



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

**Statement by Afghanistan on behalf of the
Group of 77 and China at the 12th Session of the
Investment, Enterprise and Development Commission**

**Item 5 – Progress report on promoting and
strengthening synergies among the three pillars –
Presentation by the Division on Investment and Enterprise**

15 February 2021

Chair of the twelfth Session of the Investment, Enterprise and Development Commission
Ambassador Omar Zniber of Morocco,
Director James Zhan of the Division on Investment and Enterprise,
Excellencies,
Ladies and gentlemen,

Mr. Chair,

1. The Group of 77 and China would like to thank Director James Zhan for his presentation. The Group of 77 and China assigns great importance to the interdependence and mutual reinforcement of the three pillars. Our intergovernmental consideration needs to feed from the substantive inputs produced through the research and analysis pillar, and the ultimate provision of advice and concrete help on the ground is a necessary corollary to round up results, and in turn generate further inputs for the other two pillars.
2. The Group of 77 and China wish to express appreciation for UNCTAD's work and analysis on Foreign Direct Investment (FDI) and other investment flows, which is presented, amongst others, in the annual World Investment Report (WIR). The Group particularly welcomed the focus of the World Investment Report 2020 on investment prospects amid the COVID-19 pandemic at both the global and regional levels.
3. Our Group indeed notes with concern the collapse of Global FDI in 2020. With a 42% drop of inflows, we have reached levels that were not witnessed, even in the aftermath of the global financial crisis in 2009. While our Group notes that the decline in developing economies was relatively measured, FDI trend is expected to remain weak in 2021. Furthermore, in the latest Global Investment Trends Monitor, UNCTAD notes that for developing countries, the trends in greenfield and project finance announcements remain a major concern.
4. The pandemic should thus be a wakeup call, to steer the international community back on the path of the sustainable development agenda.
5. Turning to investment policy, the Group of 77 and China wishes to highlight the comprehensive analysis of the investment frameworks of member States, through UNCTAD's Investment Policy Reviews (IPRs), which provide concrete policy recommendations to increase investment and its development impact.

6. The Group would also like to point to the effective support provided to investment promotion agencies during the COVID-19 pandemic, as well as UNCTAD's valuable analysis on international investment agreement reform, which we referred to earlier in this meeting. It is encouraging to note that nearly all new international investment agreements contain features in line with UNCTAD's Reform Package for the International Investment Regime, with the preservation of States' regulatory space being the most frequent area of reform. The Group recognizes the importance of sustainable development-oriented reform of the international investment regime, and the need to address the many issues relevant to older international investment agreements, pursuant to which several members of our Group have been involved in dispute settlement proceedings.

7. Further to our previous intervention during this meeting, the Group of 77 and China would also like to recognize UNCTAD's work on enterprise development. The United Nations General Assembly has rightly indicated the importance of SMEs in development efforts, and as such in the delivery of the sustainable development goals. UNCTAD's role in business facilitation also proved to be particularly valuable during the pandemic by helping many members keep services for businesses open through its e-government platform, despite the closure of physical offices.

8. To conclude, The Group of 77 and China would also like to congratulate the UNCTAD secretariat for the organization of very successful World Investment Forum satellite events. Our Group looks forward to the 7th World Investment Forum in Abu Dhabi.

Thank you, Mr. Chair.