

Investing in the Green Economy

Workshop on Investment Promotion for Jordanian Diplomates
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UNCTAD

Types of green investment

Investment in production processes with a reduced environmental impact

- implementation of energy-saving processes
- introduction of processes and equipment that reduce greenhouse gas emissions
- use of green construction techniques in building

Investment in clean energy generation

- solar energy
- windmill parks
- hydropower generation
- geothermal energy facilities

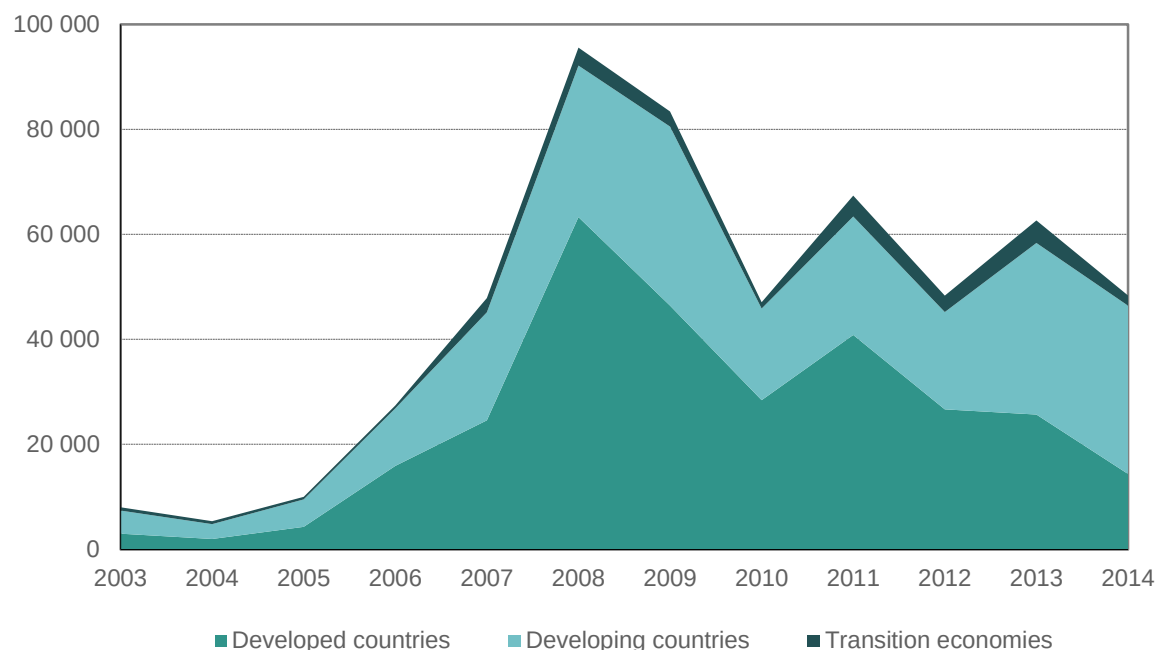
Investment in research and production facilities to manufacture green products and provide related services

- research in energy efficiency and recycling
- production of solar panels, windmills
- production of energy-efficient products (electric cars, light bulbs, etc.)
- technology services
- waste management services

Inward greenfield projects in low-carbon sectors decreased globally

...but their share in developing countries increased

Greenfield projects in selected low-carbon business areas, by group of host economies, 2003–2014
(millions of US dollars)

