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SDG Investment Trends Monitor

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INTERNATIONAL SDG INVESTMENT FLOWS TO DEVELOPING ECONOMIES DOWN BY ONE THIRD DUE TO COVID-19

H I G H L I G H T S

- *International private sector investment flows to developing and transition economies in sectors relevant for the sustainable development goals (SDGs) are on course to fall by about one third in 2020 because of the COVID-19 pandemic.* In the first three quarters of the year, the value of newly announced greenfield investments shrunk by 40% and that of international project finance (used for large infrastructure projects requiring multiple investors) by 15%.
- *Except for renewable energy, where growth in new projects continued but was cut to one third of the pre-COVID level, investment activity fell sharply across all SDG sectors.* In infrastructure and infrastructure industries (including utilities and telecom) international project finance announcements were 62% lower in value. Greenfield project values across food and agriculture, water and sanitation, health and education were all one to two thirds lower than in 2019 (table 1).
- *The decline in SDG-relevant investment was much larger in developing and transition economies than in developed countries.* This in contrast with the impact of the pandemic on overall foreign direct investment (FDI), where a 21% decline in developing and transition economies in the first half of 2020 was overshadowed by a 75% drop in developed countries. In the latter group, gains in investment in renewable energy and digital infrastructure are a first sign of the asymmetric effect that public support packages in developed countries will have on global SDG investment trends.

Table 1. The impact of COVID-19 on investment in the SDGS
Selected trends in greenfield investment and project finance in SDG sectors, 2020 year-to-date

Infrastructure Transport infrastructure, power generation and distribution (except renewables), telecommunications	**- 62%**	**Food and agriculture** Investment in agriculture, research, rural development	**- 57%**
Renewable energy Installations for renewable energy generation, all sources	**- 2/3 growth**	**Health** Investment in health infrastructure, e.g. new hospitals	**- 37%**
WASH Provision of water and sanitation to industry and households	**- 70%**	**Education** Infrastructural investment, e.g. new schools	**- 42%**

Note: Trends based on project announcement values. Project finance for infrastructure and renewable energy, greenfield investment for other sectors.

- *Among developing and transition economies, the impact of the pandemic is more pronounced in the poorer regions.* SDG-relevant investment fell by 51% in Africa, 44% in Latin America and the Caribbean, 33% in Asia and 27% in transition economies. International project finance in developing Asia only declined by 2%, contrasting with significant falls in other regions.

- *The decline in the least developed countries (LDCs) is of particular concern.* Greenfield project announcements in SDG sectors in LDCs fell by 31% and project finance decreased by 3%, with major declines in infrastructure investment and agri-food sectors.
- *The COVID-19 pandemic has more than undone the progress made in promoting SDG investment since 2015 – the year the SDGs were adopted.* Greenfield investment in SDG sectors in developing and transition economies is now 27% lower than before 2015, international project finance is 12% lower.
- *The outlook for investment in the SDGs is highly uncertain: future developments will depend on the duration of the health crisis and on the effectiveness of policy interventions to mitigate its economic effects.* Policy measures to facilitate investment in SDGs (UNCTAD's SDG Policy Monitor, December 2020) [https://investmentpolicy.unctad.org], as well as development cooperation and financing support to developing countries will be important in determining the trajectory of investment in the SDGs. WASH and health sector investments, both weak before the pandemic and severely affected by it, look set to receive increased attention.

UNCTAD first estimated the investment requirements for the SDGs in the World Investment Report 2014, identifying 10 relevant sectors (encompassing all 17 SDGs), and estimating an annual investment gap in developing countries of $2.5 trillion. Based on multiple sources and types of finance, UNCTAD's first SDG Investment Trends Monitor in 2019 revealed a mixed picture of both investment trends and monitoring capacities across the 10 SDG sectors in developing economies between 2015 and 2019. Before the COVID-19 shock, progress on investment in the SDGs – from all sources (domestic and international, public and private) – was observed across six of the 10 SDG sectors: transport infrastructure, renewable energy, food and agriculture, health, telecommunication, and ecosystems and biodiversity. However, across all sectors, growth was falling short of requirements.

