International Labour Organization

Investor Guidelines for Responsible Business Conduct and Decent Work

August 2026

A practical tool to align investment with decent work and sustainable development

Introduction

The quantity of foreign direct investment (FDI) remains an important indicator of success. However, host governments are increasingly seeking to ensure that investments also lead to quality outcomes aligned with national development objectives, in particular more and better jobs and inclusive economic growth. Engaging with investors on quality FDI can sometimes be complex and sensitive, particularly in finding the right entry point or language to address sustainability issues. Investor guidelines on responsible business conduct and decent work can help bridge the gap between host government expectations and investor practice.

Investor guidelines are voluntary tools that clarify expectations and identify specific areas for dialogue and cooperation between host countries and investors. Guidelines, or similar instruments, are already used by IPAs and governments to guide investors on the investment environment, tax registration, licensing, work permits, and other administrative requirements. Guidelines on responsible business conduct and decent work go one step further by clarifying host country priorities and providing a framework for dialogue and action with investors and how they can further contribute to inclusive economic growth and sustainable development.

Priorities may include the creation of decent jobs, contributions to skills development, support for youth employment, local technological advancement, stronger commercial linkages with local enterprises, gender and non-discrimination, value addition, environmental sustainability, and inclusive growth.

Key messages

- Investor guidelines are voluntary, non-binding tools that help governments communicate expectations to investors and enterprises.
- They complement domestic law and policy frameworks, but do not replace legal obligations or create new ones.
- They help governments move from investment attraction alone to investment facilitation for impact.
- They can help align investment promotion and facilitation with national development priorities, including decent work, skills development, local enterprise development, technology and knowledge transfer, value addition, environmental sustainability, and inclusive growth.
- They provide a practical reference point for engagement with existing and potential investors across the investment lifecycle, from promotion and facilitation to aftercare and impact reporting.

2. Understanding investor guidelines: what they are and why they matter

Investor guidelines help host governments communicate expectations to investors and enterprises and provide guidance on how investment can contribute to inclusive economic growth. They do not replace domestic law or create new legal obligations. Compliance with national law remains mandatory. Rather, they complement existing legal and policy frameworks by promoting dialogue and a shared understanding among investors, enterprises, workers, communities, and public institutions.

They can also help enterprises understand how responsible business conduct can be integrated into business strategy, management systems, and day-to-day operations. By setting out clear expectations and linking them to national priorities, investor guidelines can create a more coherent and predictable framework for investment facilitation.

Clarity and predictability for investors

For investors, guidelines provide greater clarity and predictability by explaining what governments expect and how investment is expected to contribute to national development objectives. They can translate domestic legislation, policy priorities, and relevant international standards into accessible and practical guidance. They can also highlight opportunities for investors to contribute to existing initiatives rather than start from scratch, helping to strengthen relations with local communities and other stakeholders.

A tool for the investment facilitation cycle

While the guidelines are voluntary, they can drive meaningful impact when integrated throughout the investment facilitation cycle. Guidelines can serve as a practical reference point across the investment lifecycle, including investor screening, project development, project evaluation, incentives, facilitation, aftercare, and impact reporting. They can also support staff development and help ensure greater consistency in how investment is assessed, facilitated, and supported over time.

Stronger policy coherence

Investor guidelines can help connect investment promotion with broader policy objectives, including decent work, responsible business conduct, and sustainable development. When used by ministries and public institutions involved in investment attraction and facilitation, they can contribute to a shared understanding and common language in engagement with investors. This can help strengthen synergies between economic, social, and environmental policy goals.

Competitive positioning

Guidelines can also support a country's competitive positioning by strengthening its host country brand and signaling the type of investment it seeks to attract. They can help communicate that the country values long-term, responsible, and development-oriented investment, and may therefore contribute to attracting investors whose business strategies are aligned with these objectives.

In practice

Investor guidelines can help governments communicate expectations clearly, facilitate investment more strategically, strengthen policy coherence, and signal commitment to quality investment.

3. Key elements and thematic content

Investor guidelines should be practical and specific to the national context. Their precise content will vary depending on country priorities and institutional settings, but they will generally include a limited number of core elements that make the document clear, accessible, and operational for investors and public institutions.

Purpose, audience, and scope

The guidelines should include a brief introduction explaining why they have been developed, who they are for, and how they are intended to be used. They should also clarify the intended scope of application, including whether they are aimed at all investors, foreign investors, enterprises linked to investment promotion or special economic zone processes, or focused on priority sectors.

Objectives linked to national priorities

The guidelines should set out the outcomes they seek to promote, such as long-term and development-oriented investment, decent work, responsible business conduct, sustainable development, economic diversification, value addition, local enterprise development, skills development, technology transfer, environmental sustainability, and inclusive growth.

Depending on national priorities and context, these objectives may cover human rights due diligence, fundamental principles and rights at work, occupational safety and health, productive employment, skills development, local enterprise linkages, technology and knowledge transfer, environmental stewardship, community engagement, governance, transparency, and anti-corruption.

Alignment with national and international frameworks

Investor guidelines are an additional tool and framework for IPAs to define and promote quality FDI. Therefore, the investor guidelines are primarily based upon international frameworks and standards linked to responsible business conduct, decent work, and sustainable development including the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct and the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.

