



Permanent Mission of
Malaysia
to the United Nations

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Statement by the Honourable Syed Hamid Albar,
Minister of Foreign Affairs of Malaysia
at the High Level Meeting on the Mid-Term Comprehensive
Global Review of the Implementation of the Programme of Action for Least
Developed Countries for the Decade 2001-2010
New York, 18 September 2006

Madam President.

1. I would like to thank you for convening this important meeting, held pursuant to UN General Assembly resolution 60/228, and for your earlier statement. I would also like to thank the Secretary General for his statement and for his useful report.
2. The Secretary General's report clearly indicates that despite some progress made since the adoption of the Brussels Programme of Action in 2001, the stark fact remains that the possibility of them achieving the MDGs by 2015 remains small. The report also indicates that the reality on the ground remains complex, with different LDCs facing particular challenges of their own. It is therefore important to note that given the complexity of the issue before us, it is clear that creativity, innovation and determination are required.
3. We know that in an unprecedented reversal of historical trends, life expectancy is declining in several countries, especially those experiencing AIDS and civil strife. In addition, rapid population growth and urbanization as well as environmental degradation also pose difficulties for the LDCs.
4. This situation is indeed a cause of great concern for us all, as the 50 countries categorized as LDCs contain roughly 600 million people, or one-tenth of humanity. This is occurring in an age when the human family possesses the resources, expertise and technology to ensure that each and every of its member can be saved from life threatening poverty, which unfortunately, is the lot of those in the LDCs. In this connection, while I commend the recent increase in the level of ODA to the LDCs, reaching \$23.5 billion in 2004, an increase of 11 percent over 2003, this figure is far less than the target of providing 0.20 percent of the GNI of the OECD countries to the LDCs.

Indeed, in 2004, stood at 0.08 percent. At the same time, this increase can be attributed to one off-factor's such as debt cancellation.

5. But the levels of ODA are not the only important issue that needs to be addressed. Of equal importance to the LDCs, and indeed the developing countries as a whole, is the need to ensure that the global economic architecture is supportive of the developmental efforts of these countries.

Madam President,

6. As trade is a central pillar of the global economic architecture, it is essential that the stalled WTO talks are revived. Indeed, it is very disconcerting that many initiatives that are beneficial to the LDCs such as increased market access and assistance to facilitate trade remain in abeyance, due to the single undertaking principle. While efforts to revive the talks continue, it is essential that the developed world continue to assist the LDCs in their efforts to integrate more fully into the global trading system. In particular, steps must be taken to assist the LDCs improve their physical infrastructure such as ports and roads. Technical assistance could also be given to help the LDCs improve their business processes.

7. Further, it is of concern to us that for LDCs, accession to the WTO remains a long, cumbersome and expensive process. Although some 32 LDCs are currently members of the WTO, only 2 have joined it since the adoption of the Brussels Programme of Action, while 10 remain at various stages of accession.

8. The current global economic imbalances, based on the twin deficits faced by the US economy also cast a long shadow on the economies of the LDCs. This is due to the fact that many LDCs continue to be dependent on one or two commodities as their primary means of export earnings, rendering them vulnerable to volatile swings in the prices of these commodities. Further, it should be noted that the high concentration of exports in certain products makes some LDCs particularly vulnerable to the erosion of trade preferences. One of the measures to overcome this problem is to ensure that assistance is given to the LDCs to build their productive capacities to diversify into non-preference areas.

Madam President,

9. Under the rubric of South-South Cooperation, Malaysia has in its own small way, sought to play our role by entering into technical cooperation programmes with LDCs. The Malaysian Technical Cooperation Programme (MTCP) now lists 133 countries as participant countries, including the vast majority of the LDCs, and offers more than 100 programmes involving 52 training institutions. Since its inception in 1980, more than 11,000 persons have participated in MTCP courses. It is the philosophy of the MTCP that improving human resources is the key towards achieving socio-economic progress.

10. In addition to the MTCP, Malaysia is also looking at newer and better ways of cooperating with the LDCs in the area of human resource development. Harnessing the power of new technologies such as ICT is one such way. It is for this reason that Malaysia hosted the first meeting of the Global Alliance for ICT for Development (GAID) in June of this year. We did so motivated by our knowledge that knowledge, technology and innovation are replacing land, labour and capital as the key drivers of wealth creation and economic growth today. At the same time however, it is unfortunate that those who are most need of, and those who stand the most to benefit from ICT are those who have the least access to it. This is due to factors such as lack of infrastructure and relevant content, poor technological support and the dominance of English on the internet.

11. Technology transfer and technical assistance from the developed countries are prerequisites in order for us to overcome these difficulties. Having said that, developing countries, should also look into ways of fostering cooperation among ourselves, particularly on programmes to advance ICT and innovation, such as the creation of a Cyber Peace Corps' or a global virtual resource center.

12. In addition to ICT, Malaysia also believes that the involvement of the private sector in capacity building programmes is a new and promising avenue of assisting the LDCs. It is with this in mind that as the Chair of the Organisation of the Islamic Conference (OIC) Summit, Malaysia initiated the establishment of the Capacity Building Programme for the OIC Countries (CBP4OICC), which is referred to in the Secretary General's report. This programme envisages the involvement of the private sector of the more developed OIC members to invest in the lesser-developed members, using the financial capacities of the, Islamic Development Bank (IDB). These companies would then share benefits derived by investing in capacity building programmes in their host countries. It should be noted that 22 out of the 50 members of the LDCs are from the OIC, improving the conditions in these countries would go a long way in reducing the number of the world's poorest.

13. In conclusion, I believe that while this meeting affords a valuable opportunity to reaffirm our commitment to improving the situation in the LDCs, more needs to be done in order to find more creative ways of addressing the complex range of difficulties facing the LDCs.

Thank you