

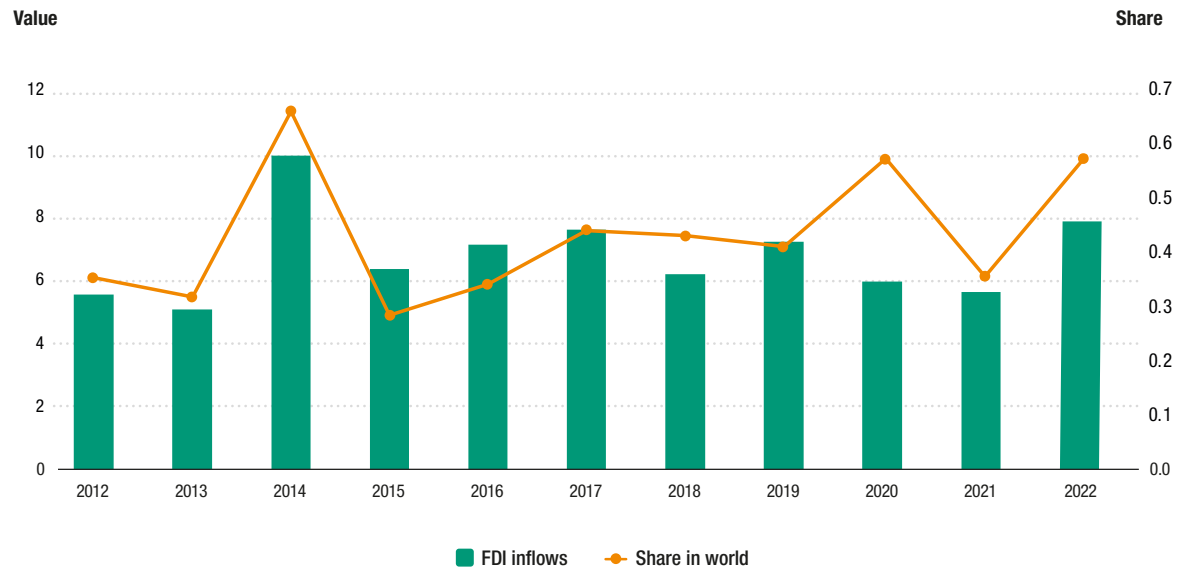
REGIONAL TRENDS

SMALL ISLAND DEVELOPING STATES

H I G H L I G H T S

- FDI inflows to the small island developing States (SIDS) in 2022 rose by 39 per cent to \$7.8 billion, about 0.6 per cent of global FDI. Reflecting differences in levels of development and factor endowments, a handful of SIDS continued to attract the bulk of inflows.
- The top five recipients (the Dominican Republic, Bahamas, Maldives, Jamaica and Timor-Leste, in that order) accounted for 85 per cent of FDI flows to the group.
- Inflows to the 11 Caribbean SIDS rose by 27 per cent to \$5.9 billion, owing to some recovery in international tourism investment. FDI in the Dominican Republic rose by 25 per cent to \$4 billion; the number of greenfield projects more than doubled to 30, and the value more than quadrupled to \$3.5 billion. In the Bahamas, inflows rose by 6 per cent to \$1.3 billion, mainly due to higher intracompany loans. FDI to Jamaica increased by 12 per cent to \$360 million. Flows to Trinidad and Tobago were negative at -\$0.5 billion, but there were several new greenfield project announcements.
- FDI in the two Asian SIDS turned positive to \$984 million. In Maldives, FDI inflows rose by 12 per cent, to \$722 million. In Timor-Leste, flows reached \$262 million after negative values for the last three years.
- Among the five African SIDS, Mauritius saw its FDI flows remain flat at \$252 million. In Seychelles, FDI flows fell by 6 per cent (to \$212 million).
- Among the 11 SIDS in Oceania, Fiji, the largest host country, saw FDI down by 74 per cent to \$104 million. However, there were several new greenfield project announcements in 2022 with a total value of \$41 million, a significant increase compared with 2021.
- MNEs from the United States remained the largest investors in SIDS at \$99 billion, followed by Canada and Brazil.

