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Investment, Enterprise and Development Commission**

Fourteenth session
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**Report of the Investment, Enterprise and Development
Commission on its fourteenth session**

Held at the Palais des Nations, Geneva, from 29 April to 3 May 2024



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Introduction

The fourteenth session of the Investment, Enterprise and Development Commission was held at the Palais des Nations, Geneva, from 29 April to 3 May 2024.

I. Action by the Investment, Enterprise and Development Commission

A. Investment facilitation for sustainable development; harnessing blockchain technologies for sustainable development

Agreed conclusions

The Investment, Enterprise and Development Commission

1. *Expresses satisfaction* with the presentation by the UNCTAD secretariat of the most recent trends and policies in international investment; acknowledges the contribution of global investment monitors and the World Investment Report to policy formulation and capacity-building in investment for sustainable development; and calls on the UNCTAD secretariat to continue to disseminate analytical findings in key international forums such as the World Investment Forum, as well as to continuously update the trend monitors under the responsibility of the Division on Investment and Enterprise;

2. *Notes with concern* the weak growth of international investment flows and the growing investment gap in sectors that are key for the achievement of the Sustainable Development Goals, especially regarding the decrease of international investment flows to many developing countries;

3. *Urges* for a scale-up in both public and private investments to address developing countries' needs to meet the widened investment gap across all Sustainable Development Goals sectors, in light of the estimated Goals-related investment gap of between \$2.5 trillion and \$4.0 trillion annually for developing countries;

4. *Acknowledges* the constructive considerations of the background document prepared by the UNCTAD secretariat on how digital business and investment facilitation and broader digital government implementation can help overcome certain obstacles to the attraction of sustainable investment in developing countries;

5. *Requests* UNCTAD to continue to research and elaborate policy recommendations in support of business facilitation, as well as to continue to support the exchange of national experiences and the dissemination of best practices and efforts in the promotion and facilitation of sustainable investment finance and improving the enabling investment environment, including through technical cooperation for developing countries;

6. *Invites* the UNCTAD secretariat to explore ways to mobilize additional extrabudgetary resources to further its work in developing digital single windows for requesting member States;

7. *Recognizes* the importance of transparent and robust information and statistics by all stakeholders, to inform investors' decisions;

8. *Commends* the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting on its fortieth session; underscores the important role played by sustainability reporting in achieving the Sustainable Development Goals; and acknowledges the work of UNCTAD in supporting its members in promoting reliable and comparable disclosures on financial and sustainability performance, including through the establishment of regional partnerships;

9. *Reaffirms* the key role of research and development, science, technology and innovation and skills development, as well as related international cooperation, as drivers of structural transformation that contribute to a competitive, sustainable, inclusive and

resilient economy and for attaining the Sustainable Development Goals and overcoming existing technology gaps;

10. *Expresses satisfaction* with the presentations by the UNCTAD secretariat of the most recent global trends and policies in the area of technology for development in accordance with the three pillars of work of research and analysis, technical cooperation and consensus-building; and calls on the UNCTAD secretariat to continue to report on its work in these areas;

11. *Requests* UNCTAD to continue to diligently monitor and analyse the most recent developments in global investment trends and provide comprehensive reports to member States;

12. *Invites* UNCTAD, in collaboration with other relevant organizations, to continue its work on emerging and frontier technologies, including the organization of information and experience-sharing sessions;

13. *Acknowledges* the constructive considerations made in the background document prepared by the UNCTAD secretariat on how countries at different levels of development could harness blockchain technologies for sustainable development, as well as the role of international collaboration in supporting national efforts to capture the benefits of blockchain technologies;

14. *Invites* UNCTAD to continue its important role in supporting developing countries to leverage science, technology and innovation for sustainable development.

*Closing plenary meeting
3 May 2024*

B. Other action taken by the Commission

1. Report of the Multi-year Expert Meeting on Investment, Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development (Agenda item 3)

1. At a plenary meeting on 1 May 2024, the Investment, Enterprise and Development Commission considered a report under the agenda item.
2. The Chair of the tenth session of the Multi-year Expert Meeting on Investment, Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development presented the report.
3. The Commission took note of the report, as contained in document TD/B/C.II/MEM.4/29.

2. Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (Agenda item 4)

4. At a plenary meeting on 1 May 2024, the Investment, Enterprise and Development Commission considered a report under the agenda item.
5. The Officer-in-Charge of the UNCTAD Division on Investment and Enterprise presented the report of the fortieth session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting.
6. The representative of one regional group commended the progress made in the provision of guidance materials and the positive effect of such guidance on capacity-building and on strengthening institutions in developing countries.
7. The Commission took note of the report, as contained in document TD/B/C.II/ISAR/107, and endorsed the agreed conclusions and approved the provisional agenda of the forty-first session of the Intergovernmental Working Group of Experts as contained therein.

II. Chair's summary

A. Opening plenary meeting

1. Opening statements

8. The Deputy Secretary-General of UNCTAD opened the session. The following speakers made opening statements: the representative of Cambodia, speaking on behalf of the Group of 77 and China; the representative of the Niger, on behalf of the African Group; the representative of Jamaica, on behalf of the Group of Latin American and Caribbean Countries; the representative of Bangladesh, on behalf of the Asia–Pacific Group; the representative of the European Union, on behalf of the European Union and its member States; the representative of Nepal, on behalf of the least developed countries; the representative of the Dominican Republic, on behalf of small island developing States; the representative of Kenya; the representative of Trinidad and Tobago; the representative of China; the representative of the Russian Federation; the representative of Zimbabwe; and the representative of Peru.

