



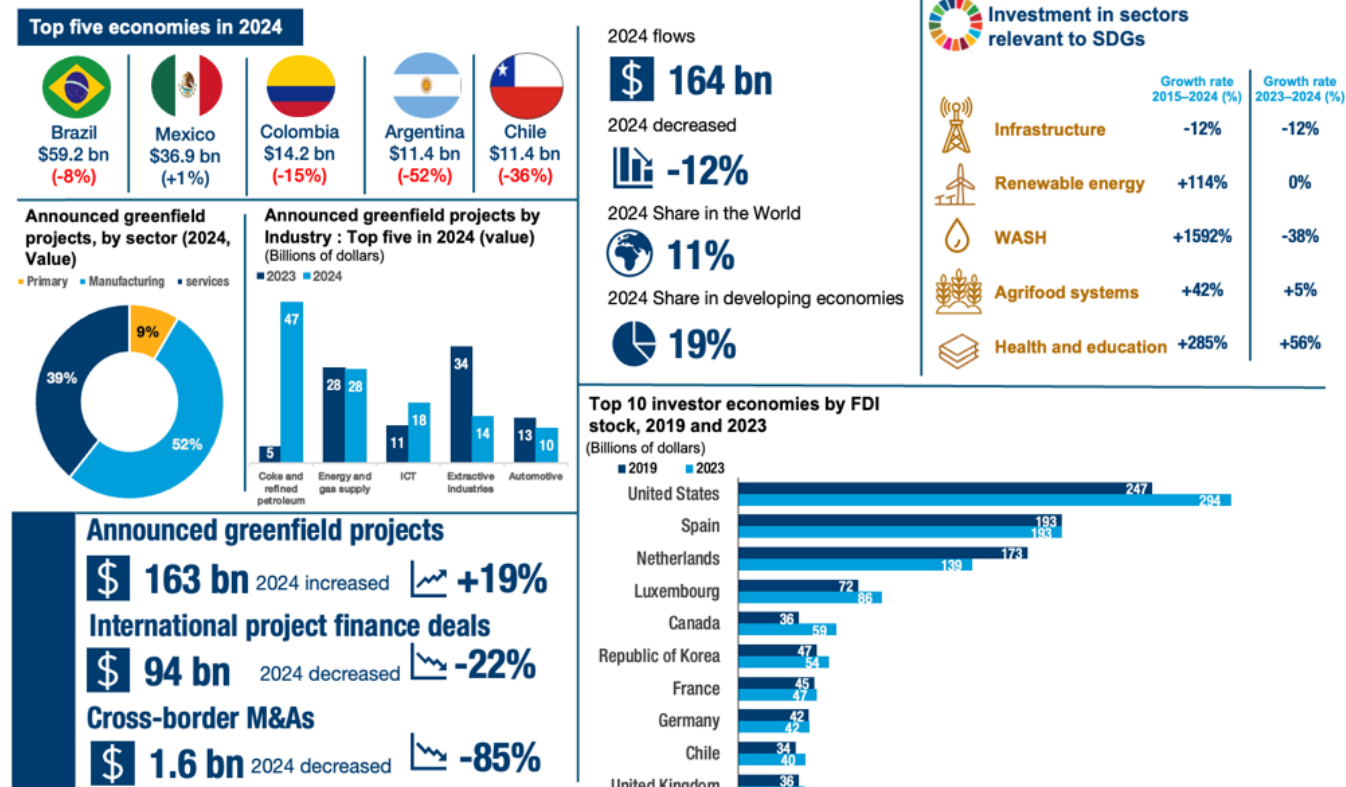
Regional trends

Latin America and the Caribbean



Highlights

FDI flows in Latin America and the Caribbean, 2024



In 2024 FDI flows to Latin America and the Caribbean declined by 12 per cent to \$164 billion. The region accounted for 19 per cent of total FDI to developing economies and 11 per cent of global inflows. The decline was most pronounced in South America, where FDI dropped by 18 per cent to \$111 billion. The downturn was driven primarily by falls in Argentina, Chile, Colombia, and Brazil, in that order. Although inflows in Brazil were 8 per cent lower, the country remained the top recipient in the region with inflows of \$59 billion, supported by continued investments in renewable energy. Peru and Guyana posted gains, with FDI inflows almost doubling in Peru (to \$5.9 billion) and rising almost 20 per cent in Guyana (to \$8.6 billion), largely reflecting interest in mining and offshore oil development, respectively.

