

Investment Advisory Series
Series B, number 7

***Best Practices in Investment
for Development***

How to Attract and Benefit from FDI in Mining:
Lessons from Canada and Chile



United Nations

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**BEST PRACTICES IN
INVESTMENT FOR
DEVELOPMENT**

CASE STUDIES IN FDI

**How to Attract and Benefit from FDI
in Mining:**

Lessons from Canada and Chile



**UNITED NATIONS
New York and Geneva, 2011**

NOTE

As the focal point in the United Nations system for investment within its mandate on trade and development, and building on three and a half decades of experience in this area, UNCTAD, through the Division on Investment and Enterprise (DIAE), promotes understanding of key issues related to foreign direct investment (FDI) and enterprise development. DIAE also assists developing countries in enhancing their productive capacities and international competitiveness through the integrated treatment of investment and enterprise development.

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The following symbols have been used in the tables:

Two dots (..) indicate that data are not available or not separately reported. Rows in tables have been omitted in those cases where no data are available for any of the elements in the row.

A dash (-) indicates that the item is equal to zero or its value is negligible.

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A slash (/) between dates representing years – for example, 2004/05, indicates a financial year.

Use of a dash (–) between dates representing years – for example 2004–2005 signifies the full period involved, including the beginning and end years.

Reference to the “dollars” (\$) means United States dollars, unless otherwise indicated.

Annual rates of growth or change, unless otherwise stated, refer to annual compound rates.

Details and percentages in tables do not necessarily add to totals because of rounding.

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PREFACE

The Investment Advisory Series provides practical advice and case studies of best policy practice for attracting and benefiting from foreign direct investment (FDI), in line with national development strategies. The series draws on the experiences gained in, and lessons learned through, UNCTAD's capacity-building and institution-building work in developing countries and countries with economies in transition.

Series A deals with issues related to investment promotion and facilitation and to the work of investment promotion agencies (IPAs) and other institutions that promote FDI and provide information and services to investors. The publications are intended to be pragmatic, with a how-to focus, and they include toolkits and handbooks. The prime target audience for series A is practitioners in the field of investment promotion and facilitation, mainly in IPAs.

Series B focuses on case studies of best practices in policy and strategic matters related to FDI and development arising from existing and emerging challenges. The primary target audience for series B is policymakers in the field of investment. Other target audiences include civil society, the private sector and international organizations. Series B was launched in response to a call at the 2007 Heiligendamm G-8 Summit for UNCTAD and other international organizations to undertake case studies in making FDI work for development. It analyses practices adopted in selected countries in which investment has contributed to development, with the aim of disseminating best practice experiences to developing countries and countries with economies in transition. The analysis forms the basis of a new technical assistance work programme aimed at helping countries to adopt and adapt best practices in the area of investment policies.

For Series B, UNCTAD's approach is to undertake case studies of a pair of developed and developing or transitional economies that exhibit elements of best practices in a selected issue. Country selection follows a standard methodology, based primarily on the significant presence of FDI and resulting positive outcomes.

The Investment Advisory Series is prepared by a team of UNCTAD staff and consultants in the Investment Policies Branch, under the guidance of James Zhan. Fact-finding missions were undertaken in Canada and Chile in the summer of 2009. Draft chapters for this study were prepared by Keith Brewer, Juan Carlos Guajardo, and Philip Maxwell. The report was finalized by Cam Vidler. Contributions and comments were received from Richard Bolwijn, Chantal Dupasquier, Ioanna Liouka, John Tilton, Joerg Weber and Desiree Van Welsum. The report has also benefited from interviews with current and former government officials, the domestic and foreign private sector, and local stakeholders. Financial support was received from the Government of Germany.

Geneva, November 2010

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