9. In his opening statement, the Deputy Secretary-General of UNCTAD noted that investment and technology were two factors essential for driving progress, improving living standards and addressing the challenges of the modern world. However, the current global investment landscape involved challenges, including with regard to slow growth, geopolitical tensions and increasing economic fragmentation. UNCTAD research showed a decline in foreign direct investment, and that regional foreign direct investment flows had declined or stagnated due to structural challenges and fracturing, with investment shifting to higher value, more technologically complex sectors; this meant that it had become more difficult to obtain the types of investment that developing countries had typically relied on for industrial transformation and integration into global value chains. In addition, the levels of investment needed to achieve the Sustainable Development Goals far exceeded the available finance. The Deputy Secretary-General stated that UNCTAD had been collaborating with stakeholders across the investment spectrum to nurture an ecosystem that supported the growth of sustainable investment and finance. Related discussions at the World Investment Forum had resulted in new policy tools, partnerships and capacity-building initiatives, including with regard to investment facilitation. By laying the foundations for broader digital government initiatives, investment facilitation supported by digital government tools could strengthen institutions and mitigate weaknesses in governance that hindered investment.

10. With regard to technology, the Deputy Secretary-General underscored that frontier technologies held significant potential to accelerate development by helping to enhance productivity, create jobs, enable knowledge-sharing, improve health and promote sustainability. Data were the cornerstone of many frontier technologies; however, the high concentration of data and data capabilities among a few operators could exacerbate the digital divide and widen disparities across and within countries. To date, only a few developing countries had been able to compete in the market of frontier technologies. The right skills, strategic policies, investments and capacity-building efforts were required, to ensure that benefits were equitably distributed and that potential risks were effectively managed. Blockchain technologies had the potential to democratize data and accelerate progress towards achieving the Goals. Yet developing countries faced various challenges in adopting such technologies. The Deputy Secretary-General emphasized that strengthening digital infrastructures and skills development was therefore essential. International organizations had a role to play in supporting developing countries in building national capacities in this regard. Investment and technology were critical for progress, but the international community needed to ensure that they were also a force for development.

11. The representatives of several regional groups and several delegates expressed appreciation for analytical work by UNCTAD on investment and enterprise; acknowledged *World Investment Report 2023* and the global investment trends monitor, the Sustainable Development Goals investment trends monitor and the investment policy monitor; and expressed concern about declining levels of foreign direct investment and the growing

investment gap with regard to achieving the Goals. In this regard, the representatives of a few regional groups emphasized the urgent need for more investment, to close the funding gap for sustainable development. In addition, the representatives of some regional groups noted the importance of new technological tools and digital trade in overcoming barriers to achieving the Goals. The representative of one regional group advocated for promoting public–private partnerships, particularly in Goals-related sectors, through targeted investment policies. The representative of another regional group underscored the strategic need for sustained investment in Africa, to address foreign direct investment volatility, as well as infrastructure and development gaps.

12. The representatives of a few regional groups and a few delegates commended the thematic focus of *World Investment Report 2023*, the analysis of challenges related to the energy transition and the emphasis on the need for partnerships to enhance financial, technological and expert-level support for renewable energy projects; and they urged UNCTAD to continue to provide support for countries, particularly in transitioning to clean energy, improving agrifood systems and developing sustainable infrastructure to advance on achieving the Goals. A few delegates expressed concern about the significant downturn in foreign direct investment in manufacturing as shown in UNCTAD research, with a compound annual post-pandemic growth rate of -12 per cent; this decline posed challenges to the ability of developing countries to engage in global value chains for economic and industrial development, and the delegates advocated for continued focus on economic transformation in developing countries. The representatives of some regional groups and one delegate noted the practical outcomes of the World Investment Forum. The representative of one regional group highlighted the relevance of the investment village for networking and contact opportunities with regard to financing potential investment projects. The representative of another regional group commended the high-level round table on investment guarantees in small island developing States, as well as the academic track for linking academia and policymaking. The representatives of some regional groups expressed appreciation for the work of UNCTAD on international investment agreement reform, notably the launch of a multi-stakeholder platform at the World Investment Forum, and stressed the need for reform in order to enhance multilateral cooperation and strengthen the sustainable development focus, aiming to maximize the positive impacts of international investment agreements.

13. The representatives of several regional groups and several delegates commended the choice of the topics for the Commission and the background documents prepared by the UNCTAD secretariat. In addition, they noted that, through creating a transparent and accessible investment environment, business and investment facilitation played a critical role in supporting the achievement of the Goals. The representative of one regional group highlighted support provided to developing countries on investment facilitation through UNCTAD and the European Union global gateway. The representative of another regional group noted that trade facilitation helped create an inclusive environment for the unhindered mobilization of capital for sustainable development. The representative of one regional group and some delegates noted the potential role of the investment facilitation for development initiative in promoting technical assistance for the improvement of investment facilitation, and suggested including this consideration in future analyses of investment facilitation and digital government.

