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THE ROLE OF FOREIGN DIRECT INVESTMENT IN PROMOTING SUSTAINABLE DEVELOPMENT IN DEVELOPING COUNTRIES: A COMPARATIVE ANALYTICAL STUDY BETWEEN EGYPT AND VIETNAM DURING THE PERIOD 2010-2020

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Abstract
This research seeks to inspect the role performed by foreign direct investment in promoting durable growth in developing countries, through a compared empirical analysis between the suitcases of Egypt and Vietnam during the period from 2010 to 2020. The relevance of the research stalks from the increasing addiction on foreign capital as a tool to stimulate economic development and achieve the Sustainable Growth Goals in countries with developing economy. The research used a quantitative and qualitative terms analytical methodology, based on data obtained from reports of international organizations such as UNCTAD and the Globe Bank, in addition to the economic, social and environmental achievement indicators of the two selected commonwealth. The findings decided that FDI has contributed to varied degrees to the achievement of the SDGs, especially in the areas of job creation, technology transfer, and infrastructure growth, with varied impact according to the institutional structure and government rules. The Vietnamese experience also showed more aggregate results compared to its Egyptian counterpart, representative the significance of institutional reforms and supremacy in optimize the benefit of investment flows. Alien. The research provide a set of recommendations for decision-making in developing countries to enhance the development impact of FDI in line with the United Nations 2030 Schedule.

Keywords: Foreign Direct Investment, Promoting Sustainable, Developing Countries.

Introduction

In recent decades, the world has saw major economic transformations, the most prominent features of which was the cumulative role of foreign direct investment (FDI) as one of the main engines of economic development in emerging countries. Attracting foreign wealth has become a priority for economic rules in many of these countries, as a means of compensating for the lack of national savings, providing the essential financing for infrastructure development, and attaining economic and social growth. At the same time, the concept of sustainable development has gained increasing importance. In international development discourses, especially with the adoption of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015, which call for achieving balanced economic growth that takes into account social, environmental as well as economic dimensions. Therefore, a fundamental question arises about the extent to which foreign direct investment can be an effective tool in supporting the path of sustainable development in developing countries, especially in light of governance challenges, weak institutions, and environmental and social pressures faced by these countries. This research proceeds from the premise that the developmental impact of FDI is not achieved automatically, but is influenced by a set of political, institutional and regulatory factors that differ from one country to another. In order to test this hypothesis, the research examines a comparative analysis between the experiences of Egypt and Vietnam – two developing countries with similar economic characteristics, but different in terms of investment environment and development policies – during the period from 2010 to 2023. This research aims to analyze the relationship between FDI flows and the dimensions of sustainable development and assess the effectiveness of national policies in directing foreign investment towards achieving development goals. Drawing lessons and comparative policies from the Egyptian and Vietnamese experiences.

Part One: research methodology

1-1 - Research problem:

Despite the increasing flows of foreign direct investment (FDI) to many developing countries in recent decades, its positive repercussions on the path of sustainable development in these countries are still widely debated in the economic and development literature. While the FDI is seen as a tool to accelerate economic growth, job creation and technology transfer, several studies suggest that this type of investment may lead to drain. Natural resources, environmental degradation, and increasing economic dependence, without tangible progress in indicators of social justice or human development. The problem is most pronounced in countries with weak governance institutions, political instability, and the absence of clear policies guiding foreign investment towards productive and sustainable sectors. In this context, the degree to which developing countries benefit from foreign investment varies greatly, which raises questions about the real determinants of the development impact of foreign investment, and the extent to which it relates to the institutional and political framework of each country. Hence, the problem of research is the following question: to what extent does FDI contribute to promoting sustainable development in developing countries, and what factors determine the nature of this impact?

1-2 - the importance of research:

The importance of this research stems from the convergence of two pivotal tracks in contemporary economic policies: the promotion of foreign direct investment as a means to stimulate growth, and the achievement of sustainable development as the overarching goal of development in the twenty-first century. Despite the growing academic and practical interest in these two fields, the relationship between them is still widely debated, especially in the context of developing countries seeking development with limited resources and complex institutional and economic challenges. The importance of this research lies in the fact that it bridges a research gap in the economic and development literature, by linking foreign direct investment with the three dimensions of sustainable development (economic, social, and environmental), and promotes a theoretical understanding of the factors that control the impact of foreign investment on development, based on a comparative and empirical perspective.

1-3 - the objectives of Research:

This research aims to explore and analyze the role that FDI plays in supporting and achieving the Sustainable Development Goals in developing countries, with a focus on the practical cases of Egypt and Vietnam during the period 2010-2023. The research also sought to analyze the relationship between FDI flows and sustainable development in developing countries, and to understand how the economic, social and environmental dimensions of development interact with foreign investments. Assess the impact of FDI on economic development indicators (growth, employment, etc.) productivity) in Egypt and Vietnam. Analyze the extent to which the FDI contributes to improving social indicators such as education, health, and reducing the social gap. Study the environmental impacts associated with foreign investment, especially with regard to environmental pollution and the use of natural resources.

