

Preparatory Process for the Third International Conference on FfD
First drafting session: International public financing
29 January 2015

Statement by Mr. Takeshi Osuga, Ambassador,
Deputy Director-General for International Cooperation and Global Issues

Mr. Co-facilitator,

I have more critical comments on the section of international public finance compared to previous chapters. I have two points.

First, while I wholeheartedly commend EU and its members for their efforts with regard to the 0.7% target and even envy them personally, I believe the element paper over-emphasizes the role of Official Development Assistance.

There are other official flows from developed countries to developing countries that have significant impact on development. Total official support to development should be looked into. Also, South-South and triangular cooperation, a complement and not a substitute to ODA as defined in UN resolutions, is gaining more significance as effective modality of development cooperation. By capturing these non-ODA public flows, the FfD outcome could add true intellectual value.

Secondly, with regard to ODA, the issue of concessionality should be captured more in detail. There are different types of ODA flows. There are grants, in cash or in the form of technical assistance. There are also loans, with different levels of concessionality. The important thing is that more concessional ODA is directed to the poorer and more vulnerable developing countries. There are needs for ODA in middle income countries also, in less concessional terms and in the form of technical assistance.

OECD/DAC has taken a major decision last month to modernize the definition of ODA and its measurement to incentivize more concessional fund to be provided to poorer and more