14. The representatives of some regional groups noted that the green technological transition provided a window of opportunity, and that it was important to develop skills, enable innovative local environments and harness science, technology and innovation to meet the needs of developing countries, with digital technology as a springboard for digital government. The representatives of a few regional groups stated that UNCTAD could continue to discuss how to utilize emerging technology for sustainable development; noted UNCTAD support with regard to digital governance platforms; and stressed that bridging the digital divide between developed and developing countries was critical in achieving poverty reduction. The representatives of some regional groups expressed appreciation for UNCTAD digital government tools such as information portals and single windows.

15. The representative of one regional group highlighted the Association of Southeast Asian Nations Investment Facilitation Framework, noting the substantial progress made, as

well as the potential for improvement, particularly in using digital technologies to attract, facilitate and retain investment. One delegate noted the information available in the Global Sustainable Finance Observatory and requested ongoing updates from the UNCTAD secretariat. Finally, the representative of one regional group requested that UNCTAD, building on successful experiences in Africa and Latin America and the entrepreneurship policy framework, continue and expand capacity-building on entrepreneurship in Asia.

2. Other business

Latest developments in trends and policies in the area of investment, enterprise and development

16. The Director of the UNCTAD Division on Technology and Logistics presented recent developments in frontier technologies and how UNCTAD used them to help advance sustainable development, such as by incorporating artificial intelligence technology into the Automated System for Customs Data (ASYCUDA), the largest technical cooperation programme of UNCTAD. The current technological revolution involved significant increases in interest, adoption, investment and competition with regard to technologies such as artificial intelligence, the Internet of things, blockchain and biotechnology, and the Director noted that this should be reflected in the work of the Commission. Along with the contribution of technology to sustainable development, the Director discussed the associated risks of job displacement, economic disruption and significant levels of energy consumption, as well as concerns about data privacy, security and biases and discrimination, which could widen existing inequalities between countries, particularly given the high market concentration of large frontier technology providers. She stated that the international community needed to support developing countries in adapting to frontier technologies, to ensure that they could create value, innovate and address development challenges. The Director concluded by highlighting the importance of global data governance and the sharing of international initiatives, including the High-Level Advisory Body on Artificial Intelligence and the proposal to initiate a working group on the fundamental principles of data governance under the Commission on Science and Technology for Development.

17. One delegate underlined how investment and finance were an integral part of a recent resolution of the Commission on Science and Technology for Development; highlighted that the development of frontier technologies relied on data flows and the transfer of technology, which were both areas in which developing countries needed targeted support; and requested the UNCTAD secretariat to provide briefing sessions and to continue to strengthen international cooperation on these issues.

18. The Officer-in-Charge of the UNCTAD Division on Investment and Enterprise presented recent trends and policies in foreign direct investment and sustainable finance. UNCTAD estimates for 2023 showed negative global foreign direct investment trends, with some growth in greenfield projects but increasingly uneven distribution, mainly concentrated in a few countries. He highlighted longer term trends, such as the contrast observed between the slowing down of foreign direct investment trends since the 2010s and the continued growth of trade and global value chains, and noted the shift towards high-technology and technology-driven projects, compared with the decline in manufacturing investment and large-scale industrial projects. He emphasized that such shifts would have significant implications in developing countries, particularly affecting integration into global value chains and ability to attract foreign direct investment, thereby impacting industrial development and job creation in special economic zones. With regard to sustainable finance, he highlighted that while there was growth in capital markets, there was stagnation in concrete Goals-related investment projects, particularly with regard to renewable energy and the energy transition in developing countries. He underscored that the lack of sufficient investment in developing countries was not due to a lack of policy action, as these countries had adopted many policies to promote, attract and facilitate foreign direct investment. The Officer-in-Charge noted that digitalization was at the core of the effective implementation of such measures, with the added benefit that its use could help mitigate governance-related and institutional weaknesses, which were among the most important challenges in attracting investment for sustainable development. Finally, he

emphasized the close connections between digital government and the promotion of investment for sustainable development, suggesting that business and investment facilitation constituted a good starting point for digital government initiatives.

19. One delegate highlighted that the decline in global flows was largely due to geopolitical tensions, high food and energy prices and rising levels of public debt, noting the substantial gap in renewable energy investment in developing countries and the urgent need for support, including through innovative financing, conducive international environments, technology transfer and increased local capacity; in addition, highlighting the value of UNCTAD analysis, he requested information on the respective role of UNCTAD and the United Nations Commission on International Trade Law with regard to investor-State dispute settlement. Another delegate inquired about UNCTAD policy advice to the private sector in small island developing States and other developing countries, in becoming partners and beneficiaries in the expanding market for sustainable finance investments. The Officer-in-Charge stated that perceived high risks in these countries was the primary reason for the lack of funding; the forthcoming edition of the World Investment Report focused on digital government initiatives, as part of addressing such underlying issues, and UNCTAD was partnering with institutional investors in order to help direct long-term investments toward Goals-related projects. Finally, he noted that additional support for small island developing States was available through credit guarantee agencies, which offered financial support for projects essential for attracting private finance.

B. Investment facilitation for sustainable development

(Agenda item 5)

20. The Deputy Secretary-General of UNCTAD, in opening the session, noted that the global trajectory towards achieving the Sustainable Development Goals was significantly off course, with investment flows having declined in the past two years, raising the Goals-related investment gap to over \$4 trillion annually. Investment facilitation had gained prominence at the multilateral, regional and bilateral levels, and World Trade Organization members participating in the investment facilitation for development initiative had finalized the related agreement in November 2023. UNCTAD played a pivotal role in bolstering investment facilitation through the provision of digital tools. The Deputy Secretary-General noted that online information on investment by itself was insufficient to enhance investment flows. Addressing the root causes of high-risk perceptions and capital access involved various factors, including good governance and institutions, and digital tools were a means to holistically improve institutions. Business and investment facilitation were steppingstones towards digital government.

