



Malaysia

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Permanent Mission to the United Nations

STATEMENT BY

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ON
AGENDA ITEM 89
ERADICATION OF POVERTY AND
OTHER DEVELOPMENT ISSUES

(a) IMPLEMENTATION OF THE FIRST UNITED NATIONS
DECADE FOR THE ERADICATION OF POVERTY (1997-2006)

AT

THE SECOND COMMITTEE OF THE 59TH SESSION OF
THE UNITED NATIONS GENERAL ASSEMBLY
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(Please check against delivery)

Mr. Chairman,

Let me begin by expressing my delegation's appreciation to the Secretary-General and the relevant United Nations agencies for their reports to the Committee in its deliberations under this agenda item. My delegation would like to associate itself with the statement made earlier by the Distinguished Representative of Qatar, on behalf of the G 77 and China. Nonetheless we wish to highlight a few issues of interest to Malaysia.

Mr. Chairman,

2. Next year the United Nations will convene many important meetings, particularly those meetings specifically tasked to assess the status of implementation of the various decisions and pledges that the international community has made at the turn of this new millennium. Of special interest is the High Level Plenary Meeting or Summit in September 2005 that is expected to examine the achievements, or otherwise, in the implementation of the Millennium Development Goals (MDGs) and to review the follow-up to the major conferences and summits. Central to the MDGs is the solemn proclamation to reduce poverty across the board by half by the year 2015.

3. By September 2005 we would have reached one third of the journey to meet our target date of 2015. But at present we have reasons not to feel too optimistic on the prospect of achieving the goals. While we acknowledge that some countries are on track toward achieving the Millennium Development Goal on Poverty, many others especially among the Least Developed Countries (LDCs) are extremely hard-pressed to meet the targets set under the MDGs. Some of these countries are yet to show much success in their poverty eradication programmes. While there are multiple reasons to explain the situation, we cannot ignore that the lack of financial resources and essential capacities have become the main obstacles to the implementation of the various programmes and projects designed for poverty eradication.

4. Malaysia fully agrees that poverty eradication requires a multi-dimensional approach that calls for actions at national, regional, and international levels. The core requirement for success is the need for international aid and assistance. As has been widely acknowledged, an estimated sum of USD150 billion per year would be required to meet the goals set in the Millennium Declaration. Efforts must be focused on raising the required financial resources including through new and innovative financing. We appreciate the recognition of the need to meet the ODA target of 0.7 per cent of the GNP per year and welcome the pledges and commitments made to fulfill the target. We also commend those countries which have substantially increased their contributions. Nonetheless we wish to urge donor countries that are not meeting their ODA target to make efforts to fulfill their commitments. In this connection, we attach great importance to the follow-up to the International Conference on Financing for Development and the

full implementation of the Monterey Consensus. We look forward to the High Level Dialogue on Financing for Development next year contributing significantly to the outcome of the September 2005 Summit.

5. Many developing countries are working closely with the United Nations system and their development partners to introduce the necessary reform and changes, including transparency and good governance, to their policies and national development priorities to achieve sustainable social and economic development. At the same time it is important for the international community to ensure that good governance is also observed at the international level to establish a dynamic and enabling international economic environment that would facilitate the integration of developing countries into the world economy and allow them to share the benefits of globalization.

6. Malaysia concurs with the view that the developing countries need to continue their efforts toward making the necessary adjustments to create a conducive domestic environment that could promote sustainable development and maintain ownership of the efforts. We applaud the initiative by the African countries under the New Partnership for Africa's Development (NEPAD) and urge the international community in particular our partners to continue to provide the well-needed support for NEPAD to succeed. Similarly we urge that the necessary support to be given to the various programmes of action designed for sustainable development in the Least Developed Countries (LDCs) including the Small Island Developing States (SIDS) as well as the Landlocked and Transit Developing Countries. The success in the implementation of all these internationally agreed programmes of action would help to bring us closer to freeing these countries and their people from the scourge of poverty.