- In Central America, FDI increased by 4 per cent to \$49 billion, led by a modest increase in Mexico, where flows reached \$37 billion (+1 per cent), driven by manufacturing and logistics. Panama and Nicaragua, in that order, also recorded substantial growth. The value of announced greenfield projects increased for almost all countries rising by 26 per cent to \$49 billion, largely driven by a resurgence of projects in Mexico. However, project numbers declined by 6 per cent, reflecting concentration in a few high-value ventures rather than broad-based investor engagement.
- In 2024, South America recorded the steepest decline in FDI inflows among subregions, down 18 per cent to \$111.5 billion. Argentina saw the sharpest drop followed by Chile, while Brazil declined moderately by 8 per cent. In contrast, Peru's inflows increased by 65 per cent, supported by a rise in greenfield project activity. Overall, announced greenfield investment increased by 17 per cent in value and 11 per cent in number, with notable gains in Peru, Argentina, and Colombia, in that order.

- C. The Caribbean saw a 21 per cent increase in FDI, reaching \$3.9 billion, supported by stable inflows into the Dominican Republic, while announced greenfield investment value declined by 16 per cent to \$1.7 billion, while project numbers remained stable at 39. The Dominican Republic, the largest recipient, recorded lower values and modest changes in project numbers. Jamaica saw a small increase in project numbers, but from a very low base. The momentum observed in previous years has not been sustained

FDI associated with cross-border M&A activity in the region declined sharply in 2024, as net sales plummeted by 85 per cent, from \$11.1 billion in 2023 to just \$1.6 billion. This was mainly due to Iberdrola (Spain) selling a 55 per cent stake in its fossil fuel power generation subsidiaries in Mexico to Infrastructure Partners (Mexico) for \$6.2 billion. In addition, Brazil – the only sizeable M&A market in the region – recorded a 37 per cent drop, with sales falling to \$5.4 billion from \$8.5 billion

Greenfield project announcements in Latin America and the Caribbean increased in both value and volume, with project numbers up 2 per cent and projected capital expenditures rising 19 per cent. The largest year-to-year increases in project value were in coke and refined petroleum projects (to \$47 billion) and digital economy (to \$18 billion), while project values for extractive industries and metal products dropped by \$20 billion and \$8 billion, respectively, compared with 2023. In South America, investment value grew by 17 per cent to \$113 billion, driven largely by Brazil, which recorded a 33 per cent increase to \$50 billion. This was supported by the announcement of a \$5 billion packaging project by CMPC (Chile) and a major renewable energy investment by Fotowatio Renewable Ventures (Saudi Arabia). Argentina saw the highest increase in announcements, which tripled to \$37 billion, largely due to a \$30 billion energy investment by Shell (United Kingdom). Overall, greenfield projects in the region are expected to generate more than 300,000 jobs. Only about 10 per cent of these jobs are associated with megaprojects valued at more than \$1 billion. In total, the region attracted 19 such megaprojects.

IPF deals in Latin America and the Caribbean declined in both number and value, by 28 per cent and 22 per cent, respectively, driven by decreases in the power, mining and industry sectors. South America experienced the largest decline, with IPF value falling to \$80 billion (-22 per cent) and the deal count shrinking by 29 per cent – still, in line with global averages and less than in other developing regions. In Brazil, Peru and Argentina, in that order, deal flows were maintained but at lower values, while project announcements in Chile and Colombia deals contracted significantly. In Central America, the value of IPF deals dropped by 52 per cent to \$7.4 billion. In contrast, the Caribbean stood out for its resilience, with the value of deals more than doubling, to \$6 billion.

IPF was highly concentrated in a few key destination countries. Brazil attracted \$26 billion in total investment across sectors such as hydrogen, biomass and solar energy. Chile ranked second, receiving approximately \$20 billion, with notable projects in offshore wind and water infrastructure. Peru followed with \$18 billion, mostly in hydrogen-related investment. Uruguay secured \$7 billion, primarily driven by large-scale green hydrogen and synthetic fuels projects, while Jamaica attracted \$2 billion for infrastructure and renewable energy under a PPP.