21. In his introductory remarks, the Officer-in-Charge of the UNCTAD Division on Investment and Enterprise highlighted the role of business and investment facilitation as starting points in the digitalization of government functions, emphasizing the existing widespread use of digital services related to business registration and licences. UNCTAD aided in this transformation by providing digital products such as information portals and single windows, which required minimal training for governmental use. The aim was to go beyond digital investment facilitation, to encompass a wider range of government services.

22. A five-member panel consisted of the following: Secretary-General, Developing Eight Countries Organization for Economic Cooperation (D-8); Deputy Minister and Executive Director, National Registry Centre, El Salvador; Secretary-General, Ministry of Industry, Trade and Supply, Jordan; Undersecretary of Foreign Trade, Ministry of Economy, Mexico; and Vice-Chair, General Authority for Investment and Free Zones, Egypt. A representative of the Gambia presented a statement on behalf of the Ministry of Trade, Industry, Regional Integration and Employment.

23. One panellist underscored the commitment of D-8 to leveraging digital government, to enhance economic cooperation among the members, and highlighted that the organization and its members benefited from guiding principles for investment policymaking prepared by D-8 and UNCTAD. Given the geographical diversity of D-8 members, digital platforms to support business activities were particularly important.

24. Another panellist detailed the transformative effects of digitalizing key registries, and thereby reducing processing times, which had directly benefited small and medium-sized enterprises and enhanced the business environment in El Salvador. This change had benefited from the use of UNCTAD digital government tools. The panellist noted that El Salvador aimed to achieve a comprehensive digital government transformation by 2030, including with the provision of accessibility support for diaspora.

25. Another panellist emphasized the crucial role of foreign direct investment in economic development and highlighted comprehensive reforms being made in Jordan, partly with the use of UNCTAD digital government tools, to streamline investment procedures through digital systems. Such reforms aimed to address barriers and streamline processes, improving transparency and efficiency.

26. Another panellist detailed how UNCTAD digital government tools were used in Mexico to simplify administrative processes and attract investment, noting that simplification should not be confused with deregulation and that small and medium-sized enterprises, in particular, were affected by difficult processes. The panellist stated that, by eliminating intermediaries, digitalization could also help reduce the potential for corruption.

27. Another panellist highlighted strategic initiatives in Egypt aimed at improving the investment landscape. The national focus on digitalizing registration and licencing processes was part of a broader strategy to attract and retain foreign investment, essential for economic growth and development. The panellist stated that other efforts included the system of public and private free zones.

28. The representative from the Gambia highlighted UNCTAD support provided in the review and reform of investment policy and the introduction of digital government tools, which was expected to improve service delivery for small and medium-sized enterprises, particularly in rural areas. The initiative was aligned with a broader push towards digital government, to streamline processes and foster private sector growth.

29. The representatives of several regional groups and some delegates noted the importance of digital tools, along with the necessary capacity-building, in facilitating both foreign and local investment, benefiting economic diversification and inclusivity in support of the achievement of the Goals. The representatives of several regional groups and one delegate noted the importance of international cooperation on investment facilitation, including joint discussions and the sharing of best practices. The representatives of a few regional groups stressed the role of regional integration initiatives in this regard. The representative of one regional group highlighted the value of binding international rules with clear long-term obligations for donor and recipient countries with regard to investment facilitation. One delegate requested UNCTAD to strengthen consensus-building activities in this area. The representatives of some regional groups and some delegates welcomed UNCTAD research, policy guidance, technical assistance and advocacy in support of investment facilitation initiatives; and the representatives of some regional groups and one delegate noted the value provided by the UNCTAD global action menu for investment facilitation in guiding government action, noting that the recommendations therein could be found in multilateral and bilateral initiatives for investment facilitation and that the implementation of the recommended actions needed to take place in line with national development priorities.

30. Several delegates noted the finalization of the investment facilitation for development agreement. In this regard, some delegates stated that the agreement was expected to create significant benefits, in particular in developing countries, and expressed the hope that the agreement would soon be formalized under the framework of the World Trade Organization; and a few delegates noted synergies between the agreement and UNCTAD policy proposals. One delegate stressed that cooperation between UNCTAD and the World Trade Organization would be required; several delegates welcomed the role of UNCTAD with regard to needs assessments; and the representative of one regional group noted the challenges faced by developing countries in implementing investment facilitation tools. The representatives of a few regional groups and a few delegates emphasized the importance of future technical assistance and analysis by UNCTAD in this regard.

31. The representative of one regional group noted the risks that could hinder investment facilitation and economic cooperation, such as high debt levels, geopolitical risks and concerns about economic fracturing. The representative of another regional group noted the need for reform in the world investment system, to adapt to emerging challenges, and one delegate advocated for the reform of international finance, for a more inclusive and equitable landscape. The representative of one regional group and some delegates shared examples of challenges faced in developing countries and action taken with regard to business and investment facilitation at the national level. The panellists emphasized the role of coordination across different parts of government, with duly authorized focal points, and the need to encourage developing countries to embrace investment facilitation initiatives. The Officer-in-Charge of the UNCTAD Division on Investment and Enterprise underscored the potential of soft rules and international agreements as a catalyst for investment facilitation; stated that the investment facilitation for development agreement would be detailed in the forthcoming edition of the World Investment Report; and noted the need for continued technical assistance in implementing digital government tools and that UNCTAD would support countries in the implementation of investment facilitation agreements.