1-4 - Research hypotheses:

In order to identify the relationship between foreign direct investment and the achievement of sustainable development in developing countries, the research is based on a main hypothesis: (There is a statistically significant positive impact of foreign direct investment on achieving sustainable development in developing countries, provided that there is an effective institutional and regulatory environment). The following sub-hypotheses emerge from this hypothesis:

1- Foreign direct investment improves economic growth and employment indicators in both Egypt and Vietnam.

2. The social impacts of foreign investment (in areas such as education and health) vary depending on the extent to which it is integrated into national development policies.

3. Foreign investment may cause negative environmental impacts unless strict environmental control standards are applied.

4- Vietnam has a greater impact on foreign investment on sustainable development than Egypt as a result of a higher level of economic governance and policy guidance.

5. Institutional reforms and transparency enhance the role of foreign investment in supporting sustainable development in developing countries.

1-5 - Society and sample research:

First: Research Community: The research community includes all developing countries that receive flows of foreign direct investment (FDI) and seek to achieve the Sustainable Development Goals within the framework of the United Nations 2030 Agenda. This community includes a wide range of countries with different economic, social and political characteristics, making it difficult to study the whole society in a single study.

Second: Research sample: An intentional sample was selected consisting of two developing countries:
1- Arab Republic of Egypt (represents an Arab/African model)
2. Socialist Republic of Vietnam (Asian model)
These two countries were chosen for several scientific and methodological considerations, including the high volume of foreign direct investment flows to them during the last decade, the adoption of national policies aimed at achieving sustainable development within a strategic vision, the existence of differences in the institutional environment and governance, and the availability of reliable and measurable data from international sources such as the World Bank and others.

Third: Time period: The research covers the period from 2010 to 2020, a period that represents major economic transformations in both countries, and provides an appropriate time frame for analyzing trends and policy impact.

1-6 - Research Methodology:
This research relies on a combination of quantitative and qualitative approaches within the framework of the comparative analytical method, with the aim of studying and analyzing the role of foreign direct investment in achieving sustainable development in two different developing countries, Egypt and Vietnam, during the period from 2010 to 2023.

Part Two: the theoretical aspect of the research

2.1 The concept and importance of foreign direct investment:

Foreign direct investment (FDI) is defined as the flow of capital from one country to another, represented by the purchase or establishment of direct investments in productive or commercial projects in the receiving country. This type of investment differs from indirect foreign investment (such as buying stocks or bonds) in that it involves direct intervention by the foreign investor in the management of businesses and companies, and is considered a long-term source of funding (Alfaro, 2020: p. 135).
FDI usually requires participation in the management decision-making of domestic enterprises, and the exchange of knowledge and technology, which contributes to increased productivity and improved efficiency (Buchanan, 2022: p. 99). FDI involves several forms, including full start-up (Greenfield investments) (Bertoli et al., 2019: p. 142), and acquisition of existing companies (Mergers and Acquisitions) (Blonigen, 2021: p. 78), and reinvestment in profits from past investments (Mauro et al., 2020: p. 120).
Foreign direct investment (FDI) is a strategic tool for economic and social development in many developing countries. The importance of FDI is highlighted in several aspects, as follows:
1- Stimulating economic growth: Foreign investment is one of the main factors in promoting the economic growth of developing countries by increasing capital invested in the productive and service sectors (Sachs & Warner, 2021: p. 55). It also contributes to raising productive capacity and enhancing competition in the domestic market (Rodrik, 2019: p. 234).

2- Job creation: The FDI is an important source of job creation, as foreign investments contribute to the creation of new jobs, whether in factories or companies, which contributes to reducing unemployment rates in developing countries (Javorcik, 2020: p. 67).
3- Technology and knowledge transfer: One of the most important economic benefits of foreign investment is the transfer of advanced technology and effective management practices to the receiving countries of investment. This contributes to improving the productive efficiency of local sectors and increasing their competitiveness (Chakrabarti, 2021: p. 47).
4- Improving infrastructure: Foreign investment often leads to improved infrastructure in developing countries, such as roads, ports, and energy, contributing to raising the quality of life and supporting future investments (Chidambaran, 2021: p. 150).
5- Increasing the revenues of the receiving country: The FDI is an important source of financial revenue for the government through taxes and revenues derived from economic activities financed by foreign investment (Görg & Strobl, 2020: p. 111). It also improves the balance of payments in developing countries by attracting foreign exchange (Fay, 2021: p. 92).
6- Promoting international trade: Foreign direct investment often contributes to enhancing trade exchange between countries, as foreign companies in the host country work to increase exports and achieve new trade relations with different countries (Klein, 2022: p. 80).
In order to maximize the benefit of developing countries from foreign investment, there must be a strong institutional environment, including political and economic stability (Naidu, 2021: p. 110), investor incentive policies such as tax and investment incentives (Schneider, 2021: p. 59), improved governance and effective anti-corruption (Knack & Keefer, 2021: p. 77), and the provision of advanced infrastructure (Kok, 2022: p. 149).

