

**Opening Statement
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AS PREPARED FOR DELIVERY

Chairperson, [...]
Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

Good morning, and welcome to the 7th Session of the Investment, Enterprise and Development Commission. It is an honour for me to address this Commission, for the first time, as the Deputy-Secretary General of UNCTAD.

Ladies and gentlemen,

This is a pivotal year in our quest for sustainable development.

In July this year, you, the member States will gather in Addis Ababa for the Third Conference on Financing for Development. And later, in September, you will gather in New York to agree on what will become the Sustainable Development Goals—or SDGs as we call them.

The decisions you make in 2015 will be our compass for the next 15 years. They will define our means and policy efforts to combat poverty and other global development challenges.

The ambitions of the global community, as reflected in the proposed SDGs, are remarkable. But these ambitions need to be matched by our means to achieve them.

Let me put it differently, but also bluntly: at the end money matters.

We need to mobilize more capital to finance the SDGs -- to finance inclusive and sustainable development. This is a challenge especially in the poorest and most vulnerable countries.

But although money is an important means, it is only one of them. Entrepreneurship and Science, Technology and Innovation are also fundamental to achieve the ambitious agenda we are pursuing.

This is why the three topics this commission will address are relevant and timely.

Let me make some brief remarks on each of them, starting with the first theme: *“Mobilizing investment for development: Contribution of UNCTAD in the context of financing for development”*.

There are many sources of potential development finance: official Development Assistance, foreign direct investment, portfolio investment, bank lending, and remittances.

Last year, UNCTAD put a number on the magnitude of total investment required to meet the SDGs in developing countries.

We estimated the current financing gap, the difference between investment needs and actual investment, to be in the region of \$2.5 trillion per year between now and 2030.

This is a huge number, which is even difficult to imagine. To give you a point of comparison, the size of the gap each year is nearly equivalent to the size of the economy of the United Kingdom in 2013.

In response to this challenge, UNCTAD set out an *Action Plan for Private Investment in the SDGs* to mobilize and channel underused resources in the global financial system for investment in SDG sectors.

I think it is important to mention that we have also cautioned that a greater involvement for the private sector in SDG sectors should be based on a set of guiding principles:

- balancing liberalization and the right to regulate;
- balancing the need for attractive risk-return rates with the need for accessible and affordable services;
- balancing a push for private investment with the push for public investment;
- and balancing the global scope of the SDGs with the need to make a special effort in LDCs.

Ladies and gentlemen,

Foreign Direct Investment can play a crucial role in financing development and achieving the SDGs. Many countries need assistance to attract FDI and maximize its contribution to development, for example, in terms of technology transfer, productive capacities, and job creation. UNCTAD's Investment Policy Reviews —or IPRs—assist countries to achieve those goals.

IPRs are a core component of our work and have gained international recognition for their tailored approach and are in high demand from member States. Tomorrow, we will learn from the latest IPRs for the Republic of the Congo and the Sudan.

Ladies and Gentlemen,

Let me now turn to the second theme of the Commission: Entrepreneurship and sustainable development goals.

There is wide consensus that entrepreneurship is an important means to pursue the post-2015 development agenda. In fact, in December 2014, the UN General Assembly adopted its resolution on "Entrepreneurship for Development". It recognizes the critical role of entrepreneurship for inclusive and sustainable growth, poverty reduction, gender equality, youth empowerment and environmental protection.

It is in this context that the Commission will examine:

- First, best practices in entrepreneurship and SME policy in selected countries;
- Second, the challenges faced by countries when implementing such policies and;
- Third, the lessons learned from the implementation of UNCTAD's Entrepreneurship Policy Framework.

Ladies and gentlemen,

And now I come to the third theme of the commission: *Policies to promote collaboration in science, technology and innovation (STI) for development.*

Innovation is a major force in economic growth, but it is also behind all developments that underpin the progress in which we live. This makes innovation an indispensable element of the Post-2015 development agenda.

But innovation generally does not take place in isolation, by one person or firm. It is created in systems, which comprise other firms, universities, research institutes, and public agencies, among others.

And key to strengthening these systems is to foster collaboration among the relevant actors. This results in wider dissemination of knowledge and technologies, which in turn, stimulate innovation across the system.

STI parks are one common policy instrument to promote collaboration. So are establishing clusters, innovation hubs and business incubators. Many countries -- both developed and increasingly developing countries -- are using these collaboration instruments. However, there is limited evidence on how effective they are in actually promoting collaboration and innovation.

We need to know more about what elements determine how effective STI parks prove to be in practice. It is our hope that the discussions during this session will contribute to an effective sharing of national experiences that will provide policy lessons on these issues.

Ladies and Gentlemen,

These three themes are very relevant for the Post-2015 development agenda.

This week's meeting will stimulate reflection on how policy can boost FDI flows, entrepreneurship and innovations that foster sustainable development.

I am confident that by actively engaging with the work of UNCTAD, and its proven record of impact and efficiency in these areas, we can make a more effective contribution to the global economy and to our common quest of prosperity for all.

Thank you.