



FACTS & FIGURES

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Finance

From debt to development: making finance work for everyone

To foster prosperity for all, global finance must be steered toward where it is needed most. [UNCTAD16](#) – the UN's global conference on trade and development (Geneva, 20–23 October 2025) – will spotlight finance as one of its four core themes, alongside trade, investment and technology. The goal: to rebalance development finance – more capital flowing into productive investment in infrastructure and energy, and less leaving through debt payments and capital outflows.

What's inside

The following brief distils the main messages and trends shaping UNCTAD16's finance track. It outlines the conference's focus on practical ways to address today's global finance challenges, and how its convening power can turn uncertainty into momentum for development.



UNCTAD Communications and External Relations

catherine.huissoud@un.org | +41 79 502 43 11 (WhatsApp)

marcelo.risi@un.org | +41 76 691 18 74 (WhatsApp)

unctadpress@un.org | <http://unctad.org/press>

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International finance and investment remain critical to meeting development countries' development needs...

- *Development finance gap widens.* The annual development finance shortfall in developing countries has reached about \$4 trillion – up from \$2.5 trillion in 2015 – driven by higher costs and global shocks.
- *Financial architecture reform.* Bridging the gap will require overhauling the global financial architecture, from mobilizing private capital and reforming development banks to ensuring debt serves investment, not dependency.

...Rising debt and falling investment are stalling progress...

- *Debt costs outpacing public services.* Developing countries paid a record \$921 billion in interest in 2024. Today, 3.4 billion people live in countries that spend more on debt interest payments than on health or education.
- *Debt pressures.* Borrowing can finance growth, but when costs spiral, it becomes a constraint. Many developing countries now face impossible choices between debt service and essential investment.
- *Investment keeps falling.* Global FDI declined for a second straight year in 2024, excluding one-off conduit flows.
- *Investment in key sectors off track.* The steepest drops were in renewable energy (-31%), transport (-32%) and water and sanitation (-30%).
- *High cost of capital in developing economies.* Perceived risk keeps capital scarce and expensive: lenders and investors demand higher returns, widening financing gaps.

How does UNCTAD16 address these issues?

- *Convening power.* UNCTAD16 gathers policymakers, business leaders, and investors to tackle the urgent need for financial reform, debt solutions and long-term investment.
- *A global platform.* Business and government leaders will discuss how to align international investment and finance with the areas of greatest need and keep the issue high on the global agenda.

- *Building consensus.* UNCTAD16 will offer a forum to advance practical, multilateral approaches, from faster debt workouts and fairer restructuring to lower borrowing costs and stronger capital flows into priority sectors such as renewable energy and digital infrastructure.

More broadly, what is UNCTAD doing to help?

At the intersection of finance and development, UNCTAD supports policies to manage debt, reduce borrowing costs and attract investment for growth:

- *Data and analysis.* UNCTAD tracks global financial and investment trends, including investment policy changes, and monitors capital and sustainable finance markets.
- *Multilateral cooperation.* UNCTAD supports follow-up to the Sevilla Commitment from the Fourth Financing for Development Conference, including the creation of a “Sevilla Forum on Debt” to coordinate debt management and restructuring among countries.
- *Debt management support.* Through its Debt Management and Financial Analysis System (DMFAS), UNCTAD has helped more than 115 institutions in 75 countries strengthen transparency, governance and capacity to manage public debt.
- *Capacity building.* UNCTAD helps countries improve transparency, streamline investment procedures and use digital tools such as single-window systems to reduce costs and uncertainty.

Key reports

For full data and analysis, see:

- [World Investment Report 2025](#): International investment in the digital economy
- [A World of Debt Report 2025](#)

About UN Trade and Development (UNCTAD)

UNCTAD is the UN's leading body on trade and development. Founded in 1964, it supports 195 member states with expert analysis, technical assistance, and serves as a platform for intergovernmental dialogue.

UNCTAD helps developing countries make trade, finance, investment, and the digital economy work for inclusive and sustainable development.