

Statement by Dr. Narayan Dhakal, Under Secretary, Ministry of Finance, Government of Nepal at the 1st drafting session of the outcome document for the Third International Conference on Financing for Development

Building Block A: "International Public Finance" (29 January 2015)

Distinguished co-facilitators,

Thank you for giving me the floor.

My delegation aligns with the statements made on behalf of G77 and China, and LDCs. I would highlight on the following point under the "***International Public Finance***" building block in national capacity:

1. Role of ODA is critical to development of LDCs. However, many bilateral providers prefer to flow from outside the country system. ODA implemented bypassing country system is not that helpful to strengthen country system. Therefore, ODA should unfailingly reflect in national budget system and national treasury system. Otherwise, it doesn't provide policy space and fiscal space to the recipient countries.
2. ODA providers should report to national as well as international information management system to enhance transparency and accountability.
3. For greater development effectiveness, cost and benefit of ODA should be listed transparently and analyzed before formalizing agreement.
4. Climate is global public goods and financing to supply this is undoubtedly crucial. However, this should be "above and beyond" the ODA.

5. Finally, ODA providers must live up with their commitment of 0.7 with 0.15 to 0.20% to LDCs. Ironically, the current scenario on an average is only 0.3% overall and less than 0.1% to the LDCs. Outcome document should cover this issue.

I thank you.