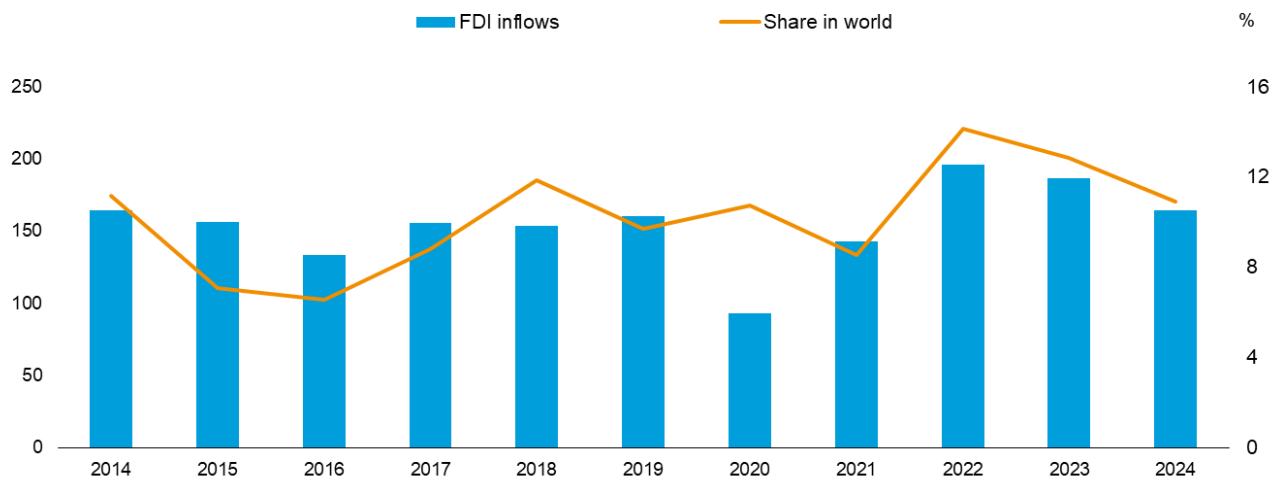
International companies driving these projects included Verano Energy (Chile) for a green fuel plant in Peru, Al Khaleej Sugar (United Arab Emirates) for a biomethanol refinery in Brazil, Voltalia (France) and Phelan Green Energy (South Africa) for hydrogen projects in Brazil and Peru, respectively, and Rio Tinto (United Kingdom) for a lithium mining expansion in Argentina. Infrastructure investment was spearheaded by Yildirim Holding (Türkiye) at Acajutla Port in El Salvador and by the World Bank in a PPP infrastructure portfolio in Jamaica. Meanwhile, Tamarack Valley Energy (Canada) invested in a large solar-hydrogen complex in Mexico, and Abdul Latif Jameel (Saudi Arabia) and ETC Transmission Holding (Spain) undertook both water system expansion projects and battery storage in Chile. Across these projects, the dominant implementation model was build-own-operate.



Figure 1

Latin America and the Caribbean: FDI inflows and share in world inflows

(Billions of dollars and percentage)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

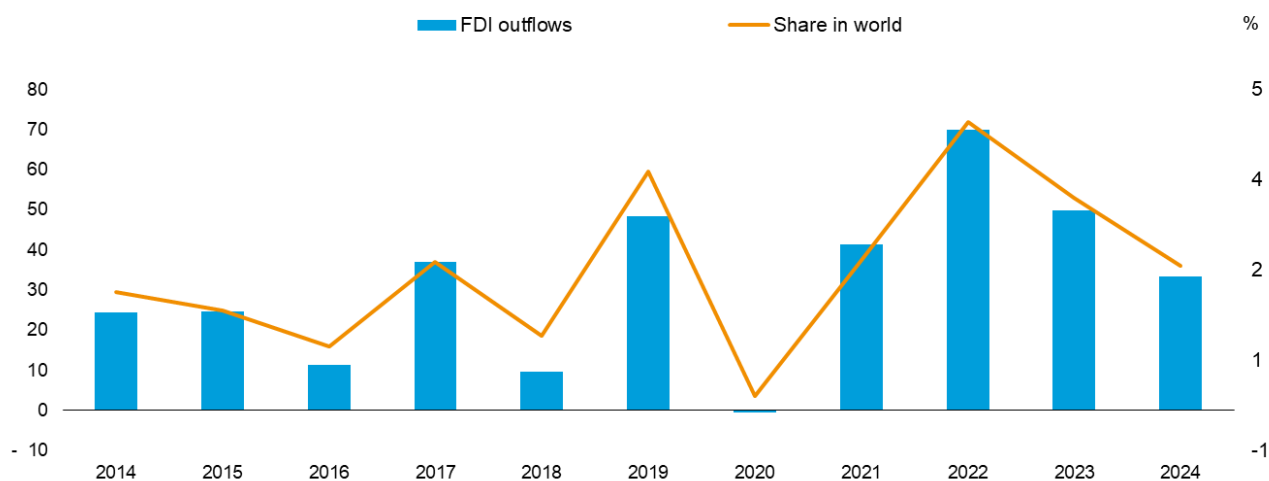
Note: Data exclude financial centres in the Caribbean and special-purpose entities in reporting countries.



