

SOCIALIST REPUBLIC OF VIET NAM

PHUNG KHAC KE, Head of Delegation

It is a great honor for me to address this 35th Annual Meeting of the Board of Governors of the Asian Development Bank (ADB). I would like to extend my warm congratulation to the Secretariat and other ADB staff on their excellent organization of this event. It is also my great pleasure to be in Shanghai and enjoy the generous hospitality offered by the government and people of this dynamic and beautiful city, for which I wish to express my gratitude. Let me also join others in welcoming Portugal, the 60th and the newest member of ADB.

Over the last year, we have witnessed the slowing of the global economy, which places many developing countries, including Viet Nam, in unfavorable conditions. Our export growth fell sharply from more than 20% in the 2000 to only 4.5% last year, which is far below the target of 16%. However, by taking stronger reform measures and appropriate economic solution, Viet Nam succeeded in retaining a high growth rate. Gross domestic product grew by 6.8% last year, as compared with 6.76% in 2000.

Over the past decade, Viet Nam has made significant achievements in the fight against poverty, which are mainly attributed to the high rate of economic growth. The benefits of high growth and poverty reduction, however, are not sustainable on equitably distributed among groups of people. While the average poverty incidence has been reduced markedly, poverty remains highly concentrated in certain areas such as rural, remote, and mountainous regions, where economic and human resources remain underdeveloped and vulnerable to uncertainties. At the Consultative Group Meeting for Viet Nam last year, participants highly commended and supported the draft Comprehensive Poverty Reduction and Growth Strategy (CPRGS) of the Government. Drawing from the 10-year Socio-Economic Development Strategy (2001–2002) and the 5-year plan (2001–2005), the CPRGS is an action plan for realizing national objectives of poverty reduction and economic growth. In February this year, Viet Nam signed with ADB the Poverty Reduction Partnership Agreement that establishes the commitment of the both groups to attaining the poverty reduction objectives of Viet Nam. This agreement will govern all ADB's operations in Viet Nam in the future to ensure that each and every ADB-financed project and program contributes to supporting the Government of Viet Nam in achieving its medium and long-term target for economic growth and reduction.

This year, we will celebrate the 10th anniversary of the Greater Mekong Subregion (GMS) program. By establishing this as one of the most successful models of regional cooperation in Asia, ADB has been able to assist the participating countries in developing physical infrastructure linkages to increase trade and encourage investment in the region. The GMS program also emphasizes human resource development,

tourism, environment, and most recently the development of economic corridors. In January this year, at the second Prime Ministers' Meeting for Cambodia, Lao People's Democratic Republic, and Viet Nam in Ho Chi Minh City, the prime ministers reconfirmed the need for early implementation of the Development Triangle initiative to promote socioeconomic development and achieve poverty reduction in the boundary area of the three countries. We do hope that ADB will consider supporting specific operations to be developed under the initiative.

With the strong determination and unceasing efforts of the Government and people of Viet Nam, and with the valuable support from the international assistance community including ADB, it is our strong belief that Viet Nam will be able to overcome the challenges of an uncertain external environment and difficulties of limited internal resources to achieve the objectives of rapid and sustainable growth, and poverty elimination. On this occasion, I would like, on behalf of the Government and people of Viet Nam, to express our sincere gratitude to ADB for its invaluable and constant assistance to our country.

Last but not least, I would like to congratulate President Chino and the Board of Directors on their approval of the long-term strategic framework 2001–2005 and the successful reorganization of ADB's operational structure. I am confident that with the long-term strategic framework and new structure, ADB will be able to assist its developing member countries with a more effective and comprehensive approach.