

**Statement by the EAEU Group**  
**at the 71<sup>st</sup> execution session of the Trade and Development Board of UNCTAD**  
*Geneva, 10-11 and 16-18 February 2022*

Agenda item 3 - Investment for development: Investing in sustainable recovery

Dear Ms. President,

Dear Ms. Secretary General of UNCTAD,

Dear colleagues!

We thank the UNCTAD Secretariat for the World Investment Report 2021, which once again confirmed the high level of UNCTAD's work on the investment track.

We note the meaningful and comprehensive analysis of the impact of investment policy on economic recovery after the pandemic.

We note with concern the report's estimates of a sharp (up to 35%) decline in global FDI flows in 2020. The most acute problems have arisen in attracting FDI to structurally weak and vulnerable economies dependent on tourism and extractive industries. Landlocked developing countries and small island states were the most affected by the downturn in investment.

The significant slowdown in investment in areas related to food, agriculture, health and education, highlighted in the report, is a cause for concern. This seriously hampers the implementation of the Sustainable Development Goals.

We are grateful to the authors of the report for a detailed regional overview of incoming and outgoing investment flows in the CIS and the EAEU. Their volume in 2020 decreased significantly, with the exception of Kazakhstan and the Republic of Belarus. We agree with the analysis of the reasons of the current situation presented in the report, among which the factors of the ongoing pandemic, economic sanctions, geopolitical instability and insufficient diversification of investments are of great importance. As a recommendation, I would like to wish in future investment reviews to pay more attention to the

analysis of the dynamics of mutual investments within the EAEU, which would be a valuable statistical support for our group.

The analysis by UNCTAD experts of serious shifts in the regulation of investment flows generated by the COVID-19 pandemic is of practical interest. It points to a clear trend towards an increase in the volume of restrictive measures in the arsenal of countries' investment policy tools, which also cannot but cause concern.

The sections of the report devoted to the prospects for investments in sustainable recovery, reorganization of global value chains, capital markets in the context of sustainable financing are very informative. The initiative proposed in the report and implemented as part of the 7<sup>th</sup> World Investment Forum in October 2021 to launch the UN Center for Global Sustainable Finance deserves special attention and further monitoring.

We support further elaboration at the UNCTAD platform, in particular, of such issues as assessing the impact of the COVID-19 pandemic on foreign direct investment flows in sustainable projects; development of recommendations for improving the business and investment climate in countries in the context of post-pandemic recovery; adjustment of national development strategies, taking into account such new challenges and tasks as the industrial revolution, relocation of production capacities, investments in sustainable development, reorientation to domestic and regional demand as sources of economic growth. We call on UNCTAD to pay more attention to the inclusion of small and medium-sized enterprises in countries with economies in transition, middle-income countries and developing countries in value chains. At the same time, we propose to strengthen the regional and integration dimensions of these areas of work.

In conclusion, I would like to emphasize that our group is interested in continuing the work of UNCTAD on the investment track in accordance with the objectives of the Bridgetown Covenant. This is a highly-requested area of work that, in our opinion, can bring immediate practical benefits for countries in the context of countering the COVID-19 pandemic and post-pandemic recovery.

Thank you.