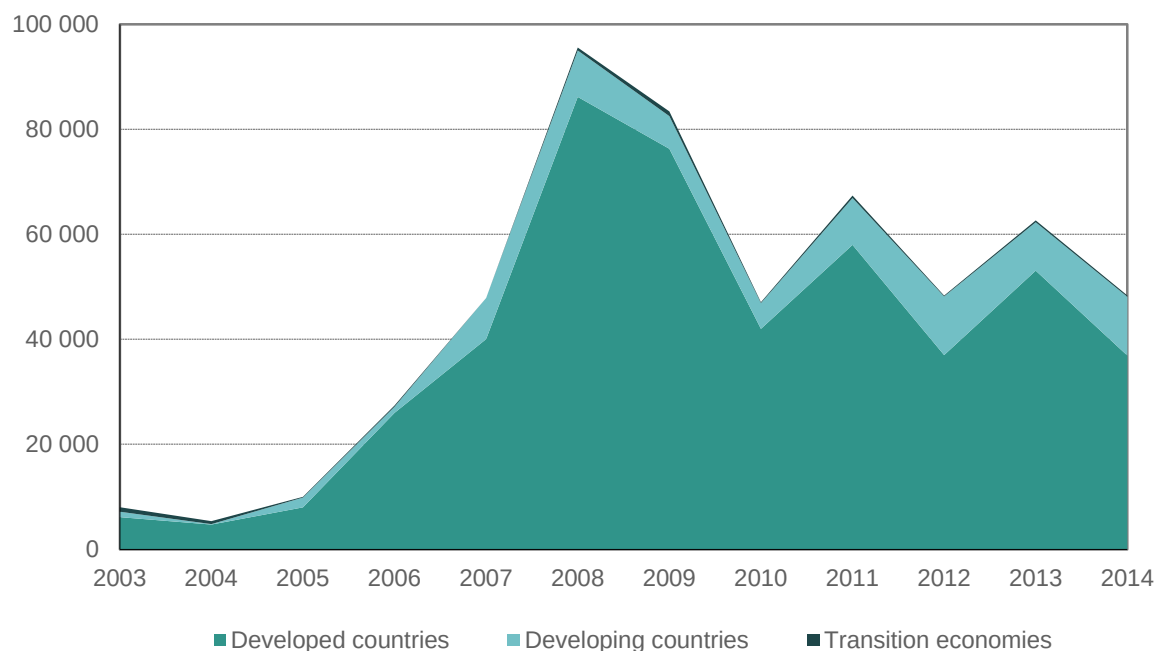


Source: UNCTAD, based on information from the Financial Times Ltd, fDi Markets (www.fDimarkets.com)

Outward greenfield projects in selected low-carbon sectors

...back to 2012 levels

Greenfield projects in selected low-carbon business areas, by group of home economies, 2003–2014
(millions of US dollars)



Source: UNCTAD, based on information from the Financial Times Ltd, fDi Markets (www.fDimarkets.com)

Why do MNEs engage in green foreign investment?

Home market
and trade
conditions

Home
government
policies

Costs of
production

Business
conditions

Drivers

- Home-country policies, public opinion, and shareholder pressure increasingly drive MNEs to invest into green activities abroad



Locational determinants

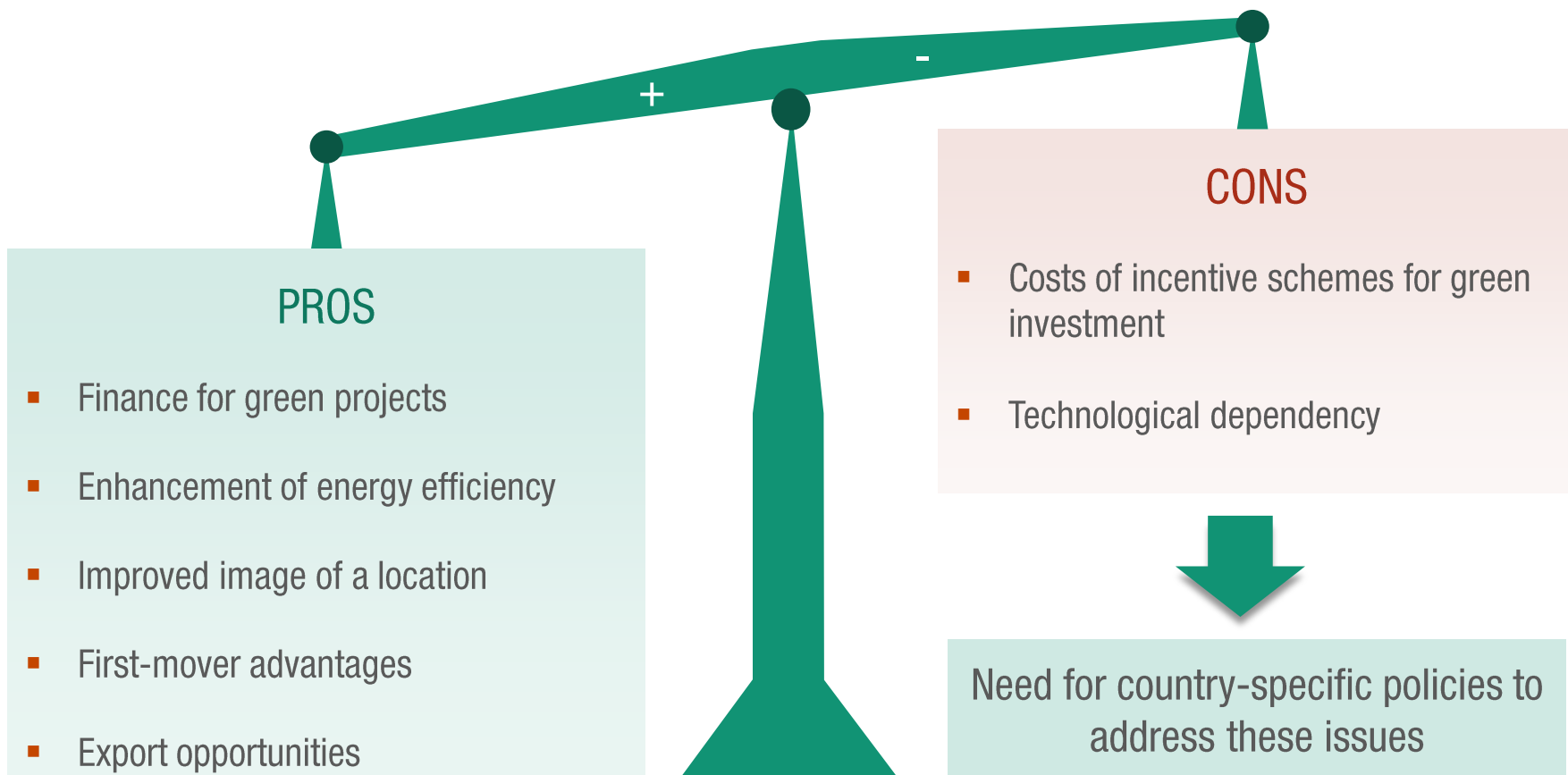
- Tailored policy frameworks and business facilitation are important.
- General factors dominate the economic determinants, but green investment has some unique aspects.

