Foreign Direct Investment inflows to Latin America and the Caribbean rebounded in 2021 after dropping sharply the previous year.

- **40.7%** increase over 2020
- **143 billions** of dollars in 2021

### Latin America and the Caribbean: inward foreign direct investment, 2010-2021

<table>
<thead>
<tr>
<th>Year</th>
<th>Inward FDI (Billions of dollars)</th>
<th>Inward FDI as a proportion of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>101.486</td>
<td>2.4</td>
</tr>
<tr>
<td>2011</td>
<td>142.794</td>
<td>2.9</td>
</tr>
<tr>
<td>2012</td>
<td></td>
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<tr>
<td>2013</td>
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<tr>
<td>2014</td>
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<td>2015</td>
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<td>2016</td>
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<td>2018</td>
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<tr>
<td>2019</td>
<td></td>
<td></td>
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<tr>
<td>2020</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### The countries receiving most investment
- **Brazil** 33%
- **Mexico** 23%
- **Argentina** 11%
- **Colombia** 7%
- **Chile** 5%
- **5%**
- **3%**
- **2%**
- **2%**

### The main sources of investment in Latin America and the Caribbean were the European Union and the United States, accounting for 36% and 34%.

- **58%** went to the services sector
- **23%** went to manufacturing
- **19%** went to natural resources
The pharmaceutical industry is strategic for the development of Latin America and the Caribbean.

- **9.7%** Sales of pharmaceutical products in Latin America will increase 9.7% between 2005 and 2026
- **0.4%** is the importance of the pharmaceutical industry in the region’s GDP
- **383** molecule patents to expire by 2026
- **70%** of new products are developed in the USA and in Europe

However, the region has not been a strategic destination for the sector’s investments.

**America Latina and the Caribbean: cross-border mergers and acquisitions and FDI project announcements, 2005-2021**

(millions of dollars)

- **0.6%** of FDI project announcements in the region
- **2.2%** of cross-border mergers and acquisitions in the region

Priority areas for development of the pharmaceutical industry in the region:

- **Strengthening of the capabilities** in the generic, biosimilars and Active Pharmaceutical Ingredient segments
- **Development of spaces and standards** for clinical trials and R&D
- **Fostering of local suppliers** and specialized companies to provide services to Latin American transnationals
The transformation of the automotive sector represents an opportunity to promote FDI in Latin America and the Caribbean.

- **16.5 million**
  - The number of light electric vehicles on the world’s roads already exceeds 16.5 million.

- **670,000**
  - There are currently around 670,000 electric buses in circulation worldwide.

- **2,162**
  - In April 2022, there were 2,162 electric public transport buses in circulation in Latin American cities.

- **99%**
  - Of imports originate in China.

Bogotá and Santiago de Chile have the largest fleet of electric buses in the region:

- **1,165 units**
  - Bogotá
- **789 units**
  - Santiago de Chile
- **49 units**
  - Brazil
- **48 units**
  - Mexico

The region is advancing with imports and without strengthening.

### Imports of electric buses by country destination

(Millions of dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Germany</th>
<th>Norway</th>
<th>Colombia</th>
<th>Romania</th>
<th>Chile</th>
<th>Belgium</th>
<th>France</th>
<th>Netherlands</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>200</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
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<td>2018</td>
<td>300</td>
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<td>300</td>
</tr>
<tr>
<td>2020</td>
<td>500</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
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<td>400</td>
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<tr>
<td>2021</td>
<td>600</td>
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<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
</tbody>
</table>

Three key areas for attracting and mobilising investment:

1. **Progress with mechanisms to stimulate demand through regulations and planning and articulation.**
2. **Promoting the strengthening of supply by creating a market that ensures predictability and scale, subsidies and incentives.**
3. **Linking complementary policies the development of renewable energies, sustainable production processes, and the continuous training of qualified workers.**