



39TH ANNUAL MEETING

BOARD OF GOVERNORS

ASIAN DEVELOPMENT BANK

Hyderabad, India

4–6 May 2006

GS-26

People's Republic of China¹
JIN Renqing, Governor

It is a great pleasure to attend the 39th Annual Meeting of the Board of Governors of the Asian Development Bank (ADB) in the beautiful city of Hyderabad. I would like to extend my gratitude to the Indian government for its warm and cordial hospitality. At the same time, I would like to express my welcome to the two new ADB members, Armenia and Brunei Darussalam.

Since the last annual meeting, the Asia and Pacific region has maintained stable economic growth and has good development prospects. However, the unbalanced economic and social development and severe poverty in the region indicate that it will be challenging to meet the Millennium Development Goals (MDGs) as scheduled. In order to meet these challenges, countries in the region need to strengthen cooperation, jointly explore a development path suitable for the region, and create a new vista of mutually beneficial regional development.

It is encouraging that, in recent years, regional cooperation has attracted great attention and the strong support of all the parties concerned. ADB has made great efforts in this regard. The Government of the People's Republic of China (PRC) has always been an active facilitator of regional cooperation. The Second Greater Mekong Subregion (GMS) Summit was held in the PRC last year. At this meeting leaders of the six GMS countries reached a broad and important consensus and issued the Kunming Declaration, which mapped out a future development path for the sub-regional economy. This year, the PRC Government will host the Ministerial Conference of Central Asia Regional Economic Cooperation. It is my belief that this meeting will bring collaboration among these countries to a new high.

We are pleased to note new achievements made by ADB in the past year—policy and institutional reforms have continued and the operational scope has been expanded. However, ADB still has a long way to go in promoting sustained and stable regional development and eliminating poverty. Here I would like to make the following suggestions.

First, ADB should vigorously mobilize financing for development and expand the scale of its assistance. In order to help developing countries in the region fulfill the MDGs as scheduled, ADB should work more closely with the rest of the international community and other development organizations, and mobilize considerable funds for development. ADB should step up the scale of its assistance scale for poor countries in the region. ADB should also further strengthen its partnership with middle-income borrowers.

Second, ADB should continue to intensify its policy and institutional reforms. Given the ever-changing situation and development demands in the region, ADB should improve its policies

¹ Statement delivered in Chinese. Translation supplied by the delegation.



on technical assistance, operational procedures and loan products to make them more consistent with borrowers' demands. ADB should continue its initiative to become a knowledge bank, and provide more prompt and effective development experience and technical assistance to developing countries. It should strengthen its support for the private sectors of developing nations, the small and medium-sized enterprises in particular.

Third, ADB should further regional cooperation, a mission that is enshrined in the ADB Charter. Regional cooperation is full of potential. It is our hope that ADB will continue to play a role as a facilitator and financier. As a facilitator, ADB should give full play to its strengths as a multilateral institution and do more coordinating work, so as to promote deeper regional cooperation. As a financier, ADB should increase its financial and human capital input and expand cooperative ties with its international development partners, thus winning more support for regional cooperation.

The economy of the PRC maintained stable and fast growth last year. GDP grew by 9.9% and per capita income stood at \$1,700. With the unremitting efforts of its people, the PRC has entered a new stage of development. The central government has articulated a scientific approach to development that puts people first, with the overall objective of building a harmonious society in all aspects.

The PRC legislators endorsed the Eleventh Five-Year Plan this March, according to which the Government will make strong efforts to build a new socialist countryside, increase support for agriculture and rural areas, facilitate rural reforms, and narrow the urban and rural development gap in the next 5 years. The Government will speed up industrial restructuring, enhance the capacity of independent innovation, and build an environment-friendly and resource-conserving society. The Government will carry out a mutually beneficial opening-up strategy and try to strike a balance in foreign trade.

The PRC attaches great importance to sound cooperative relations with ADB and other international organizations. We will further adjust the direction and structure of our loans from ADB in line with our economic and social development priorities, and use ADB research and consultation resources more intensively for our development. The PRC is prepared to make concerted efforts with ADB and other members to contribute to a stable, prosperous and harmonious Asia and Pacific region.