

Promoting Investment in Sustainable Development Goal projects/sectors

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What is sustainable development according to the United Nations?

Sustainable development has been defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Source: **1987** Bruntland Commission Report (UN World Commission on Environment and Development currently the Center for our Common Future)

Why mainstreaming sustainable development in investment promotion?

Because investment should be a means to achieve sustainable development objectives, e.g.:

- Creating decent and prosperous jobs
- Proposing climate actions and environment friendly technologies
- Fostering equality
- Substituting imports and diversifying exports without hindering food and health security
- Developing Infrastructure
- Creating linkages with the local economy
- Adopting Corporate Social Responsibility (CSR) practices

United Nations Sustainable Development Agenda 2030: A framework for planning, monitoring and evaluation

- The 17 Sustainable Development Goals (**SDGs**) adopted by all United Nations Member States through the UN's **2030 Agenda for Sustainable Development** in 2015 are a call for global partnership to drive well-being and outline a shared pathway to peace and prosperity:
 - The goals aim to reduce poverty and inequality, improve health and economic opportunities, and mitigate climate change by 2030.
 - There are **169 targets** to achieving these goals and **244 indicators** have been identified.



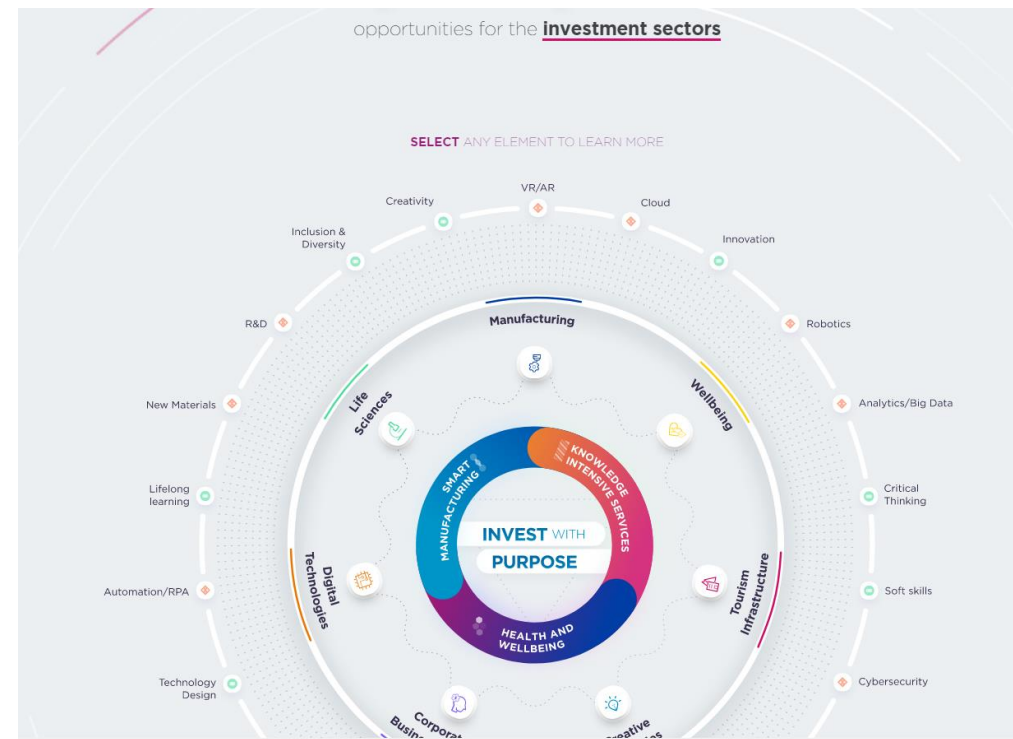
IPA are embracing the SDGs

Our Contribution to the **Sustainable Development Goals**

Driven by our firm conviction that our work can directly contribute to the realization of the Sustainable Development Goals (SDGs). While our work contributes positively to most of the SDGs, we are continuously and effectively measuring our impact in:

- 4 QUALITY EDUCATION** [Learn more](#)
- 8 DECENT WORK AND ECONOMIC GROWTH** [Learn more](#)
- 5 GENDER EQUALITY** [Learn more](#)
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE** [Learn more](#)

[EXPLORE OUR LATEST IMPACT REPORT](#)



DID YOU KNOW THIS WEBSITE IS CARBON NEUTRAL?