National experiences: An exchange of best practices

32. In his introductory remarks, the Officer-in-Charge of the UNCTAD Division on Investment and Enterprise highlighted the basic principles of the UNCTAD approach to investment facilitation using digital government tools. The principles focused on ensuring that measures for investment facilitation were continuous and included all layers and aspects useful for all investors, both domestic and foreign, and used economies of scale and scope to cover additional aspects, such as labour laws and permits. He highlighted the importance of such measures in developing countries and emphasized the efficiency of digital tools, to ensure the effective implementation of measures.

33. A six-member panel consisted of the following: Director General, Department of Industry, Ministry of Industry, Commerce and Employment, Bhutan; Deputy Director (interim), German Institute of Development and Sustainability; Minister Counsellor, Permanent Mission of Colombia to the United Nations Office and other international organizations in Geneva, former Deputy Minister of Foreign Trade; Secretary of Modernization, Municipality of Lomas de Zamora, Argentina; Senior Inspector, Secretary General's Office, Ministry of Industry, Trade and Supply, Jordan; and Strategy Director, Centre of Registers and Information Systems, Estonia.

34. One panellist underscored the importance of leveraging digital information portals and single windows in attracting foreign investment. He noted that country-specific programmes had allowed Bhutan to digitalize administrative procedures that, in turn, made procedures simpler and more transparent, while promoting public awareness and dialogue. Digitalization had helped to reduce administrative burdens and costs, encouraging small businesses, particularly those led by women, to obtain registration certificates.

35. Another panellist detailed findings from the investment facilitation index showing that almost all countries engaged in investment facilitation, but that the adoption of reforms varied by economic group and region, with low levels of adoption among low-income countries in Africa. Analysis suggested that higher income levels were associated with more investment facilitation measures, but there were some outliers, with some low-income countries outperforming middle-income and high-income countries; this served to underscore the importance of political will along with access to finance. In addition, there were low levels of adoption in the areas of focal point and review, application processes and cooperation, as well as a gap between the performance of high-income countries and low and middle-income countries. He highlighted the need to foster cooperation; the potential of the agreement on investment facilitation for development to enhance cooperation; and the importance of digital investment facilitation tools, noting that while most countries performed well in basic measures such as having investment-related websites, there was a lack of adoption of more complex digital government tools such as single windows. In this regard, the panellist suggested that technical assistance and capacity-building were necessary, to effectively implement complex tools.

36. Another panellist highlighted experience with sustainability and digitalization in Colombia. She emphasized that technological tools alone were insufficient without corresponding investments in company culture and business mentality. Free trade agreements had driven companies to compete globally, necessitating a digital transformation, for example, with regard to competitive medical services. The Pacific Alliance played a critical role in fostering sectoral agreements, to attract investment, and digitalization was a key component. With regard to sustainability, she noted the transformation of environmental concerns from a perceived threat due to free trade agreements to an opportunity for businesses to incorporate sustainability into their operations. Finally, she emphasized the importance of women's leadership in promoting sustainability, setting a precedent for other companies on prioritizing sustainability alongside financial goals.

37. Another panellist shared insights on trade facilitation efforts in the Municipality of Lomas de Zamora, Argentina, and the impact of UNCTAD support, referring to the involvement of the municipality in the digital government programme since 2010. The emphasis on the prioritization of citizen needs had led to a paradigm shift in organizing municipal work, focusing on simplifying administrative procedures, to reduce costs, time needed and complexity. Indices had been developed to track progress, thereby ensuring the effectiveness of administrative reforms. In addition, local team continuity and leadership had been key factors in the success of the programme, with further collaborations with the private sector and trade chambers instrumental in building capacity and implementing facilitation tools. He underscored the importance of local governments in implementing facilitation programmes, given their direct links with citizens and relative readiness to modify local legislation, and the need to streamline administrative processes at higher levels of government. Finally, he expressed gratitude to UNCTAD for its ongoing support in developing tailored strategies and tools to improve livelihoods.

38. Another panellist detailed the e-regulation platform for business registration established in Jordan, using the UNCTAD digital information portal tool, to simplify and enhance transparency in business registration procedures. She highlighted the importance of providing complete and correct information, to enhance investor trust in the national investment environment. In addition, the panellist emphasized a user-centric approach, ensuring the accuracy and relevance of the platform content and the provision of comprehensive information.

39. Another panellist noted several factors that had contributed to the success of the digital vision in Estonia, including consistency with regard to the goal of becoming fully digital, engaging with stakeholders and decision-makers, facilitating the rapid implementation of digital tools, focusing on strategic decisions and the efficient use of resources, enabling personalized and efficient government services, prioritizing free exchanges of data between government institutions, streamlining processes and minimizing bureaucratic barriers for citizens and businesses. Estonia used the UNCTAD digital single window tool, which did not require programmers, thereby giving civil servants more responsibility in designing digital services; this helped to reduce the implementation time for digitalization and allowed for continuous innovation and improvement in government services.

