



Regional trends

# Small island developing States



## Highlights

Foreign direct investment (FDI) inflows to the 29 small island developing States (SIDS) rose by 15 per cent in 2023, to \$8.3 billion – about 0.6 per cent of global FDI. Divestments and the resulting negative inflows in several countries affected outcomes in 2022 more than in 2023. Setting aside these cases, actual growth in 2023 was about 10 per cent. The Dominican Republic received more than half of FDI inflows to SIDS in 2023. The United States, Canada and Brazil were home to the largest investors in SIDS .

- FDI flows to the SIDS in Africa increased modestly (by 12 per cent). Both the value and the number of greenfield project announcements and international project finance deals increased, albeit from a low baseline.
- FDI flows to SIDS in Latin America and the Caribbean grew by 10 per cent. Most major recipient countries saw increases, except Trinidad and Tobago as a result of divestments.
- The value of FDI flows to SIDS in Oceania, which typically is volatile, fell by 20 per cent. Growth in the value and number of announced greenfield projects signals better prospects.

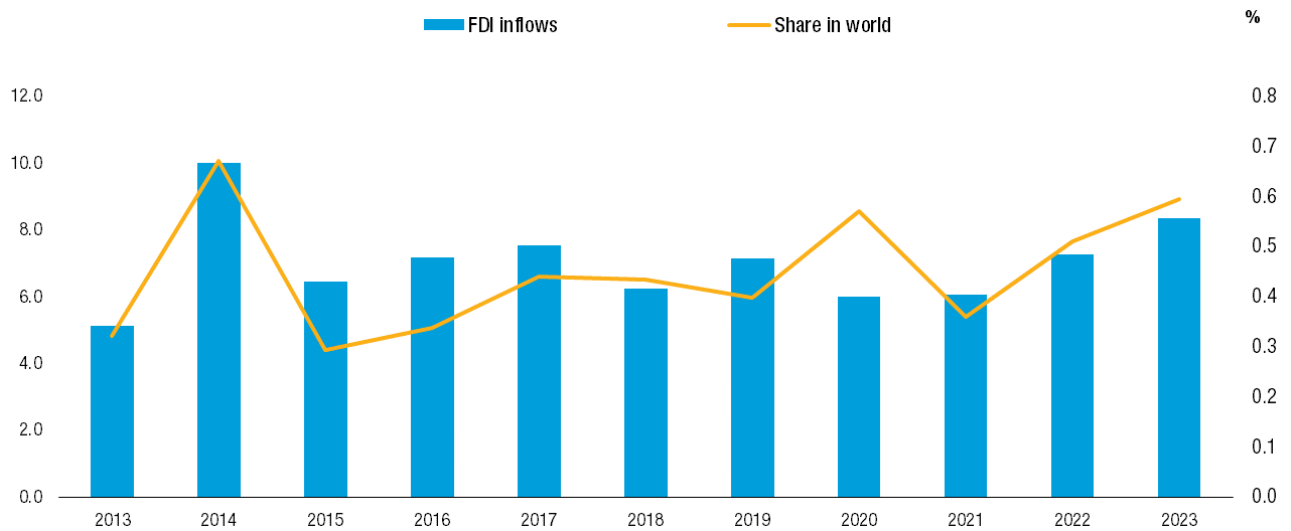
Greenfield project announcements were up for most SIDS. There were strong gains in the transportation and storage sector, with total project value up by \$350 million and the number of projects doubling to 10. Hospitality has accounted for about 30 per cent of greenfield projects announced over recent years, but values fell by almost 50 per cent in 2023, to \$930 billion, and numbers dropped as well (down 33 per cent). The volatility in some sectors reflects the unusually high investment in 2022 as project backlogs resolved following the pandemic.

The number of international project finance deals increased by 18 per cent in 2023, and their value also increased strongly. In the small number of deals among SIDS (49 from 2021 to 2023), a few large deals caused major fluctuations. Three distinct investment streams explained most deals: renewable energy, leisure and hospitality, and oil and gas (along with petrochemicals). Maldives accounts for most projects in the hospitality sector. Projects in other sectors were more distributed among SIDS.

