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Briefing Paper - Quality Management Dialogues with Investors

Conducting Quality Management Dialogues with Investors is a crucial part of the investment monitoring process. The key purposes of the dialogues are to

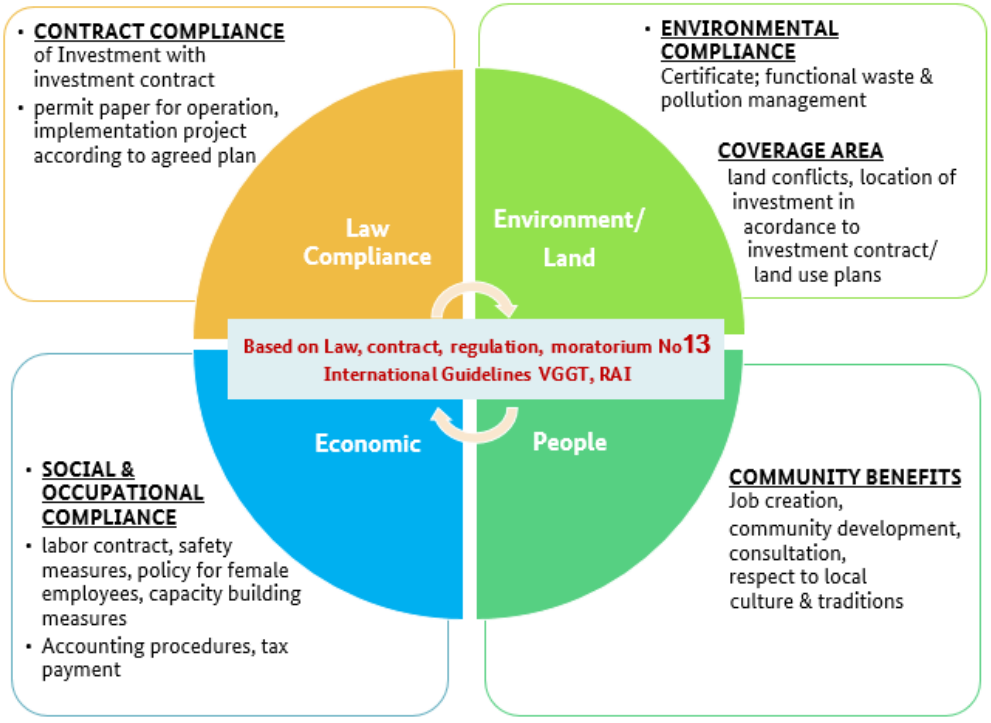
- Ensure the respect of agreements, investment quality criteria (regulations, laws and international guidelines);
- Create a mutual understanding & follow up on issues/problems related to investments in land (land, environment, complaints);
- Improve the investment climate through MoU/agreement & and dialogues in investment forum; and
- Periodically follow up on agreements and proper implementation.

The dialogues ultimately aim to:

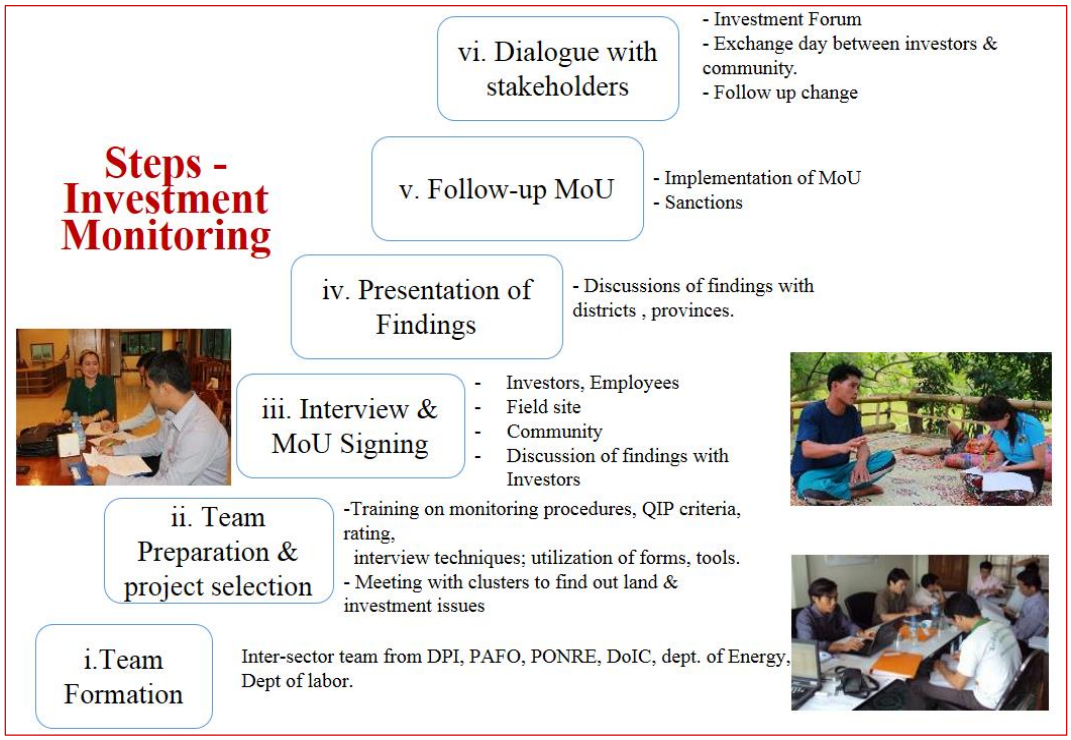
- Ensure that local people's benefit from the investments through a proper use of land and creation of jobs
- Guarantee land tenure security
- Promote quality investment
- Strengthen the performance of the government's planning, supervisory system and quality management system; and improve business performance

Investment Quality Criteria

The main criteria of investment management dialogues are based on national laws, regulations and international guidelines e.g. VGGT, RAI, FPIC, aiming at local people's benefits from private investments. Four dimensions of the criteria of quality investment are: Law compliance; Land and environment; Income and poverty alleviation; and people participation/ consultation. They are included in the monitoring questionnaires for dialogues with investors.



Steps of Quality Management Dialogues with Investors:



Six main steps of investment processes are crucial to ensure the quality of dialogues as well as to ensure the ability of government officials to manage it.

(i) Team formation and training on conducting dialogues with investors.
(ii) Monitoring teams from concerned departments are appointed by provincial governor. Training on conducting investment monitoring is provided to the monitoring team.
(iii) Questionnaires and tablet computers are used during the interview/dialogues.
(iv) At the end of the dialogue a Memorandum of Understanding (MoU) with agreements on improvements is drafted and signed with the investor.
(v) After each monitoring mission debriefing to district authorities to get feedback and advice.
(vi) After the monitoring (one or two months), the district team gets back to some projects where there are conflicts on land, the environment or other issues with communities. This follow up action is called "Exchange day between investors and communities". Within 3-6 months, a follow up on the implementation of the MoU is carried out to discuss progress.

Current status of GIZ LMDP Implementation

Since 2015, 121 projects were monitored in the 4 target provinces of 8 districts. The investment monitoring/ dialogues with investors and communities are conducted annually. Exchange day between investors and communities were organized in 14 projects. MoU follow up with investors were done in 69 projects. 258 issues were identified in the MoU of 2015 and 124 issues (48%) are improved in 2016.

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