Figure 1. | SIDS: FDI inflows and their share in world inflows, 2012–2022 (Billions of dollars and per cent)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).

Table 1. SIDS: FDI inflows and cross-border M&A sales, 2020–2022 (Millions of dollars, number and per cent)

Subregion/selected economy	FDI				Net cross-border M&A sales							
	Value				Value				Number			
	2020	2021	2022	Growth rate, 2021–2022 (%)	2020	2021	2022	Growth rate, 2021–2022 (%)	2020	2021	2022	Growth rate, 2021–2022 (%)
SIDS	5 853	5 632	7 809	39	15	395	25	-94	10	9	16	78
Africa (5)	493	600	731	22	8	185	1	-100	3	5	6	20
Cabo Verde	68	104	136	31	-	-	-	..	-	-	-	..
Mauritius	225	253	252	0	8	-	1	..	3	3	5	67
Seychelles	165	225	212	-6	-	185	-	..	-	2	-	..
Asia (2)	-364	-112	984	..	-	-	-	..	-	-	2	..
Maldives	441	643	722	12	-	-	-	..	-	-	2	..
Timor-Leste	-805	-755	262	..	-	-	-	..	-	-	-	..
Latin America and the Caribbean (11)	5 393	4 623	5 884	27	3	-	24	..	4	2	8	300
Bahamas	897	1 185	1 255	6	-	-	-	..	-	-	-	..
Barbados	262	239	200	-16	-	-	-	..	-	1	3	200
Dominican Republic	2 560	3 197	4 010	25	-	-	-	..	-	1	3	200
Grenada	136	140	160	14	-	-	-	..	-	-	-	..
Jamaica	265	320	360	12	2	-	24	..	1	-	1	..
Trinidad and Tobago	1 056	- 1 008	-493	..	-	-	-	..	2	-	1	..
Oceania (11)	331	521	210	-60	4	210	-	..	3	2	-	..
Fiji	241	407	104	-74	-	210	-	..	-	1	-	..
Solomon Islands	9	28	41	47	4	-	-	..	3	1	-	..
Vanuatu	25	43	-4	..	-	-	-	..	-	-	-	..
<i>Memorandum</i>												
World	1 027 162	1 545 968	1 360 040	-12	479 244	748 554	716 927	-4	6 249	8 651	7 828	-10
Developed economies	315 461	597 243	378 320	-37	392 740	633 193	606 676	-4	5 351	7 653	6 736	-12
Developing economies	711 700	948 725	981 720	3	86 504	115 361	110 250	-4	898	998	1 092	9

Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>) and information from Refinitiv SA.

Table 2. SIDS: announced greenfield projects and international project finance deals, 2020–2022 (Millions of dollars, number and per cent)

Region/selected economy	Greenfield investment projects								International project finance deals							
	Value				Number				Value				Number			
	2020	2021	2022	Growth rate, 2021–2022 (%)	2020	2021	2022	Growth rate, 2021–2022 (%)	2020	2021	2022	Growth rate, 2021–2022 (%)	2020	2021	2022	Growth rate, 2021–2022 (%)
SIDS	3 309	1 460	4 461	206	37	38	59	55	548	5 863	1 324	-77	3	23	12	-48
Africa (5)	489	184	281	52	9	7	9	29	-	-	504	..	-	-	2	..
Cabo Verde	28	-	11	..	1	-	1	..	-	-	496	..	-	-	1	..
Mauritius	72	76	74	-3	5	6	5	-17	-	-	8	..	-	-	1	..
Seychelles	389	109	195	80	3	1	3	200	-	-	-	..	-	-	-	..
Asia (2)	126	118	165	40	3	1	4	300	411	2 441	218	-91	1	6	3	-50
Maldives	126	118	111	-6	3	1	3	200	411	841	218	-74	1	5	3	-40
Timor-Leste	-	-	54	..	-	-	1	..	-	1 600	-	..	-	1	-	..
Latin America and the Caribbean (11)	2 694	1 154	3 778	227	25	29	39	34	35	3 340	492	-85	1	14	5	-64
Bahamas	5	81	38	-53	1	4	2	-50	-	562	-	..	-	3	-	..
Barbados	2	1	-	..	1	1	-	..	-	-	-	..	1	-	-	..
Dominican Republic	2 558	736	3 542	381	16	13	30	131	-	2 158	492	-77	-	8	5	-38
Grenada	89	2	-	..	1	1	-	..	-	-	-	..	-	-	-	..
Jamaica	36	209	6	-97	4	8	2	-75	-	-	-	..	1	1	1	0
Trinidad and Tobago	1	126	188	50	1	2	4	100	-	137	-	..	-	-	1	..
Oceania (11)	-	3	237	7 797	-	1	7	600	102	82	111	36	1	3	2	-33
Fiji	-	3	41	1 277	-	1	4	300	102	-	-	..	1	-	-	..
Solomon Islands	-	-	-	..	-	-	-	..	-	22	66	201	-	1	1	0
Vanuatu	-	-	7	..	-	-	1	..	-	-	-	..	-	-	-	..
World	604 153	738 982	1 213 114	64	13 409	15 338	17 627	15	534 407	1 384 781	1 044 046	-25	1 353	2 387	2 564	7
Developed economies	333 388	465 228	639 678	37	9 105	10 350	10 803	4	300 141	774 305	665 215	-14	797	1 413	1 549	10
Developing economies	270 764	273 754	573 436	109	4 304	4 988	6 824	37	234 267	610 475	378 831	-38	556	974	1 015	4

