

**Closing statement by Dr. Shamshad Akhtar,
Under-Secretary-General of the United Nations & Executive Secretary of
The Economic and Social Commission for Asia and the Pacific**

Fourth High-level Dialogue on Financing for Development

**Bangkok, Thailand
29 April 2017**

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Your Excellency, Mr. Ravi Karunanayake, Minister of Finance, Sri Lanka,
Your Excellency, Mr. SONG Eon-seog, Vice Minister of Strategy and Finance, Republic of
Korea,
Honourable Ministers,
Central Bank Governors and Deputies,
Excellencies,
Distinguished delegates,
Ladies and Gentlemen,

Discussions over the past two days have deepened our understanding of how the region can mobilize the resources – both the public and private – it needs to effectively pursue the 2030 Agenda for Sustainable Development. Your discussions have brought further clarity to how we can work together, under the umbrella of a broad-based Asia-Pacific platform provided by ESCAP, to overcome persistent challenges and take advantage of emerging opportunities.

Our Chair has provided us with a summary of the main suggestions and recommendations that are needed to leverage the resources to achieve sustainable economic and social well-being for present and future generations. The outcome of our deliberations will be communicated to member States at the upcoming session of the Economic and Social Commission for Asia and the Pacific that will begin in approximately two weeks. But also at the United Nations ECOSOC Financing for Development Forum in New York towards the end of May, and the ESCAP Committee on Macroeconomic Policy, Poverty Reduction and Financing for Development, scheduled for November 2017. The whole year, we will be disseminating and building on your recommendations.

Allow me to echo some of the main messages.

First, all of us agree that both tax policy and public expenditure management are vital to successfully deliver on the 2030 Agenda. It is not sufficient to just increase revenues. However, given current low revenue levels in several economies it would be a step in the right direction to support inclusive and sustainable development. Furthermore, tax policies need to mitigate inequalities and promote sustainable investment in the most cost effective way and at the right level of government.

Second, building international and regional partnerships is fundamental. Among others we plan to foster relationships between the IMF, ADB, OECD and World Bank on these topics. A multilateral approach is beginning to deliver productive partnerships.

Third, we have taken careful note of your request for ESCAP to use its intergovernmental mechanisms and collaboration with development partners to establish an Asia-Pacific platform on tax matters - where policy makers, tax administrators and relevant regional and sub-regional organisations can come together to support our member States. Again solid partnerships are essential.

Fourth, given the scale of financing needs of our region, mobilizing private financing to complement public resources is essential. In this context, Public Private Partnerships (PPPs), and deeper and more integrated capital markets, are an important means of increasing the availability of financing, especially for developing sustainable and resilient infrastructure.

ESCAP could provide an inclusive platform to develop legal, regulatory and institutional frameworks for PPPs. It is important to share best practice in this area. We are pleased that the existing support provided by ESCAP, including through online tools, are considered beneficial. This collaboration of twelve multilateral development banks and international organisations - with whom we work closely - has enabled knowledge sharing via the PPP knowledge lab. We will work together to facilitate cross-border project identification, build trust, support environmental and social safeguards and promote good governance.

Fifth, in its work on regional economic cooperation and integration to support deeper more integrated financial markets, ESCAP will collect and share examples of best practice on financial innovation that can be used to support sustainable infrastructure, and work to help address capacity gaps in countries with special needs.

Sixth, enhancing financial inclusion is an absolute priority. Financial inclusion, by increasing access to financial services, can play a key role in reducing poverty and stimulating economic growth. A key consideration here is to strike the right balance between increasing access to finance and maintaining financial stability. This demonstrates the need to develop well-designed regulatory frameworks.

We take note of your suggestion for ESCAP to set up a working group to advance financial inclusion in the region, focusing on:

- increasing the availability of financing for small and medium size enterprises;
- improving countries' financial infrastructure and public policies;
- supporting regulatory frameworks that ensure financial stability; and
- ensuring we make the most of new technology and FinTechs while proportionately managing new sources of risk.

Finally, you requested ESCAP to examine how countries in our region can further deepen national capital markets for sustainable and resilient infrastructure financing and financial inclusion, and to create mechanisms to integrate national capital markets across boundaries. Partnerships between governments, Central Banks and regulators will again be crucial. Member States felt the November 2017 meeting of the Committee on Macroeconomic Policy, Poverty Reduction and Financing for Development in November should give this issue its careful consideration.

In conclusion, you can count on ESCAP to follow up on each of your recommendations. I propose we continue the tradition of convening regular High-level Dialogue on Financing for Development, but a final decision to this effect can be taken by the Committee on Macroeconomic Policy, Poverty reduction, and financing for development.

I thank you once again for your thoughtful inputs.