
Mr. Chairman,

The Chinese delegation associates itself with the statement made by Fiji on behalf of the Group of 77 and China.

We are facing a very complex world economic situation. While an upward trend has emerged, the deep-seated impacts of the international financial crisis linger on and the world economy is still unstable and full of uncertainties. The recovery of the developed economies has been slow, accompanied by the rise of trade protectionism; while some developing countries, especially some emerging markets, are suffering from financial turmoil and a slowdown of growth. All this has posed challenges to international cooperation for development, among them the decrease of ODA, and shortage of resources and deterioration of the external environment for the development of developing countries. Difficulties facing financing for development have become all the more pronounced.

Mr. Chairman,

The Chinese delegation wishes to make the following observations on the items of international financial system and development, and financing for development:

On international financial system and development. The complex international economic and financial situation makes it necessary for the international community to strengthen macro economic policy coordination, resist trade and investment protectionism, keep focused on and committed to development, and narrow the gap in development among countries with a view to facilitating a robust, sustainable and balanced growth of the world economy. Developed economies should adopt
responsible economic policies. In making unconventional monetary policy adjustments, major reserve currency issuers must bear in mind the spill out effects of such adjustments in order to maintain the stability of the international financial markets and prevent negative effects on other countries, especially developing countries. Developing countries should be alert to the complex challenges brought about by a changing external environment, take proactive measures to guard against financial risks while expediting domestic structural adjustment with a view to boosting their immunity through reform. Sustained efforts are need to improve the international economic and financial governance systems, effectively increase the voice and representation of emerging markets and developing countries, and comprehensively implement the IMF quota and governance reform package as soon as possible. The development and poverty reduction functions of the international financial institutions should be reinforced in order to narrow the gap between the North and the South. The international community should pay more attention to South-South cooperation and do more to help developing countries in infrastructure building.

On financing for development. Adequate and stable development resources are crucial to the progress of international development cooperation. The UN is called upon to continue to play a leading role in the field of financing for development, and mobilize political will at the national, regional and global levels to effectively implement the Monterrey Consensus and the Doha Declaration on Financing for Development in order to raise resources for the realization of all the development goals. In this regard, China proposes actions in the following aspects:

One, reinforce financing for development. Public finance remains the core of international cooperation for development and a main concern of all developing countries. Developed countries should bear the primary responsibility for financing for development, fulfill in good faith their ODA commitment of 0.7%, provide effective development assistance and increase support for developing countries, especially those in Africa, in order to help them realize the MDGs. Countries should also work to mobilize domestic resources to increase input for development. China
supports stepping up efforts to put in place the follow-up mechanism of the Monterrey Conference on Financing for Development. We also support the early convening of the Follow-up International Conference on Financing for Development.

Two, strengthen global partnership for development. In striving for common development and shared prosperity, we need to establish a more equal and balanced global partnership for development with North-South cooperation remaining its core and South-South cooperation a helpful supplement. Within the framework of South-South cooperation, developing countries should continue to help each other and share their development experience in their drive towards common development.

Three, explore financing for sustainable development on the basis of financing for development. The international community should make a comprehensive assessment of the amount of resources needed by developing countries to realize the IADGs and sustainable development, further clarify the relationship between financing for development and that for sustainable development, and provide additional funds to developing countries. We hope that the intergovernmental committee of experts on financing for sustainable development will work on the basis of the Monterrey Consensus and within the framework of financing for development, and come up with options of an effective strategy of financing for sustainable development at an early date.

Mr. Chairman,

This year, the Chinese government continues to uphold the concept of scientific development as it focuses on speeding up the transformation of China’s mode of economic development with the aim of improving the quality and efficacy of growth. We have maintained a proactive fiscal policy and a prudent monetary policy to effect structural adjustment through reform and advance development via structural adjustment. Thanks to this approach, the overall situation of our national economy has been stable; steady progress has been made in our efforts to achieve growth, adjust economic structure, take forward reform and improve people’s lives; and our main economic indicators are within reasonable range and expectations. China’s economy
grew by 7.6% for the first half of this year and it is estimated that our annual growth rate will be 7.5%. In addition, prices are generally stable and increase has been registered both in employment and in people’s income. The aggregated macroeconomic indicators show that the fundamentals of the Chinese economy are positive. My government is fully confident in the future of our economic development. China will further deepen reform and structural adjustment, accelerate the transformation of the mode of economic development, and push for the shift of the basis of our economic growth to domestic demand, domestic consumption in particular, with a view to increasing our macroeconomic resilience and maintaining a sustained and healthy development of our economy.

China is an active participant and practitioner of international financing for development. As the largest developing country, China has consistently pursued a strategy of openness that seeks mutual benefit and win-win results. In the spirit of solidarity and mutual assistance, China has been working to enhance mutually beneficial cooperation with other countries and has provided assistance to other developing countries to the best of its capabilities within the framework of South-South cooperation. China will continue to take an active part in international financing for development and will do its part to promote the comprehensive implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development and to advance international cooperation for development.

Thank you, Mr. Chairman.