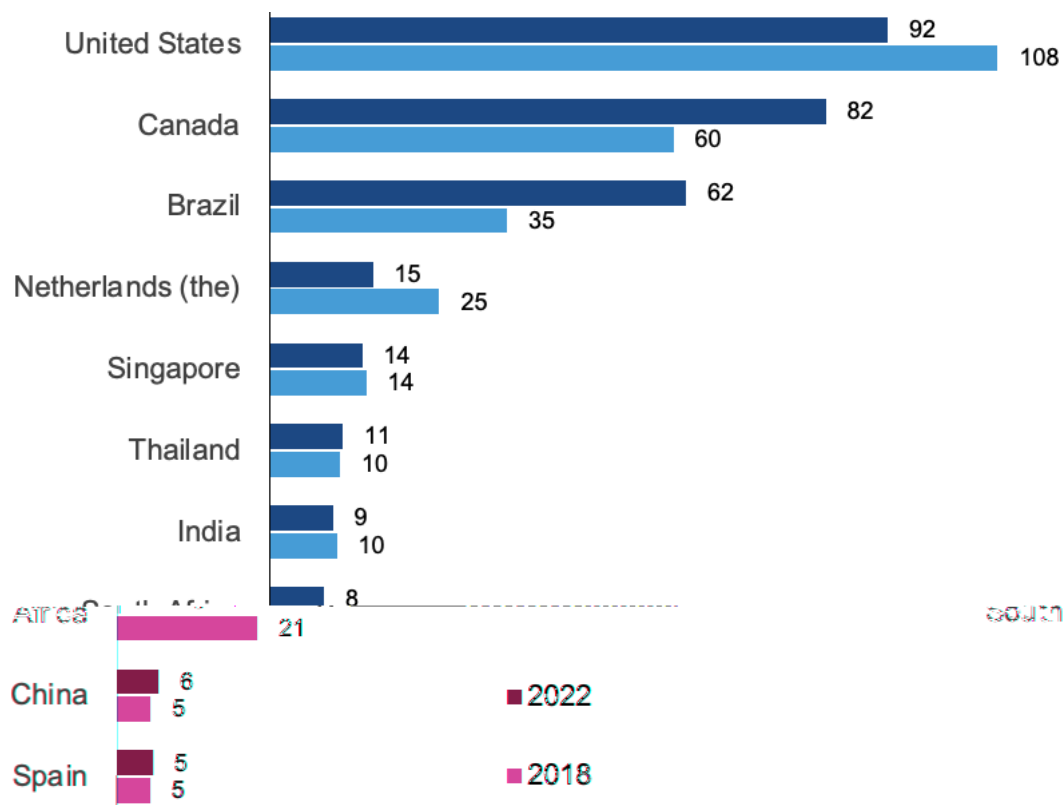
Overall investment activity in sectors relevant to the Sustainable Development Goals (SDGs) was stable in 2023, although there was a slight shift towards international project finance deals when looking at total value. At the same time, the number of project finance deals has declined over recent years, while the number of greenfield projects shows an increasing trend. Notably, there were no projects in a number of important SDG-relevant sectors including water, sanitation and hygiene; agrifood systems; health; and education.

**Figure 1****Small island developing States: FDI inflows and share in world inflows**

(Billions of dollars and percentage)

Source: UNCTAD, FDI/MNE database (<https://unctad.org/fdistatistics>).**Figure 2****Small island developing States: top 10 investor economies by FDI stock**

(Billions of dollars)