The COVID-19 pandemic is significantly exacerbating SDG financing gaps in developing economies, particularly in the LDCs and other structurally weak economies. International private investment will be key to alleviate public sector resource shortfalls for SDG-relevant investment and to spearhead the global campaign to build back better. Private investment constitutes the bulk of international resource flows to developing countries. For comparison, while cross-border greenfield investment in SDG relevant sectors in developing and transition economies amounts to about $150 billion annually and international project finance for almost $200 billion, total official development assistance was just over $150 billion in 2019, with only about one third directed towards investment projects.

This monitor presents a broad assessment of the impact of the pandemic on international private sector investment in SDG sectors (box 1). The data on greenfield investment projects and international project finance is presented on a project announcement basis. Overall FDI trends in 2020 are presented as context (FDI data by sector becomes available only with a one- to two-year lag). Although the focus of the SDG investment trends monitor is on concrete *investment* flows into SDG-relevant projects, the pandemic also has implications for the *financing* side, i.e. the upstream part of the investment chain. Developments in COVID-19 themed financial instruments are briefly addressed in a box (box 2).

Other international organizations and think tanks have made important efforts to assess financing needs for specific SDGs or targets, to re-assess requirements in light of the pandemic and, more recently, to assess the health and economic impact of COVID-19.[1] These efforts have shone a spotlight on SDG 3 (health and well-being for all). As a result, there are improvements in data on investment needs in healthcare. For example, the World Health Organization working with a number of bilateral, multilateral and private partners launched the Access to COVID-19 Tools (ACT) Accelerator to ensure equitable access to three key pillars of the pandemic response: diagnostics, therapeutics and vaccination. This initiative resulted in estimates of investment gaps for these three pillars (diagnostics-$5.3 billion, therapeutics-$6.1 billion, vaccine-$7.8 billion) which facilitated the launch of an appeal for funding. Despite all efforts, weaknesses and gaps in data availability, data quality and monitoring capacity on actual investment performance (in addition to investment needs) persist across all SDG sectors.

Box 1. Scope of this Monitor: Trends in International Private Direct Investment in SDG Sectors

UNCTAD's SDG Investment Trends Monitor focuses on direct investment in SDG sectors by private sector investors through *greenfield investments* (new projects and expansions by individual overseas investors) and *project finance* (large-scale projects, mostly in infrastructure industries, requiring multiple investors). Both greenfield investments and international project finance data are on an announcement basis.

The focus on *investment* distinguishes the Monitor from other reports that focus on the *financing* of SDG expenditures (i.e. raising funds for SDG investments in financial markets, the upstream part of the investment chain). The focus on *trends* distinguishes it from other reports focusing on investment *needs* (first defined in UNCTAD's 2014 World Investment Report).

The focus is on *international* investment, i.e. cross-border investment flows, in line with the scope of UNCTAD's annual World Investment Report. For international project finance this implies that the project sponsor is an international investor (although co-investors may include domestic financiers).

The SDG sectors in this Monitor largely follow the approach of WIR14, but pragmatically focus on sectors for which relevant greenfield and project finance data is available. Investment in renewable energy has been separated from other investment in power generation and distribution to avoid overlap. Transport infrastructure (project finance) is distinct from transport services (greenfield).

The main focus of the Monitor is on *developing and transition economies*. Observations on trends in developed economies are included using the same sector definitions for the purpose of comparison only, as this gives rise to issues related to the "SDG relevance" of investments (e.g. investments in telecom, such as 5G networks, in developed countries do not have the same impact on universal access as digital network investments in low-income countries).

Source: UNCTAD.

SDG investment dragged down by the 49% fall in global FDI flows

Global FDI flows (excluding Caribbean offshore financial centers) in the first half of 2020 were under severe pressure due to the COVID-19 pandemic. Foreign investment flows reached an estimated $399 billion, 49% less than in 2019, as lockdowns around the world forced companies to delay existing projects and to postpone new investments to protect cash buffers. Although these trends are based on total FDI flows and not only those directed to SDG sectors, they are a cause of concern since FDI flows contribute to the SDGs through a

[1] For example, UN DESA (2020) 'Impact of COVID-19 on SDG progress: a statistical perspective'. New York: United Nations and OECD (2020) 'Global Outlook on Financing for Sustainable Development 2021', Paris: OECD and UN, focus on overall SDG financing and needs.

number of channels and constitute the largest source of external finance for developing economies.