We have compensated our website's green house emission gasses since 2020! That's the equivalent of **13 tons of CO2**



United Nations
Framework Convention on
Climate Change

[LEARN MORE HERE](#)

CINDE
INVEST IN COSTA RICA

essential
COSTA RICA

IPA are embracing the SDGs

Access Dubai's FDI interactive impact dashboard on GDP, GFCF and SDGs.



10% of inward investment in Dubai contributes to SDG 3 (2015-2021)



80% of inward investment in Dubai contributes to SDG 8 (2015-2021)



25% of inward investment in Dubai contributes to SDG 7 (2015-2021)

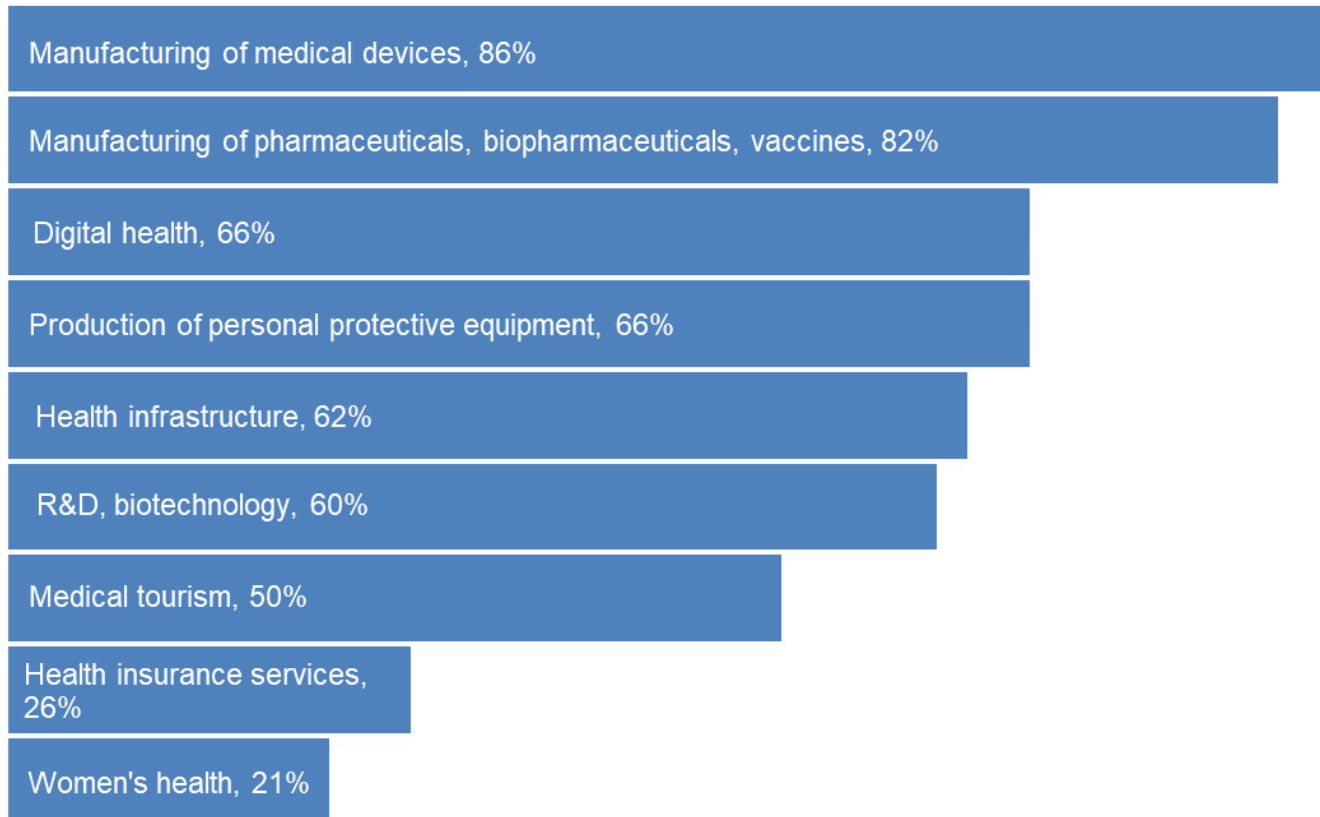
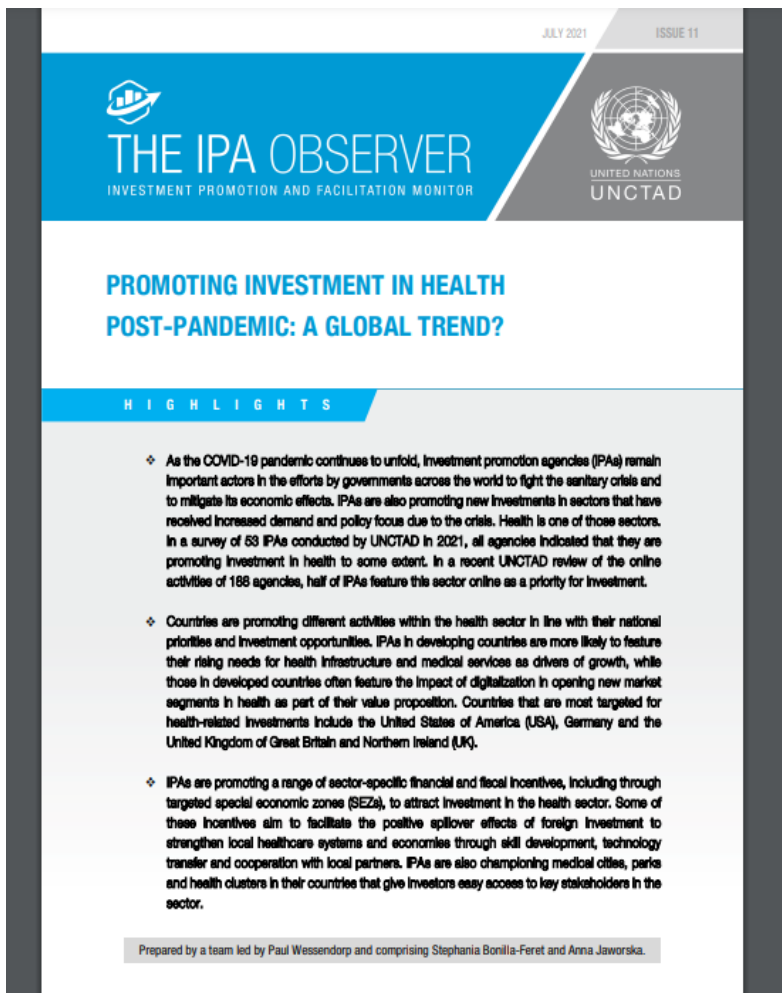
REGISTER NOW