## 2024 World Investment Report

Small island developing States

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



**Table 1**

### Small island developing States: FDI inflows and cross-border M&A sales

| Subregion/selected economy           | FDI                         |              |              |                             | Net cross-border M&A sales  |           |            |                             |          |           |          |                             |
|--------------------------------------|-----------------------------|--------------|--------------|-----------------------------|-----------------------------|-----------|------------|-----------------------------|----------|-----------|----------|-----------------------------|
|                                      | Value (Millions of dollars) |              |              | Growth,<br>2022–2023<br>(%) | Value (Millions of dollars) |           |            | Growth,<br>2022–2023<br>(%) | Number   |           |          | Growth,<br>2022–2023<br>(%) |
|                                      | 2021                        | 2022         | 2023         |                             | 2021                        | 2022      | 2023       |                             | 2021     | 2022      | 2023     |                             |
| <b>SIDS</b>                          | <b>6 061</b>                | <b>7 263</b> | <b>8 337</b> | <b>15</b>                   | <b>395</b>                  | <b>25</b> | <b>106</b> | <b>320</b>                  | <b>9</b> | <b>16</b> | <b>4</b> | <b>-75</b>                  |
| Africa (5)                           | 592                         | 1 016        | 1 140        | 12                          | 185                         | 1         | -          | ..                          | 5        | 6         | 1        | -83                         |
| Cabo Verde                           | 91                          | 93           | 118          | 27                          | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |
| Mauritius                            | 253                         | 580          | 760          | 31                          | -                           | 0.8       | -          | ..                          | 3        | 5         | 1        | -80                         |
| Seychelles                           | 225                         | 212          | 238          | 12                          | 185                         | -         | -          | ..                          | 2        | -         | -        | ..                          |
| Asia (2)                             | 224                         | 337          | 775          | 130                         | -                           | -         | -          | ..                          | -        | 2         | -        | ..                          |
| Maldives                             | 643                         | 732          | 762          | 4                           | -                           | -         | -          | ..                          | -        | 2         | -        | ..                          |
| Timor-Leste                          | -419                        | -395         | 13           | ..                          | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |
| Latin America and the Caribbean (11) | 4 721                       | 5 662        | 6 223        | 10                          | -                           | 24        | 106        | 333                         | 2        | 8         | 3        | -63                         |
| Bahamas                              | 1 052                       | 1 255        | 1 459        | 16                          | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |
| Barbados                             | 239                         | 200          | 225          | 12                          | -                           | -         | 76         | ..                          | 1        | 3         | 1        | -67                         |
| Dominican Republic                   | 3 197                       | 4 099        | 4 390        | 7                           | -                           | -         | -          | ..                          | 1        | 3         | -        | ..                          |
| Grenada                              | 189                         | 172          | 181          | 5                           | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |
| Jamaica                              | 321                         | 319          | 431          | 35                          | -                           | 24        | 30         | 22                          | -        | 1         | 2        | 100                         |
| Trinidad and Tobago                  | -935                        | -913         | -1 105       | ..                          | -                           | -         | -          | ..                          | -        | 1         | -        | ..                          |
| Oceania (11)                         | 524                         | 249          | 199          | -20                         | 210                         | -         | -          | ..                          | 2        | -         | -        | ..                          |
| Fiji                                 | 407                         | 104          | 91           | -12                         | 210                         | -         | -          | ..                          | 1        | -         | -        | ..                          |
| Solomon Islands                      | 28                          | 44           | 25           | -42                         | -                           | -         | -          | ..                          | 1        | -         | -        | ..                          |
| Vanuatu                              | 43                          | 11           | 9            | -14                         | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |
| <b>Memorandum</b>                    |                             |              |              |                             |                             |           |            |                             |          |           |          |                             |
| World                                | #####                       | #####        | #####        | -1                          | 748 554                     | 716 927   | 381 087    | -47                         | 8 651    | 7 828     | 6 771    | -14                         |
| Developed economies                  | 731 843                     | 426 198      | 464 397      | 9                           | 633 193                     | 606 676   | 303 277    | -50                         | 7 653    | 6 736     | 5 889    | -13                         |
| Developing economies                 | 957 791                     | 995 001      | 938 148      | -6                          | 115 361                     | 110 250   | 77 810     | -29                         | 998      | 1 092     | 882      | -19                         |

