

**GS-09**

**PEOPLE'S REPUBLIC OF CHINA**

XIE XUREN, Head of Delegation

I am delighted to attend the 41st Annual Meeting of the Board of Governors of the Asian Development Bank (ADB) held in the beautiful country of Spain. First of all, please allow me, on behalf of the delegation of the People's Republic of China (PRC), to express my sincere gratitude to the Spanish government for its great hospitality and thoughtful arrangement.

Despite the negative impact from the world economic slowdown and increasing inflationary pressure since last year, the Asia and Pacific region has maintained rapid growth and enjoys optimistic development prospect. However, we should also note that the region is still faced with many serious challenges and the arduous task of achieving the Millennium Development Goals (MDGs).

As the largest multilateral development institution in the region, ADB has played an important role in promoting poverty reduction, economic and social development, and regional cooperation in the region. We are very pleased to see the new progress made under the leadership of President Kuroda since last year. The long-term strategic framework (Strategy 2020) has set a clear strategic position and direction for ADB between 2008 and 2020. The successful conclusion of the ninth replenishment of the Asian Development Fund (ADF X) negotiations has enhanced the capacity of ADB to provide poverty reduction assistance to its least developed members. The pricing down of lending products has helped ADB to better meet the needs of developing members. We greatly appreciate these and other achievements made by ADB.

The newly launched Strategy 2020 fairly reflects the needs of developing members and the comparative advantages of ADB. I would like to raise three proposals to improve implementation of Strategy 2020.

First, ADB should stick to the mission of poverty reduction and development in implementing Strategy 2020. ADB should help developing members in the region build upon achievements in agriculture and the rural economy, improve infrastructure, and achieve inclusive development and environmentally sustainable growth. It also needs to promote coordinated economic and social development and accelerate regional integration. As economies in the region are different from each other in terms of their national condition and development level, ADB should allow flexibility in implementing Strategy 2020. Meanwhile, ADB will need to make adjustments to Strategy 2020 to reflect changes in the region.

Second, ADB needs to secure resources for the implementation of Strategy 2020. Its successful implementation can only be achieved with adequate financial and human resources. In terms of

financial resources, we support the launch of a study on a general capital increase as soon as possible. In terms of human resources, ADB may take specific measures to further enhance the skills and capabilities of its employees.

Third, ADB needs to speed up its own reform process. To implement Strategy 2020 successfully and to serve the developing members in the region better, ADB needs to take active measures to further speed up its own reform process and improve its internal governance structure. Most importantly, ADB should take note of the need to enhance the voice and representation of its developing members.

The PRC is an important borrower and an equally important shareholder of ADB. ADB has long played an active role in promoting the PRC's economic and social development, poverty reduction, and its participation in regional cooperation. The PRC's development experience has enriched the development theories and practices of ADB. In addition, the PRC has also assisted regional development undertakings from its own resources. After its contribution to the eighth replenishment of the ADF (ADF IX) and the establishment of the PRC Poverty Reduction and Regional Cooperation Fund, the PRC will contribute another US\$35 million to ADF X, which demonstrates its support for ADB and the development course of the region.

This year marks the 30th anniversary of the reform and opening-up of the PRC. During the past 30 years, the PRC economy has maintained relatively rapid growth and has gradually become an important part of the world economy. The PRC's development has strongly promoted the stability and prosperity of the world economy. At present, its economy continues to maintain stable and relative rapid growth. However, it is also faced with many challenges and risks from domestic and external changes. Facing the current complex domestic and overseas situation, the Government of the PRC will continue to adopt a scientific development approach, to strengthen and improve macro-regulation, and to promote reforms and opening up, so as to achieve sound and rapid growth of the national economy. Meanwhile, the PRC will firmly follow the path of seeking peaceful development and unswervingly pursue a mutually beneficial win-win opening-up strategy. We will continue to promote the development of the region and the world through our own development.