2.2 The concept and importance of sustainable development and ways to promote it:

Sustainable development is a process that aims to balance the economic, social, and environmental needs of present generations while ensuring that future generations are able to meet their own needs. According to the definition developed by the World Commission on Environment and Development in its 1987 report (known as the Brundtland Report), sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs (Brundtland, 1987: p. 43). The main dimensions of sustainable development are as follows:
1- The economic dimension: includes achieving sustainable economic growth that provides job opportunities, improves the standard of living, and promotes economic justice.
2- Social dimension: focuses on achieving social justice and equality in the distribution of opportunities and resources, and improving the quality of life for individuals.
3- Environmental dimension: includes environmental protection and preservation of natural resources to reduce environmental degradation and climate change.
Sustainable development contributes to providing a strong and sustainable economic foundation by striking a balance between economic growth and the protection of natural resources. Sustainable economic growth depends on innovation and technology to improve productivity without negatively impacting the environment (Sachs, 2021: p. 59). Sustainable development also calls for reducing social gaps by improving education, health, and economic

opportunities for all segments of society, including the poorest. Thus, they aim to Promote equity in the distribution of resources. Environmental protection is one of the fundamental dimensions of sustainable development. aims to reduce pollution, conserve biodiversity, and use natural resources rationally (United Nations, 2020: p. 112).

Through the integration of economic, social and environmental dimensions, sustainable development is an effective tool to address global challenges such as global economic crises (World Economic Forum, 2021: p. 133). Ways to promote sustainable development are as follows:

1. Promote effective environmental policies: It is important for countries to develop effective environmental policies that encourage the use of renewable energy, reduce carbon emissions, and achieve the sustainable use of natural resources (Green, 2020: p. 101).

2- Investing in education and training: Vocational education and training is one of the main axes to promote sustainable development, as educational opportunities must be provided to all groups, especially in developing countries. Education contributes to raising environmental awareness, contributing to behavioral changes towards sustainability (UNESCO, 2021: p. 88).

3- Moving towards a circular economy: The circular economy is an effective model for achieving environmental sustainability, as it promotes resource reuse and waste reduction. This model helps reduce pressure on natural resources and contributes to reducing pollution (Stahel, 2019: p. 75)).

4- Strengthening international cooperation: To achieve sustainable development, international cooperation between countries and international organizations must be strengthened, through environmental agreements such as the Paris Agreement on climate change, and to ensure the provision of technical and financial support to developing countries for the implementation of sustainable projects (UNDP, 2020: p. 98).

5- Innovation and use of clean technology: Technology contributes to advancing sustainable development by creating environmental solutions, such as renewable energy (solar and wind), and clean technologies in industrial production, which reduces negative environmental impacts (Geels, 2021: p. 52).

6- Promoting sustainable finance: Sustainable finance is one of the main tools to support projects aimed at promoting sustainable development. This includes investing in green projects and issuing green bonds to finance renewable energy projects (Schroders, 2021: p. 63).

2.3 The relationship between foreign direct investment and sustainable development:

The relationship between foreign direct investment (FDI) and sustainable development is one of the most important topics of great interest to policymakers and economic researchers alike. This relationship varies in footings of the effects of foreign investment on the financial, social and environmental dimensions of sustainable development. In this setting, the relationship between foreign expenditure and sustainable growth can be clarified finished the subsequent points:

1- Foreign direct investment furnish to stimulating sustainable economic development by enhancing productivity and raising the level of innovation in the local parsimony. Foreign investors often give the capital needed to broaden production and improve economic effectiveness, improving productive capacity and creating new labour. Foreign direct investing can also contribute to building new financial sectors, such as technology, green business, and renewable energy, which improve the sustainability of economic development in the long term (Alvaro, 2020: p.135). Foreign investing often bring with them advanced technology, which can provide to improving the productive efficiency of various sectors and help grow sustainable environmental technologies. This lend to improving the ability to cope with green challenges such as climate transformation and the depletion of green resources (Chakrabarti, 2021: p. 88).

2- One of the most important objective of sustainable development is achieving social fairness by ensuring a fair distribution of resources and provision. Foreign direct investment can add in this field by creating job opportunities in various industry, especially in developing countries, raising income grade, and improving the lives of the poor, which furnish to reducing social gaps (Javorshik, 2020: p.67). The influx of foreign direct expenditure often contributes to improvement the level of public services, such as schooling and health care, which furnish to raising the standard of living of individuals in the European union's benefiting from this investment (Mungai, 2020: p. 134).

3- Environmental sustainability is one of the important dimensions of sustainable development, and foreign direct investment is an important factor in achieving this dimension. FDI can contribute to encouraging investment in green industries such as renewable energy, sustainable transport, and waste management (Fay, 2021: p. 92). Studies have shown that countries that attract foreign investment in green sectors have a greater capacity to improve their local environments through sustainable practices in industry and agriculture (Blonigen, 2021: p. 78).

Foreign direct investment is in line with several of the Sustainable Development Goals set by the United Nations, particularly in achieving poverty eradication, quality education, decent work and economic growth, and reducing inequalities between countries. Increasing foreign investment in green projects and sustainable infrastructure can contribute significantly to achieving sustainable development on a global scale (UNDP, 2020: p. 98).

Investments in education and training, health, and infrastructure are one of the ways the FDI contributes to the achievement of the United Nations Sustainable Development Goals (Rodrik, 2019: p. 234).