Source: UNCTAD, based on information from The Financial Times Ltd, fDi Markets (www.fDimarkets.com) and Refinitiv SA.

Table 3. SIDS: announced greenfield projects, by sector and selected industries, 2020–2022 (Millions of dollars, number and per cent)

Sector/industry	Value			Growth rate, 2021–2022 (%)	Number			Growth rate, 2021–2022 (%)
	2020	2021	2022		2020	2021	2022	
Total	3 309	1 460	4 461	206	37	38	59	55
Primary	5	-	-	..	1	-	-	..
Manufacturing	188	264	322	22	9	9	9	0
Services	3 116	1 195	4 139	246	27	29	50	72
<i>Top 10 industries in value terms</i>								
Energy and gas supply	704	96	2 244	2 237	5	2	8	300
Transportation and storage	1 932	207	1 594	672	4	1	8	700
Hospitality	-	30	154	413	-	1	3	200
Chemicals	55	-	104	..	4	-	1	..
Finance and insurance	143	91	86	-5	5	3	4	33
Food, beverages and tobacco	24	249	73	-71	2	3	5	67
Administrative and support services	21	6	57	942	1	1	2	100
Information and communication	128	373	56	-85	3	7	12	71
Education	31	144	55	-62	2	8	9	13
Machinery and equipment	-	-	15	..	-	-	1	..

Source: UNCTAD, based on information from The Financial Times Ltd, fDi Markets (www.fDimarkets.com).

Table 4. SIDS: announced international project finance deals, selected industries, 2020–2022 (Millions of dollars, number and per cent)

Sector/industry	Value			Growth rate, 2021–2022 (%)	Number			Growth rate, 2021–2022 (%)
	2020	2021	2022		2020	2021	2022	
Total	548	5 863	1 324	-77	3	23	12	-48
<i>Top 10 industries by number</i>								
Renewable energy	102	928	626	-32	1	8	7	-13
Telecommunication	411	38	121	223	1	1	2	100
Transport infrastructure	-	741	541	-27	-	3	2	-33
Residential/commercial real estate	-	409	36	-91	-	3	1	-67
Agriculture	-	1	-	..	-	1	-	..
Mining	-	1 458	-	..	-	3	-	..
Oil and gas	-	552	-	..	-	2	-	..
Power	-	1 737	-	..	-	2	-	..
Water and sewerage	35	-	-	..	1	-	-	..

Source: UNCTAD, based on information from Refinitiv SA.

