



Investing in Sustainable Development



**Opening remarks by
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Countries
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10:30 Room IX**

Excellencies,
Distinguished Guests,
Ladies and Gentlemen,

It is my pleasure to open this meeting on Investment in Landlocked Developing Countries (LLDCs), one of the high-level events at this year's World Investment Forum.

I would like to extend a warm welcome to Ministers of LLDCs present here today, to my Co-Chair, Mr. Gyan Chandra Acharya, UN High Representative for Least Developed Countries (LDCs), LLDCs and Small Island Developing States, and to business leaders and other high-level representatives.

Ladies and gentlemen,

In 2013, FDI inflows to LLDCs fell for the second consecutive year, after having reached record levels in 2011. And seventy five percent of these flows went to just 6 mineral and energy-exporting LLDCs.

Despite concerns about the recent drop in foreign direct investment to LLDCs, FDI inflows have shown a clear upward trend in the last two decades. In relation to the size of their economies, FDI flows to LLDCs remain higher than for developing countries as a whole.. This may point out to the important role FDI can have on capital formation in LLDCs.

FDI is particularly important for this group of economies. Thus, more efforts are needed not only to increase and diversify foreign direct investment, but also to maximise their contribution to sustainable development.

And this can only be possible if we all work together.

Foreign Direct Investment and the private sector can play an important role in economic development and on the achievement of the Sustainable Development Goals (SDGs) UN countries are formulating.

Today's meeting is an opportunity to deepen the discussion on three issues related to FDI and LLDCs. First, what is the role FDI can play in LLDCs to develop the manufacturing sector, services and infrastructure. Second, how can FDI be managed to help achieving sustainable development outcomes, in particular in the extractive industries. And third, what are the common challenges companies face when investing in landlocked countries and how to overcome them.

Ladies and gentlemen,

Today's meeting is held at a critical time for LLDCs – just three weeks away from the Second UN Conference for LLDCs in Vienna. The Conference, which convenes representatives from LLDCs, transit developing countries, the private sector, donors and civil society, will take stock of the implementation of the Almaty Programme of Action and will discuss the measures to be taken to overcome the challenges faced by LLDCs.

In view of the structural impediments faced by LLDCs, the Almaty Programme of Action focused heavily on the development of trade-related infrastructure, improvements to customs procedures and trade facilitation. There is, however, a growing consensus that a wider set of issues should also be addressed, particularly: economic diversification and the development of productive capacities.

FDI is not only an importance source of funding, it is also an important channel for technology and knowledge transfer. Thus, it can play an important role in fostering industrial development and structural transformation in LLDCs. It is therefore a critical moment to revisit strategies for mobilizing FDI to the LLDCs.

Today we can learn from the experiences of national governments in addressing these issues, and from the perspective of private sector practitioners who work in these economies and seek investment opportunities in LLDCs..

Ladies and Gentlemen,

Before I conclude, I would like to mention that at the end of this meeting UNCTAD will launch an *Investment Guide to the Silk Road*, which covers the States of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan and the four western provinces of China. This is the third version of the Guide which is prepared in close cooperation with the investment promotion authorities in the respective countries and represents a practical measure towards fostering greater invest in these economies.

Excellencies, Ladies and Gentlemen,

I look forward to today's discussions and to hearing your views and proposals that could feed into the upcoming discussions at the Vienna LLDCs Conference.

Thank you.