Health FDI and SDG 3

Promotion and facilitation of investments in health-related sectors

IPAs are promoting a wide range of sub-sectors in health

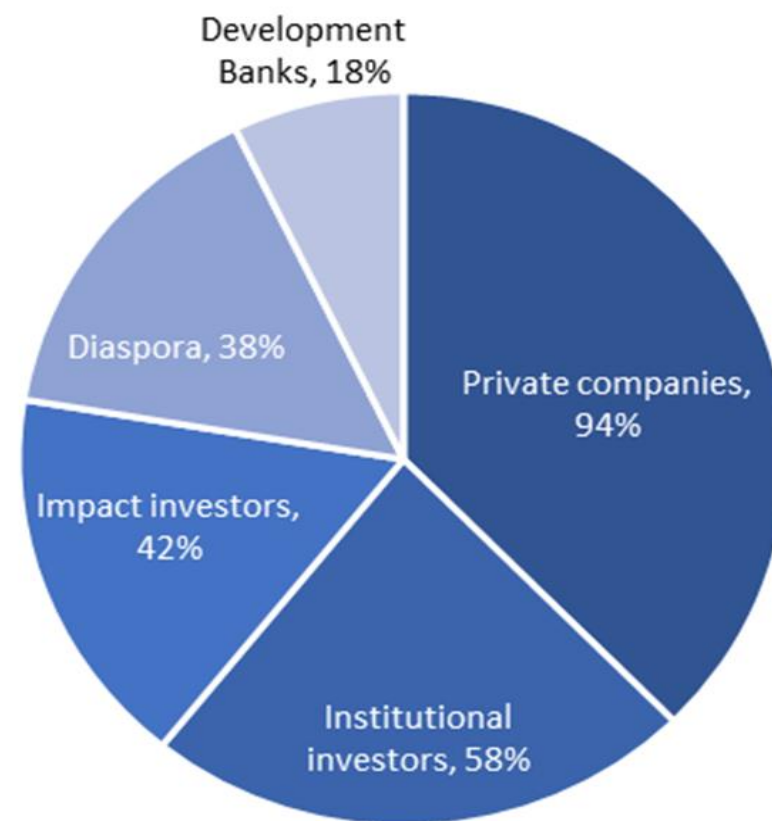
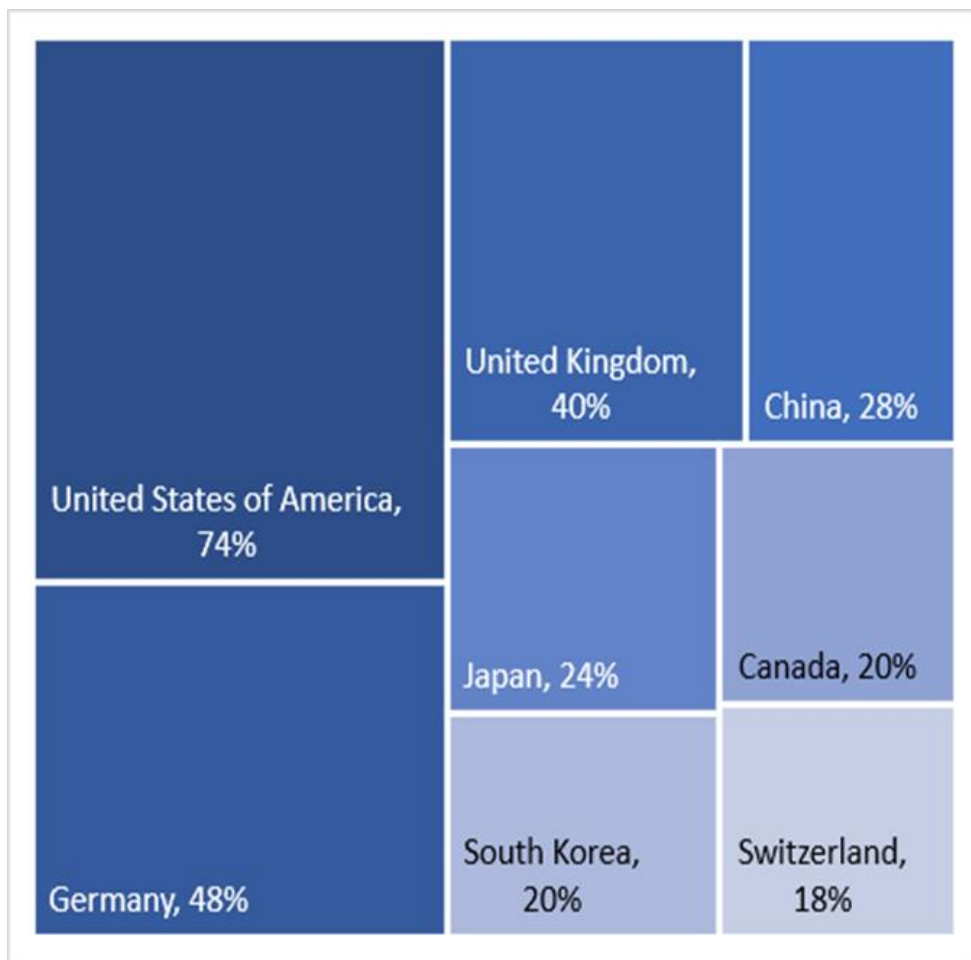
Survey of 53 IPAs, May 2021



Source: UNCTAD, The IPA Observer 11, July 2021. Promoting Investment in Health Post-Pandemic: A Global Trend?

