Statement by the Russian Federation on behalf of the EAEU Group at the 67th session of the Trade and Development Board (second segment) 7-9 September 2020

Item 5 – Investment for development: International production beyond the pandemic

Mr. President,
Mr. Secretary General,
Excellencies,
Distinguished delegates,

We thank the UNCTAD Secretariat for the World Investment Report 2020, which, in our opinion, deserves a positive assessment.

We note the meaningful and comprehensive analysis and assessment of the impact of the COVID-19 pandemic on global foreign direct investment flows (FDI).

We note with concern the disappointing forecasts of a sharp decline in global FDI flows in 2020. The biggest difficulties with the attraction of FDI were faced by structurally weak and vulnerable economies dependent on tourism and the extractive industry. Landlocked developing countries appeared to be the main victims of the supply chain blockages.

Of great practical interest is the analysis by UNCTAD experts of the serious shifts in the global investment landscape caused by the Coronavirus pandemic. The
report estimates that these kinds of shifts pose more risks than opportunities, especially for the most vulnerable countries, and UNCTAD needs to keep its focus on mitigating the associated risks to the economic development of these countries.

In this regard, we stress the importance of UNCTAD's analytical work in the investment field. We support further elaboration particularly of such issues as assessing the impact of the COVID-19 pandemic on the flows of foreign direct investment in sustainable projects; recommendations for improving the business and investment climate in countries in the context of countering COVID-19 consequences; adjusting national development strategies taking into account such new challenge as the industrial revolution 4.0, relocation of production capacities, investments in sustainable development, alignment to domestic and regional demand as sources of economic growth. We exhort UNCTAD to pay more attention to the involvement of small and medium-sized enterprises in countries with economies in transition, middle-income and developing countries into value chains, while strengthening the regional and integration dimension of these areas of work.

Mr. President,

In the context of the spread of COVID-19 and the associated serious deterioration of the situation of the world economy, the problem of the implementation of the 2030 Agenda should not be overshadowed. At the Political Forum on Sustainable Development under the auspices of ECOSOC in July this year, three countries of our Group - Armenia, Kyrgyzstan and Russia - presented their Voluntary National Reviews on the achievement of the SDGs. Belarus and Kazakhstan presented their Reviews in previous years, and in 2017, a report on the achievement of the Goals in the Eurasian Economic Union was presented.

In this regard, we note with satisfaction that a separate chapter in the 2020 Report is devoted to the topic of promoting investment in sustainable development.

We support more active work by UNCTAD in the field of analysis, monitoring and evaluation of the contribution of such investments to the achievement of the SDGs, including through its well-functioning mechanisms, such as the Global SDG Investment Policy Monitor and the annual World Investment Report. An important task for UNCTAD on this track is to contribute to the development of practical approaches and recommendations to governments and companies on linking investment promotion mechanisms with national sustainable development strategies.

We would welcome closer collaboration between UNCTAD and private sector, given its growing interest in integrating sustainable development objectives into investment decisions.
We believe that UNCTAD can contribute to the development of the conceptual framework for sustainable investment, criteria and indicators of relevant projects, programs and financial instruments. It is also important to ensure the quality of information disclosed by companies and the harmonization of reporting standards on indicators of sustainable development.

In conclusion, I would like to emphasize that we are generally interested in revitalizing UNCTAD's work on the investment track. This is a much-needed area of work that, in our opinion, can bring immediate practical benefits for countries in theirs efforts to countering the COVID-19 pandemic.

We believe that the initiatives proposed in the UNCTAD report will serve as a good basis for the implementation of the Strategy and the UN Secretary General's Roadmap for Financing and Implementing the 2030 Agenda for Sustainable Development.

Thank you for your attention.