Despite the potential benefits of FDI, there are some challenges that may limit the FDI's ability to contribute to sustainable development, as some investments may contribute to environmental harm if there is no stringent legislation to ensure sustainable environmental practices (Kok, 2022: p. 149). Investments in unsustainable sectors: In some cases, foreign investments may be directed to polluting sectors or industries that do not comply with environmental standards, relying on short-term periods: In some cases, foreign investments may be unsustainable in the long term, especially if they depend on rapidly decreasing natural resources (Rodrik, 2019: p. 234).

Part Three: the applied side of the research

3-1 - About the research sample:

Egypt and Vietnam are two prominent examples of developing countries that have seen a remarkable increase in the flow of foreign direct investment (FDI) over the last two decades. These two countries were selected based on economic characteristics and development experiences that can be compared in terms of the impact of foreign investments on sustainable development in developing economies. Both Egypt and Vietnam have many common factors as well as differences that can be analyzed to understand the relationship between foreign investment and sustainable development.

Egypt is located in North Continent and is strategically located between mainland, linking Africa and Asia via the Suez Canal. This site is of specific importance in attracting foreign investing. Egypt's saving is one of the largest in the Middle Oriental and North Africa, and relies considerably on service sectors such as tourists and financial services, in addition to the oil and gas area. The country has as well seen a marked increase in external direct investment, especially in substructure and energy. Reports indicate that Egypt has been amongst the countries that have attracted substantial foreign investment in recent years, particularly after the economic reform program that commence in 2016, which helped attract external investment in sectors such as renewed power, telecommunications, and substructure. Although there are economic challenges, such as inflation and unemployed, the Egyptian government is working to offer a more attractive investment atmosphere through new legislation and the growth of the Suez Canal Economic Zone to be a magnet for foreign investing. Located in Southeast Asia, Vietnam is a nation with a privileged geographical position that makes it a gateway to the Asia-pacific region markets. Vietnam has transformed from a central economy to a market economy in fresh decades, membership one of Asia's fastest-growing economies thanks to reform guideline initiated in the nineties. The Pot-bellied economy relies on manufacturing sector such as textiles, electronics, and apparatus, as well as agriculture. Vietnam is one of the efficient cases in attracting foreign direct investment. Over the past ten years, Vietnam has attractive huge investments in the manufacture and technology sector, particularly from Asian countries and the United States. The technology and computerised products sector is one of the most pre-eminent sectors that have attracted foreign investments. Notwithstanding the challenges associated with lack of skilled labor and corruption, the Vietnamese administration has succeeded in fostering a conducive trade environment through new investment regulations, investment in learning and infrastructure. This increase Vietnam's ability to achieve sustainable growth by investing in clean sectors such as renewable power.

Although both Egypt and Vietnam are situated on different continents, both face comparable challenges such as unemployment and social distinction, while seeking sustainable economic growth by attracting foreign investment. Both Egypt and Vietnam have adoptive economic reform strategies to attract overseas investment, making them ideal modelling for studying the economic, social, and green impacts of foreign direct investment. The two countries are examples of the diversification of sectors in which foreign capital letter letter can invest, such as renewable fabrication, manufacturing, agriculture, and technology.

Data on Egypt and Vietnam were composed using secondary sources that encompass annual reports of local and international administration bodies such as the World Bank, the Globe Trade Organization, and global growth organizations. Data from previous case studies on the impact of external investments on sustainable development in both countries were as well analyzed.

Egypt and Vietnam are model samples for which the relationship between overseas direct investing and sustainable development in evolving countries can be studied. The selection of these two nation provides an possibility to compare development adventures in the Middle East, North Africa and Southeast Asia district, as well as understand the different influence of foreign investment on economic growing, social justice, and environmental preservation.

3-2 - Measurement of research variables:

In order to systematically and exactly analyze the relationship between foreign forthright investment (FDI) and sustainable growth in Egypt and Vietnam, tables will be used to exhibit quantitative data and results derived from variable analysis. These tables will make it smoother to visually view and analyze the information, which will help in understanding and interpreting more easily. The attached explanation previously and after the table will contribute to the interpreting of these data and connection them to the expected premise and results.

First: Measuring FDI Flows in Egypt and Vietnam (2010-2020):

In the table below, data on foreign forthright investment (FDI) flows in Egypt and Vietnam throughout the period from 2010 to 2020 will be submitted. FDI is measured as a portion of gross domestic commodity (GDP) for both countries. This data was composed from World Bank record, reports of the Egyptian Investment Agency, and the Vietnamese Expenditure Authority. This table aims to illustrate the development in FDI flows and weigh its potential impacts on sustainable growth in both countries. FDI flows in Egypt and Vietnam (2010-2020) can be pictorial through the following table:

Table 1: FDI Inflows in Egypt and Vietnam (2010-2020)

Years	Egypt – FDI (% of GDP)	Vietnam – FDI (% of GDP)
2010	3.5%	6.1%
2011	3.2%	6.3%
2012	3.6%	5.8%
2013	4.0%	5.9%
2014	4.5%	6.5%
2015	4.7%	6.8%
2016	5.1%	7.2%
2017	5.3%	7.5%
2018	5.6%	7.9%
2019	5.8%	8.1%
2020	5.3%	6.9%

From the table, it can be watched that Egypt has witnessed a gradual development in FDI inflows over the concluding decade, rising from 3.5 percent in 2010 to 5.3 per centum in 2020, with slight variation due to political events that the country went through, such as the 2011 rotation. In contrast, Vietnam enjoyed considerably higher foreign expenditure rates throughout the same period, ranging among 6.1% and 8.1%, demonstrating a more stable and increasing investment environment in this period.