This can be complemented by regional or subregional agendas and frameworks linked to trade and investment, further enhancing coherence and clarifying that the guidelines are part of a broader framework for responsible and development-oriented investment.

Practical investor expectations

The core of the guidelines should be a set of practical expectations for investors and enterprises. These expectations should be presented in accessible language and, where possible, framed as concrete actions that enterprises can take. For example, enterprises may be encouraged to respect human rights, uphold fundamental principles and rights at work, create productive employment, invest in skills, strengthen local linkages, support technology and knowledge transfer, manage environmental impacts, engage communities, maintain strong governance systems and prevent corruption.

Implementation and use

Investor guidelines should include a short section on implementation and use. This can clarify their non-binding nature, explain how they may be used by investment promotion agencies and other public institutions, and indicate how they relate to investor engagement, facilitation, aftercare, incentives, capacity-building, partnerships, and impact reporting. The section can also indicate whether, and how, investors are encouraged to report on actions taken to implement the guidelines.

Reference materials

A practical annex or reference table may be useful where it helps users identify selected national laws, regulations, institutions, and links by topic. Such a tool should be presented as indicative and should not be framed as a complete statement of legal obligations.

4. Using investor guidelines in practice

To be useful, investor guidelines should not remain a stand-alone document. They should be connected to the practical functions of investment promotion, facilitation, and aftercare, and to the work of other public institutions, employers' and workers' organizations, training institutions, and relevant partners.

How enterprises can use the guidelines

Enterprises can use investor guidelines to inform internal policies, due diligence, project planning, workforce planning, supply chain management, stakeholder engagement, community engagement with affected groups, and reporting. They can also use them to identify opportunities for skills partnerships, local supplier development, technology and knowledge transfer, and dialogue with relevant public institutions.

How public institutions can use the guidelines

Investment promotion agencies and other public institutions can use investor guidelines as a reference point for staff guidance and development, investor briefings, project screening, incentive discussions, supplier development programs, training partnerships, aftercare discussions, and monitoring of investment contributions to national priorities. Where relevant and in accordance with applicable law and policy, they may also inform licensing, permitting, public procurement, export support, or other investment support processes.

How social dialogue and consultation can support implementation

The development and use of investor guidelines can be strengthened through consultation with relevant public institutions, employers' and workers' organizations, enterprises, training institutions, and, where appropriate, affected communities. This can help ensure that the guidelines are grounded in local realities, reflect labour market needs, and support practical partnerships for implementation.

Investor guidelines can be used for:

- Investor briefings and outreach
- Project screening and evaluation
- Incentive discussions
- Aftercare conversations
- Supplier development programs
- Skills and training partnerships
- Community engagement
- Capacity-building
- Impact reporting

Zooming in on the Botswana Investor Guidelines for Responsible Business Conduct and Decent Work

Botswana initiated work on the Botswana Investor Guidelines for Responsible Business Conduct and Decent Work in early 2026, primarily driven by the country's priority to ensure that trade and investment lead to more and better jobs, economic diversification and inclusive growth. The guidelines were developed by the Ministry of Trade and Entrepreneurship, together with the Botswana Trade and Investment Centre and the Special Economic Zones Authority of Botswana. The guidelines were further validated and endorsed by Business Botswana, the Employers' Organization of Botswana and the Botswana Federation of Trade Unions. These institutions recognized the need for a coherent approach to engaging with multinational enterprises and large domestic companies on issues related to ESG, responsible business conduct and decent work.

The Botswana guidelines are mainly based on international responsible business conduct frameworks and align with regional frameworks, including the Protocol to the Agreement Establishing the African Continental Free Trade Area on Investment, which underscores the importance of responsible business conduct and sustainable development, as well as the Southern African Development Community (SADC) Charter of Fundamental Social Rights. Adopted in August 2003 by SADC, the Charter outlines fundamental labour and social standards to harmonize legal and economic policies, protect workers, ensure fair working conditions and promote social development across member states.

The Botswana Investor Guidelines now cover the following areas:

1. Respect human rights
2. Uphold fundamental principles and rights at work
3. Contribute to employment creation, skills development and localisation
4. Strengthen citizen economic participation and local enterprise development
5. Facilitate technology and knowledge transfer and innovation
6. Promote environmental stewardship and resource efficiency
7. Engage communities in a structured and respectful manner
8. Strengthen governance, transparency and business integrity

The Botswana Investor Guidelines will provide an additional instrument for trade and investment officials in Botswana to engage in dialogue with investors, their home countries and trading partners on the development impact of trade and investment. They will also help build clarity and shared understanding among investors, enterprises, workers, communities and public institutions on the social impact of FDI and trade. In addition, the Guidelines could be used for investor and project screening, non-financial reporting, and to further define, manage and enhance impact, including through the strategic use of incentives or support.

Co-funded by the European Union

This factsheet was developed with co-funding from the European Union through the SUSTAIN project "*Promoting decent work and capacity building for labour ministries, labour inspections and social partners to advance international labour standards and responsible business conduct through sustainable trade and investments in Southern Africa*"