General policy
framework

Economic determinants

Business facilitation

Weighing pros and cons of green foreign investment



Promotion of green investment: policy tools

- emission standards
- product standards
- taxation rebates on environmental friendly equipment
- fuel taxes, fuel efficiency standards and biofuel blending mandates
- subsidies for R&D in green technologies
- subsidies for households to install solar panels
- special credit lines for renewable energy projects
- feed-in tariffs
- public procurement of energy efficient products
- industrial development tools, like green special economic zones, including cleantech parks
- programmes to promote business linkages in green industries and foster absorptive and adaptive capacities in domestic firms
- encouraging corporate social responsibility

and IPA targeting and servicing of green investment...

Promotion of green investment: IPA practices

Targeted promotion

IPAs select and target green subsectors that match the country's development objectives and for which the location is competitive, e.g., attracting FDI in the manufacturing of solar panels for a fast expanding local market

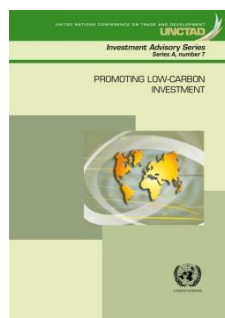
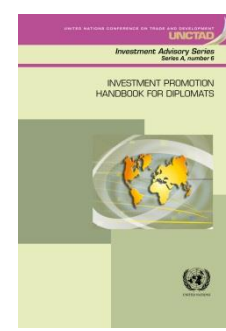
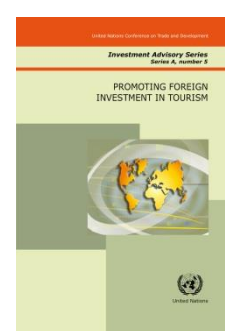
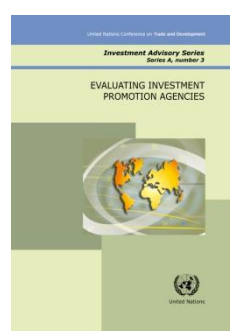
Facilitation & aftercare

Specific focus on networking, matchmaking and the forging of partnerships between green development stakeholders, including international and domestic companies, local authorities and research institutions, e.g., supporting the development of cleantech clusters

Policy advocacy

Promotion of green friendly policies and measures for target sectors, e.g., encouraging the use of feed-in tariffs mechanisms for renewable energies

