

**Statement by Fu Ziyang, Vice Minister of Commerce of China, at the
General Debate of the Fourth United Nations Conference on the
Least Developed Countries**

Istanbul, Turkey, 11 May 2011

Your Excellency President Gül of the Republic of Turkey,
Your Excellency UN Secretary General Ban Ki-moon,
Your Excellency UN Under-Secretary-General Cheick Sidi Diarra,
Mr. President,
Ladies and Gentlemen,
Dear Friends,

It gives me great pleasure to attend the Fourth United Nations Conference on the Least Developed Countries (LDCs) in the beautiful city of Istanbul. Let me begin by expressing sincere thanks on behalf of the Chinese government to President Gül and the Turkish government for your tremendous efforts in organizing and carefully arranging this conference.

Mr. President,

A decade ago, leaders around the world gathered in Brussels and adopted the Brussels Program of Action (BPoA). It is a solemn political commitment to the development of LDCs for the following decade, as well as a timetable and roadmap for international community to help LDCs reduce poverty and achieve development. To this end, LDCs have been making unremitting efforts in the past ten years and scored much improvement in economic and social development. However, as protracted issues such as weak basis, limited capacity and internal vulnerabilities remain fundamentally unchanged and, in particular, the international financial crisis brought growing challenges in LDCs. Therefore, LDCs should make further efforts and the international community should give more support.

Mr. President,

The LDCs are important members of the international community, and their development is vital to world peace and stability. It is essential to

help them eliminate poverty and achieve all-round development if we are to achieve enduring prosperity in the world. Moreover, it is the unshirkable responsibility and obligation of the international community. The international community should better appreciate the practical difficulties of LDCs, fully respect their independent choices, listen attentively to their aspirations, and meet their urgent needs with concrete actions. To this end, the international community, particularly developed countries, should step up financial and technological support to LDCs, further open their markets, reduce and exempt debts, and take concrete steps to meet their committed targets for official development assistance. International financial institutions and multilateral development agencies should give priority to financing projects in LDCs.

Mr. President,

Two weeks ago, the Chinese government issued a white paper entitled *China's Foreign Aid*, giving a comprehensive picture of China's policies and positions on this issue. For the past 60 years, particular in the past decade, China followed the principle of equality, mutual benefit and common development and done as much as it could in providing aid to LDCs through project assistance, aid in kind, technological cooperation and human resources development etc. The Chinese government reiterated its firm position and announced a host of measures to help other developing countries, particularly LDCs, achieve independent development on such occasions as the Forum on China-Africa Cooperation and the High-level Plenary Meeting of UN Millennium Development Goals. China has taken concrete steps to fulfill its international obligations, and contribute to the implementation of BPoA.

First, we fully respect LDC's national conditions and aspirations for development, and provide them with assistance without political preconditions. LDCs have become China's priority in providing foreign aid over the years. The share of China's aid to LDCs in its total foreign aid stood at 40% in 2009 and exceeded 50% in 2010. Over the past 60 years, in accordance with the actual needs of LDCs and based on in-depth consultations, the Chinese government has, within its capacity, provided economic and technical assistance to 46 LDCs, covering nearly 1,000 various projects in sectors like industry, agriculture, culture and education,

public health, communications, electricity, energy, transportation and public utilities. China also contributed an additional USD 50 billion to the IMF, with an explicit request that the fund should be used, first and foremost, to help LDCs. Moreover, China has consistently sent medical teams to Africa, Asia and Latin America since it dispatched the first medical team in 1963. By now it has sent 21,000 person times and treated about 260 million person times of patients. Currently 60 Chinese medical teams consisting of more than 1,300 people are working in 57 countries, two thirds of which are LDCs. China also donates medicine and medical equipment to recipient countries every year, which is very important for improving medical level and guaranteeing the health of the people in recipient countries. The assistance efforts have been well received and recognized by local communities, and have promoted their economic and social development.