Mr. Chairman,

7. Malaysia welcomes the intention expressed at the IMF meeting last October to enhance support for the lower income countries in the developing world especially the LDCs. A majority of these countries are in sub-Saharan Africa, are among the SIDs and LLDCs and are very much in need of assistance to free them from the clutch of poverty. We hope that the policy changes that would follow in the IMF would incorporate the special needs of those countries, whose small and fragile economies need all the help they could get in order for them to realize the MDGs.

8. The burden of unsustainable debt servicing by heavily indebted developing countries and the unfulfilled ODA commitments by donor countries need to be seriously addressed. Debt-servicing burden has been one of the major factors that has prevented progress in developing countries. There is an urgent need for policy coherence on this issue to ensure that efforts by the poor developing countries toward achieving their development goals would become more feasible. While we welcome the steps taken by some donor countries to

offer debt forgiveness and other measures on bilateral debt, we feel that more could and must be done in the area of multilateral debt as well.

Mr. Chairman,

9. The year 2005 has also been proclaimed by the General Assembly as the International Year of Microcredit and the Assembly has also invited governments and non-governmental organizations, the private sector and other stakeholders to give enhanced recognition to the role of microcredit in the eradication of poverty. We are happy to note that the declaration for 2005 to be known as the Year of Microcredit has been well received by Member States as well as non-state actors, including the international financial institutions.

10. The effective role and positive impact of microcredit in the efforts of poverty eradication in developing countries have been well documented. As stated by the Secretary-General, microcredit and micro finance have delivered a positive impact on cross cutting poverty related areas such as healthcare, education, the elderly, and women empowerment. Microcredit has served well in providing the poor important source of financing to enable them to engage in small business and commercial ventures that provide them with a source of livelihood and employment.

11. As a developing country eager to encourage and promote small and medium enterprises, Malaysia has introduced various measures that promote the accessibility of the poor to microcredit facilities at local financial institutions. The increased involvement of people from the poorer segments of the society in business and other enterprises, made possible through microcredit facilities, has contributed significantly to the overall Malaysian economy. It has also immensely contributed to our poverty eradication programme. Malaysia therefore supports the Secretary-General's recommendation calling for governments to provide strong support to the expansion of microcredit facilities to the poor through various means, including appropriate incentives to financial institutions. We would also like to urge the United Nations system and international financial institutions to continue to enhance their assistance to developing countries to enable them to further develop micro-credit institutions and facilities to the poor and needy.

Mr. Chairman,

12. As a developing nation Malaysia has had a fair share of experience in poverty eradication. At the point of the attainment of independence in 1957, almost seventy percent of the population was living below the poverty line. Eradication of poverty was immediately declared as among the prime national development objectives and became the cornerstone of Malaysia's socio-economic policies. A series of development policies, taking cognizance when necessary of Malaysia's own economic and social peculiarities, were introduced

and implemented. The implementation of those policies that gave strong emphasis, among others, to education, rural development and gradually to industrial development has helped to transform the country through phases and stages of development throughout Malaysia's nation-building process. As a result of our integrated approach to eradicate poverty, Malaysia has managed to reduce the incidences of poverty from 70 per cent in 1960 to 52.4 percent in 1970 and to 5.1 percent in 2002. Under the current Third Outline Perspective Plan (OPP3) from the year 2001 to 2010, we are determined to reduce the incidence of hardcore poverty to zero percent by 2009. Specific programmes have been designed to give greater emphasis to target groups such as rural farmers, poor households and single mothers.

Mr. Chairman,

13. Malaysia has benefited from the assistance, guidance and cooperation extended through United Nations system such as UNDP, UNIDO, UNFPA and other UN agencies as well as the Bretton Woods Institutions (BWIs) throughout our national efforts on poverty eradication. Having achieved some remarkable progress in our poverty eradication initiatives, we look forward to continue working with the relevant UN development agencies and other governments' to share our experiences on poverty eradication with other needy developing countries.

I thank you Mr. Chairman.