Main types of investors and countries targeted by IPAs in health

Survey of 53 IPAs, May 2021



Education FDI and SDG 4

Promotion and facilitation of investments in education

Example of education FDI projects around SDG 4



Primary and secondary education

Education programs covering kindergarten to senior high school (ages 4-18)



Executive training

Corporate learning and development projects focusing on leadership, finance, strategy and innovation



Sector/industry-specific training

Companies operating employee training centers for technical and commercial operations



Higher education institutions

Postsecondary education institutions; including universities and colleges



Research and development

Specialized innovation centers to facilitate the launch of a new product, service or software



Digital skills

Bootcamps and training centers for the use of digital devices, communications and networks to manage information

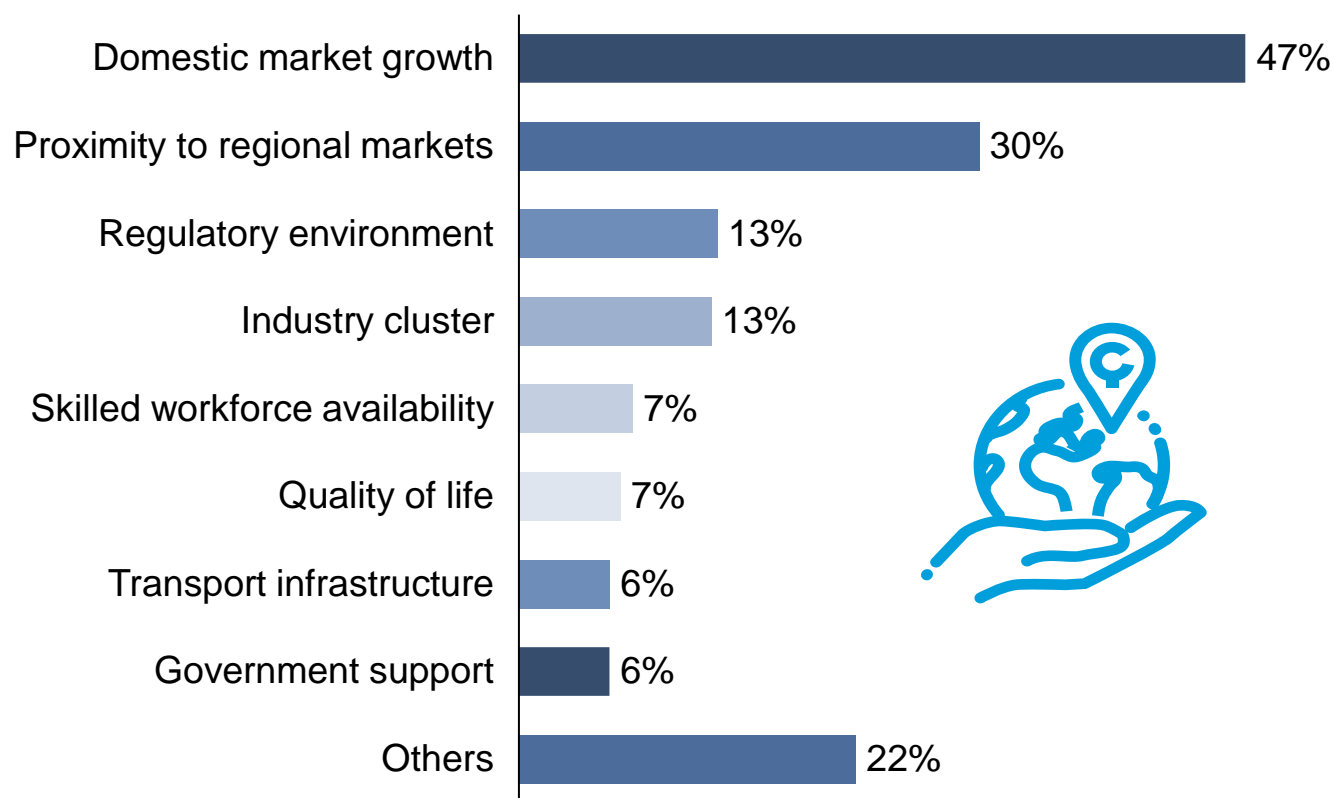


EdTech

Technology that facilitates interactive education

Key location determinant for investors in the Education sector

Percentage of FDI projects by location motive for education and training activities (2003-2022)



- Education and training activities are especially **attracted to locations with high domestic market growth, favorable regulatory environments and existing clusters** of education and training institutions
- China, India and the US have attracted the most education projects as they **have seen rising local demand** for education and training services

Best practice for promoting education FDI focused strategies to achieve SDG 4



FDI and Gender Equality SDG 5

Mainstreaming gender in investment promotion

Mainstreaming gender equality in investment promotion

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Highlights of survey findings



Investment promotion agencies (IPAs) increasingly integrate gender equality and women's empowerment (GEWE) in their work, in line with national commitments.