Second, we have reduced and canceled debts to relieve the burden of recipient countries and promote their sustainable development. Since 2000, the Chinese government has announced six debt reductions or exemptions for matured interest-free loans owed by LDCs and heavily indebted poor countries (HIPC) that have diplomatic relations with China. By the end of 2010, China had signed debt relief protocols with 50 countries in Africa, Asia, Latin America, and the Pacific region, according to which 423 matured debts were canceled, including RMB 23.8 billion of debts owed by 44 LDCs. Those measures have mitigated the financial pressure and accelerated the poverty alleviation process of related countries.

Third, we have opened up market, increased imports and helped enhance LDCs' trade capacity. In September 2005, President Hu Jintao announced at the UN 60th Anniversary Summit that China would offer zero-tariff treatment to certain exports from LDCs having diplomatic ties with China. Most of exports from those countries to China are covered by this program. In September 2008, Premier Wen Jiabao announced at the UN High-Level Plenary Meeting on the Millennium Development Goals that China will apply zero tariffs on 95% of exports from LDCs. This commitment was reaffirmed in 2010. Now, China has provided zero-tariff treatment to most imported goods from relevant LDCs. These measures

have substantially helped the LDCs expand export to China and develop local industries.

Fourth, we have expanded investment to create more jobs and promote the endogenous growth in LDCs. The Chinese government has been supporting Chinese companies to carry out international trade and economic cooperation in diversified forms based on the principle of equality, mutual benefit and win-win. At present, China has worked with the governments in countries like Ethiopia, Zambia and Cambodia in developing overseas trade and economic zones, which have effectively promoted investment, increased tax revenue and created job there.

Fifth, we have helped to train local talents through capacity building, enabling local experts to better serve local communities in LDCs. Since China launched a large-scale foreign aid training program in 1980s, it has trained over 26,000 officials and technical personnel for LDCs in the fields of agriculture, forestry, animal husbandry and fishery, education, health care, commerce and trade, diplomacy, finance, media, energy, the environmental protection, infrastructure, public administration and other areas. China has also been committed to advancing the people-to-people exchanges and has been steadily increasing the number of government-sponsored scholarships to LDCs.

Mr. President,

This year marks the beginning of China's 12th Five-year Plan period. Adhering to the scientific outlook on development, we will stay committed to reform and opening up and keep to the path of peace, development and cooperation. As a developing country, China still faces many difficulties and challenges. However, we will never lose sight of our international responsibilities and obligations. Still less will we overlook the development aspirations of LDCs with which we share similar experiences. In the years to come, the Chinese government will honor its commitments and engage in South-South cooperation in a more substantial way. Through various channels and means, we will provide assistance to the best of our capacity and gradually increase our aid to LDCs:

First, we will tilt our foreign aid in favor of LDCs.

Second, we will strengthen cooperation in agricultural development and our assistance to LDCs in agriculture and food security. Depending on the needs of LDCs, we will help set up agricultural technical demonstration centers, send agricultural experts and technical personnel and step up agricultural technical personnel training.

Third, we will strengthen cooperation with LDCs in projects vital to people's livelihood such as hospitals, schools, domestic water and clean energy.

Fourth, we will boost LDCs' capacity of independent development by enhancing human resources training. In the coming five years, China will train 80,000 personnel in various fields for other developing countries, including LDCs.

Fifth, we will expedite implementation of the program to lower tariff rates for LDCs, write off debts of LDCs and lend further support to LDCs' economic and trade growth. In the WTO Doha Round Negotiation, we support an early harvest on duty-free, quota-free and other issues that LDCs are particularly concerned about.

Sixth, we will continue to encourage Chinese companies to set up economic and trade zones in LDCs so as to promote local economic growth for mutual benefit and win-win.

Mr. President,

The Istanbul conference will produce a new blueprint for the next decade of LDCs. As the saying goes, many hands make light work. I believe, with the joint efforts of the international community, LDCs are sure to find their way to wealth, harmony and wellbeing as we build a world of lasting peace and common prosperity.

Thank you, Mr. President.