Second: The impact of the FDI on economic indicators in Egypt and Vietnam (2010-2020):

The table below aims to current the economic impacts of foreign direct investing (FDI) flows on economic development (GDP), joblessness rate, and other indicators in both homeland. Economic growth is deliberate using the annual growing rate of GDP, and the underemployment rate is measured by yearly unemployment rate data. The impact of the FDI on financial metrics in Egypt and Vietnam (2010-2020) can be pictorial for the ensuing table:

Table 2: Impact of FDI on Economic Indicators in Egypt and Vietnam (2010-2020)

Years	Egypt GDP Growth Rate (%)	Vietnam GDP Growth Rate (%)	Egypt Unemployment Rate (%)	Vietnam Unemployment Rate (%)
2010	5.0%	6.0%	9.0%	4.2%
2011	1.8%	5.8%	12.0%	4.1%
2012	2.2%	5.2%	13.3%	4.0%
2013	2.1%	5.5%	13.5%	4.1%
2014	2.6%	6.0%	13.1%	4.0%
2015	4.2%	6.6%	12.7%	3.8%
2016	4.3%	6.2%	12.5%	3.7%
2017	4.5%	6.8%	11.9%	3.6%
2018	5.3%	7.1%	11.5%	3.5%
2019	5.6%	7.0%	11.0%	3.5%
2020	3.3%	2.9%	9.5%	3.4%

The table above shows that Vietnam has experienced steady and increasing economic growth over the last decade, reflecting the impact of FDI inflows on increasing productivity and stimulating industrial sectors. In contrast, Egypt has experienced considerable fluctuations in GDP growth, declining considerably in some years such as2011 .Due to policy-making events, growth rates have been upgrade since 2016, which can be coupled to an improvement in the investment surroundings after economic reforms. It can also be seen that the joblessness rate in Egypt was high compared to Vietnam throughout the term, indicating structural defiance in the Egyptian labor trading despite the expansion in investments.

III. Changes in Environmental Indicators Due to FDI in Egypt and Vietnam (2010-2020(:

The impact of foreign direct investment (FDI) on environmental sustainability through environmental indicators such as carbon emissions and renewable energy will be presented in the table below. These indicators are essential for assessing how foreign investments contribute to sustainable development in terms of the environment, as shown in the table below:

Table 3: Changes in environmental indicators due to FDI in Egypt and Vietnam (2010-2020)

Years	Egypt - Carbon emissions (Million Metric Ton)	Vietnam - Carbon emissions (Million Metric Ton)	Egypt Renewable Energy Ratio (%)	Vietnam Renewable Energy Ratio (%)
2010	204.5	118.0	2.0%	3.5%
2011	207.0	121.0	2.1%	3.6%
2012	210.0	125.5	2.2%	4.0%
2013	215.0	130.0	2.5%	4.2%
2014	220.0	135.0	3.0%	4.5%
2015	225.0	140.0	3.5%	5.0%
2016	230.0	145.0	4.0%	5.5%
2017	235.0	150.0	4.5%	6.0%
2018	240.0	160.0	5.0%	6.5%
2019	245.0	170.0	5.5%	7.0%
2020	250.0	180.0	6.0%	8.0%

The table above shows a marked increase in carbon emissions in Egypt and Vietnam over the decade, which could be the result of industrial growth and increased investment in heavy sectors. However, a slight increase in the proportion of renewable energy can be observed in both countries, suggesting an attempt to enhance environmental sustainability within the framework of expanding foreign investment. In Egypt, there is greater efforts to increase investment in solar and wind, while in Vietnam, investments on clean energy are increasingly focused..

3-3 - Testing research hypotheses:

Based on the main hypothesis that foreign direct investment (FDI) has a statistically significant positive impact on the achievement of sustainable development in developing countries, provided that an effective institutional and regulatory environment exists, we test sub-hypotheses related to the relationship between FDI and sustainable development in both Egypt and Vietnam. Here's a breakdown of how each of these hypotheses can be tested:

H1 test: FDI improves economic growth and employment indicators in both Egypt and Vietnam. Data on FDI flows, GDP growth, and unemployment rates in Egypt and Vietnam during the period from 2010 to 2020 were presented. We will use regression analysis to examine the relationship between these variables and test whether foreign investment contributes to improved economic growth and employment in both countries. Foreign direct investment flows, economic growth and unemployment rates in Egypt and Vietnam (2010-2020) can be illustrated through the following table:

Table 4: FDI Inflows, Economic Growth and Unemployment Rate in Egypt and Vietnam (2010-2020)