IPAs are working on two main fronts:

a) facilitating greater impact of foreign companies on gender equality; and

b) empowering women and promoting GEWE within the agency.

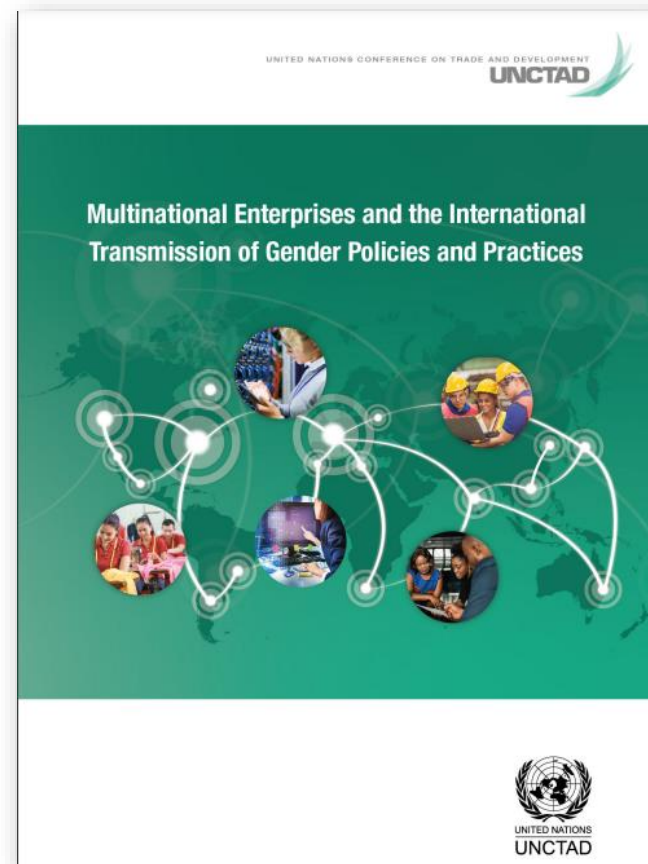
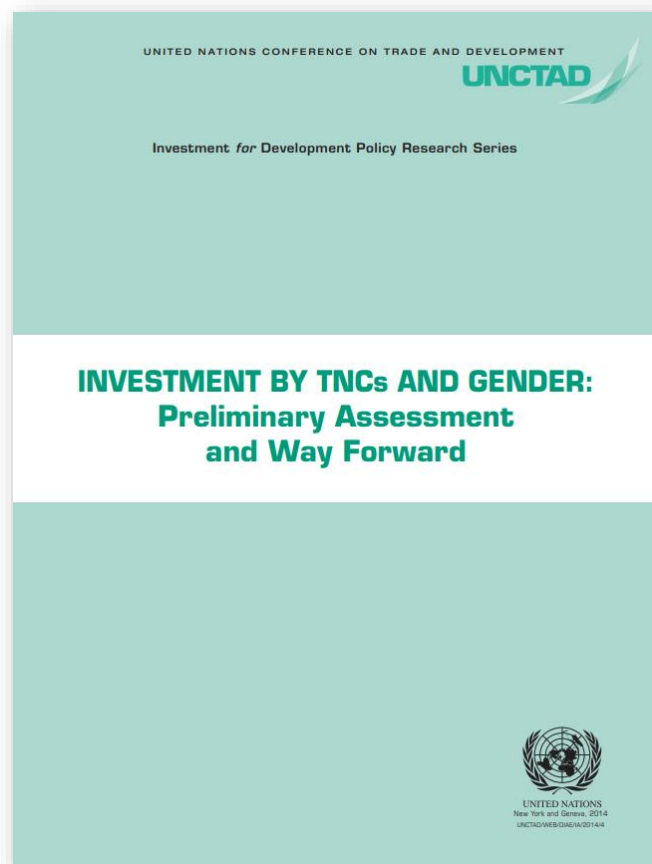
Mainstreaming gender equality in investment promotion

Highlights of survey findings

Drivers behind incorporating gender in investment promotion

- Progress on GEWE is important to national economic objectives such as:
 - job creation, reduction of poverty and informal economy and sustainable development at large
- GEWE affects key determinants for foreign direct investment e.g., local availability of skilled labor, suppliers and vibrant entrepreneurial ecosystem
- Rising demand from MNEs and affiliates for investment facilitation services that support them in meeting their diversity and inclusion targets.
- IPAs work with development partners that have GEWE issues high in the agenda