UNCTAD's Investment Advisory Series



**Issue #7 on
promoting low-carbon investment**

Key UNCTAD activities in green FDI

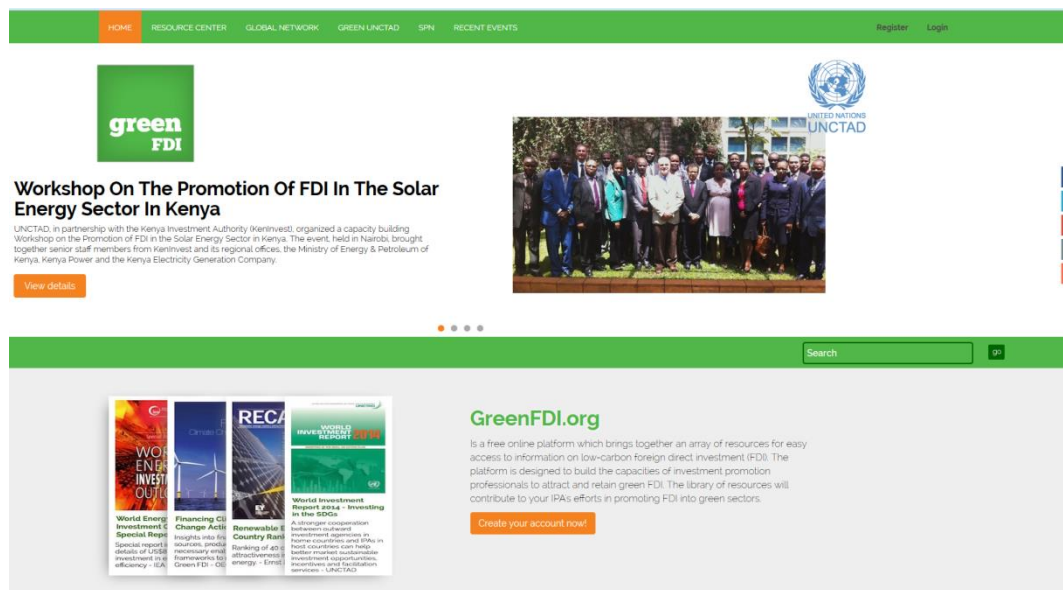
- World Investment Report
- IPA Awards
- Data collection on low-carbon FDI, including 2010 IPA survey
- Seminars and high-level sessions on green global value chains and the promotion of green FDI in Doha, Dubai, Geneva, and Xiamen
- Special project on promotion of green FDI
 - publications such as guide on *Promoting Low-Carbon Investment*
 - **greenFDI.org**, an on-line resource and learning centre
 - regional training workshops
 - support to select agencies

green
FDI

greenFDI.org: a tool for promoting green investment



- Free online tool
- Repository of the latest green FDI intelligence
- Compilation of best practices
- Platform for networking and learning
- Listing of related events



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Green Finance and Investment
Overcoming Barriers to
International Investment
in Clean Energy



Overcoming Barriers to Clean Energy Investment

A report compiled as part of the evidence-base needed to improve the coherence and cost-effectiveness of clean-energy support policies, including investment and trade policies. - OECD



The Rising Sun 2015 - Disruption on the Horizon

Third edition of the report features challenges and opportunities of mainstreaming solar energy in India. - KPMG



Climate Change Mitigation Policies: Compare Your Country

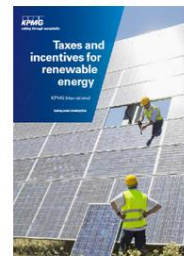
An interactive online tool featuring country profiles with data on GHG emissions or electricity decarbonizing, enabling quick comparison of economies. Where does your country stand? - OECD



Outward Investment Agencies: Partners in Promoting Sustainable Development

This paper describes how partnerships between outward investment agencies and investment promotion agencies can encourage and facilitate investment in Sustainable Development Goals (SDGs). Included are three case studies from OIAs with SDG-related programmes. - UNCTAD

1 Favorites



Taxes and Incentives for Renewable Energy

A guide designed to help energy companies, investors and other entities stay current with government policies and programs that support renewable energy from wind, solar, biomass, geothermal and hydropower. - KPMG

1 Favorites



Mitigating the Climate Change

A report with case studies on how companies and investors can address the climate change. - CDP



Benefits of Solar and Wind Energy

This report presents a conceptual framework for analyzing the socio-economic effects of large-scale renewable energy deployment. - IRENA



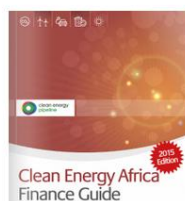
The 2015 Policy Framework for Investment

An updated policy tool providing a checklist of key policy issues to be considered by governments which aim to create an enabling environment for investment and advance the implementation of the SDGs. - OECD



Clean Energy UK Finance Guide 2015

UK Clean Energy Projects: Who Is Behind?