Figure 2

Latin America and the Caribbean: FDI outflows and share in world outflows

(Billions of dollars and percentage)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

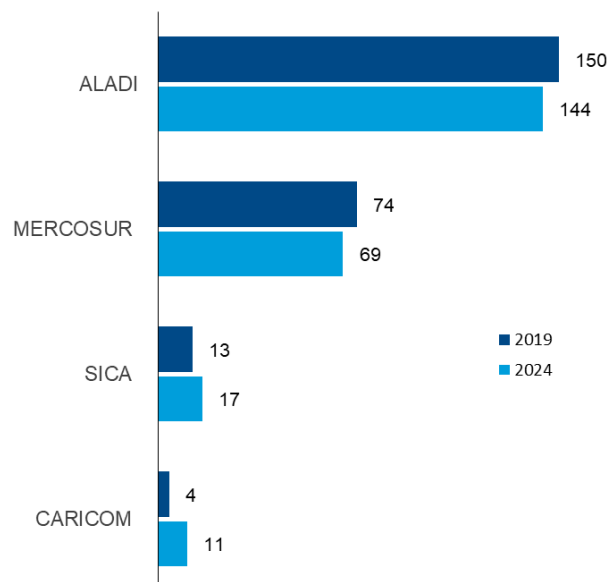
Note: Data exclude financial centres in the Caribbean and special-purpose entities in reporting countries.



Figure 3

Latin America and the Caribbean: FDI inflows by regional grouping

(Billions of dollars)



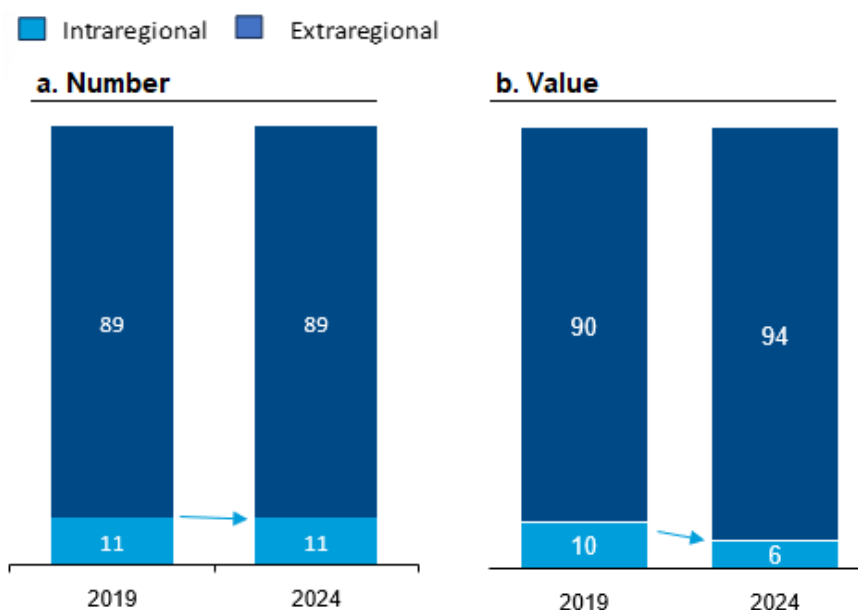
Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

Abbreviations: COMESA = Common Market for Eastern and Southern Africa, EAC = East Africa Community, ECCAS = Economic Community of Central African States, ECOWAS = Economic Community of West African States, SADC = Southern African Development Community, UEMOA = West African Economic and Monetary Union.