Analytical frameworks to understand the relation between FDI and gender equality



Visit our resource center @ <https://sustainablefdi.org>

FDI and Climate Action

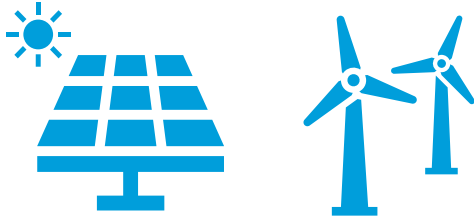
SDG 13

Promotion and facilitation of investments in climate change mitigation and adaptation



FDI into SDG 13 can be categorized into climate change mitigation projects and climate-change adaption projects

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Climate change mitigation

supports the **reduction of greenhouse gas emissions** through cleaner/more efficient energy technologies, examples include:

- **Renewable energy generation projects** (energy generation from solar, wind, hydro, etc. sources)
- **Energy efficiency/emission reduction technology** or products (battery storage, clean technologies, etc.)
- **Low-carbon transport** (electric vehicles, public transport, etc.)



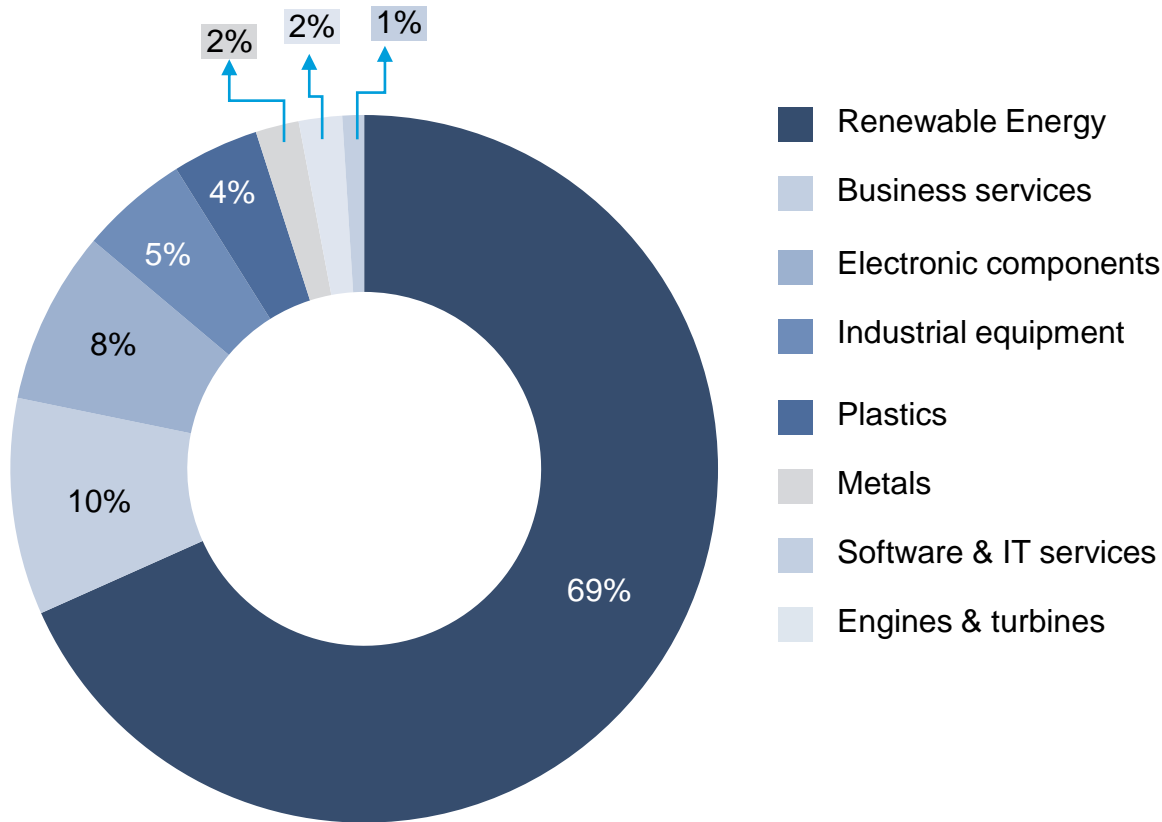
Climate change adaptation

improves resilience and **helps adapt to the externalities created by climate change**, examples include:

