



**THE GROUP OF 77 & CHINA
G E N E V A**

Statement by the Group of 77 and China

**Tenth Session of the Investment, Enterprise and Development
Commission
Geneva, 3-7 December 2018**

**Mr. President,
Secretary-General,
Distinguished colleagues,**

I have the honour to deliver this statement on behalf of the Group of 77 and China.

We would like to extend thanks to the Secretary-General and his team for preparations for the tenth session of the Investment, Enterprise and Development Commission.

Mr. President,

We appreciate UNCTAD's work programme on investment and enterprise with specific reference to its practical contribution to sustainable development outcomes within member countries. Echoing the imperatives of the Addis Ababa Action Agenda, we recognize the crucial role of investment in meeting the financing needs of the Sustainable Development Goals (SDGs) and applaud UNCTAD's efforts to promote and channel investment toward bankable SDG projects and their related sectors. We stand encouraged by the visible progress made toward its implementation and re-emphasize the value of UNCTAD's six core frameworks in support of investment and enterprise policymaking across the three pillars.

World Investment Report (WIR) 2018 provides useful contribution to the discussions on new industrial policy and its implications for investment and development. We note the resurgence of new industrial policies and the role effective and efficient investment policy can play within these models. The analysis of these new types of industrial models in the context of investment provides useful insight into the variety of industrial packages that now exist and provides food for thought for member States looking to revise industrial development strategies and

attract investment in the new information age as well as an opportunity to incorporate women empowerment and climate change dimensions.

As context for these discussions we wish to express our concern at the continuing weakness of global investment flows, as reflected in UNCTAD's Global Investment Trends Monitor. In the first half of 2018 global foreign direct investment fell by 41 per cent. Although the decline was largely concentrated in developed countries, FDI to developing countries also declined, albeit more modestly, by some 4 per cent. We commend UNCTAD Secretariat for compiling these statistics which are crucially important for policymaking purposes especially in developing countries.

Mr. President,

UNCTAD's Investment Policy Reviews (IPRs) support beneficiary countries by providing concrete policy recommendations to increase investment and its development impact. In the context of the Commission's Agenda, the Group recognizes the efficacy of the IPR platform as a powerful catalyst for the delivery of SDG-oriented policy, to channel investment to development sectors through tailored strategies that have short, medium and long-term objectives. The Group wishes to congratulate the Secretariat on the finalization of the IPRs for Cabo Verde and Lebanon. We laud UNCTAD for utilizing the context of the Commission to ensure as wide as possible a presentation of the reviews. In our view, this important instrument should be amply supported by member states with adequate resources.

In the area of international investment policy, the Group of 77 and China applaud UNCTAD's continued support to International Investment Agreement (IIA) reform initiatives and acknowledge the Secretariat's important role facilitating productive and inclusive intergovernmental discussions to this end. As outlined in Addis Ababa Action Agenda and GA Resolution A/RES/71/215, the Group recognizes the importance of the sustainable development-oriented reform of the international investment regime for the SDGs, as well as the need to address issues prevailing within older IIAs – particularly those which have resulted in Group members becoming subject to investor-State dispute proceedings.

UNCTAD's long standing record of support to investment promotion agencies continues to deliver positive outcomes through the proliferation of best practice and effective attraction and benefit strategies. Capacity building activities carried out with partner organizations – including UN entities and the World Association of Investment Promotion Agencies (WAIPA) – have helped developing countries

build proficiencies in their ability to productively promote and channel sustainable investment.

Mr. President,

We also wish to congratulate the Secretariat for excellent organization of the World Investment Forum. The Forum presented a tremendous opportunity to discuss investment policy, challenges and tools with leading experts, policy-makers and global executives and provided a platform for government leaders to engage with private sector players to advance SDG-related investment opportunities.

The Group looks forward to discussions in this Commission on the concrete outcomes flagged during the conclusion of the Forum, which centres on investment policymaking for 21st century challenges, channeling financing to the SDGs and efforts to support the world's most vulnerable as we implement Agenda 2030.

I thank you.