Figure 4

Latin America and the Caribbean: announced intraregional greenfield investment projects

(Percentage)



Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fDimarkets.com).

Table 1
Latin America and the Caribbean: FDI inflows and cross-border M&A sales

Subregion/selected economy	FDI				Net cross-border M&A sales							
	Value (Billions of dollars)			Growth, 2023–2024 (%)	Value (Billions of dollars)			Growth, 2023–2024 (%)	Number			Growth, 2023–2024 (%)
	2022	2023	2024		2022	2023	2024		2022	2023	2024	
Latin America and the Caribbean	196	187	164	-12	16	11	2	-85	359	266	219	-18
Central America	46	47	49	4	9	1	-4	..	84	61	58	-5
Costa Rica	3	4	4	14	-	-	-	..	5	11	7	-36
Guatemala	1	2	2	7	-	-	-	..	2	3	5	67
Mexico	36	36	37	1	9	1	-4	..	69	42	34	-19
South America	147	137	111	-18	5	10	6	-38	259	198	152	-23
Argentina	15	24	11	-52	1	-	-0.5	..	18	11	2	-82
Brazil	73	64	59	-8	1	9	5	-37	124	103	71	-31
Chile	18	18	11	-36	3	2	-0.3	..	46	30	20	-33
Colombia	17	17	14	-15	0.5	-0.8	1	..	41	21	28	33
Guayana	4	7	9	19	-	-	-	..	-	-	-	..
Peru	12	4	6	65	-	0.2	0.1	-41	12	16	15	-6
Uruguay	3	2	-2	..	-	-	-	..	10	9	9	0
Caribbean	4	3	4	21	1	-	-0.3	..	16	7	9	29
Dominican Republic	4	4	5	3	-	-	-	..	3	-	-	..
Memorandum:												
World	1 390	1 455	1 509	4	725	387	443	14	8 835	7 074	7 352	4
Developed economies	460	590	642	9	612	308	418	36	7 606	6 156	6 557	7
Developing economies	930	865	867	0	113	79	24	-69	1 229	918	795	-13

Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>) and information from LSEG Data & Analytics.

Note: Data exclude financial centres in the Caribbean and special-purpose entities in reporting countries.

Abbreviations: FDI = foreign direct investment, M&As = mergers and acquisitions.

Table 2
Latin America and the Caribbean: announced greenfield projects and international project finance deals

Subregion/selected economy	Announced greenfield projects								International project finance deals							
	Value (Billions of dollars)			Growth, 2023–2024 (%)	Number			Growth, 2023–2024 (%)	Value (Billions of dollars)			Growth, 2023–2024 (%)	Number			Growth, 2023–2024 (%)
	2022	2023	2024		2022	2023	2024		2022	2023	2024		2022	2023	2024	
Latin America and the Caribbean	113	137	163	19	1 419	1 373	1 407	2	175	121	94	-22	379	272	197	-28
Central America	53	39	49	26	696	682	641	-6	34	15	7	-52	53	35	22	-37
Costa Rica	2	2	1	-30	156	122	53	-57	0.7	-	-	..	2	-	-	..
El Salvador	0.5	0.3	2	619	7	9	17	89	1	1	2	217	2	2	1	-50
Mexico	46	33	44	33	487	500	527	5	30	14	5	-66	41	27	13	-52
Panama	4	1	1	-39	16	26	24	-8	2	0.4	1	65	5	2	5	150
South America	56	96	113	17	683	653	727	11	135	103	80	-22	305	229	163	-29
Argentina	7	9	37	299	72	48	63	31	35	6	6	12	15	16	17	6
Brazil	24	37	50	33	244	259	277	7	57	52	26	-50	186	104	72	-31
Chile	7	22	7	-68	100	90	94	4	24	25	20	-23	56	58	38	-34
Colombia	2	3	5	43	152	132	160	21	4	5	2	-53	19	24	12	-50
Peru	1	2	12	557	50	49	83	69	8	5	18	275	12	15	17	13
Uruguay	1	5	0.3	-93	25	26	18	-31	1	4	7	62	3	2	3	50
Caribbean	4	2	2	-16	40	38	39	3	5	2	6	166	21	8	12	50
Dominican Republic	4	2	1	-38	31	27	28	4	2	1	1	7	12	6	3	-50
Jamaica	-	-	0.3	..	2	3	5	67	-	-	2	..	1	-	1	..
Memorandum:																
World	1 302	1 413	1 338	-5	18 118	18 810	19 356	3	1 487	1 231	909	-26	3 210	2 713	1 988	-27
Developed economies	688	627	698	11	11 154	10 744	10 980	2	806	636	496	-22	1 962	1 674	1 187	-29
Developing economies	614	786	640	-19	6 964	8 066	8 376	4	681	595	413	-31	1 248	1 039	801	-23

Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fDimarkets.com) and LSEG Data & Analytics.

Note: Data exclude financial centres in the Caribbean.

Table 3
Latin America and the Caribbean: announced greenfield projects, by sector and selected industries

Sector/industry	Value (Millions of dollars)			Growth, 2023–2024 (%)	Number			Growth, 2023–2024 (%)
	2022	2023	2024		2022	2023	2024	
Total	113	137	163	19	1 419	1 373	1 407	2
Primary	32	34	14	-59	24	27	29	7
Manufacturing	44	48	85	77	564	658	629	-4
Services	37	54	64	18	831	688	749	9
<i>Top 10 industries in value terms</i>								
Coke and refined petroleum	3	5	47	870	6	7	7	0
Energy and gas supply	13	28	27	-1	44	81	73	-10
Information and communication	8	11	18	62	368	237	244	3
Extractive industries	32	34	14	-60	16	23	23	0
Automotive	15	13	10	-21	88	132	89	-33
Chemicals	1	3	7	129	43	40	54	35
Transportation and storage	5	4	6	45	75	99	116	17
Paper and paper products	1	1	5	686	17	11	10	-9
Trade	3	4	4	..	66	47	66	40
Professional services	0	0	4	1 880	93	80	106	33

Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fDimarkets.com).

Table 4
Latin America and the Caribbean: announced international project finance deals, selected industries

Sector/industry	Value (Millions of dollars)			Growth, 2023–2024 (%)	Number			Growth, 2023–2024 (%)
	2022	2023	2024		2022	2023	2024	
Total	174 586	120 824	93 829	-22	379	272	197	-28
<i>Top 10 industries by number</i>								
Renewable energy	54 970	37 936	38 361	1	236	158	119	-25
Mining	10 915	19 857	8 012	-60	25	30	18	-40
Oil and gas	45 158	6 491	3 982	-39	18	12	14	17
Transport infrastructure	9 938	3 406	6 185	82	24	9	12	33
Power	8 240	25 083	10 899	-57	20	17	8	-53
Industrial real estate	15 247	7 824	16 768	114	15	10	7	-30
Telecommunication	9 911	1 782	1 402	-21	16	6	7	17
Petrochemicals	9 628	11 467	4 582	-60	6	7	6	-14
Water and sewerage	5 875	2 540	1 562	-38	6	7	3	-57
Residential/commercial real estate	3 190	3 806	75	..	9	13	2	-85

Source: UNCTAD, based on information from LSEG Data & Analytics.

Table 5
Latin America and the Caribbean: net cross-border M&As sales, by sector and selected industries

Sector/industry	Value (Millions of dollars)			Growth, 2023–2024 (%)	Number			Growth, 2023–2024 (%)
	2022	2023	2024		2022	2023	2024	
Total	15 957	11 055	1 640	-85	359	266	219	-18
Primary	1 164	1 131	1 973	75	13	15	7	-53
Manufacturing	4 551	4 679	208	-96	65	57	49	-14
Services	10 242	5 245	- 541	..	281	194	163	-16
<i>Top 10 industries in value terms</i>								
Trade	698	1 965	3 516	79	36	22	21	-5
Financial and insurance activities	1 647	219	2 794	1 178	32	23	21	-9
Agriculture, forestry and fishing	-37	504	1 249	148	6	7	5	-29
Mining, quarrying and petroleum	1 201	627	724	..	7	8	2	-75
Manufacture of machinery and equipment	-182	-0.4	101	..	2	4	9	125
Other manufacturing, n.e.c.	19	-	96	..	2	-	3	..
Information and communication	5 925	833	55	-93	80	59	63	7
Transportation and storage	561	1 544	36	-98	19	25	8	-68
Food, beverages and tobacco	2 227	1 224	17	-99	9	12	14	17
Manufacture of non-metallic mineral products	-1 025	717	3	-100	0	8	5	-38

Source: UNCTAD, based on information from LSEG Data & Analytics.