The decline in overall FDI flows has so far been more severe in developed economies compared to trends in developing and transition economies. FDI flows to developed economies were $98 billion in 2020 H1, only a quarter of the level in 2019 ($397 billion). In contrast, in developing and transition economies, FDI flows decreased by only 21%, with uneven declines across regions: Africa (-28%), Latin America and the Caribbean (-25%), developing Asia (-12%) and transition economies (-83%).[2] These falls in overall FDI flows form the backdrop for cross-border investment trends in SDG-relevant sectors.

SDG-relevant greenfield investment projects: gains since 2015 reversed in 2020

Greenfield project announcements are a key indicator of trends in cross-border investment; they encompass new projects and plans for expansion of existing projects. The pandemic is severely affecting new greenfield investment announcements in developing and transition economies. In the first three quarters of 2020, the aggregate value of announced projects across all industries contracted by 49% to $193 billion, of which $62 billion went towards eight SDG relevant sectors. Both the value and number of projects announced in SDG sectors dropped by about 40% compared to 2019 (table 2).

Greenfield investment in power and renewable energy, both of which grew significantly in the period 2015-2019 compared to the pre-SDG period, continued to determine the overall trend of SDG-relevant investment announcements in 2020. In the first three quarters of 2020, these two sectors accounted for nearly half of greenfield investment announcements in developing and transition economies, a decline of about one third compared to 2019. The hardest hit sectors in terms of the value of announced greenfield investments were water, sanitation, and hygiene (WASH) (-70%), and transport services (-64%).

Despite the pandemic adding to investment needs in the health sector, greenfield project announcements in the sector remained small in scale and did not escape the downward trend. Manufacturing projects in pharmaceuticals and medical devices contributed about two-thirds, projects in healthcare services (e.g. hospitals) represented one third of announced investment in the health sector. In the first three quarters of 2020, the value of announced greenfield projects in the health sector declined by 36% to $2.6 billion in developing economies and by 42% to $356 million in transition economies.

[2] See UNCTAD's Global Investment Trends Monitor, No. 36, October 2020, Geneva.

Table 2. Value and number of announced greenfield projects in SDG sectors[a]
(Millions of US dollars and per cent)

	Developing and transition economies				Of which: LDCs			
SDG-relevant sector	2010-2014 average	2015-2019 average	Pre-COVID-19 trend[b] (%)	COVID-19 impact[c] (%)	2010-2014 average	2015-2019 average	Pre-COVID-19 trend[b] (%)	COVID-19 impact[c] (%)
Total	**125 051**	**152 071**	**22**	**-40**	**11 892**	**15 192**	**28**	**-31**
Number of projects	***1 582***	***1 581***	***-0.1***	***-41***	***104***	***107***	***3***	***-45***
Power[d]	19 524	36 744	88	-32	4 771	5 355	12	211
Number of projects	*28*	*34*	*24*	*-45*	*5*	*6*	*26*	*33*
Renewable energy	24 217	39 171	62	-34	1 867	2 269	22	-2
Number of projects	*119*	*203*	*71*	*-30*	*6*	*12*	*93*	*-11*
Transport	24 955	23 750	-5	-64	1 571	2 213	41	-81
Number of projects	*383*	*320*	*-16*	*-48*	*26*	*27*	*5*	*-59*
Telecommunication[e]	25 816	18 351	-29	-8	1 428	1 246	-13	340
Number of projects	*384*	*331*	*-14*	*-36*	*26*	*18*	*-32*	*100*
Water, sanitation and hygiene	2 171	2 030	-7	-70	10	26	162	-100
Number of projects	*16*	*16*	*5*	*-72*	*0.6*	*0.6*	*-*	*-100*
Food and agriculture	19 351	24 191	25	-57	1 839	3 639	98	-95
Number of projects	*349*	*380*	*9*	*-42*	*29*	*28*	*-1*	*-67*
Health	8 044	7 016	-13	-37	377	381	0.9	-81
Number of projects	*229*	*230*	*0.2*	*-54*	*10*	*11*	*10*	*-71*
Education	983	818	-17	-42	28	63	126	-94
Number of projects	*74*	*66*	*-11*	*-12*	*2*	*5*	*117*	*-67*

Source: UNCTAD, based on Financial Times Ltd, fDi Markets (www.fdimarkets.com).

