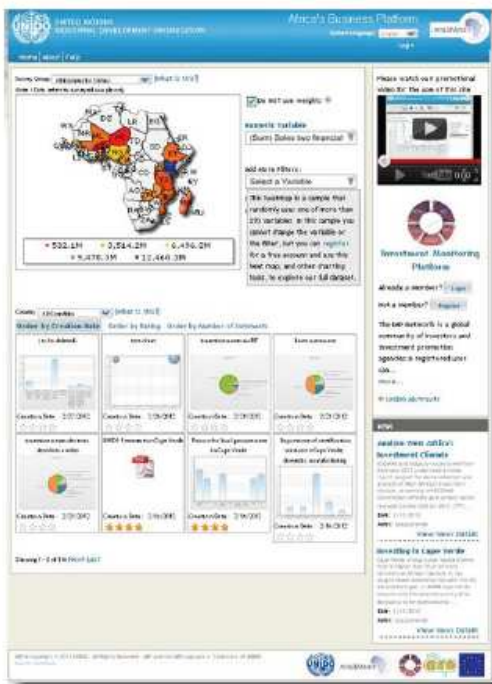
The IMP allows registered users to carry out primary research using firm-level data available on the platform through an easy-to-use data visualization instruments. It offers users a set of interactive data visualization tools (histograms, pie-, bar-, bubble charts, and heatmaps) for data analysis. A built-in online report generator enables

users to package generated graphs into reports. These functions facilitate online information sharing of research results generated on the IMP or uploaded from external sources to the platform and creates a rich country- and sector specific knowledge base. The Platform facilitates the analysis of performance (growth, new investments, capacity utilization) and inter linkages (local sourcing and value addition). The data can be filtered in terms of sectors, countries, firm size, age or ownership. It facilitates comparing the benefits of different types of investment for host economies through a variety of impact indicators such as employment growth, expenditure on training and technological upgrading, or on development of domestic suppliers. Moreover, the platform also permits analysis of firm responses to changes in the business and economic environment. Through particular investor perception variables, it allows users to monitor changes in firms' assessments of the investment climate and future investment plans.

The UNIDO Africa Investor Report

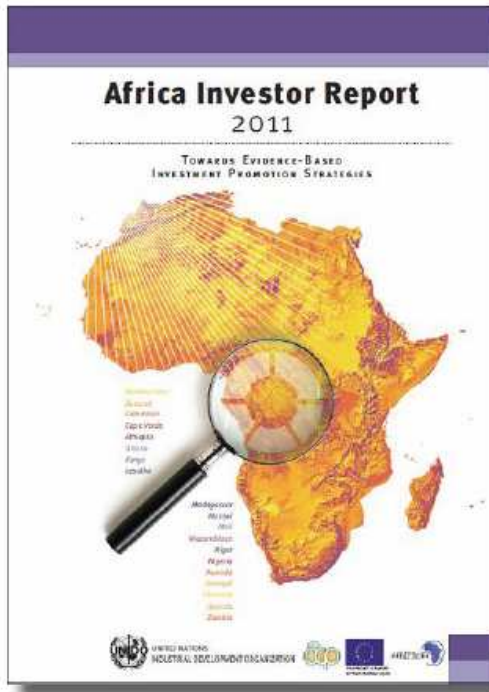
Complementary to the development of the online data management tools, UNIDO has prepared the UNIDO Africa Investor Report 2011 which presents the results of the 2010 survey, in particular the interactions between foreign and domestic firms to study the influence of foreign investment on the domestic sector. It also merges investors' perceptions about IPA services with analysis of investor performance, accompanied by an econometric study of the effect different types of foreign investment have on growth and productivity of domestic firms. The analysis considers performance of firms in terms of indicators such as growth rates, profitability and productivity, as well as impact of foreign-owned firms on the overall economy and on performance of domestic firms.

Key findings of the survey permit the mapping of the complex interactions between foreign and domestic firms, and how these interactions influence potential economic and social benefits for host countries. The report provides guidance to government departments and Investment Promotion Agencies (IPAs) for more effective allocation of scarce resources available for investment promotion and better alignment of investment promotion with national development strategies. An important contribution made here is to combine analysis of firm performance with demand for investment promotion services. The analysis examines the kinds of investment promotion services deemed useful by different kinds of firms, as well as identification of services needed but not provided. This presents IPAs



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with a well-defined strategy for determining priority services tailored to investors' requirements and positive economic impact.



AFRICAN STATISTICAL NEWSLETTER
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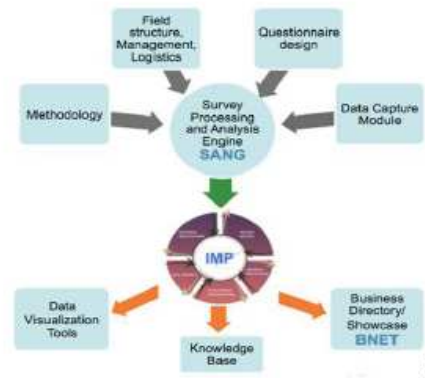
The future of data collection: *The Survey Processing and Analysis Engine (SANG)*

For the next round of data collection, UNIDO is currently developing a new survey management tool that incorporates all components of data collection into one single package based on the experience of UNIDO's past surveys and tools. The Survey Processing and Analysis Engine (SANG), together with the Investment Monitoring Platform, will facilitate a more efficient and coordinated survey process and will incorporate tools for sampling, scheduling and data quality checking. In particular, SANG will host the following components:

- The Survey Definition Module to design a survey, detailing the questions, the methodology, the data collection instructions, and the quality assurance parameters defining the constraints and rules that

should be enforced during data collection;

- The Survey Deployment Module that allows a survey manager to effectively deploy the survey to the field, to assign users with specific user roles that will be involved in the survey, to set required unit collection targets, and to manage the data collection progress;
- The Survey Capture Module to upload completed questionnaires to a central server, including online, offline electronic, and offline paper questionnaires;
- The Survey On-Line Embedding Module that allows embedding questionnaires in independent websites;
- The Survey Analysis Module that allows basic visualizations using the same charts and export features as in the IMP, as well as exporting and re-importing the survey data from and to statistical software packages for further analysis.



The role of National Statistical Offices

UNIDO is looking forward to intensify the cooperation with NSOs by using the SANG tool for updating the information of companies who participated in the survey, and to invite additional companies to the platform to market their products and to link up with other companies. Through this cooperation, the IMP will serve as a truly interactive platform that portrays a live picture of the economy and allows in-time business to business linkages.

Moreover, UNIDO is offering the SANG tool free of

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charge to NSOs for conducting their own national industrial surveys. By using SANG, NSOs will not only be able to organize their data collection tasks in an easy and flexible way, but also make the data accessible through an interactive interface to the public without additional effort. This will facilitate broader access to and greater appreciation of data on part of policy makers and the public. This will contribute to making the work of NSOs more visible to a wider audience and thus strengthening their position among other national and international institutions.

UNIDO is about to start the next round of data collection of the Africa Investor Survey 2012 in the following countries: Burkina Faso, Burundi, Cameroon, Cape Verde, Côte d'Ivoire, Ethiopia, Ghana, Kenya, Lesotho, Madagascar, Malawi, Mali, Mozambique, Niger, Nigeria, Rwanda, Senegal, Tanzania, Uganda and Zambia. UNIDO is seeking collaboration with NSOs in the task of survey management and implementation. NSOs that want to part of this exercise are hereby asked to contact us in the course of the next month.