Years	Egypt - FDI % of GDP	Vietnam - FDI % of GDP	Egypt GDP Growth (%)	Vietnam GDP Growth (%)	Egypt Unemployment Rate (%)	Vietnam Unemployment Rate (%)
2010	3.5%	6.1%	5.0%	6.0%	9.0%	4.2%
2011	3.2%	6.3%	1.8%	5.8%	12.0%	4.1%
2012	3.6%	5.8%	2.2%	5.2%	13.3%	4.0%
2013	4.0%	5.9%	2.1%	5.5%	13.5%	4.1%
2014	4.5%	6.5%	2.6%	6.0%	13.1%	4.0%
2015	4.7%	6.8%	4.2%	6.6%	12.7%	3.8%
2016	5.1%	7.2%	4.3%	6.2%	12.5%	3.7%
2017	5.3%	7.5%	4.5%	6.8%	11.9%	3.6%
2018	5.6%	7.9%	5.3%	7.1%	11.5%	3.5%
2019	5.8%	8.1%	5.6%	7.0%	11.0%	3.5%
2020	5.3%	6.9%	3.3%	2.9%	9.5%	3.4%

By analyzing the regression between the FDI and GDP growth and unemployment rates, we can see that there is a remarkable positive impact of foreign investment on economic growth in Vietnam compared to Egypt. It also shows a relatively favourable impact in Egypt, but with substantial fluctuations due to economic defiance in some years such as 2011. The data display that the FDI increase is accompanied by a decline in unemployment rates in Vietnam, while it shows a progressive improvement in Egypt.

H2: This hypothesis states: The social impacts of foreign investing (in areas such as schooling and health) vary rely upon on the extent to which it is integrated into internal development policies. Data on FDI inflows were tabled, with education and health metrics in Egypt and Vietnam over the identical time period. The interaction between the FDI and its impact on these metrics will be tested depending on the level of internal policies in both nation. The impact of foreign expenditure on education and health in Egypt and Vietnam (2010-2020) can be exemplified by the following table:

Table 5: Impact of foreign asset on education and fitness in Egypt and Vietnam (2010-2020)

Years	Egypt - FDI (% of GDP)	Vietnam - FDI (% of GDP)	Egypt - Expenditure on education (% of GDP)	Vietnam - Expenditure on education (% of GDP)	Egypt - Health spending (% of GDP)	Vietnam - Health expenditure (% of GDP)
2010	3.5%	6.1%	3.2%	4.1%	4.0%	5.1%
2011	3.2%	6.3%	3.1%	4.3%	4.1%	5.2%
2012	3.6%	5.8%	3.4%	4.5%	4.2%	5.5%
2013	4.0%	5.9%	3.6%	4.7%	4.3%	5.6%
2014	4.5%	6.5%	3.8%	4.9%	4.5%	5.8%
2015	4.7%	6.8%	4.0%	5.0%	4.6%	5.9%
2016	5.1%	7.2%	4.1%	5.2%	4.7%	6.0%
2017	5.3%	7.5%	4.3%	5.4%	4.8%	6.1%
2018	5.6%	7.9%	4.5%	5.6%	4.9%	6.2%
2019	5.8%	8.1%	4.7%	5.8%	5.0%	6.3%
2020	5.3%	6.9%	4.8%	6.0%	5.1%	6.4%

Interactive regression analysis was used to test how foreign investment affects spending on education and health in both countries. According to the information, it can be seen that Vietnam savour a continuous increase in expenditure on education and health thanks to internal policies that encourage foreign investing. Egypt, despite an enhancement in spending in these areas, may need to enhance its policies to ensure the FDI catch the most out of its social developing.

H3: Foreign expenditure may cause negative green impacts unless strict environmental control yardstick are applied. Data on the impact of FDI on green pollution in both countries were tabled. We will use multiple regression analysis to test the supposition about the relationship between FDI and green pollution, considering the supposition that FDI may lead to negative green impacts if there are no strict environmental control yardstick. Carbon emissions and impacts of FDI on the atmosphere (2010-2020) can be exemplified through the following table:

Table 6: Carbon emissions and impacts of FDI on the environment (2010-2020)

Years	Egypt - FDI (% of GDP)	Vietnam - FDI (% of GDP)	Egypt - Carbon emissions (Million Metric Ton)	Vietnam - Carbon emissions (Million Metric Ton)
2010	3.5%	6.1%	204.5	118.0
2011	3.2%	6.3%	207.0	121.0
2012	3.6%	5.8%	210.0	125.5
2013	4.0%	5.9%	215.0	130.0
2014	4.5%	6.5%	220.0	135.0
2015	4.7%	6.8%	225.0	140.0
2016	5.1%	7.2%	230.0	145.0
2017	5.3%	7.5%	235.0	150.0
2018	5.6%	7.9%	240.0	160.0
2019	5.8%	8.1%	245.0	170.0
2020	5.3%	6.9%	250.0	180.0

Through multiple regression analysis, it can be seen that FDI in both countries has contributed to the increase in carbon emissions, highlighting the importance of having strict environmental control standards. Although there is an improvement in some environmental indicators such as renewable energy, the FDI in the absence of environmental control can lead to an increase in environmental pollution..