[a] Based on the industry classifications of host-economy investors, which are partially or fully owned by foreign public or private entities.

[b] Changes in the five-year averages from the period of 2010-2014 to the period of 2015-2019.

[c] Changes in the quarterly averages from 2019 (full year) to the first three quarters of 2020.

[d] Excluding renewable energy.

[e] Including information services activities.

In the LDCs (where investment trends appear volatile due to their relatively low number and value), earlier positive trends were reversed in all sectors except power. In the first three quarters of 2020, the value of announced projects in LDCs across all industries amounted to over $11 billion (-57% from 2019), of which nearly 60% – compared with 36% in 2019 – went to the eight SDG sectors. Greenfield investment announced in power (excluding renewable energy) more than doubled, but this was mainly caused by three projects totaling $3.4 billion by a single Chinese investor in Myanmar. In telecommunications, announced greenfield investment grew robustly (+340% to $842 million), with a recovery in the value of wired telecommunication projects (+837% to $752 million). In addition to WASH, the largest fall in value was registered in food and agriculture (-95%) and education (-94%), both of which had experienced gains prior to the COVID-19 shock.

Greenfield project announcements targeting SDG sectors are being affected by the pandemic across all developing regions (table 3). Despite a 33% fall (to $25 billion) in announced foreign investment, developing Asia continued to attract the lion's share of greenfield investment. The hardest hit regions were Africa (-51%) and Latin America and the Caribbean (-44%). Across developing regions, COVID-19 hit greenfield investment announcements in all SDG sectors (in both the number and value of projects), except for education in developing Asia and telecommunication in Africa. Transition economies were relatively less affected (-27%), as the announced value of telecommunication projects grew by nearly 80%.

In developed economies, announced greenfield investment in the eight SDG-sectors grew by 60% (to $123 billion). This was mainly due to exceptionally high values in renewable energy driven by several megaprojects, including a $13 billion wind electric power project in the United Kingdom and a $5 billion solar electric power project in the United States. Foreign investment announced in telecommunication also increased more than twofold, supported by 150% growth in greenfield projects targeting data processing, hosting and related services. Announced foreign investment in transport (led by freight and distribution services) and health projects (led by manufacturing of pharmaceuticals) rose by 65% and 55%, respectively. In the majority of the SDG sectors, the value announced in the first three quarters of 2020 already exceeded the value for the full year of 2019.

Table 3. Value and number of announced greenfield projects in SDG sectors,[a] by region *(Millions of US dollars and per cent)*

Region	2010-2014 average	2015-2019 average	Pre-COVID-19 trend[b] (%)	COVID-19 impact[c] (%)
Developing and transition economies	**125 051**	**152 071**	**22**	**-40**
Number of projects	***1 582***	***1 581***	***-0.1***	***-41***
Africa	21 100	32 945	56	-51
Number of projects	*209*	*216*	*3*	*-34*
Developing Asia	60 061	75 515	26	-33
Number of projects	*883*	*858*	*-3*	*-45*
Latin America and the Caribbean[d]	35 189	32 221	-8	-44
Number of projects	*320*	*345*	*8*	*-41*
Transition economies	8 345	11 226	35	-27
Number of projects	*167*	*158*	*-5*	*-38*
Developed economies	**79 395**	**87 071**	**10**	**60**
Number of projects	***1 612***	***1 877***	***16***	***9***

Source: UNCTAD, based on Financial Times Ltd, fDi Markets (www.fdimarkets.com).

[a] Based on the industry classifications of host-economy investors, which are partially or fully owned by foreign public or private entities.

[b] Changes in the five-year averages from the period of 2010-2014 to the period of 2015-2019.

[c] Changes in the quarterly averages from 2019 (full year) to the first three quarters of 2020.

[d] Including the financial centers.

