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**NL Statement on 2020 World Investment Report**
9 September 2020
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Mr President, Secretary General, Excellencies, distinguished Delegates,

I am speaking to you on behalf of the government of the Kingdom of the Netherlands. The Netherlands supports the statement of the EU on behalf of the EU and its Member States. Through its Strategic Partnership with UNCTAD, the Netherlands is a proud supporter of the organization’s work in the field of investment.

This delegation would like to use the opportunity to thank UNCTAD, and in particular director James Zhan and his team, for its excellent work in mapping the challenges and opportunities for global investment following the COVID-19 pandemic. The World Investment Report offers insight in the expected disastrous impacts of COVID-19 on global and regional investment flows. The differences in economic impact between regions are immense: developing countries will be hit hardest due to limited capacity for economic support packages and strong dependence on global value chains, commodities and extractive industries. Although the predictions offer limited certainty, the outlook for the most vulnerable economies in the world is extremely negative. Given these circumstances, I would like to highlight three fields where we can do better.
**Digitalization**

Firstly, new technological developments will transform traditional patterns in international production. Digital innovations will contribute to integrated production processes, lower transaction costs, as well as the coordination of and better access to global value chains. In addition, online markets and e-commerce platforms will make transactions easier and more transparent. Digitalization can help to revive trade and investment flows. It can be the answer to increasing protectionism and can offer opportunities for sustainable economic growth and resilient economies. At the same time, digitalization raises new challenges. In order to mitigate the digital risks, the Netherlands advocates a human-centered approach for digital security, with particular attention to the most vulnerable groups in developing countries.

**Sustainable Development Goals**

Secondly, connecting the SDGs to economic recovery is essential. The World Investment Report offers insight in the progress made with regard to investments in the SDGs. Most progress is made in the green and blue economy and in services sectors, such as infrastructure, agriculture and telecommunications. Sustainability funds have grown to about 1,2-1,3 trillion USD. However, this is not enough.

Following the COVID-19 pandemic, long-term changes in investment flows and increasing protectionism are slowing down sustainable economic development, making it more difficult to deliver on the SDGs. A ‘Big Push’ for sustainable investment in developing countries is therefore more urgent today than ever before. In that regard, the importance of good governance and the role of the private sector cannot be underestimated. The Netherlands considers private sector engagement and the ongoing WTO negotiations on Investment Facilitation for Development as two of many opportunities for achieving a ‘Big Push’ in SDG investments.
Access for SMEs

Thirdly and finally, structural improvements of production processes should result in improved access to global value chains for micro, small and medium-sized enterprises in developing countries. The Netherlands stresses the importance of better inclusion of the private sector in developing countries for increasing economic resilience, with particular attention to the role of gender and the position of the informal sector.

Concluding remarks

To conclude, this delegation would like to thank UNCTAD once again for delivering an excellent World Investment Report. Together we can Build Back Better towards a global economy that makes the most of digitalization, prioritizes the achievement of the SDGs and strengthens the positions of MSMEs and vulnerable groups through reinforcing global value chains and reviving global investment flows.

Thank you.