



PEOPLE'S REPUBLIC OF CHINA
MISSION TO THE UNITED NATIONS

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PRESS RELEASE

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(Translation)

**Statement by H.E. Ambassador LIU Zhenmin,
Deputy Permanent Representative of China to the United Nations,
At ECOSOC Special Meeting on Global Food Crisis**

New York, 20 May 2008

Mr. President,

The recent soaring of global food prices have not only threatened the livelihood of many people, but also undermined the social stability of some countries. The poor people are the hardest hit. It is very timely and necessary for ECOSOC to convene this special meeting to explore ways for addressing the crisis.

There are complicated reasons behind the continuous and considerable increase in food prices on the global market. On the one hand, extreme weather conditions, disasters and other factors have led to a decrease in the output of main food producing countries. Rising prices of the means of agricultural production, triggered by skyrocketing energy prices, have driven up the costs of production. Huge export subsidies on agricultural products provided by developed countries over the years have distorted the international market of farm products, and to a large extent hampered the agricultural growth of developing countries. On the other hand, factors such as using grains for bio-fuel production, market speculation, and devaluation of the US dollars have also contributed to the rise of food prices.

We have noticed that, in the debate about the recent rise of food prices, a bizarre idea is to put the blame on improved living standards of some developing countries. There is no denying that improvement in living

standards will change food structure. However, this is a long-term trend, which is not happening overnight, and thus it has nothing to do with the soaring food prices. The per capita food consumption of developing countries is still at a low level. It is not constructive to ignore the main cause while blaming developing countries whose people are just living a little bit better than before.

Mr. President,

Food is essential for human survival. It is the shared responsibility of the international community to strengthen global food security. Countries need to work together to prevent irrational increase of global food prices. In China's view, the international community should make efforts in the following areas:

First, it should increase food assistance to the poor population. The top priority is to take prompt steps to provide food or food subsidies to developing countries, particularly the low-income population in urgent need of food. UN agencies can serve as the most convenient channel for providing prompt assistance. Countries, those in developed world in particular, should increase support for WFP and other relevant agencies. In this connection, the Chinese government has decided to contribute an additional US\$2 million to WFP on top of the US\$2.5 million originally planned for 2008 to help mitigate the current difficulties.

Second, member states should invest more in agriculture. Countries need to attach importance to agricultural production and increase agriculture-related financial input and technical support to increase global food supply. The international community, especially developed countries, should help developing countries build agricultural infrastructure, increase farm output and address the impact of climate change through financial and technical assistance. Countries need to work together to keep global energy prices stable. Prudent policy should be adopted to strike a balance between bio-fuel development and global food security.

Third, concerted efforts should be made to bring the Doha round negotiations to an early conclusion. Developed countries need to eliminate

or reduce agricultural trade-distorting domestic policies and measures, reduce farm subsidies and remove trade barriers. They should commit themselves to make the Doha negotiations a round for development and establish a fair and equitable multilateral trading system that contributes to the agricultural development of developing countries. International cooperation should be intensified to crack down on market speculation and driving up of food prices.

Fourth, it is necessary to give full play to the role of the United Nations. China highly appreciates the UN decision to make settlement of the current food crisis one of its top priorities. China supports the work of the task force for food led by Secretary-General Ban Ki-moon. We look forward to fruitful results coming out of the Food Security Summit in June this year.

Mr. President,

The Chinese government attaches great importance to agriculture. The consistent food strategy of the Chinese government is to depend on domestic supply and ensure general self sufficiency. Over the past decade, China has produced over 95% of its food domestically. With less than 9% of the world's arable land, China managed to feed its 1.3 billion people, which accounts for nearly 22% of the world's population. China has enjoyed grain harvest for four consecutive years since 2003. Adequate food storage has kept the food market stable and ensured food security. It is worth mentioning that China has maintained sufficient food supply not through self seclusion. On the contrary, import and export of food and other farm products have been carried out as normal. China imports some types of food products, but exports wheat and rice. There is a balance in overall import and export. I would also like to point out that China's grain import in 2007 accounted for less than 1% of the total trade volume in the world.

Over the years, China has taken an active part in international food and agricultural cooperation and works hard to contribute to global food and agricultural development. China provides contributions to the best of its ability to the relevant international agencies and offers food assistance to countries in urgent need. Meanwhile, it makes use of its advantages in farm technologies to help developing countries increase grain output.

The Chinese government is deeply concerned about impact of the rising global food prices on developing countries and the financial shortage faced by international food assistance programs. We believe there is still a large potential for increase in global food output. So long as the international community strengthen cooperation and further improve the international trade environment for farm products, developed countries increase assistance to low-income countries and local governments attach importance to agriculture, the situation of global food security will surely turn for the better.

Thank you, Mr. President.