Drop in SDG-relevant international project finance steeper in the poorest regions

International project finance is one of the main sources of investment in the SDGs and crucial for very large-scale infrastructure projects requiring multiple investors and lenders. In the first three quarters of 2020, cross-border project finance deals directed towards SDGs sectors in developing and transition economies decreased by 15% in value and 22% in number compared to the three-quarter average of 2019. The fall was most pronounced in transition economies where the value of projects dropped more than 70% and the number by nearly 60%. Projects in developing countries proved more resilient decreasing by 5% in value while the number of projects fell by 17%. However, the relatively mild decline was mostly due to resilience in developing Asia, which only saw a stabilization of infrastructure investments, while the number of projects in Africa and Latin America contracted by more than 40% and 18%, respectively. In LDCs, the number of projects decreased by 38% (table 4) with a halt of projects in vital infrastructure in water sanitation and hygiene, health, and education threatening to deepen the development gap and vulnerability of these countries.

Across SDGs sectors transport infrastructure (-85%) and non-renewable power (-40%) were the most affected by the combination of lockdowns, the recession and the oil price drop early in the year. In contrast, renewable energy and telecommunication investments remained stable and, in developing Asia and Africa, even increased during 2020.

Table 4. Value and number of announced international project finance deals in SDG sectors *(Millions of US dollars and per cent)*

SDG-relevant sector	Developing and transition economies				Of which: LDCs			
	2010-2014 average	2015-2019 average	Pre-COVID-19 trend[a] (%)	COVID-19 impact[b] (%)	2010-2014 average	2015-2019 average	Pre-COVID-19 trend[a] (%)	COVID-19 impact[b] (%)
Total	**186 891**	**192 626**	**3**	**-15**	**26 105**	**23 981**	**-8**	**-3**
Number of projects	***207***	***317***	***53***	***-22***	***19***	***46***	***147***	***-38***
Power	57 332	39 892	-30	-30	4 702	8 341	77	9
Number of projects	*51*	*58*	*15*	*-38*	*6.4*	*12*	*94*	*-33*
Renewable energy	40 773	102 006	150	61	6 609	9 134	38	101
Number of projects	*89*	*192*	*117*	*-11*	*7.4*	*24*	*227*	*-37*
Transport infrastructure	77 002	38 900	-49	-87	14 416	4 421	-69	-94
Number of projects	*47*	*44*	*-6*	*-58*	*3.4*	*7.0*	*106*	*-62*
Telecommunication	1 710	2 598	52	-68	152	486	220	-100
Number of projects	*4.6*	*3.6*	*-22*	*-33*	*0.6*	*0.6*	-	*-100*
Water, sanitation and hygiene	4 106	4 551	11	-35	139	54	-61	193
Number of projects	*10*	*11*	*8*	*-17*	*0.6*	*0.6*	-	*167*
Food and agriculture	4 092	3 123	-24	-19	88	1 465	1561	-100
Number of projects	*2.8*	*3.4*	*21*	*33*	*0.4*	*1.0*	*150*	*-100*
Health	1 554	1 441	-7	..	..	80	..	..
Number of projects	*2.8*	*4.8*	*71*	..	..	*0.6*	..	..
Education	321	114	-64	..	..	..	..	..
Number of projects	*1.4*	*0.4*	*-71*	..	..	..	..	..

Source: UNCTAD, based on Refinitiv

[a] Changes in the five-year averages from the period 2010-2014 to the period 2015-2019.

[b] Changes in the quarterly averages from 2019 (full year) to the first three quarters of 2020.

Since 2015, across developing and transition economies, renewables have become the most important SDG sector for international projects, representing more than half of both the value and the number of investments – up from less than a quarter in the pre-SDG period. During 2020, the sector was the only one that remained resilient to the COVID-19 shock. Investment in renewable energy generation even continued to expand in Africa and developing Asia. In Africa, this was due to the size of few large projects, although the number of projects decreased. These include the Inga 3 dams Hydroelectric Project in Congo worth about $14 billion, which was launched in March after a 10-year delay. In developing Asia, the sector was boosted by a string of solar and wind projects in Vietnam and India. In Latin America and the Caribbean, the value of investment in renewables remained stable while investment in transport infrastructure and non-renewable power plummeted to less than half of the pre-COVID levels.