Table 6
Latin America and the Caribbean: investment project announcements in sectors relevant to the Sustainable (Millions of dollars, number and percentage)

Goals-relevant sector	Announced greenfield projects				International project finance deals			
	2022	2023	2024	Growth, 2023–2024 (%)	2022	2023	2024	Growth, 2023–2024 (%)
Total								
Value	27 044	44 747	51 698	16	90 449	71 378	60 410	-15
Number of projects	252	300	286	-5	306	200	150	-25
Power ^a								
Value	99	169	502	197	8 240	25 083	10 899	-57
Number of projects	5	6	11	83	20	17	8	-53
Renewable energy								
Value	13 272	27 641	27 489	-1	54 970	37 936	38 361	1
Number of projects	44	81	73	-10	236	158	119	-25
Transport infrastructure								
Value					9 938	3 406	6 185	82
Number of projects					24	9	12	33
Telecommunication								
Value	4 630	9 576	16 340	71	9 911	1 782	1 402	-21
Number of projects	56	70	74	6	16	6	7	17
Water, sanitation and hygiene (WASH)								
Value	11	-	-	..	5 875	2 540	1 562	-38
Number of projects	2	-	-	..	6	7	3	-57
Food and agriculture								
Value	8 129	5 836	6 364	9	1 322	233	-	..
Number of projects	86	98	80	-18	2	1	-	..
Health								
Value	886	1 498	976	-35	-	397	2 000	404
Number of projects	51	41	42	2	-	2	1	-50
Education								
Value	17	28	26	-7	193	-	-	..
Number of projects	8	4	6	50	2	-	-	..

Source: UNCTAD, based on information from The Financial Times, fDi Markets (www.fdimarkets.com) and LSEG Data & Analytics.

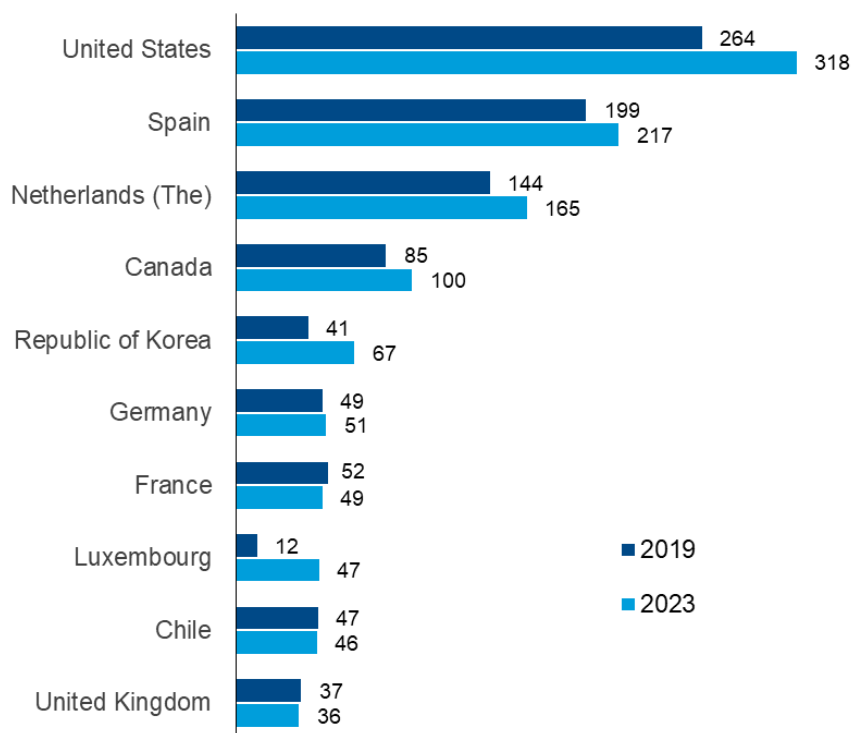
^a Excluding renewable energy.

^b Transport services for greenfield projects and transport infrastructure for project finance.

Figure 5

Latin America and the Caribbean: top 10 investor economies by FDI stock

(Billions of dollars)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).