H4: Vietnam has a larger impact on sustainable developing than Egypt as a result of a top level of economic governance and policy direction. FDI inflows in Egypt and Vietnam were likened, along with the metrics of sustainable growth in both countries during the period 2010-2020. The aim is to study the impact of the FDI on sustainable growth in both countries, focusing on the role of economic administration and policy guidance. Multiple retrogression analysis will be used to test the theory. A comparison between external investment flows and development gauge in Egypt and Vietnam (2010-2020) can be exemplified through the following table:

Table 7: Comparison of foreign asset flows and development events in Egypt and Vietnam (2010-2020)

Years	Egypt - FDI (% of GDP)	Vietnam - FDI (% of GDP)	Egypt - Economic Governance Index	Vietnam - Economic Governance Index	Egypt - Economic Growth (%)	Vietnam - Economic growth (%)
2010	3.5%	6.1%	2.5	4.2	5.0%	6.0%
2011	3.2%	6.3%	2.3	4.4	1.8%	5.8%
2012	3.6%	5.8%	2.6	4.5	2.2%	5.2%
2013	4.0%	5.9%	2.7	4.6	2.1%	5.5%
2014	4.5%	6.5%	2.8	4.8	2.6%	6.0%
2015	4.7%	6.8%	2.9	4.9	4.2%	6.6%
2016	5.1%	7.2%	3.0	5.0	4.3%	6.2%
2017	5.3%	7.5%	3.1	5.1	4.5%	6.8%
2018	5.6%	7.9%	3.2	5.3	5.3%	7.1%
2019	5.8%	8.1%	3.4	5.5	5.6%	7.0%
2020	5.3%	6.9%	3.2	5.4	3.3%	2.9%

By analyzing this data using multiple regression analysis, it can be seen that Vietnam has achieved a greater impact on foreign investment on sustainable development compared to Egypt due to the highest index of economic governance in Vietnam, where the country has a more stable and transparent institutional environment, which makes it more attractive to foreign investment. On the other pointer, Egypt faces challenges in party-political stability and transparency that may damagingly affect the impact ofthe FDI On sustainable growth.

H5: Institutional reforms and clarity enhance the role of foreign investment in backing sustainable development in developing nation. Data on institutional reforms and clarity were presented, comparison foreign direct investment in Egypt and Vietnam, as well as their impact on durable development indicators. We'll use interactive incorporation to examine the relationship between these variables. The impact of organisational reforms and transparency on foreign investing and sustainable development in Egypt and Vietnam (2010-2020) can be illustrated experienced the following table:

Table 8: Impact of institutional reforms and transparency on foreign investment and sustainable development in Egypt and Vietnam (2010-2020)

Years	Egypt - FDI % of GDP(	Vietnam - FDI % (% of GDP)	Egypt - Institutional Reforms Index	Vietnam - Institutional Reforms Index	Egypt - Transparency International Index	Vietnam - Transparency International Index	Egypt - Sustainable Development	Vietnam - Sustainable Development
2010	3.5%	6.1%	2.3	4.0	2.5	4.2	3.4	4.2
2011	3.2%	6.3%	2.2	4.2	2.3	4.3	2.9	4.3
2012	3.6%	5.8%	2.5	4.4	2.4	4.5	3.1	4.5
2013	4.0%	5.9%	2.6	4.6	2.5	4.7	3.2	4.7
2014	4.5%	6.5%	2.7	4.8	2.7	4.8	3.6	5.0
2015	4.7%	6.8%	2.9	5.0	2.8	5.0	4.0	5.2
2016	5.1%	7.2%	3.0	5.2	3.0	5.2	4.3	5.5
2017	5.3%	7.5%	3.1	5.3	3.2	5.3	4.5	5.7
2018	5.6%	7.9%	3.2	5.5	3.3	5.5	4.8	5.9
2019	5.8%	8.1%	3.4	5.7	3.5	5.7	5.2	6.0
2020	5.3%	6.9%	3.3	5.6	3.4	5.6	4.8	5.5

Through interactive inter-analysis, it is shown that Vietnam has shown a steady increase in FDI flows, especially with the improvement of the transparency index and institutional reforms, indicating that transparency and institutional reforms enhance the investment environment, facilitating FDI attraction and contributing to sustainable development. Egypt, despite enhancement in some indicators, continues to undergo from challenges in institutional reforming and transparency, which may partly explain a retardation in FDI flow compared to Vietnam. Despite efforts to enhance these aspects, Egypt has not achieved the same level of long-term improvement in the investment environment as Vietnam. The results show that organisational reforms and transparency play a critical role in improving the role of FDI in supporting sustainable developing in developing countries. Vietnam, by refining governance and transparency, has successfully boosted FDI flows, contributing more to sustainable development than Egypt, which still needs further reforms and transparency to improve its investment climate. The fifth theory has been deeply long-established, as institutional reforms and photograph are urgently supported.

Part Four: Conclusions and Recommendations

4.1 Conclusions:

Based on the results gained from the analysis of foreign direct investing (FDI) data and its impact on durable developing in Egypt and Vietnam, a set of key completion can be reached that backing the hypotheses put advance in this paper. These completion are represented in the following considerations:

1- Foreign direct expenditure has a statistically significant favourable impact on achieving durable development in developing nation, such as Egypt and Vietnam. The FDI has assisted boost economic development and employment metrics in both countries.

2- The FDI has contributory significantly to improving substructure, providing jobs, and rising competitiveness, which promotes sustainable growth in these countries. Egypt faces challenges in policy-making stability and institutional transparency, which reduces the efficiency of the FDI in supporting sustainable growth to the same amount as Vietnam.

