

ROK Country Statement
Agenda 2. Mainstreaming the SDGs into economic policymaking

Thank Chair,

First of all, I would like to congratulate you, Mr./Madam Chair, on your assuming the Chairmanship of this Committee. I am confident that this session of the Committee will be a great success under your able leadership.

Mr./Madam Chair,

The delegation of the Republic of Korea realizes the importance of mainstreaming the Sustainable Development Goals (SDGs) in national plans and policies to make sure the social, economic and environmental dimensions of sustainable development is fully achieved.

In this respect, last year my government established the Korean Sustainable Development Goals (K-SDGs), consist of 17 goals and 5 strategies based on our national priorities.

Over the last century, Korea experienced remarkable economic and social progress. Despite all the progress, this has also brought social and environmental costs such as social polarization, income inequality, and environmental degradation.

To tackle these challenges, the Korean government has set a policy vision to build an “*inclusive society where every person enjoys quality life*”, which is closely linked to the SDGs' fundamental principle of “*Leaving No One Behind*”.

Allow me to briefly touch the three pillars of economic policies behind the K-SDGs, representing our effort to create an enabling macroeconomic environment for inclusive growth.

The first pillar is 'income-driven growth'.

Since the beginning of the administration, my government launched a campaign to mitigate worsening income polarization by raising labor's share of the national income through minimum wage hikes and increased social expenditures for low- and middle-income class.

A successful example is the extension of Earned Income Tax Credit(EITC) to low-income families.

In the second quarter of this year, both household and earned incomes grew at the highest rate in the last five years.

In particular, the income of the poorest 20 percent, which had continued to decline worryingly due to the population aging, has begun to increase.

The second pillar is creating a 'fair economy'.

Economic democracy through a fair economy could be achieved when we maintain well-balance between small and large companies, that guarentees fair opportunities and competition. As part of this effort, Korea is addressing unfair corporate and market malpractices distruping a fair economy.

A specialized ministry, the *Ministry of SMEs and Startups*, was established in 2017. The ministry has since worked to enhance the competitiveness of these enterprises by increasing access to capital and investment, supporting the development of innovative products, combating IP theft and fostering more favorable trade conditions.

Lastly, 'innovative Growth' marks Korea's strong commitment to economic growth and job creation. It focuses on public investment on innovation, deregulation and labor market reform to spur new businesses, startups, and SMEs.

Support measures have led to the establishment of more than

100,000 companies, and more than 3.05 billion dollars (3.4 trillion won) was invested in startups. And we seek to boost our spending to ensure the resulting gains of growth are distributed equally to everyone.

We view with satisfaction that, such bold economic policies will not only reduce the inequalities of our society but also prepare us from the risks of economic slowdown.

Mr./Madam Chair,

As we enter the Decade of Action and delivery of the 2030 Agenda, now is the time for governments to step up and address the challenges and gaps persistent in the region.

Taking this opportunity, I would like to reaffirm Korea's support to UN ESCAP for their continued efforts to ensure sustainable development in the Asia-Pacific region, in particular the supporting the member states' alignment of policies and coordinated fiscal actions with the SDGs.

In this sense, we are ready to discuss the Secretariat's idea to form a working group to institutionalize our efforts to strengthen tax cooperation in the Asia-Pacific region, as long as additional programme budget implications are not made.

Thank you. /END/