World Investment Report 2025 by UNCTAD

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World Investment Report 2025 Latest News

India rose a position to rank 15 among top global destinations for foreign direct investment (FDI) in 2024, despite a marginal dip in inflows at $27.6 billion, according to the UN Trade and Development (UNCTAD)'s World Investment Report 2025.

About World Investment Report 2025

- It is an **annual report** published by the **UN Conference on Trade and Development (UNCTAD).**
- It focuses on **trends in foreign direct investment (FDI) worldwide,** at the **regional and country levels,** and emerging measures to improve its contribution to development.

Highlights of World Investment Report 2025

- Overall, **global FDI fell by 11 percent in 2024**, marking the **second consecutive year of decline** and confirming a deepening slowdown in productive capital flows.

- **Although global FDI rose by 4 percent** in 2024 to $1.5 trillion, the increase is the **result of,** among other factors, **volatile financial conduit flows through several European economies,** which often serve as **transfer points for investments**. **When these are excluded,** global FDI registered an **11% decline.**
- The report also found that **investment in sectors related to** the Sustainable Development Goals **(SDGs) in developing countries fell by 25–33%** across infrastructure, renewable energy, water and sanitation, and agrifood systems. **Only the health sector saw growth,** though from a small base.
- **FDI flows to the digital economy grew 14%.** But **80% of greenfield projects in digital sectors in the Global South** went to **just 10 countries,** leaving most developing nations excluded from the digital transformation.
- The **United States** retained its position as the **top FDI destination** globally, with inflows rising to $279 billion in 2024 from $233 billion in the previous year.
- **China fell to fourth** place with a **29 percent decline** in FDI inflows, **dropping from the second position** it held in 2023.
- **FDI in Africa surged 75%, South-East Asia saw record greenfield levels**, and **momentum was seen in India,** the **Gulf, and parts of Latin America.**
- In 2024, developing economies of Asia attracted $605 billion in FDI.
- **Despite a 3% dip in value** from the year before, **developing Asia** remained the world's l**eading destination for inward foreign investment;** overall in 2024, Asia received **40% of the world's total FDI** and **70% of inflows to developing economies.**
- **Within the South Asian** region, **India was the top FDI recipient.**
- **Despite a marginal dip in inflows** at $27.6 billion, **India climbed up to 15th place** globally in 2024, from 16th position in 2023 when it received $28.1 billion in FDI.
- There was a **notable increase in greenfield project announcements,** where **India ranked fourth** with 1,080 greenfield projects announced in 2024.
- The country was also **among the top five economies** in terms of **international project finance deals**, securing 97 such transactions.
- **India** also **climbed in the global ranking of FDI outflows**, moving to the **18th slot** with $24 billion in outward investments — up from 23rd in 2023, when outflows totalled $14 billion.

Source: MC