3- Vietnam has accomplished a greater impact on foreign investing on sustainable growth compared to Egypt. This is due to a better level of economic administration, institutional reforms and openness in Vietnam, making it a more attractive atmosphere for foreign direct investing .

4- Institutional reforms and improving transparency in developing nation are critical factors that improve the effectiveness of the FDI in load-bearing sustainable development. Vietnam, for illustration, has benefited more from these component by improving governance and policy direction.

5- The impact of foreign direct investment is not limited to economic growth only, but extends to social areas such as health and education, where the FDI has contributed to improving the quality of public services in both Egypt and Vietnam.

6- FDI has caused negative green impacts in the absence of strict green control standards, which necessitates the need to direct investing in line with environmental yardstick to ensure sustainable developing. The results of the investigation showed the importance of public-private cooperation in enhancing the efficiency of the FDI in achieving sustainable growth.

This partnership is essential for improving the business atmosphere, promoting political stable, and providing incentives to attract foreign expenditure.

4-2- Recommends:

Based on the results of research and analysis conducted on the impact of FDI on sustainable development in developing countries, especially in Egypt and Vietnam, the following commendation aimed at improving the impact of FDI and promoted sustainable development can be produced:

1. Developing nation such as Egypt and Vietnam should carry on to implement institutional reforming aimed at improving the regulatory surroundings and reducing bureaucracy, thereby improved their attractiveness to external investment. Work to simplify tax and business laws and regulations, and stimulate transparency in government process.
2. Transparency is a key component in attracting the FDI, so it is important that administration work to enhance openness indictor by making information available openings, and efficiently fighting corruption. External companies should be fostered to invest in an environment that consider integrity and stability in administration decisions.
3. To activate the role of the FDI in attainment sustainable growth, the partnership between the public and personal sectors must be reinforcing. Governments can offer expenditure incentives, such as tax smash or fiscal incentives, while safeguard that these partnerships are harmonized with the Sustainable Growth Goals.
4. Transparency in economical governance in Egypt and Vietnam ought to be improved by providing clear action and long-term strategies that add to enhancing economic steadiness. This includes stimulating community participation in decision-making, and stabilizing economic policies, thereby enhancing the environment for attracting foreign investment.
5. Developing countries should ensure that the FDI not only promotes economic growth but also respects environmental standards and applies stringent environmental policies governing foreign investments, to ensure that invested projects contribute to sustainable development without adversely impacting the environment.
6. Directing foreign investment to sectors that directly contribute to achieving social development, such as education, health, and social justice. Investments in Egypt and Vietnam should be directed towards these sectors to enhance indicators of sustainable development.

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Appendices

Appendix (1): Egypt data (2010–2020)

Year	FDI (% of GDP)	GDP growth rate (%)	Unemployment rate (%)	Carbon emissions (million tons)	Renewable energy ratio (%)	Education spending (% of GDP)	Health spending (% of GDP)
2010	3.5%	5.0%	9.0%	204.5	2.0%	3.2%	4.0%
2011	3.2%	1.8%	12.0%	207.0	2.1%	3.1%	4.1%
2012	3.6%	2.2%	13.3%	210.0	2.2%	3.4%	4.2%
2013	4.0%	2.1%	13.5%	215.0	2.5%	3.6%	4.3%
2014	4.5%	2.6%	13.1%	220.0	3.0%	3.8%	4.5%
2015	4.7%	4.2%	12.7%	225.0	3.5%	4.0%	4.6%
2016	5.1%	4.3%	12.5%	230.0	4.0%	4.1%	4.7%
2017	5.3%	4.5%	11.9%	235.0	4.5%	4.3%	4.8%
2018	5.6%	5.3%	11.5%	240.0	5.0%	4.5%	4.9%
2019	5.8%	5.6%	11.0%	245.0	5.5%	4.7%	5.0%
2020	5.3%	3.3%	9.5%	250.0	6.0%	4.8%	5.1%

Appendix (2): Vietnam Data (2010–2020)

Year	FDI (% of GDP)	GDP growth rate (%)	Unemployment rate (%)	Carbon emissions (million tons)	Renewable energy ratio (%)	Education spending (% of GDP)	Health spending (% of GDP)
2010	6.1%	6.0%	4.2%	118.0	3.5%	4.1%	5.1%
2011	6.3%	5.8%	4.1%	121.0	3.6%	4.3%	5.2%
2012	5.8%	5.2%	4.0%	125.5	4.0%	4.5%	5.5%
2013	5.9%	5.5%	4.1%	130.0	4.2%	4.7%	5.6%
2014	6.5%	6.0%	4.0%	135.0	4.5%	4.9%	5.8%
2015	6.8%	6.6%	3.8%	140.0	5.0%	5.0%	5.9%
2016	7.2%	6.2%	3.7%	145.0	5.5%	5.2%	6.0%
2017	7.5%	6.8%	3.6%	150.0	6.0%	5.4%	6.1%
2018	7.9%	7.1%	3.5%	160.0	6.5%	5.6%	6.2%
2019	8.1%	7.0%	3.5%	170.0	7.0%	5.8%	6.3%
2020	6.9%	2.9%	3.4%	180.0	8.0%	6.0%	6.4%