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



**Table 2**

### Small island developing States: announced greenfield projects and international project finance deals

| Subregion/selected economy           | Announced greenfield projects |              |              |                             |           | Announced international project finance deals |           |           |                             |              |              |            |                             |
|--------------------------------------|-------------------------------|--------------|--------------|-----------------------------|-----------|-----------------------------------------------|-----------|-----------|-----------------------------|--------------|--------------|------------|-----------------------------|
|                                      | Value (Millions of dollars)   |              |              | Growth,<br>2022–2023<br>(%) | Number    | Value (Millions of dollars)                   |           |           | Growth,<br>2022–2023<br>(%) | Number       |              |            | Growth,<br>2022–2023<br>(%) |
|                                      | 2021                          | 2022         | 2023         |                             |           | 2021                                          | 2022      | 2023      |                             | 2021         | 2022         | 2023       |                             |
| <b>SIDS</b>                          | <b>1 468</b>                  | <b>4 807</b> | <b>3 694</b> | <b>-23</b>                  | <b>38</b> | <b>60</b>                                     | <b>66</b> | <b>10</b> | <b>8 528</b>                | <b>1 297</b> | <b>4 296</b> | <b>231</b> | <b>18</b>                   |
| Africa (5)                           | 195                           | 279          | 308          | 11                          | 7         | 9                                             | 13        | 44        | -                           | 68           | 878          | ..         | 50                          |
| Cabo Verde                           | -                             | 11           | -            | ..                          | -         | 1                                             | -         | ..        | -                           | 60           | 191          | 218        | 0                           |
| Mauritius                            | 75                            | 73           | 308          | 322                         | 6         | 5                                             | 12        | 140       | -                           | 8            | 152          | ..         | 0                           |
| Seychelles                           | 120                           | 195          | 0.4          | -100                        | 1         | 3                                             | 1         | -67       | -                           | -            | -            | ..         | ..                          |
| Asia (2)                             | 154                           | 192          | 787          | 311                         | 1         | 4                                             | 7         | 75        | 2 678                       | 251          | 1 886        | 653        | 150                         |
| Maldives                             | 154                           | 111          | 605          | 444                         | 1         | 3                                             | 5         | 67        | 1 078                       | 251          | 1 886        | 653        | 150                         |
| Timor-Leste                          | -                             | 80           | 181          | 126                         | -         | 1                                             | 2         | 100       | 1 600                       | -            | -            | ..         | ..                          |
| Latin America and the Caribbean (11) | 1 117                         | 3 960        | 1 827        | -54                         | 29        | 40                                            | 36        | -10       | 5 805                       | 979          | 1 531        | 56         | -29                         |
| Bahamas                              | 83                            | 37           | -            | ..                          | 4         | 2                                             | -         | ..        | 800                         | -            | -            | ..         | ..                          |
| Barbados                             | 0.5                           | -            | 43           | ..                          | 1         | -                                             | 2         | ..        | -                           | -            | -            | ..         | ..                          |
| Dominican Republic                   | 698                           | 3 724        | 1 722        | -54                         | 13        | 31                                            | 26        | -16       | 3 946                       | 758          | 983          | 30         | -33                         |
| Grenada                              | 2                             | -            | -            | ..                          | 1         | -                                             | -         | ..        | -                           | -            | -            | ..         | ..                          |
| Jamaica                              | 209                           | 6            | 10           | 79                          | 8         | 2                                             | 3         | 50        | 64                          | -            | -            | ..         | ..                          |
| Trinidad and Tobago                  | 124                           | 188          | 52           | -73                         | 2         | 4                                             | 5         | 25        | 137                         | 221          | 548          | 148        | 0                           |
| Oceania (11)                         | 3                             | 376          | 772          | 105                         | 1         | 7                                             | 10        | 43        | 44                          | -            | -            | ..         | ..                          |
| Fiji                                 | 3                             | 42           | 302          | 627                         | 1         | 4                                             | 5         | 25        | -                           | -            | -            | ..         | ..                          |
| Samoa                                | -                             | -            | 102          | ..                          | -         | -                                             | 1         | ..        | -                           | -            | -            | ..         | ..                          |
| Tonga                                | -                             | 328          | 369          | 12                          | -         | 2                                             | 4         | 100       | -                           | -            | -            | ..         | ..                          |
| Vanuatu                              | -                             | 7            | -            | ..                          | -         | 1                                             | -         | ..        | -                           | -            | -            | ..         | ..                          |
| <b>Memorandum:</b>                   |                               |              |              |                             |           |                                               |           |           |                             |              |              |            |                             |
| World                                | 830 662                       | #####        | #####        | 5                           | 15 536    | 18 095                                        | 18 465    | 2         | #####                       | #####        | 958 664      | -26        | -23                         |
| Developed economies                  | 536 984                       | 687 281      | 631 015      | -8                          | 10 446    | 11 125                                        | 10 441    | -6        | 674 059                     | 728 289      | 562 055      | -23        | -21                         |
| Developing economies                 | 293 678                       | 622 367      | 750 391      | 21                          | 5 090     | 6 970                                         | 8 024     | 15        | 768 037                     | 573 102      | 396 609      | -31        | -26                         |

Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)) and Refinitiv.



