

(Translation)

**Speech by Assistant Foreign Minister Shen Guofang,  
Deputy Head of Chinese Delegation,  
at the Meeting on Least Developed Countries  
of the 60<sup>th</sup> Session of the Economic and Social Commission  
for Asia and the Pacific (ESCAP)**

23 April 2004, Shanghai

Mr. Chairman,

As economic globalization is gaining momentum, the economies worldwide are becoming more and more interdependent, but the discrepancy between the poor countries in the South and the rich in the North was also aggravated as a result of globalization. In the past 30 years, the number of Least Developed Countries (LDCs) has grown from 25 to 51, and the population that lives in extreme poverty gone up from 138 million to 307 million. Both figures were doubled. Increasingly fretted with extreme poverty, the LDCs are being further marginalized. These are the grim facts that are confronting us.

The 14 LDCs in the Asia-Pacific region are mainly concentrated in sub-regions of South Asia, Central-South and South Pacific. The difficulties they face are caused by multifaceted reasons, including natural limitations such as frequent natural disasters and adverse geographical environment, external factors such as the legacy of colonial rules and foreign invasions, and internal reasons such as inappropriate policy and backwardness of education. However, the fundamental reason at work is the long existing unfair and unjust international economic order that has placed the LDCs in an unfavorable position in international competition and prevented them from shaking off difficulties and embracing rapid growth.

For us, the predicament of LDCs is, first and foremost, morally unacceptable. Besides, in the process of economic globalization, developed and developing countries have found themselves increasingly dependent on each other. The prosperity and progress of the Asia-Pacific region and that of the whole world cannot be achieved without the development of the LDCs. Only when the LDCs achieve their development and progress, will globalization become a win-win era for every country in the world, and will peace and development of the

world be solid founded. Therefore, the difficulties facing the LDCs are the common challenges before the whole world, and helping the LDCs in seeking development is the shared responsibility and task of the whole international community.

In recent years, the international community has made some efforts in helping the LDCs achieve development. In 2001, the 3<sup>rd</sup> UN Conference on the Least Developed Countries adopted the *Brussels Declaration on LDCs* and the *Program of Action for the LDCs for the Decade 2001-2010*. The *Monterrey Consensus*, which was reached on the *International Conference on Financing for Development* in 2002, specified the offering of more development funds to LDCs as a key area of cooperation for international development. These efforts indicate that the international community has realized the importance of helping LDCs in their development.

On the question of how to resolve the difficulties of LDCs as soon as possible, the Chinese delegation wants to make the following remarks:

1. The international community should take concrete measures to step up its support to LDCs. All countries, developed countries in particular, should earnestly fulfill their international obligations and commitments, and implement relevant *Declaration, Program of Action* and *Consensus*. Efforts must also be made to increase governmental development assistance to LDCs, reduce their debt burden, and improve their conditions of market access. Relevant international organizations should provide support to LDCs in a well-targeted way, help them restructure economy, improve trade conditions and strengthen capacity building, so that they can be better integrated into the world economic system. The difficulties and needs of LDCs should be fully considered and reflected in the reform of the international financial system and the Doha round of negotiations.

2. We should enhance South-South and regional cooperation, and help LDCs to develop their economy and reduce poverty by way of helping each other. Developing countries are economically complementary to each other. They can conduct various forms of pragmatic cooperation in trade, investment, infrastructure building, and technical assistance and exchanges. Countries in the Asia-Pacific region should enrich and expand the contents and forms of South-South cooperation between them, and try to establish effective mechanisms of cooperation. We can have further discussion and specific planning on the above mentioned cooperation in line with the theme of this ESCAP

Session: "Meeting the challenges in an era of globalization by strengthening regional development cooperation".

3. The efforts of LDCs themselves are necessary conditions for them to embark on a road of healthy development. The LDCs should grab opportunities, seek a sustainable development strategy that complies with their national conditions, work to enhance capacity building and system structuring, rationalize decision-making, implement effective macro-economic policies, and give full play to their own advantages.

Mr. Chairman,

The LDCs are the vulnerable members of the international community. Multilateralism is of vital importance to improving the situation of LDCs. Over a long period of time, the Chinese Government has called on the international community on many multilateral occasions including the UN General Assembly, UNCTAD and WTO negotiations to pay attention to the issue of LDCs and to safeguard their interests.

China, as a developing country, is faced with many difficulties in its own economic development. However, in the pursuit of common development, the Chinese Government has taken the initiative and worked hard to provide financial support and technical assistance within its capabilities to LDCs. In the past two years, the Chinese Government has reduced or exempted debts totaling RMB10 billion yuan owned by 32 Heavily Indebted Poor Countries and Least Developed Countries in Africa, and promised to reduce or exempt some of the debts by seven HIPC and LDCs in Asia. China has also relieved part of the matured debts by some countries including Vanuatu and Kiribati, and signed debt-relief protocols with Yemen, Bangladesh, Maldives, Myanmar, Lao PDR and Viet Nam. In order to help LDCs, China has given zero-tariff treatment to the commodities from some countries. In the future, the Chinese Government will continue to support LDCs' economic and social endeavors, and we also hope that ESCAP would play a positive role in this regard by exploring new ways of South-South cooperation.

I sincerely wish this meeting a success.

Thank you Mr. Chairman.