



Malaysia

Permanent Mission to the United Nations

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**STATEMENT BY
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CHARGE D'AFFAIRES OF MALAYSIA TO THE UNITED NATIONS
SECURITY COUNCIL DEBATE ON
MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY: CONFLICT
PREVENTION AND NATURAL RESOURCES
NEW YORK, 19 JUNE 2013**

Mr. President,

I wish to express my sincere congratulations to the United Kingdom, on assuming the Presidency of the Security Council for this month.

2. My delegation is of the view that this debate is timely and would contribute in the development of better understanding on this important question. At this juncture, Mr. President, Malaysia condemns the outrageous attack on the UN compound in Somalia. We extend our deepest condolences on the losses suffered by Somalia and the UN.

3. The co-relation between conflicts and natural resources is not a myth. It is a reality. While some countries have progressed tremendously with natural resources, others are cursed with the abundance of strategic commodities. History has proven that wars have emerged where natural resources are at stake. Malaysia has always been critical on the violence and carnage that have been caused by conflict due to natural resources. Our world is rich with resources, from the lush plain fields that produce crops, and the precious minerals that have helped countries develop. It is us who would determine if these resources are a boon or a bane.

Mr. President,

4. My delegation believes that the key to successful mitigation of conflict caused by natural resources is through good governance and responsible management of these resources. Governments are key actors and must be responsible and accountable. In managing resources, governments are the regulators of mining licenses and thus, in a position to determine the distribution of wealth from natural resources which generates growth of a country.

5. Malaysia is not oblivious to such challenges. Striking a balance between good governance and maximizing yield, the managing of Malaysia's oil reserves has been of

utmost importance to the Government. Malaysia formed the PETRONAS in 1974 as its national oil company. Much of its current success can be attributed to the relevant laws and running the entity as a full-fledged commercial organisation. As a state-owned entity, PETRONAS is responsible for the effective management of Malaysia's oil and gas resources and to ensure the orderly and sustainable development of the nation's petroleum industry. Governed by its Code of Conduct and Business Ethics (COBE), PETRONAS has continued to accommodate developments in local and international laws and practices, as well as technological developments and benchmarked to international standards. The COBE will not only promote legal and procedural compliance, but also provide a moral compass in guiding its work in the international arena.

6. Malaysia's support in fighting the scourge of wars and conflict fuelled by resources does not stop there. While Malaysia is not a diamond exporting country, we believe in the efforts of the international community in regulating the flow of diamonds that fuels conflict in Africa. Malaysia has been a Participating State in Kimberley Process since 14 October 2003. Malaysia has implemented the various standards and international certification scheme. We remained encouraged with the growing number of Participating States. Furthermore, my delegation views the Kimberley Process as an effective mechanism in controlling the trade in rough diamonds and has made the trade in polished diamonds more transparent and secure.

7. Malaysia also believes that international voluntary initiatives by the extractive industries that include the Extractive Industries Transparency Initiative (EITI) and the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas, as a way forward in strengthening governance and curbing strategic commodities from their misused to prolonged conflicts.

Mr. President,

8. It is without a doubt that the United Nations has a role to play in providing a neutral, impartial and consultative advice to countries in need. My delegation is of the view that there are many mechanisms already in place to support such an endeavour. The Peacebuilding Commission is one such instrument. The Commission has been active in supporting countries under its agenda. It has continued to provide the Security Council its advisory role on pertinent developments on Sierra Leone, Liberia, Central African Republic, Guinea, Guinea-Bissau and Burundi. Through the Commission, Member States have been able to interact in the field to support national governments in prioritising strategies and plan of action which may include the management of natural resources, to prevent a relapse to conflict.

9. Malaysia shares the view that the Commission and UN Country Teams have a role to play in developing synergies in conflict prevention. These synergies can be realised in peacebuilding programmes and building of capacity of governments, thus

making them important mechanisms in the monitoring of adherence to commodity schemes, as those of the Kimberley Process. This would support efforts in the prevention of conflict in relevant countries.

10. Malaysia also holds the view that the United Nations can play a critical part to the prevention of conflict. However, my delegation would also stress on the importance of reaffirming the inherent sovereign rights of states in the exploitation of their resources. Such precepts are deeply seeded in the principles of international law and the sovereign rights of Member States in maintaining its territorial integrity.

Mr. President,

11. Malaysia does not dispute the inherent connection of natural resources in fuelling conflicts. While good governance, responsibility and accountability of governments play the key role in preventing strategic commodities from fuelling conflicts, we, the international community, must also do our part in supporting these countries with the necessary support, to ensure that these Member States do not relapse into conflict.

I thank you, Mr. President.