

**69th ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND
THE PACIFIC (ESCAP)**

MALAYSIA

Country Statement

The Honorable Chairman,
Madame Executive Secretary,

At the outset, my delegation would like to express our sincere appreciation to ESCAP for the excellence arrangement and hospitality accorded to our delegate during the 69th session and to the host country Thailand.

Distinguished delegates, Ladies and Gentlemen,

In a world characterized by globalization and interconnectedness, natural disasters and economic crises that occurred in one country could potentially produce waves at the regional and global levels, domestic resilience is key to better support regional resilience to weather shocks resulting from natural disasters or economic crises.

In recent time, although the number of deaths due to natural disaster is gradually decreasing largely due to advances in disaster preparedness and early warning capabilities, in terms of damage sustained however, the trend is reversed with the rising costs due to the combined results of increasing urbanization

especially in high-risk coastal areas and increasing complexity of our infrastructure.

Therefore, in managing costs of natural disaster, effective planning is highly essential which can only be effectively responded through the building of a strong resilience by creating a culture of risk assessment, promoting risk awareness and education to aid risk prevention and loss mitigation as well as design compensation strategies to be ready before the occurrence of any major disaster.

The financing and effective reduction of disaster risks however requires a joint response from the private and public sectors. Malaysia has come up with some appropriate measures and desired actions with regard to risk financing and investment in relation to disaster risk reduction. The private sector is encouraged to contribute by playing their industry role as part of their corporate social responsibility and sustainability.

Mr. Chairman,

Having undergone the financial crisis experiences of 1998, Malaysia is well aware of the current state of global world economy as we have learnt how perilous the economy could be when affected countries suffered all the consequences and had to endure the long years to remedy the structural economic problems.

Being aware of the challenging external environment, Malaysia continues to strive to ensure that our economy is resilient and the

fundamental remains strong. Malaysia is rejuvenating its economy by expanding trade and limiting the impact of global economic slowdown through what we termed them as Government Transformation Programme (GTP) and expanded to Economic Transformation Programme (ETP). Malaysia's priority is to ensure the GTP, ETP and the Tenth Malaysia Plan (10thMP) are implemented according to schedule with the emphasis on revitalizing trade and investment activity, reducing impact of inflation and innovating Malaysia.

The GTP with its six National Key Result Areas (NKRAs) is geared towards achieving economic and social development in line with Vision 2020 in reducing crime; fighting corruption; improving student outcomes; raising living standards of low income households; improving rural basic infrastructure and improving urban public transport.

The Economic Transformation Programme's Key Performance Index (KPI) has also achieved 18 per cent above the target in 2012. The strong growth is expected to sustain this year, 2013, with the expectation on the recovery of world economy and strong domestic demand. The economy is also anticipated to grow at 5 to 6 per cent in 2013 to 2015.

Mr. Chairman,

Malaysia realizes that measures are needed to mitigate the risks of economic vulnerability arising from disruption in the global supply chain, as had happened in the recent natural disasters in Japan

and Thailand. As the inflows of foreign flows of foreign direct investment (FDI) in Malaysia concentrated more in manufacturing and finance with almost one half of investment in manufacturing is in electronic sector, the risk of disasters and any economic vulnerability could give rise to global supply chain disruption.

In order to cushion this, Malaysia's economy has been tune to become more domestically oriented recent time as shown in the domestic investments in manufacturing sector. The higher domestic investments reflect the positive response of Malaysia investors to the government's call to invest more within the country as highlighted under the Economic Transformation Programme and the Tenth Malaysia Plan.

Besides, Malaysia would tap investments from different sources and explore investments from different countries so as not to rely on one source of FDI in order to reduce impact should any calamity or economic slowdown strike the country. The Government's strategies are now to attract quality investment by strengthening Malaysia's eco-systems for existing industries to fill the gaps throughout the economic value chain.

Mr. Chairman,

Despite global economic uncertainty, Malaysia continue to prosper and maintained its growth momentum at 5.6% GDP growth in 2012, increased slightly from 5.1% in 2011. This growth was made possible with robust domestic demand and a stronger private consumption. In addition, low inflation and continued full

employment record have broadened the benefit to all Malaysian in a more inclusive development pattern. The extreme poverty has been eradicated and general poverty reduced to a marginal rate of 1.7% in 2012.

Continued and stable growth performance had enable Malaysia to achieve the Millennium Development Goals (MDGs) with regard to poverty objectives well before the target year of 2015.

Though the MDGs have provided a clearer development framework for member states to address the most urgent development issues and inclusiveness, it is however recognized that there are shortcomings with regard to MDG framework which focuses on relatively short-term development perspective. In this regards, there is an urgent need to update MDGs and design new global development framework to address emerging development challenges to promote greater market efficiency and structural reform. The new development framework should reflect a more coherent regional cooperation and integration. In line with this, the work and inputs on "Economic and Social Survey of Asia and the Pacific 2013" should be utilized for this purpose.

Mr. Chairman,

Malaysia acknowledges the fact that women, youth, children, older persons, persons with disabilities (PWDs) and the family unit are all vital components of society, and therefore embracing their needs and balancing those needs against an evolving social

environment is critical towards achieving a truly progressive and inclusive society.

As what has been outlined in the Tenth Malaysia Plan, inclusiveness will be pursued by providing equitable access to opportunities for all. This will be done by elevating their income-earning ability through upgrading skills, linking them with potential employers and increasing capacity for entrepreneurship as well as strengthening the social safety net to protect the vulnerable.

In addition, Malaysia continues to pursue balanced economic participation with renewed emphasis on capability building and genuine economic participation that enable Malaysia's inclusiveness agenda to be implemented within the context of an expanding economy.

Taking into consideration of the global economic uncertainty, there is also a need for stronger regional cooperation and integration as have been provided by ESCAP in laying a platform for formulation of collective actions that will carry great weight particularly on efforts to sustain economic growth and steer inclusive development. Within the regional context also the ASEAN Economic Community (AEC) is another clear example of regional cooperation to transform member countries of ASEAN into a competitive and dynamic single market and production fully integrated into the global economy.

Mr. Chairman,
Thank you.