40. The representative of one regional group and some delegates commended UNCTAD support through technical assistance projects on investment facilitation, notably through the digital government programme, investment policy reviews and training in investment agreements. In this regard, a few delegates noted a European Union-funded project to provide investment facilitation support with digital government tools in six member States of the Organization of African, Caribbean and Pacific States. A few delegates stressed the value of learning from national experiences and best practices in investment facilitation.

41. One delegate highlighted the challenges faced by developing countries in attracting investment flows, noting that developing countries held significant deposits of critical energy transition minerals, which could serve as an opportunity to boost foreign direct investment, and that there was a need for investment facilitation initiatives that targeted the energy transition, aimed at enhancing value addition and technology transfer.

42. Another delegate requested further insights on how to successfully attract foreign investment while maintaining high standards, to ensure the contribution of investment to sustainable development. In response, the Officer-in-Charge of the UNCTAD Division on Investment and Enterprise highlighted the intensifying global competition for investment amid a shrinking pool of large-scale industrial projects. Emphasizing the importance of digital investment facilitation tools, including those of UNCTAD, he discussed the potential sustainability of international investment and the differential impact of digital tools on domestic investors, microenterprises and small and medium-sized enterprises, particularly in progressing on achieving the Goals, including with regard to gender equality and economic inclusion in remote areas.

43. One delegate stressed the importance of close stakeholder coordination and collaboration at the national level, to ensure successful policy reforms, and requested further examples of experiences and the key elements required to enhance stakeholder engagement. Another delegate requested insights on the effectiveness and role of the investment portal in Jordan in attracting investment. The Chair of this session of the Commission addressed stakeholder mobilization and the shift towards digital engagement, and enquired how needs assessments could boost the adoption of investment facilitation measures. The Officer-in-Charge of the UNCTAD Division on Investment and Enterprise enquired about challenges faced in Argentina in integrating local-level digital investment facilitation tools with national-level initiatives; and capacity-building efforts in Bhutan and the scope of the digital government services developed.

44. The first panellist underscored the critical role of knowledge transfer and capacity-building in expanding the scope of single window platforms for business licencing.

45. The second panellist emphasized the significance of needs assessments in mobilizing support for investment facilitation measures, drawing on research conducted in the Lao People's Democratic Republic, Togo and Zambia; and highlighted the role of needs assessment workshops in bringing together stakeholders and developing action plans for implementing investment reforms.

46. The third panellist stressed the need for innovative approaches in the evolving global context and suggested that UNCTAD could lead efforts to bridge organizations and promote collaboration in facilitating investment.

47. The fourth panellist highlighted challenges in implementing digital tools at the local level, noting resistance to change in public administrations; the importance of an organizational culture in adopting forward-looking strategies, noting the complexities posed by different governance structures; and the need for State-driven policies, to simplify procedures and foster widespread adoption of digital tools.

48. The fifth panellist noted the policy-related benefits of the use of UNCTAD digital tools, including improved coordination among agencies and increased transparency in administrative processes; success could be measured through website traffic and user feedback once the platform was operational.

49. The sixth panellist elaborated on the challenges and timelines associated with stakeholder mobilization; noted that regulatory changes typically required about six months to implement, based on stakeholder priorities and capacities; and suggested that achieving significant shifts toward the adoption of digital tools, among both citizens and businesses, could take 5–10 years, based on technological advancements and the usability of government services.

50. In his closing remarks, the Officer-in-Charge of the UNCTAD Division on Investment and Enterprise highlighted some of the key points made by the panellists, including the significance of digital information portals and single windows in streamlining government procedures and attracting investment. He emphasized the importance of local-level implementation and its impact on microenterprises and small and medium-sized enterprises, stressing that investment facilitation needed to be integrated into broader policy considerations. He noted differing perspectives on the role of technology in investment facilitation, stating that the forthcoming edition of the World Investment Report would address these topics, incorporating insights from the discussions.

C. Harnessing blockchain technologies for sustainable development

(Agenda item 6)

51. The Head of the UNCTAD Technology, Innovation and Knowledge Development Branch presented the background document prepared by the secretariat to facilitate the discussion by the Commission of the agenda item. Blockchain technology had traditionally been associated with cryptocurrencies, yet its transformative potential in diverse fields made it a valuable tool in accelerating progress on achieving the Sustainable Development Goals. Building on a series of development project examples, he noted how blockchain technology could further evolve beneficially, such as through the decentralization of applications, to build more efficient innovations and promote financial inclusion. To take advantage of potentialities, developing countries needed to strategically position themselves according to development level. For example, low-income countries could prioritize improving digital infrastructure, to begin blockchain diffusion, and middle-income countries could strengthen linkages between domestic innovation systems and the global innovation framework. The international community could support efforts to promote blockchain innovation by engaging in knowledge exchanges, capacity-building and the creation of common standards and regulations.

52. A three-member panel consisted of the following: Policy Researcher, European Union Blockchain Observatory and Forum; Founder, Adanian Labs and Afyarekod, and Chair, African Blockchain Centre; and Chief Executive Officer, Global Blockchain Business Council.

53. One panellist shared examples of how the European Union used blockchain technology to respond to environmental, social and governance-related challenges. She discussed various cooperation initiatives and technical support programmes, showing how social impacts and sustainability could be at the centre of new blockchain technology developments globally.

