

7th National Congress of Economists  
Globalization, Protectionism and the Future of Europe

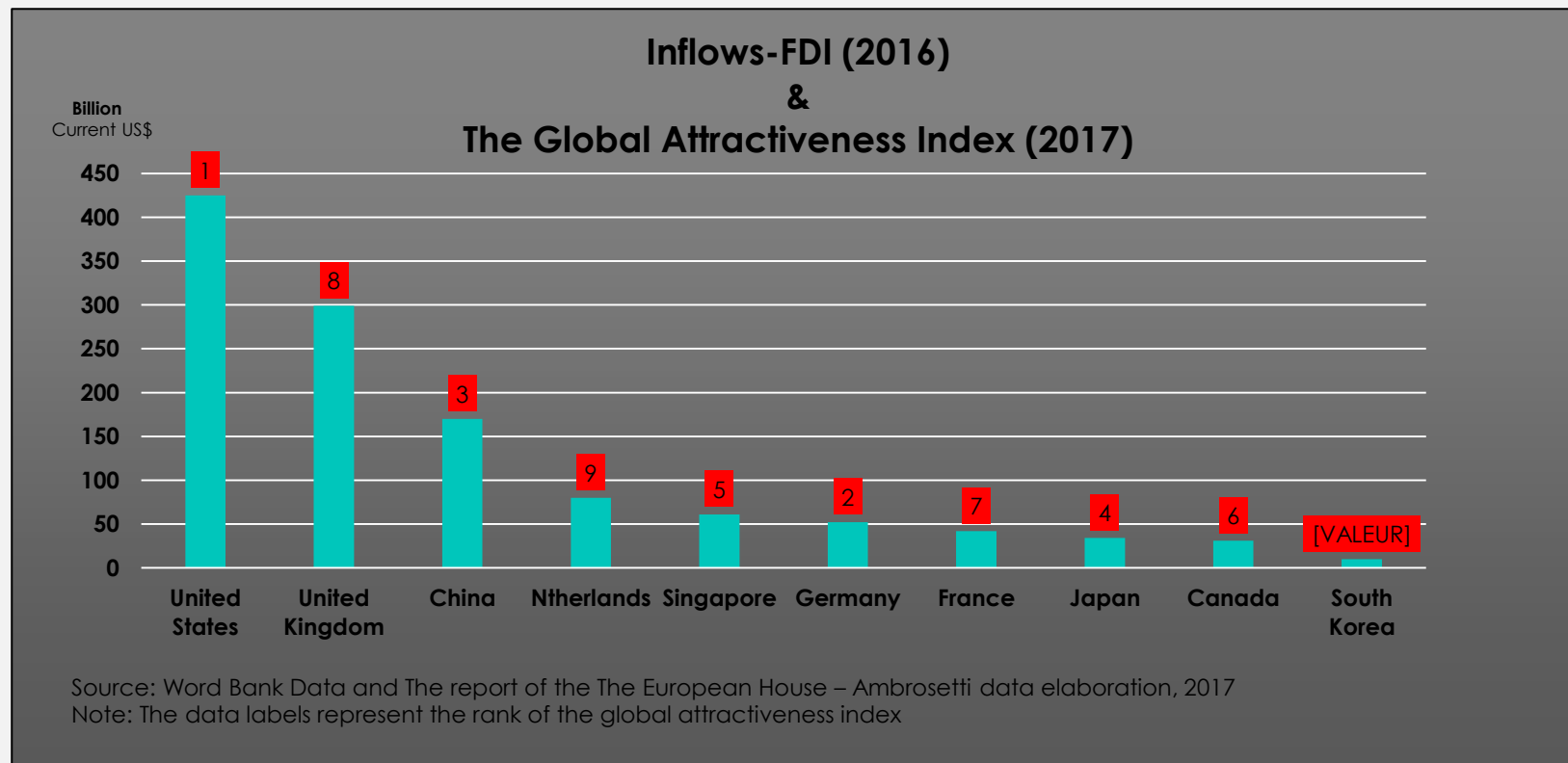
*Investment* Conditions and The Attractiveness of The Economy

Majdi Hassen, Phd  
Executive Director of IACE

12<sup>th</sup> October 2017

# Investment within Attractiveness (1/2)

- ❖ The most receiver countries of FDI correspond to the most attractive one,



# Investment within Attractiveness (2/2)

Strengthening attractiveness factors to better meet the requirements and expectations of potential investors;

- Economic factors: the existence and size of the market, political and economic stability, liberalization of trade policies, state of infrastructure and institutions,
- Non-economic factors: these are factors represented by the governance in host countries, namely the active fight against corruption and the improvement of policy and regulatory frameworks.

# A New Vision of the Entrepreneur

```
graph TD; A[A New Vision of the Entrepreneur] --> B[Availability of Dynamic Resources]; A --> C[Digitalising Vs Business Environment]; A --> D[Integrate Local Value Chain];
```

Availability  
of Dynamic  
Resources

Digitalising  
Vs  
Business  
Environment

Integrate Local  
Value Chain

# Availability of Dynamic Resources

Availability of natural and human resources is a key factor in the choice of the locality of investment;

- Natural resources: Each region must highlight its natural potential for the investor.
- Human resources: Important human capital is always considered an important factor for the investor.



A new vision based on the identification of a human capital with an important ability to adapt to the dynamics of the current business environment.

# Digitalising Vs. Business Environment

- Spillovers are forces that lead to investment and agglomeration of activities in a territory where innovation is a major asset.
- The smart city: is a major factor of attractiveness, in fact, digital innovation became an asset that makes difference in the choices of the investors.

# Integrate Local Value Chain

## **A local business approach based on;**

- An identification of business opportunities through the recognition of promising sectors and the comparative advantage of the region.
- A determination of new value chains to be integrated.

 The adoption of this approach is based on an effective decentralization process. This process will create a climate of competition between regions, while giving them the means to improve their attractiveness.

# The Attractiveness of Tunisia



# National and Regional Public Private Dialogue


- The development of promotion policies aimed to satisfy the new requirements of investors.
- Since 1970, a particular importance is attributed to the development of investment through financial and fiscal incentives.
- Improvement of the incentive investment code.
- Establishment of a system to improve the business climate at the regional level.

# Research and Index of IACE

- Regional attractiveness index
- Digitalisation index
- Analyses of local value chain

# International Economic Trend

- Silk Road Initiative,
- Brexit,
- Cost of energy,
- Migratory flows ,
- Inclusive and sustainable growth,
- More powerful local government.

 A fourth successful industrial revolution demands greater transparency and new solutions to our global problems.