**Table 3****Small island developing States: announced greenfield projects, by sector and selected industries**

| Sector/industry                         | Value (Millions of dollars) |              |              | Growth,<br>2022–2023<br>(%) | Number    |           |           | Growth,<br>2022–2023<br>(%) |
|-----------------------------------------|-----------------------------|--------------|--------------|-----------------------------|-----------|-----------|-----------|-----------------------------|
|                                         | 2021                        | 2022         | 2023         |                             | 2021      | 2022      | 2023      |                             |
| <b>Total</b>                            | <b>1 468</b>                | <b>4 807</b> | <b>3 694</b> | <b>-23</b>                  | <b>38</b> | <b>60</b> | <b>66</b> | <b>10</b>                   |
| Primary                                 | -                           | -            | -            | ..                          | -         | -         | -         | ..                          |
| Manufacturing                           | 264                         | 329          | 228          | -31                         | 9         | 9         | 10        | 11                          |
| Services                                | 1 204                       | 4 478        | 3 466        | -23                         | 29        | 51        | 56        | 10                          |
| <i>Top 10 industries in value terms</i> |                             |              |              |                             |           |           |           |                             |
| Electricity and gas supply              | 96                          | 2 322        | 1 373        | -41                         | 2         | 8         | 12        | 50                          |
| Hospitality                             | 210                         | 1 815        | 929          | -49                         | 1         | 9         | 6         | -33                         |
| Transportation and storage              | 209                         | 116          | 466          | 302                         | 3         | 5         | 10        | 100                         |
| Information and communication           | 417                         | 55           | 346          | 533                         | 7         | 12        | 6         | -50                         |
| Financial and insurance                 | 93                          | 84           | 165          | 97                          | 3         | 4         | 6         | 50                          |
| Other non-metallic mineral products     | 64                          | -            | 120          | ..                          | 2         | -         | 1         | ..                          |
| Professional services                   | 34                          | 6            | 103          | ..                          | 4         | 2         | 8         | 300                         |
| Administrative and support services     | 144                         | 55           | 64           | 17                          | 8         | 9         | 6         | -33                         |
| Automotive                              | -                           | -            | 53           | ..                          | -         | -         | 2         | ..                          |
| Textiles, clothing and leather          | 131                         | -            | 34           | ..                          | 3         | -         | 4         | ..                          |

Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)).

**Table 4****Small island developing States: announced international project finance deals, selected industries**

| Sector/industry                    | Value (Millions of dollars) |              |              | Growth,<br>2022–2023<br>(%) | Number    |           |           | Growth,<br>2022–2023<br>(%) |
|------------------------------------|-----------------------------|--------------|--------------|-----------------------------|-----------|-----------|-----------|-----------------------------|
|                                    | 2021                        | 2022         | 2023         |                             | 2021      | 2022      | 2023      |                             |
| <b>Total</b>                       | <b>8 528</b>                | <b>1 297</b> | <b>4 296</b> | <b>231</b>                  | <b>25</b> | <b>11</b> | <b>13</b> | <b>18</b>                   |
| <i>Top industries by number</i>    |                             |              |              |                             |           |           |           |                             |
| Renewable energy                   | 1 455                       | 1 201        | 1 019        | -15                         | 9         | 9         | 4         | -56                         |
| Residential/commercial real estate | 646                         | 36           | 1 560        | 4 211                       | 3         | 1         | 4         | 300                         |
| Oil and gas                        | 2 390                       | -            | 738          | ..                          | 3         | -         | 2         | ..                          |
| Petrochemicals                     | -                           | -            | 517          | ..                          | -         | -         | 2         | ..                          |
| Power                              | 1 837                       | -            | 461          | ..                          | 3         | -         | 1         | ..                          |
| Transport infrastructure           | 741                         | 60           | -            | ..                          | 3         | 1         | -         | ..                          |
| Agriculture                        | 1                           | -            | -            | ..                          | 1         | -         | -         | ..                          |
| Mining                             | 1 458                       | -            | -            | ..                          | 3         | -         | -         | ..                          |

Source: UNCTAD, based on information from Refinitiv.



Table 5

### Small island developing States: announced international project finance deals, selected industries

| Sector/industry                         | Value (Millions of dollars) |           |            | Growth,<br>2022–2023<br>(%) | Number   |           |          | Growth,<br>2022–2023<br>(%) |
|-----------------------------------------|-----------------------------|-----------|------------|-----------------------------|----------|-----------|----------|-----------------------------|
|                                         | 2021                        | 2022      | 2023       |                             | 2021     | 2022      | 2023     |                             |
| <b>Total</b>                            | <b>395</b>                  | <b>25</b> | <b>106</b> | <b>320</b>                  | <b>9</b> | <b>16</b> | <b>4</b> | <b>-75</b>                  |
| Primary                                 | -                           | -         | 30         | ..                          | 1        | -         | 1        | ..                          |
| Manufacturing                           | -                           | 24        | -          | ..                          | 1        | 1         | 1        | 0                           |
| Services                                | 395                         | 0.8       | 76         | ..                          | 7        | 15        | 2        | -87                         |
| <i>Top 10 industries in value terms</i> |                             |           |            |                             |          |           |          |                             |
| Real estate                             | -                           | -         | 76         | ..                          | -        | 1         | 1        | 0                           |
| Extractive industries                   | -                           | -         | 30         | ..                          | 1        | -         | 1        | ..                          |
| Food, beverages and tobacco             | -                           | -         | -          | ..                          | 1        | -         | 1        | ..                          |
| Basic metal and metal products          | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |
| Machinery and equipment                 | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |
| Finance and insurance                   | -                           | -         | -          | ..                          | 4        | 4         | 1        | -75                         |
| Hospitality                             | -                           | -         | -          | ..                          | -        | 2         | -        | ..                          |
| Chemicals                               | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |
| Pharmaceuticals                         | -                           | 24        | -          | ..                          | -        | 1         | -        | ..                          |
| Non-metallic mineral products           | -                           | -         | -          | ..                          | -        | -         | -        | ..                          |