Finance Guide to the African Clean Energy Sector

This guide presents the most active investors in the African clean energy sector and describes the most



The 2015 Ethanol Industry Outlook

Analyzes the latest developments and makes projections for the ethanol industry in the U.S. and beyond. - RFA



1 Favorites



1 Favorites



Global Wind Report

The GWEC flagship publication details latest trends and projections for the wind power sector.



Clean Energy Europe Finance Guide

Introduces the most active investors, banks, law firms



Guide for Investing in

DECEMBER 2015

spn

Smart
Promotion
Network

Every month, the SPN newsflash provides:

- FDI trends
- Investment promotion strategies
- Best practices
- In-depth publications
- Upcoming events

UNCTAD: Investing in Sustainable Development

FDI Trends: Recovery in Cross-Border Mergers and Acquisitions

UNCTAD's latest *Global Investment Trends Monitor* reports that the value of cross-border mergers and acquisitions (M&As) rose to US\$441 billion in the first half of 2015—a 136% increase over the same period of 2014. Multinational enterprises from developed countries were the principal drivers of this trend. Although the growth of cross-border M&As is expected to slow during the second half of 2015, the full year value is projected to be well above that of 2014, based on the first 10 months of the year. [< more >](#)

Strategy, Did You Know? Outward Investment Agencies: Partners in Promoting Sustainable Development

UNCTAD reviewed 101 outward investment agencies (OIAs) and found that 45% indicate on their websites that they provide some level of services particularly for investing in the Sustainable Development Goals (SDGs). Nearly all regional and multilateral OIAs provide SDG-related services, compared to two out of five OIAs in developed economies and one out of five OIAs in developing and transitional economies. The paper presents three case studies from OIAs with SDG-related programmes and describes how partnerships between OIAs and investment promotion agencies can encourage and facilitate investment in SDGs. [< more >](#)

Smart Promoter Practices: Promoting Solar Power in India

The Government of India has put forth a vision to provide affordable and sustainable power to all citizens, with ambitious aims for the renewable sector, including solar. KPMG's third edition of the *Rising Sun* draws from recent developments in solar PV cost curves and discusses what those mean for the Indian economy.

What's On? Vietnamese-Swiss Business and Investment Promotion Forum

High-level officials of several ministries and provincial People's Committees of Viet Nam will meet with leaders of Vietnamese and Swiss enterprises in Geneva, Switzerland, for a Vietnamese-Swiss Business and Investment Promotion Forum on 7 December 2015. The Forum will feature discussions on the business environment and investment opportunities in both Viet Nam and Switzerland. [< more >](#)

Read of the Month: A Survey of Investors from Emerging Countries

A World Bank Study, *New Voices in Investment*, presents characteristics, motivations, and needs of emerging market investors. Based on a survey of 713 investors and potential investors, the study finds that outward FDI from emerging markets is primarily market seeking, with investors considering not only the size of the host economy, but also opportunities for regional market expansion when taking location decisions. The study provides several observations and recommendations for

- Project title*
- Sector*
- Country*
- Location
- Owner*
- Projected investment
- Implementation period
- Status
- Short description
- Link
- Investment Promotion Agency name*
- Contact person*
- Contact e-mail*
- Contact telephone*

*required fields, all other fields optional

- For investment promotion institutions
 - Mapping and contacts of IPAs
 - Info on events
 - Ability to share best practices and investment opportunities
- For investment promotion professionals
 - LinkedIn greenFDI group open to IPA staff, consultants, academia, international organizations, diplomats, commercial attachés
- Join today...
 - Register at greenfdi.org
 - Subscribe to the Smart Promotion Network newsflash
 - Join the greenFDI LinkedIn Group
 - Like the greenFDI Facebook page

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Thank you!

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