

Tanzania Statement on Interactive Discussion 2: Domestic and International Private Business and Finance of the FfD4 Second Preparatory Committee meeting

4 December, 2024 – New York

**Mr. Chair,
Excellencies, Ladies and Gentlemen,**

Tanzania aligns with the global community in recognizing the transformative role of private business activity, investment, and innovation as engines of productivity, inclusive growth, and job creation. These principles, deeply enshrined in the Addis Ababa Action Agenda, highlight the indispensable synergy between a vibrant private sector and sustainable development.

Today, our discussion focuses on charting actionable strategies to revitalize private sector development, aligning it with the Sustainable Development Goals. In this context, we acknowledge the evolving landscape of global investment. While foreign direct investment and trade have transformed significantly over the years, the 2008 financial crisis exposed disparities in investment distribution and a shift toward digital and "asset-light" production models. Worryingly, the SDG investment gap has widened from \$2.5 trillion in 2015 to over \$4 trillion today, with critical sectors like energy and infrastructure particularly affected.

Excellencies,

Tanzania is committed to addressing these challenges. For Least Developed Countries like Tanzania, the pace of private sector investment remains insufficient. As we adapt to structural shifts in the global economy, Tanzania prioritizes innovation, technology, and sustainable industrial policies. We aim to foster sustainable finance practices through robust legislative frameworks, incentives for green and inclusive business models, and expanded access to financing for small and medium enterprises.

In conclusion Mr. Chair, Tanzania is resolute in its vision for a sustainable future built on strengthened collaboration. Bridging the SDG investment gap demands innovative mechanisms like public-private partnerships and blended financing, supported by effective regulatory reforms.

It is in this regard, the FFD4 must accelerate efforts to channel investments into sustainable development, fostering equitable growth and resilient economies for the betterment of all. Together, we can make this possible.

Thank you.