54. Another panellist outlined opportunities for implementing blockchain technology in Africa with regard to trade, agriculture, climate adaptation, financial services and health care; and noted that the African Blockchain Centre supported adoption of the technology. The panellist delineated implementation challenges and the necessary policy responses; emphasized the need to educate partners and regulators on the potential of the technology; and noted the need for government support, to develop digital infrastructure and skills.

55. Another panellist detailed how the international blockchain business community was developing cohesive standards and taxonomies. She presented several initiatives on scaling up sustainable blockchain pilot projects and discussed the need to address the ongoing risks related to the use of artificial intelligence and blockchain technology.

56. The representatives of many regional groups and one delegate highlighted the work of UNCTAD in supporting discussions on frontier technology; reiterated the potential of blockchain technology in increasing the credibility, transparency and productivity of public systems; and emphasized the need for continued global conversations. The representative of one regional group underlined that digitalization should be aligned with the Sustainable Development Goals and the global digital compact. The representatives of many regional groups underscored that the primary issues in implementing blockchain technology were not related to the technology itself but to preconditions of use, including availability, affordability, awareness, accessibility and ability; and highlighted the current digital divide and the need to develop resilient information infrastructures that could help overcome such challenges. The representatives of a few regional groups and one delegate requested that the international community support blockchain technology diffusion in developing countries through knowledge transfer, technical assistance and capacity-building. The representative of one regional group proposed initiatives to reduce the cost of hardware, software and Internet services, to enhance accessibility and affordability.

57. The representatives of some regional groups and one delegate requested that UNCTAD continue to provide leadership on blockchain technologies, including by conducting research, organizing meetings, providing technical assistance and offering training sessions for developing countries. The representative of one regional group

suggested that UNCTAD could consider developing a tool or platform to facilitate knowledge-sharing between countries.

58. One delegate detailed his country's efforts to implement blockchain technology in government services; a digital currency project aimed at increasing financial stability was being piloted with actors from across the country and, following evaluation, could be introduced nationwide. Another delegate shared examples of how blockchain technology was used in her country to increase transparency, efficiency and security, assisted by the establishment of international partnerships with foreign companies, to transfer knowledge and further innovation; regulatory and systemic challenges remained.

59. With regard to a query from the representatives of a few regional groups on how developing countries could reach the blockchain mainstream and position themselves as leaders, noting that these countries often lacked human capital and the necessary digital skills, the panellists emphasized the importance of capacity-building, including building infrastructure, developing regulatory protocols and enhancing understanding of the value of blockchain technology for development among the Government, investors, the general public and youth. In this regard, one panellist proposed shifting funding toward developing regulatory capacity, underlining that regulators needed to understand the economic context of the technology in order to develop an intentional approach; another panellist reinforced the importance of knowledge-sharing between and within countries, noting that existing associations struggled with wider awareness; and another panellist noted concerns about the quality and credibility of information on blockchain technology and suggested that UNCTAD could work with other institutions to provide and promote credible resources.

60. In response to a query from one delegate about how the European Union Blockchain Observatory and Forum supported developing countries in blockchain adoption and infrastructure, one panellist discussed a number of different funding programmes for technical assistance targeting developing countries. In response to a query from the representative of one regional group on how financial systems could respond to the challenges posed by anonymous cryptocurrencies, one panellist stated that countries could consider developing regulatory frameworks according to the purpose of the currency and, since digital technologies did not respect borders, she emphasized that countries needed to provide clear guidelines aligned with existing national and international frameworks; another panellist shared an example of such a framework, namely, the European Banking Authority travel rule guidelines; and another panellist suggested that countries could build digital assets in order to create an economic and commercial good.

D. Progress report on promoting and strengthening synergies among the three pillars

(Agenda item 7)

61. The Director of the UNCTAD Division on Technology and Logistics highlighted progress made over the previous year in relation to the three pillars of research and analysis, technical cooperation and consensus-building. She outlined work on e-commerce and the digital economy, including the flagship Digital Economy Report and e-trade readiness assessments; and illustrated the cycle between the pillars, whereby research from technical cooperation projects provided inputs for intergovernmental meetings at which member States participated in consensus-building. With regard to science, technology and innovation, the Director highlighted the Technology and Innovation Report; technological studies; and work under the Commission on Science and Technology for Development, which now included technical cooperation programmes. The Director noted that ASYCUDA, by helping to develop digital platforms and skills in States, by helping States adapt the systems to their needs and by sharing knowledge, served as an end-to-end technology transfer programme with results in 102 countries. The Director emphasized that the work of the Division was interconnected and supported other projects, as well as intergovernmental processes.

62. The representative of one regional group and one delegate requested UNCTAD to provide more briefing sessions and updates on science, technology and innovation, such as

through the proposed working group under the Commission on Science and Technology for Development. The representative of one regional group and one delegate noted that funding and support affected the ability of States to take advantage of UNCTAD tools and programmes. In response to a query from one delegate on how to build on an e-trade readiness assessment in order that a wider region could benefit, the Director noted that taking advantage of e-commerce was a challenge shared by all developing countries and emphasized the importance of utilizing the momentum of an e-trade readiness assessment in order to develop a national e-commerce strategy. One delegate underlined the work of his country with regard to ASYCUDA and suggested that the programme could take advantage of frontier technologies. In this regard, the Director described how ASYCUDA used artificial intelligence in pattern detection, risk management and customs collection accuracy; and noted that blockchain technology had significant potential with regard to development, yet ASYCUDA operated in many developing countries that did not yet have the prerequisite infrastructure. Another delegate expressed support for the suggestion to rename the Commission in order to reflect its work on technology and innovation.

