

Media Update

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UNDP

Press Release

Domestic Resources Dominate Development Finance in Asia

Bangkok, 26 October 2016 The United Nations Development Programme (UNDP) and the Asia-Pacific Development Effectiveness Facility (AP-DEF) opened a two-day meeting on aid ahead of the upcoming [Global Partnership for Effective Development Cooperation](#).

More than 100 government delegates and development experts are exploring how to design integrated national financing frameworks for the implementation of the Sustainable Development Goals (SDGs) in Asia-Pacific.

“Domestic sources of finance are emerging as a key driving force for sustainable development in Asia-Pacific,” said Haoliang Xu, UN Assistant Secretary-General and UNDP Director for Asia and the Pacific. “These new sources of finance allow us to expand the existing development cooperation and partnership.”

According to a new report released today at the event, domestic public finance accounts for 44 percent of the total and domestic private finance an estimated 45 percent of resources overall.

The new resource landscape is reflected in the increase in the number of middle-income countries in Asia-Pacific from 16 to 28 over the past decade.

While international public finance, particularly official development assistance (ODA), accounted for 13.5 percent of the total financial inflows in the region in 1990, it fell to 3.4 percent in 2012. As a result, countries are designing new financing strategies that mobilize contributions from a wide range of sources, including private sector.



For example, Bangladesh aims for private financing to fund 78 percent of its 7th Five Year Plan that commenced last year.

“The transformation of development finance translates into increased demand for our services from governments in Asia-Pacific,” said Xu. “Our portfolio of government co-financed programs quadrupled over the past two years.”

The volume of UNDP’s government co-financed portfolio in Asia-Pacific is now at US\$116 million, according to a new [report](#) “Together for a Sustainable Future: Achieving the SDGs through Government Co-Financing in Asia and the Pacific.” Currently, UNDP and governments have co-financing agreements in 14 countries.

However, ODA continues to be significant, particularly in small island developing states. In Kiribati and Solomon Islands, ODA accounts for over 30 percent of total financing, in Tuvalu it accounts for more than half.

Discussions at the workshop are intended to inform the upcoming Global Partnership for Effective Development Cooperation (GPEDC) meeting in Nairobi, Kenya this November.

Click [here](#) for the “Achieving the SDGs in the Era of the Addis Ababa Action Agenda” report which informs the consultation at the meeting in Bangkok.

More information available on event’s [web page](#) and on Twitter under [#MeeTheSDGs](#) and [#apdef2016](#).

About UNDP

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Contact Information:

Mahtab Haider, Communications Specialist, UNDP Bangkok Regional Hub, mahtab.haider@undp.org – Cell: 0922 481 876.

Stanislav Saling, Media Relations and Public Affairs, UNDP Regional Bureau for Asia and the Pacific, Stanislav.saling@undp.org.

