



MALAYSIA

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STATEMENT BY
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PERMANENT REPRESENTATIVE OF MALAYSIA
TO THE UNITED NATIONS

AT THE HIGH LEVEL THEMATIC DEBATE ON
THE PROMOTION OF INVESTMENT IN AFRICA AND ITS CATALYTIC ROLE IN
ACHIEVING AFRICA'S DEVELOPMENT OBJECTIVES, INCLUDING THOSE OF THE
NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT (NEPAD)
NEW YORK, 17 JULY 2014

Mr. President,

At the outset, please allow me to thank you for convening this **High-Level Thematic Debate on "The promotion of investment in Africa and its catalytic role in achieving Africa's development objectives, including those of the New Partnership for Africa's Development (NEPAD)"**. Malaysia associate itself with the statement delivered by the distinguished representative of the Plurinational State of Bolivia on behalf of the Group of 77 and China.

Mr. President,

2. Developing countries rely on foreign and domestic investments to strengthen its capital market and in turn drive national development programmes. As clearly emphasized in the concept note of this thematic debate, **investment is a driving force and a prerequisite for economic growth and development**. My delegation fully subscribes the notion that a substantive increase in investment in all forms of infrastructure in African countries is necessary. With the availability of potential foreign direct investment in place, it may further facilitate access to technology and knowledge, as well as in enhancing business skills and entrepreneurship in African region. This in turn will have positive impact on growth and development.

Mr. President,

3. Malaysia attaches great importance to its relation and cooperation with Africa especially in the area of peace and security, trade, investment and holistic development of the region. Malaysia also supports the effort on promoting investment as vehicle for development enhancement and poverty reduction, as evidently implemented in our own

development policy. We truly believe that one of the best strategy in promoting investment as vehicle for development enhancement and poverty reduction would be the South-South Cooperation framework. As we can see, the growing trend of FDI flows from South-South countries into the African continent has provided the foundation for greater cooperation in the future. Under the solidarity of the South-South Cooperation, the relations between Malaysia and countries in Africa have been enhanced through cooperation and mutual respect without jeopardizing African's national ownership principles.

4. I am pleased to share with you the figures reflected in the UNCTAD's Report on the Rise of BRICS and Africa in March 2013, that Malaysia is the biggest Asian source of foreign direct investment (FDI) to Africa. Malaysia was the third biggest investor in Africa in 2011 after the United States and France, with a total of USD19.3 billion of investment in the continent. The investment from the Malaysian private sector has led to the creation of more decent jobs, transfer of knowledge and technology, and has assisted in promoting Africa as a vibrant investment destination in the world.

5. Malaysia remains committed to assist our African friends in enhancing their institutional capacity to provide investment friendly policies through our capacity building programmes. Malaysia cooperates with African countries through specific technical courses under the Malaysian Technical Cooperation Programme (MTCP) and through a triangular cooperation such as the Malaysian Technical Cooperation Programme (MTCP), Japan International Cooperation Agency (JICA), and Africa (MTCP-JICA-Africa). Malaysia has also entered into specific cooperation programme with African countries through dialogue platforms such as the private sector involvement through Malaysian South-South Association (MASSA) and Malaysian South-South Cooperation (MASSCORP). As of 2013, close to 7000 participants from 45 African countries have benefitted from the MTCP.

6. Besides MTCP, Malaysia has, since 1995, organized the Langkawi International Dialogue (LID). The Dialogue has been successful in forging smart partnership between the governments and private sectors of the South aiming to stimulate economic activities. Since its inception, a total of nine such dialogues have been held, aimed at fostering Smart Partnerships at all levels in society, engaging the political leadership, civil service, business, labour, civil societies, media and the population at large. The success of the LID has prompted African countries to organize a similar dialogue in Southern Africa, known as Southern Africa International Dialogue (SAID). In this regard, Malaysia wishes to reaffirm its commitment to host the future Smart Partnership dialogue through the Langkawi International Dialogue (LID). Malaysia believes that the Smart Partnership dialogue is a good platform for Malaysia to continuously engage with other African countries besides bilateral engagements. Malaysia's presence during the Dialogue in Africa and our commitment to host LID demonstrates our continuing support for Africa's economic development.

Mr. President,

7. Malaysia welcomes the progress made by African countries under the framework of NEPAD. It has succeeded to fulfill its objectives to encourage and build transformative leadership and constructive national dialogue among African countries, through an inclusive and participatory self-assessment process. It has successfully fostered policies and practices that would lead to attainment of the NEPAD objectives of political stability, high economic growth, and sustainable development and accelerated sub-regional and continental economic integration. Nevertheless, we are fully aware that challenges of fostering conducive ecosystems for investment and development in several part of Africa are not easily attained and needs to be addressed in order to attract more investment. We have seen examples where a lack of governance and economic strength, societies would crumble, public order relinquished and development activities stunted.

Mr. President,

8. Malaysia has always believed that economic revitalization is crucial in supporting countries emerging from conflict, especially to take on the advantage of potential corporate social responsibility of the investors. On this, attracting investment would require an effective legal framework to protect the concessions of international investors and the rights of the local community. For instance, Malaysia has supported efforts to revitalize the economy of Liberia through the participation of Sime Darby. Sime Darby employs a total of 3,800 Liberian workers within its plantation estate. The company continues to display its social responsibility through engagements with various stakeholders namely; the Government of Liberia, the local community, nongovernmental organisations including Green Advocate and other relevant international partners. Part and parcel of its corporate social responsibility is to strengthen relations with the local community. The company has also embarked on supporting the community's basic needs including building roads, hospitals, schools and providing employment.

9. While Sime Darby has continued to be supportive of economic revitalization efforts in Liberia, it has also experienced various challenges in the country. Malaysia is of the view that more work has to be done in harmonizing local land laws in order to protect both international corporations and the local community. My delegation is confident that with due attention and continued consultation currently ongoing with relevant stakeholders, Liberia is on the right track to have a more streamlined land law that would attract and facilitate investment into the country. This model of cooperation could well be replicated in other parts of the continent.

Mr. President,

10. In facing the challenge of decreasing financial aid from the developed countries, investment will play a major role in supporting infrastructure development to accelerate African regional integration. An enabling domestic and international investment climate

is key to fostering domestic and international private investment. International community has duly noted that African countries have undertaken significant efforts to put in place a transparent, stable and predictable business climate. This is an important step to encourage private investment both domestic and international. Malaysia hopes that more countries and their private sectors will appreciate these efforts and participate in future Africa's economic activity, thus further enhancing the development of Africa as a whole.

I thank you, Mr. President.