

Opening Remark by Mr. Minoru Kiuchi
State Minister for Foreign Affairs of Japan

**At the Side Event: “Effective Cooperation and Multi-Stakeholder Partnerships
for Addressing Sustainable Development Challenges in Middle Income Countries”
on the occasion of the 3rd International Conference on Financing for Development**

14 July 2015, Addis Ababa

H.E. Mr. Seth Emmanuel Terkper, Minister for Finance of Ghana,
Mr. Newby Kumwembe, Principal Secretary, Ministry of Finance, Economic Planning and
Development of Malawi,
Mr. Juan Manuel Valle, Executive Director, Mexican International Development Cooperation
Agency,
Distinguished Guests,
Ladies and Gentlemen,

As a co-organizer of this side event; “Effective Cooperation and Multi-Stakeholder Partnerships for Addressing Sustainable Development Challenges in Middle Income Countries”, co-organized alongside the Government of Mexico and the Global Partnership for Effective Development Cooperation (GPEDC), I would like to extend a warm welcome to all of you.

As globalization advances, the development challenges faced by developing countries have diversified and grown ever more complex. Middle Income Countries (MICs), which include countries that had low income only a decade ago, also face various challenges, such as persistent poverty, economic and social inequality, vulnerability to disasters and climate change, and the so-called “middle income trap”. These challenges might be overlooked if we merely gauge such countries by their income levels.

As Japan’s Development Cooperation Charter clearly sets forth, Japan seeks to provide strategic and effective cooperation based on the unique needs and characteristics of each partner country, while allowing flexibility in the face of ever-changing situations. In so doing, we aim to contribute to the creation of societies in which no one is left behind through an inclusive development process toward quality growth.

In order to meet this objective, effective cooperation with MICs requires human resource development, the establishment and improvement of enabling environments for business, and support based on the concept of human security. Japan’s cooperative assistance and the vigorous efforts from the partner countries themselves have yielded positive results

through capacity building, the improvement of governance, and economic and social infrastructure development. In the Post-2015 era, our cooperation will include efforts aimed at strengthening resilience, in particular disaster risk reduction based on Japan's experience in this field, and the creation of sustainable societies through climate change countermeasures and clean energy development.

During the FfD negotiations, Japan has consistently advocated the importance of focusing on people and the necessity of addressing the diverse needs of a society's most vulnerable segments. While on the one hand, such criteria as per capita income are the important references for development cooperation at the national level, on the other hand, we also have to look at the real needs of people on the ground at the sub-national level. This is particularly important when considering the development needs of MICs. We take pride, therefore, in having helped to incorporate this perspective into the latest draft of the Addis Ababa Action Agenda.

In hopes of contributing to the global discussion regarding the challenges faced by MICs, the Government of Japan commissioned the UNDP to conduct a study on "The Role of Development Cooperation in MICs", as a part of our contribution to the GPEDC. The study found that development cooperation can play a catalytic role for the sustainable, quality growth of MICs by supporting inclusive development processes, building capacity to adapt to evolving situations, and incentivizing structural transformation and innovation. I hope the findings of the study, to be presented by Mr. Solimán of the UNDP during the panel discussion, will be useful in informing our efforts to achieve the goals of the Post-2015 Development Agenda in MICs.

We will continue to lead global discussions on effective development cooperation based on our 60 years of experience in conducting Official Development Assistance. In this connection, I am honored to announce that in August Japan will take over a seat in the GPEDC steering committee from the Republic of Korea. I would like to pay tribute to the crucial role that the Republic of Korea has played in the organization in this capacity.

We regard the inclusiveness of its partnership to be the GPEDC's most notable merit and strength. Therefore, we hope to contribute to the organization through outreach activities to further promote such partnerships with new development stakeholders through triangular cooperation, innovative private-partnership mechanisms, and other promising avenues.

In conclusion, I would like to thank all of you again and I look forward to exciting discussions. Thank you.