



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. KHALED HUSSEIN ALYEMANY, MINISTER PLENIPOTENTIARY, PERMANENT MISSION OF YEMEN TO THE UNITED NATIONS, AT THE INFORMAL EVENT ON INNOVATIVE SOURCES OF FINANCING (New York, 3 June 2010)**

Mr. Chairman,

1. The G77 and China welcomes the opportunity to exchange views on innovative sources of financing, take stock of the progress achieved so far and explore new initiatives and proposals in the area of innovative financing for development.
2. The Group believes that innovative mechanisms of financing can make a positive contribution in assisting developing countries to mobilize additional resources for financing for development on a stable, predictable and voluntary basis.
3. It is important that such financing should be disbursed in accordance with priorities of developing countries, should neither substitute nor negatively affect the level of traditional sources, and should not unduly burden them.
4. The G77 and China recognizes the considerable progress made since the Monterrey and Doha Conferences on the issue of innovative sources of finance and innovative programmes linked to them. We acknowledge that a number of initiatives have become a reality or are in an advanced stage towards implementation.
5. While highlighting the considerable progress in innovative sources of financing for development, it is also important to explore the possibility of scaling up present initiatives and developing new mechanisms.
6. As evidenced by the list of new mechanisms under consideration referred to in the Concept Note prepared by the FFD Office, the initiatives are extensive and varied, including issues with widely different nature and scope.
7. But even as work is expanded and new initiatives undertaken, it is important that priorities remain focused, namely, on providing additional, stable and supplementary resources to traditional development financing.
8. In this regard, innovative sources of financing may have a positive role in contributing to the achievement of the MDGs, supplementing the global partnership for development. The additional resources thus mobilized should also be additional to traditional sources of development financing, in particular with regards to ODA.
9. The G77 and China remains firmly committed to advancing the discussions on innovative sources of financing.

Thank you.