

United Nations Eighth World Investment Forum

Remarks by H.E. Ms. Paula Narváez, President of the Economic and Social Council at the Investment Ministerial Round Table

10 a.m. to 12 p.m., Wednesday, 18 October 2023

Distinguished chair,

Excellencies,

Distinguished delegates,

Ladies and gentlemen,

It is my pleasure to address this ministerial roundtable at the Eighth World Investment Forum.

We are at the halfway point of achieving the 2030 Agenda and the Sustainable Development Goals. The interim results are alarming.

There is insufficient progress on most of the SDG targets. In fact, some progress has even been reversed.

Poverty and hunger continue to affect millions. 575 million are projected to be still living in extreme poverty in 2030.¹

Temperature and rainfall records are being broken frequently in all parts of the world, manifesting the devastating impact of the climate crisis on people and planet.

And though multiple crises continue to undermine our development gains, underinvestment in the SDGs persists.

In developing countries, annual investment needs for the SDGs are estimated to be more than \$4 trillion per year.²

¹ The Sustainable Development Goals Report Special edition 2023, p. 4.

² UNCTAD 2023 World Investment Report, p.xii.

A set of global crises, including the geopolitical tensions and conflicts, high food and energy prices, and debt pressures, continue to have a strong negative impact on investment flows.

Global foreign direct investment (FDI) dropped by 12 per cent in 2022, reaching \$1.3 trillion. This downward trend is expected to continue in 2023.

And while FDI to developing countries bucked the trend and increased slightly, only a very small number of countries has benefited.

At the domestic level, developing countries are confined by limited fiscal space and the enormous cost of borrowing.

As a result, critical long-term investments in sustainable development are not being made.

The quantity and quality of investments for sustainable development needs to be increased.

For example, \$1.7 trillion of investments in renewable energy will be needed annually to achieve the energy transition. However, the sector only attracts \$544 million per year – mostly in developed countries.³

At the current rate of progress, renewable energy will account only for a small fraction of our energy supply in 2030.⁴

The political declaration adopted at the SDG Summit in September sends a strong political signal about the urgency of reforming the international financial architecture. The declaration also welcomes the Secretary-General's efforts to address the SDG financing gap through an SDG stimulus which calls for an additional \$500 billion in investments per year. Member States also voiced broad support for advancing such reforms at the High-level Dialogue on Financing for Development.

I have also made addressing the gaps in the international financial architecture a key priority for my Presidency of the Economic and Social Council.

Let me share with you some of the most urgent concerns:

We need to urgently address the issue of sovereign debt. Without a faster restructuring process and debt relief, many developing countries will have no room to invest in the SDGs.

³ UNCTAD 2023 World Investment Report, p.144.

⁴ The Sustainable Development Goals Report Special edition 2023, p. 4.

We also need to strengthen the role of development banks in mobilizing long-term investment, including through capital increases.

Multilateral and national development banks also need to develop new instruments to mobilize private investors more effectively.

In addition, they should support countries with the development of project pipelines and investment opportunities.

I also call on the business sector to develop actionable solutions that can support the scaling of private finance and investment for sustainable development.

The Economic and Social Council, through its dedicated segments and fora, provides a critical platform to advance concrete and practical solutions to these issues.

For example, the 2024 ECOSOC Forum on Financing for Development, as well as the SDG Investment Fair, offer opportunities for governments and all stakeholders, including the private sector, to advance the discussions on these topics.

The Fourth International Conference on Financing for Development in 2025 will also be an important opportunity to close the investment gap for the SDGs and advance new commitments.

Another venue to accelerate action is only a few weeks ahead of us. The upcoming COP28 here in the UAE needs to result in clear agreements from public and private sector actors to mobilize critical investments for SDG and climate action.

If we form a true global partnership among all stakeholders, I am confident that we can achieve our shared objectives for people, planet and prosperity.

Rest assured that I am fully committed as President of ECOSOC to support all countries in their endeavor to mobilize the investments necessary for the SDGs.

I count on your full support and look forward to the discussions.

Thank you.

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