

**Preparatory Process for the Third International Conference on FfD**  
**First Drafting Session: Domestic and International Private Finance**  
**(as delivered)**

**Statement by Mr. John Hurley, Director, International Debt and Development at US  
Treasury**

**The private sector is an investment engine for sustainable development.** Private investment plays a critical role in financing infrastructure, training workers, and creating income-earning opportunities – including for the poorest households and enterprises. To attract private investment, country financial systems in developing countries must function efficiently, capturing savings and channeling them to productive projects and ideas.

**We believe that private international capital flows, particularly foreign direct investment (FDI), are key complements to national and international development efforts.**

Representing roughly one half of net resource flows, FDI is the single largest external resource for developing economies, including other private sources, such as portfolio equity and debt, and official sources, such as loans ~~{ets.}~~ ~~ITETBT 1000~~ in both physical and human resources possible. FDI's full value lies in its unique ability to create jobs, stimulate competition,

**improving delivery of**