Table 5. Value and number of announced international project finance deals in SDG sectors, by region *(Millions of US dollars and per cent)*

Region	2010-2014 average	2015-2019 average	Pre-COVID-19 trend[a] (%)	COVID-19 impact[b] (%)
Developing and transition economies	**186 891**	**192 626**	**3**	**-15**
Number of projects	***207***	***317***	***53***	***-22***
Africa	27 285	28 443	4	59
Number of projects	*35*	*72*	*109*	*-42*
Developing Asia	99 109	111 774	13	-2
Number of projects	*82*	*98*	*19*	*0.6*
Latin America and the Caribbean	49 995	40 503	-19	-42
Number of projects	*78*	*120*	*54*	*-18*
Transition economies	10 502	11 906	13	-71
Number of projects	*13*	*27*	*114*	*-58*
Developed economies	**111 344**	**135 264**	**21**	**-42**
Number of projects	***194***	***339***	***75***	***-10***

Source: UNCTAD, based on Refinitiv

[a] Changes in the five-year averages from the period 2010-2014 to the period 2015-2019.

[b] Changes in the quarterly averages from 2019 (full year) to the first three quarters of 2020.

In developed economies, investment in SDG sectors decreased by 40 per cent, mostly due to the halting of transport infrastructure projects. This was partly offset by growth in investment in digital infrastructure by telecommunication companies, pushed by behavioral changes induced by COVID-19.

International project finance towards SDGs sectors was on a positive trajectory before COVID-19 – although growth was insufficient to bridge the SDG investment gap. The average yearly investment grew by about 10% since 2015, to $328 billion worldwide.[3] The number of projects increased by over 60% due to the declining average size of projects in power generation (both from fossil fuel and renewable sources), underpinned by better technology. In developing economies, several SDG sectors showed a positive trend before the pandemic. WASH projects increased significantly in developing Asia on the back of investments to treat and dispose of water and build desalinization facilities in West Asian countries. In Latin America, the construction of hospitals accelerated due to international Public Private Partnership (PPP) projects in Chile and Mexico. In response to the health crisis, starting from April a number of mostly domestically financed PPP programs for the construction of hospitals were set up, including four in Chile, two in Peru and one each in Kazakhstan, the Philippines, Saudi Arabia and Brazil. In several cases, these projects involved international co-investors.

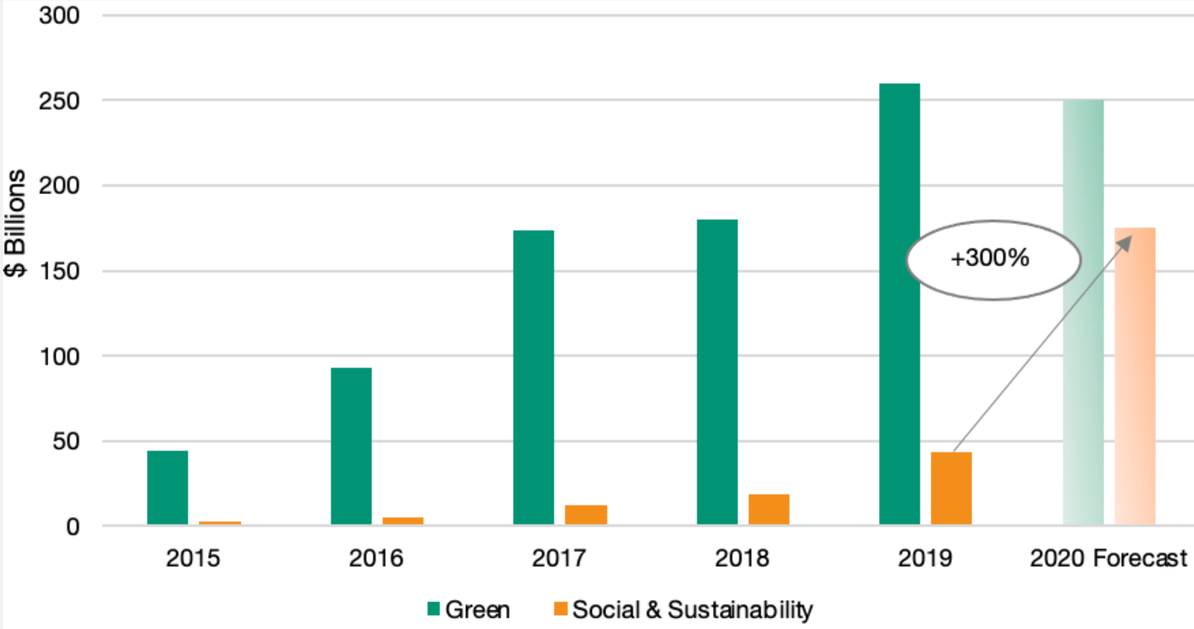
[3] This is a different result from the World Investment Report 2020. This monitor reports only on cross-border projects.