Table 5. SIDS: net cross-border M&A sales, by sector and selected industries, 2020–2022
(Millions of dollars, number and per cent)

Sector/industry	Value			Growth rate, 2021–2022 (%)	Number			Growth rate, 2021–2022 (%)
	2020	2021	2022		2020	2021	2022	
Total	15	395	25	-94	10	9	16	78
Primary	4	-	-	..	3	1	-	..
Manufacturing	2	-	24	..	2	1	1	0
Services	9	395	1	-100	5	7	15	114
<i>Top 10 industries in value terms</i>								
Pharmaceuticals	2	-	24	..	1	-	1	..
Information and communication	2	185	1	-100	1	1	3	200
Extractive industries	4	-	-	..	3	1	-	..
Trade	-	210	-	..	-	1	1	0
Hospitality	-	-	-	..	-	-	1	..
Finance and insurance	-	-	-	..	1	-1	1	..
Real estate	-	-	-	..	-	-	2	..
Other services	6	-	-	..	3	4	4	0
Construction	-	-	-	..	-	-	1	..
Chemicals	-	-	-	..	-	-	1	..

Source: UNCTAD, based on information from Refinitiv SA.

Table 6. SIDS: investment project announcements in SDG-relevant sectors, 2020–2022
(Millions of dollars, number and per cent)

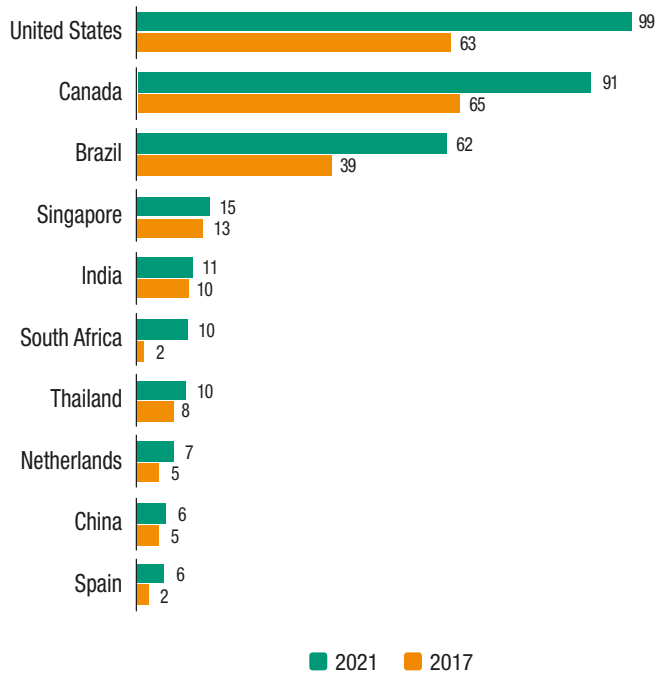
SDG-relevant sector	Greenfield projects				International project finance deals			
	2020	2021	2022	Growth rate, 2021–2022 (%)	2020	2021	2022	Growth rate, 2021–2022 (%)
Total								
Value	549	417	900	116	548	3 445	1 288	-63
Number of projects	8	8	15	88	3	15	11	-27
Power ^a								
Value	-	-	-	..	-	1 737	-	..
Number of projects	-	-	-	..	-	2	-	..
Renewable energy								
Value	361	3	541	..	102	928	626	-32
Number of projects	2	1	3	200	1	8	7	-13
Transport services ^b								
Value	24	1	73	..	-	741	541	-27
Number of projects	2	1	4	300	-	3	2	-33
Telecommunication								
Value	118	352	2	-100	411	38	121	223
Number of projects	1	3	1	-67	1	1	2	100
Water, sanitation and hygiene (WASH)								
Value	-	-	-	..	35	-	-	..
Number of projects	-	-	-	..	1	-	-	..
Agrifood systems								
Value	-	30	169	464	-	1	-	..
Number of projects	-	1	5	400	-	1	-	..
Health								
Value	46	32	104	226	-	-	-	..
Number of projects	3	2	1	-50	-	-	-	..
Education								
Value	-	-	11	..	-	-	-	..
Number of projects	-	-	1	..	-	-	-	..

Source: UNCTAD, based on information from The Financial Times Ltd, fDi Markets (www.fdimarkets.com) and Refinitiv SA.

^a Excluding renewable energy.

^b Transport services for greenfield projects and transport infrastructure for project finance.

Figure 2. | SIDS: top 10 investor economies by FDI stock, 2017 and 2021 (Billions of dollars)



Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).