Source: UNCTAD, based on information from Refinitiv.

Table 6

### Small island developing States: investment project announcements in sectors relevant to the Sustainable Development Goals

| Goals-relevant sector                | Announced greenfield projects |              |              |                             | International project finance deals |              |              |                             |
|--------------------------------------|-------------------------------|--------------|--------------|-----------------------------|-------------------------------------|--------------|--------------|-----------------------------|
|                                      | 2021                          | 2022         | 2023         | Growth,<br>2022–2023<br>(%) | 2021                                | 2022         | 2023         | Growth,<br>2022–2023<br>(%) |
| <b>Total</b>                         | <b>762</b>                    | <b>2 703</b> | <b>2 194</b> | <b>-19</b>                  | <b>4 034</b>                        | <b>1 261</b> | <b>1 481</b> | <b>17</b>                   |
| <b>Value</b>                         | <b>11</b>                     | <b>21</b>    | <b>27</b>    | <b>29</b>                   | <b>16</b>                           | <b>10</b>    | <b>5</b>     | <b>-50</b>                  |
| <b>Number of projects</b>            |                               |              |              |                             |                                     |              |              |                             |
| Power <sup>a</sup>                   |                               |              |              |                             |                                     |              |              |                             |
| Value                                | -                             | -            | 20           | ..                          | 1 837                               | -            | 461          | ..                          |
| Number of projects                   | -                             | -            | 1            | ..                          | 3                                   | -            | 1            | ..                          |
| Renewable energy                     |                               |              |              |                             |                                     |              |              |                             |
| Value                                | 96                            | 2 322        | 1 373        | ..                          | 1 455                               | 1 201        | 1 019        | -15                         |
| Number of projects                   | 2                             | 8            | 12           | 50                          | 9                                   | 9            | 4            | -56                         |
| Transport services <sup>b</sup>      |                               |              |              |                             |                                     |              |              |                             |
| Value                                | 209                           | 116          | 466          | ..                          | 741                                 | 60           | -            | ..                          |
| Number of projects                   | 3                             | 5            | 10           | 100                         | 3                                   | 1            | -            | ..                          |
| Telecommunication                    |                               |              |              |                             |                                     |              |              |                             |
| Value                                | 397                           | 2            | 335          | ..                          | -                                   | -            | -            | ..                          |
| Number of projects                   | 3                             | 1            | 4            | 300                         | -                                   | -            | -            | ..                          |
| Water, sanitation and hygiene (WASH) |                               |              |              |                             |                                     |              |              |                             |
| Value                                | -                             | -            | -            | ..                          | -                                   | -            | -            | ..                          |
| Number of projects                   | -                             | -            | -            | ..                          | -                                   | -            | -            | ..                          |
| Agrifood systems                     |                               |              |              |                             |                                     |              |              |                             |
| Value                                | 30                            | 149          | -            | ..                          | 1                                   | -            | -            | ..                          |
| Number of projects                   | 1                             | 5            | -            | ..                          | 1                                   | -            | -            | ..                          |
| Health                               |                               |              |              |                             |                                     |              |              |                             |
| Value                                | 30                            | 104          | -            | ..                          | -                                   | -            | -            | ..                          |
| Number of projects                   | 2                             | 1            | -            | ..                          | -                                   | -            | -            | ..                          |
| Education                            |                               |              |              |                             |                                     |              |              |                             |
| Value                                | -                             | 11           | -            | ..                          | -                                   | -            | -            | ..                          |
| Number of projects                   | -                             | 1            | -            | ..                          | -                                   | -            | -            | ..                          |

Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fdimarkets.com](http://www.fdimarkets.com)) and Refinitiv.

<sup>a</sup> Excluding renewable energy.

<sup>b</sup> Transport services for greenfield projects and transport infrastructure for project finance.