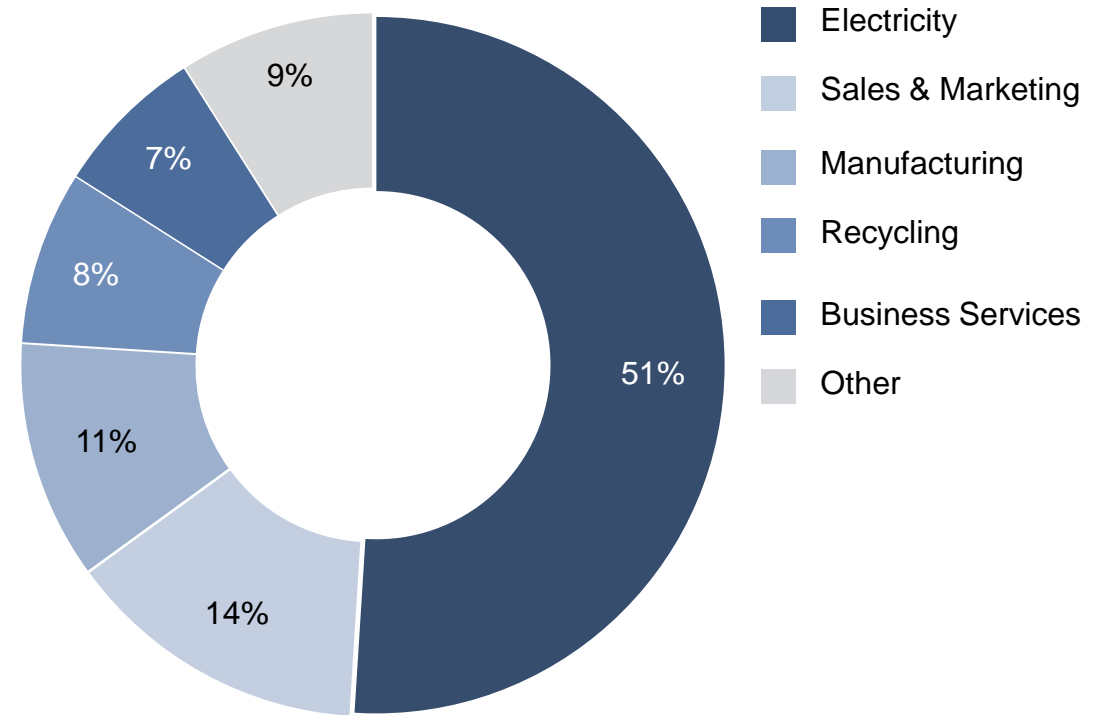
- **Water management projects** (to adapt to drought, flood or other conditions, dams, desalination plants, etc)
- **Other adaption projects** (climate-smart agriculture to adapt to changing weather conditions, flood resistant infrastructure, etc.)

Renewable energy is the largest environmental technology sector for FDI projects, most commonly to generate electricity for domestic market UNCTAD

Sectors of environmental technology FDI projects
(2019-July 2022, % of projects)



Business activities of environmental technology FDI projects
(2019-July 2022, % of projects)



SOURCE: Wavteq based on fDi Markets from the Financial Times, NOTE: the environmental technology cluster was used for analysis of SDG13 FDI projects

Key trends impacting climate change mitigation and adaptation FDI

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95%

Almost all of global climate change-related investment goes to mitigation projects (95%), the remaining 5% to adaption projects

60%

The majority of climate change-related investment goes to developed countries (60%), and most of such projects (85%) are privately funded

~50%

Due to higher risk and challenges related to project implementation, nearly 50% of projects in developing countries require public participation



Climate adaptation projects also make up a higher portion of overall investments in developing countries, but only 12% as compared to 1% in developed countries. This is due to the higher number of water management projects



Public investment in climate change-related projects for LDCs has seen significant growth, from \$6 billion in 2016 to \$15.4 billion in 2019, but is still insufficient to meet climate goals¹



Developing countries are more exposed to the consequences of climate change. As of January 2023, 42 developing counties have developed National Adaptation Plans (NAPs) with the support of the UNFCCC²

Thanks!

For more information visit

sustainablefdi.org

and

check our pedagogical videos in

[YouTube UNCTAD Investment channel](#)

