

**OECD Joint High-Level Meeting of the OECD Development Assistance Committee
(DAC) and the Environment Policy Committee (EPOC)
28-29 May 2009**

**Session 3: Capacity Development for Environmental Governance
in the Context of the Accra Agenda for Action**

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Good morning, distinguished delegates

I would first like to express my gratitude to the OECD Secretariat and to the Joint Task Team on Capacity Development and Governance for environment for their great efforts on follow-up measures to the OECD Development-Environment Ministerial Meeting which was held in 2006.

I am fully convinced that poverty reduction, economic development and environmental management are closely linked. Without proper environmental management, it is not possible to sustain economic growth and reduce poverty in all nations.

I'd like to raise one question to you. What factors make good environmental management in developing countries? Money, capacity or governance? All three elements are important. First, I would like to stress on the importance of capacity development in environmental management.

Good environmental management such as safe water supply and sanitation creates more benefit than its cost. As we discussed yesterday, for example, USD 1 investment in the water sector provides 4~12 times more benefits in the health area alone. Thus, good environment is strong foundation for economic development, especially in developing countries.

Therefore, I am sure, especially in times of economic crisis, even a small support for environmental capacity development will be a good investment in the future.

There has been lots of improvement in addressing partner countries' poverty and under-development. However, the aid policies have still been donor-driven rather than demand-driven.

Donor-driven aid policies may cause deficiency of partner countries' own participation. That has resulted in the ineffectiveness of aid.

Sometimes, development cooperation activities could cause environmental impact such as

water and air pollution and loss of biodiversity. The environmental impact could undermine the development of partner countries.

Thus, I believe that environmental factors should play a critical role in accomplishing the objective of the Accra Agenda, 'the efficiency of aid'.

In order to reflect environmental factors on the development aid projects, I think the partner countries' government, citizens and other stakeholders, who know the environmental characteristics of the area, should actively participate in the aid projects.

In this regard, the demand-driven aid policies and the participation of partner countries, which are emphasized in the context of the Accra Agenda, have significant meaning not only for ensuring efficiency itself, but also for reflecting environmental aspects to the development cooperation.

However, confronted with the current global economic downturn, partner countries might overlook the environmental factors in a development project.

Even if the partner countries want to apply environmental aspects to the development projects, the lack of their capacity might be an obstacle to doing so.

I believe that we should raise awareness of the importance of the environment and build environmental capacity through close cooperation between donors and partner countries.

Therefore, we should concentrate our limited financial resources on developing human resources. In Korea, human resources with environmental capacities have played a key role in overcoming the serious environmental problems caused by rapid economic growth since 1960s.

Based on such experience, Korea has been leading the Seoul Initiative on Green Growth network since 2005 in collaboration with UNESCAP. The aim of this programme is to explore and share ideas on 'environmentally sustainable economic growth' in the Asia-Pacific region through environmental training, policy forums and network meetings.

In order to realize 'Greening of ODA', we are going to expand environmental training programmes to include officials in charge of development beyond the officials in charge of the environment. It will contribute to integrating environmental issues with development policies and to establishing a broad range of environmental governance.

In addition, in consideration of the importance of the capacity development for environmental governance, I hope that OECD will play a major role in sharing information among member countries regarding the best environmental practices of the Accra Agenda.

In closing, I would like to express my wish that today's discussion will help us find ways for effective Green Growth in the context of the Accra Agenda for Action.

Thank you.