



THE REPUBLIC OF KOREA

PERMANENT MISSION TO THE UNITED NATIONS

335 East 45th Street, New York, N.Y. 10017
Tel (212) 439-4000, Fax (212) 986-1083

Statement by Ambassador KIM Sook

Permanent Representative of the Republic of Korea to the United Nations

The 5th United Nations High-Level Dialogue on Financing for Development

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Mr. President,

I would like to start by thanking the President for his excellent arrangement of the 5th UN High-Level Dialogue on Financing for Development.

This year's Dialogue is particularly meaningful and timely given the growing urgency to renew our commitment to achieve the MDGs by 2015. In order to achieve the target, we have to reinvigorate our efforts to mobilize more development resources, on one hand, and to promote more effective and efficient use of these resources on the other. I hope our discussion will provide useful direction to move forward to this end.

Mr. President,

We agreed in Monterrey and later in Doha to mobilize financial resources for development from diverse sources. As noted in the Secretary-General's report A/66/329, however, we have witnessed a mixture of progresses and challenges in implementing them.

First, the recent downturn of government revenue in many developing countries, together with an unpromising outlook for sustained increase of ODA, poses grave concern in terms of mobilizing development potential of those countries.

We hope that developing countries will exert their utmost effort to mobilize domestic resources in adopting necessary measures to broaden their tax base, and to reinvigorate the private sector. Under these austere conditions, further efforts need to be made to combat corruption and illicit financial flows.

Second, while the volume of ODA provided by the OECD DAC countries hit a record high this year, registering \$129 billion last year, the outlook for sustained increase of ODA beyond 2010 is not promising. This is especially so, considering the ongoing adverse impact caused by global economic and financial difficulties.

Against this backdrop, the importance of fulfilling existing ODA commitments cannot be overemphasized. Furthermore, we believe that all countries in a position to do so need to actively participate in the global efforts to achieve the MDGs. On our part, the Republic of Korea is firmly committed to fulfilling our pledge to triple our ODA volume by 2015 compared to that of 2008. We recorded the 2nd largest increase rate of ODA volume among the OECD DAC countries last year.

Third, the Republic of Korea welcomes the efforts to mobilize diverse forms of additional resources, through new and innovative modalities like the air-ticket solidarity levy, International Financial Facility for Immunization, diaspora bonds, and the Climate Change Adaptation Fund. It is encouraging to note that these new resource mobilizing mechanisms are being applied to wider areas like health, education, climate change and so on.

We understand that adopting a new mechanism should always come as a result of prudent and comprehensive review on its possible impact on each country's financial market and regulation system.

In this connection, my delegation welcomes Mexico's plan to discuss innovative financing mechanisms for development as one of the priority areas in the upcoming G20 Summit, to be held in Los Cabos.

Fourth, in the trade area, my delegation shares the concern over protectionist measures that still persist as a reaction to global economic uncertainties. The Republic of Korea hopes that the forthcoming session of the United Nations Conference on Trade and Development (UNCTAD) in April 2012 will collectively address this concern since the protective measures will not serve any of us in the long run. In this respect, it needs to be noted that the G20 leaders reaffirmed in Cannes their anti-protectionist

stance. We also hope that meaningful progress toward the successful conclusion of the Doha Round will be made at the upcoming 8th WTO Ministerial Conference to be held in Geneva this month.

Last, but not least, it is encouraging that there has recently been a strong revival in private capital flows to developing countries. In order to make the most of the private capital flows for development, however we believe that the recent experiences of the financial crisis highlight the need to enhance international efforts to mitigate the adverse impact of volatile and short-term capital flows.

Mr. President,

Mobilizing resources itself, however, is not a final goal, but rather a means to an end. It would be meaningless if we cannot produce tangible development results from the hard won resources. This brings us to the need that we should not only sustain the sufficient mobilization of resources but also continue to seek more effective ways to use them.

In this regard, I would like to draw the attention of the General Assembly to the main outcomes of the 4th High-Level Forum on Aid Effectiveness, held in Busan last week.

The Busan Meeting was held not only as an inter-governmental process but also as a multi-stakeholder forum. Delegates from over 160 countries, 70 international organizations, and 300 civil society organizations and around 100 partners from the private sector participated. Among others, the Busan Forum agreed to launch a new phase of global development partnership focussing on the common goals, shared principles, and differential commitments, collectively identified in this forum.

Taking this opportunity, let me provide some important messages that have come out of this forum.

First, acknowledging the diversities of the forms, actors, and modalities of development cooperation, the forum agreed to accelerate development cooperation by adopting four shared principles; ownership of development priorities by developing countries, focus on results, inclusive development partnerships, and transparency and accountability to each other. It was stressed that these shared principles will form a foundation of coherent and concerted development cooperation. They could also serve as reference for South-South partnership.

Second, recognizing that aid was only part of the solution for development, it was agreed to broaden the paradigm from aid effectiveness to development effectiveness with a focus on sustainable development results.

The Forum also recognized the importance of effective institutions and policies, the potential of South-South and triangular cooperation for sustainable development, and the role of the private sector for development. The Forum stressed the need for combating corruption and illicit flows. It called for the commitment in supporting national climate change policy as an integral part of developing countries' overall development plans.

Third, the Forum highlighted the importance of monitoring progress against the commitments and actions in a more inclusive manner. To this end, the participants agreed to establish a new, inclusive, and representative Global Partnership for Effective Development Cooperation. The Forum invited the UN system, as a key contributor, for the successful implementation of the agreements reached in Busan at both the country and global levels. We firmly believe that the global partnership launched in Busan will complement the UN process for development financing in a mutually reinforcing manner.

Mr. President,

With only four years left to the MDG target year, we are facing the growing need to fully implement the Monterrey Consensus and Doha Declaration. In this connection, my delegation welcomes the agreement reached during this year's informal consultations on the GA resolution on financing for development to hold informal consultations with a view to taking a final decision on the need for follow-up conference by 2013.

I thank you Mr. President.

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