Box 2: COVID-driven surge in social bond issuance

As observed in the World Investment Report 2020, the pandemic has boosted the growth of sustainable finance, particularly the issuance of social and sustainability bonds focused on a range of SDGs. The use of social and sustainability bonds in response to the pandemic has led to an enormous surge in this part of the bond market (box figure 1).

Social and sustainability bonds issued in the third quarter alone hit a record of $28.1 billion and $26.9 billion, respectively. The total sustainable bond market (green, social and sustainability bonds) hit a record $127 billion in the third quarter of 2020, a 30 per cent increase over the previous quarter. For the full year, the total sustainable bond market is forecast to hit a record of between $425 (Moody's estimate) and $500 billion (S&P estimate), far exceeding 2019 levels. Social bond issuance alone is projected to reach $100 billion for the full year. Long hidden in the shadow of the green bond market, the social and sustainability bond market has come into its own in 2020. This opens new opportunities for financing the SDGs.

Box figure 1. Surge in social and sustainability bonds
Sustainable bond market growth, 2015-2020 (billions of dollars)



Source: Environmental Finance Sustainable Bond Database and IFC (for 2015-2019 data and calculations); Moody's for 2020 forecast; additional analysis by UNCTAD.

The response to the pandemic observed in social and sustainability bonds was led by supranational entities. Multilateral development banks (MDBs) were able to react quickly as many already had social and sustainable frameworks in place. COVID-19 response bonds include two of the largest dollar-denominated social bond transactions in international capital markets to date: the issuances of a $3 billion African Development Bank bond and an $8 billion World Bank bond. In October, the European Commission issued €17 billion in social bonds, the first time the Commission is issuing social bonds on the market. The proceeds will fund the EU SURE (Support to mitigate Unemployment Risks in an Emergency), the temporary job support program.

Source: UNCTAD.

Looking ahead

The outbreak of the pandemic has severely affected investment flows into SDG relevant sectors in developing countries and is highly likely to undo the progress in bridging the investment gap achieved over the five years since the adoption of the SDGs. The outlook for recovery remains highly uncertain and will depend on the duration of the health crisis and on the effectiveness of policy interventions to mitigate the economic effects of the pandemic.

Growth in SDG investment was already insufficient before the pandemic. Now, with less than ten years left to achieve the objectives and goals set out in the global development agenda, a renewed commitment involving all stakeholders and leveraging all possible sources of finance will be essential even just to return to the pre-pandemic growth trajectory. International private sector investment in SDG sectors will be essential for long-term and sustainable post-COVID recovery given the already strained public finances and the increased needs in sectors like health and digital inclusion, compounding severe investment setbacks in other sectors including transport infrastructure, food and agriculture, WASH and education.

Policy measures related to SDG investment promotion and facilitation, as well as development cooperation and financing support to developing countries will be important in determining the trajectory of investment in the SDGs (UNCTAD's SDG Policy Monitor, December 2020) [https://investmentpolicy.unctad.org/]. The recent United Nations General Assembly Resolution on promoting investments in sustainable development (A/C.2/75/L.15) requests UNCTAD to continue monitoring investment in the SDGs. Dedicated sections in UNCTAD's annual World Investment Report and its SDG Investment Trends Monitor serve this purpose. UNCTAD will also continue to convene stakeholders and partners working on investment in sustainable development to develop policies and solutions, particularly through its biennial World Investment Forum.

SDG Investment Trends Monitor

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