



MALAYSIA

PERMANENT MISSION TO THE UNITED NATIONS



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STATEMENT BY

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TO THE UNITED NATIONS**

ON BEHALF OF ASEAN

AT THE SECOND COMMITTEE

**OF THE 69th SESSION OF THE
UNITED NATIONS GENERAL ASSEMBLY
ON AGENDA ITEM 17:
MACROECONOMIC POLICY QUESTIONS
(A) INTERNATIONAL TRADE
AND DEVELOPMENT**

NEW YORK, 22 OCTOBER 2014

Mr. Chairman,

I have the honour to speak on behalf of the ten Member States of the Association of Southeast Asian Nations (ASEAN), namely Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam. ASEAN would like to align itself with the statement delivered by the distinguished Permanent Representative of Plurinational State of Bolivia on behalf of the Group of 77 and China.

Mr. Chairman,

2. Overall economic activity in developing nations slowed in early 2014 due to the continuing financial and economic crisis which has a severe impact on the export revenues, trade barriers, trade finance and investment. ASEAN economies as a whole grew by 5.1 percent in 2013, although growth is expected to soften to 4.7 percent in 2014. The expected decrease of growth in 2014 is due to domestic adjustments in certain ASEAN member states. Nonetheless, growth supporting measures in China; easing of domestic adjustment in large middle-income economies within ASEAN; and a pick-up of global demand for exports had contributed to the strengthening of economic activity in the region. ASEAN is very pleased to note its stronger level of foreign direct investment (FDI) at USD122.4 billion in 2013, compared to USD 114.3 billion in 2012. Notwithstanding, ASEAN remain vigilant against downside risks, such as, further contraction of external demand, tighter global financing conditions, higher oil prices, and volatile global capital flows.

Mr. Chairman,

3. ASEAN had learned from the financial and economic crisis on the need to strengthen multilateral economic surveillance, particularly in the international banking and financial sectors, policy spillovers and cross-border linkages. We, ASEAN, have long recognized the need for stronger regional coordination, cooperation and surveillance to address global challenges that affect sustained economic recovery and development. In this context, we have put in place an ASEAN Plus Three Macro Economic Regional Surveillance Office (AMRO), the regional macroeconomic surveillance unit of the Chiang Mai Initiative Multilateralisation (CMIM) of the ASEAN Plus Three members, aimed to strengthen macroeconomic coordination and financial cooperation at the regional level.

4. In facing the current global uncertainty, ASEAN stresses the importance of promoting fiscal soundness for sustainable economic development. In this regard, ASEAN continues to accelerate and deepen the economic structural reforms, promote domestic demand and

employment, resist protectionism and further promote trade and investment. The 46th ASEAN Economic Ministers Meeting held in Nay Pyi Taw on 28 August 2014 reviewed the progress that has been made in deepening integration between and amongst all ASEAN member states, particularly on trade in goods, services and investment. Aside from that, regional cooperation on matters relating to small and medium enterprises, intellectual property, competition policy, consumer protection and public-private sector engagement was also discussed. ASEAN economic ministers had convened their annual consultations with their counterparts from all ASEAN Dialogue Partners, to further strengthen partnerships between ASEAN and other economies, as these external linkages form a key component of the overall strategy for ASEAN to be fully integrated into the global economy.

5. We, ASEAN, are also pleased to inform that the overall implementation rate of the ASEAN Economic Community (AEC) blueprint is now at 82.1 percent as of July 2014. The blueprint is targeted to be fully implemented by the end of 2015. As we are heading towards the formation of the AEC, consolidating and expanding the existing regional integration initiatives has been the strategy to support the integration of developing countries into regional value chains. In moving forward, we have also embarked on an ASEAN Economic Community (AEC) Post-2015 vision, to pursue deepened economic intergration, beyond what we have achieved thus far. Consistent with our vibrant intraregional trade, ASEAN Member States have accelerated our engagement in regional trade agreements. The ASEAN-China free trade area has emerged as the world's largest regional trade agreement, comprising one third of the world's population.

Mr. Chairman,

6. ASEAN reaffirms its commitment to uphold a universal, rules-based, open, non-discriminatory and equitable multilateral trading system that could contribute to the global growth and sustainable development. ASEAN therefore, calls upon the World Trade Organisation (WTO) and other relevant bodies, including United Nations Conference on Trade and Development (UNCTAD) to continue monitoring protectionist policies and to assess their impact on developing countries. In this regard, we would like to recall the outcome of the Ninth Ministerial Conference of the World Trade Organization, in Bali, Indonesia, in December 2013 and would also like to stress on the importance of implementing all aspects of the Bali package in a balanced manner, through an inclusive negotiating process taking into account the priorities of developing nations.

Mr. Chairman,

7. ASEAN is deeply concerned over the fragility of the global economic and financial situations, especially the financial turbulence that have hit the advanced economies. We are concerned that this economic and financial malaise would severely impact on the world development agenda especially for those in vulnerable situations, including women and children. The current global downturn holds the potential of further aggravating poverty and threatens the achievement of the Millennium Development Goals and post-2015 development agenda.

Mr. Chairman,

8. In closing, ASEAN believes that with 2015 is just a couple of months away, we need to continue to focus on attaining our development goals. On this note, ASEAN looks forward to play an active role in its negotiation and consultation. The importance of strengthening of the global economic governance cannot be overemphasized. It is significant that we work together and coordinate efforts to encourage sustained, inclusive and equitable economic growth. We hope that ASEAN in the long run could contribute meaningfully to the global economy, given ASEAN's dynamic economies. ASEAN stands ready to work with all partners to achieve our shared goals for a more peaceful and prosperous world.

I thank you, Mr. Chairman.