63. The Officer-in-Charge of the UNCTAD Division on Investment and Enterprise presented a progress report on the promotion and strengthening of synergies across the three pillars of UNCTAD work. He highlighted examples of the impact of the work of the division and recent and current initiatives aimed at strengthening synergies among the three pillars of work, showing how the initiatives also responded to recommendations made following evaluations of the subprogramme. He noted how allocated resources had led to an increased number of deliverables, to illustrate the systemic implementation of results-based principles. He highlighted the impact of certain outputs, particularly *World Investment Report 2023*, which had generated an unprecedented number of media articles and informed policy and decision-making on green investment, and the World Investment Forum, at which a number of concrete initiatives and projects in support of sustainable development had been launched. Key new initiatives included the report titled *Global Economic Fracturing and Shifting Investment Patterns*, which would inform high-level discussions during the sixtieth anniversary of UNCTAD and guide future capacity-building efforts. In addition, the Officer-in-Charge highlighted the launch of projects on the energy transition, the introduction of instruments in support of ongoing reforms on international investment agreements and efforts made to bolster member State capacity in implementing sustainability reporting requirements, including through the development and maintenance of regional partnerships. Finally, he underscored improvements made to the UNCTAD investment policy hub, to better meet the needs of stakeholders.

64. The representative of one regional group, one delegate and the Chair of this session of the Commission commended the work of the division across all three pillars. The representative of one regional group requested UNCTAD to continue to provide analyses of investment for development trends and policies, to inform further technical assistance for developing countries, including with regard to investment facilitation. One delegate commended the division for its contribution in shaping the international investment landscape and requested the division to continue to monitor and disseminate information on foreign direct investment trends and policies, including international investment agreements and investor-State dispute settlement reform. In response, the Officer-in-Charge reaffirmed the commitment of the division to strengthening synergies among the three pillars and continuing to regularly monitor the latest trends in investment and related policies, and elaborated on capacity-building and training in support of investment and business facilitation.

III. Organizational matters

A. Opening of the session

65. The fourteenth session of the Investment, Enterprise and Development Commission was opened at the Palais des Nations, Geneva, on 29 April 2024, by Ms. Violeta Fonseca (Bolivarian Republic of Venezuela), Rapporteur and Vice-Chair of the Commission at its thirteenth session.

B. Election of officers

(Agenda item 1)

66. At its opening plenary meeting, on 29 April 2024, the Commission elected the following officers to serve on its Bureau:

Chair: Mr. Phan Dung Mai (Viet Nam)

Rapporteur: Ms. Shani Griffith-Jack (Barbados)

Vice-Chairs: Ms. Kristie Russell (Bahamas)

Mr. Thomas Ndongo Onana Biyega (Cameroon)

Mr. Abdullah Alanezi (Saudi Arabia)

C. Adoption of the agenda and organization of work

(Agenda item 2)

67. Also at its opening plenary meeting, on 29 April 2024, the Commission adopted its provisional agenda as contained in document TD/B/C.II/50. Accordingly, the agenda was as follows:

1. Election of officers.
2. Adoption of the agenda and organization of work.
3. Report of the Multi-year Expert Meeting on Investment, Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development.
4. Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting.
5. Investment facilitation for sustainable development.
6. Harnessing blockchain technologies for sustainable development.
7. Progress report on promoting and strengthening synergies among the three pillars.
8. Other business.
9. Adoption of the report of the Commission to the Trade and Development Board.

D. Other business

(Agenda item 8)

68. There were no other pending issues before the Commission.

E. Adoption of the report of the Commission to the Trade and Development Board

(Agenda item 9)

69. At its closing plenary meeting, on 3 May 2024, the Investment, Enterprise and Development Commission authorized the Rapporteur, under the authority of the Chair, to finalize the report after the conclusion of the meeting. The report would be submitted to the Trade and Development Board.

Annex

Attendance*

1. Representatives from the following States members of the Conference attended the session:

| | |
|-------------|------------------------------------|
| Argentina | Lebanon |
| Azerbaijan | Mauritania |
| Bahamas | Mexico |
| Bhutan | Morocco |
| Botswana | Namibia |
| Burundi | Netherlands (Kingdom of the) |
| Cambodia | Philippines |
| Cameroon | Republic of Korea |
| Chile | Russian Federation |
| China | Samoa |
| Congo | Spain |
| Djibouti | State of Palestine |
| Ecuador | Togo |
| Egypt | Trinidad and Tobago |
| El Salvador | Tunisia |
| Ethiopia | Türkiye |
| Gambia | Uganda |
| Iraq | Venezuela (Bolivarian Republic of) |
| Jamaica | Viet Nam |
| Japan | Zimbabwe |
| Jordan | |

2. The following intergovernmental organizations were represented at the session:

Common Fund for Commodities
European Union
Organization of Islamic Cooperation

3. The following specialized agencies and related organizations were represented at the session:

Economic Commission for Latin America and the Caribbean
Office of the United Nations High Commissioner for Refugees
United Nations Industrial Development Organization
World Bank Group
World Trade Organization

4. The following non-governmental organizations were represented at the session:

General category
Village Suisse ONG

* This attendance list contains registered participants. For the list of participants, see TD/B/C.II/INF.14.