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PM TELLS RSC-AP COUNTRIES TO BE SELF-RELIANT IN FUNDING

KUALA LUMPUR, Oct 13 (Bernama) -- The proposal by the Regional Steering Committee on the Economic Advancement of Rural and Island Women of the Asia-Pacific Region (RSC-AP) for an independent national revolving fund could be utilised as an alternative to multilateral, multi-donor international funds intended to assist the poor, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

"We believe that the mobilisation of financial resources from within our own nations should be the first step towards self-reliance and gaining dignity for indigenous ways of generating funds," he said at the opening of the RSC-AP's meeting here today.

The RSC-AP made a proposal in April this year for adopting such a fund as the most crucial measure towards achieving its goal in reaching 70 million poor women in the Asia Pacific region with poverty-focused Micro-Finance Institutions (MFIs) by 2005.

Comprising a network of advocators including First Ladies, prominent women and wives or heads of government within the Asia-Pacific, the RSC-AP is dedicated to poverty eradication among women in a region noted to have the most number of poor households in the world.

Dr Mahathir said it was more appropriate to be self-reliant than depending on rich countries.

"The indifference of the rich countries to our economic situation should motivate us enough to take the initiatives in looking into the potential of this region for alternative paths to sustainable progress," he stressed.

Collectively, he said the nations of RSC-AP could mobilise resources without the need to be over-dependent on developed economies.

He said experience had shown that international financial institutions, which were expected to assist the poverty-focused (MFIs) had instead served the big financial institutions and foundations under the guise of assisting the poorest.

"The barriers which have acted as stumbling blocks to many countries in the Asia-Pacific region should be sufficient lessons for us to strengthen our resolve and commitment to establishing our own indigenous and small MFI -- friendly financial institutions.

"I believe that through concerted efforts and commitments from non-governmental organisations (NGOs) and the private sectors, we can create the greatest social development engineering for the poor in the next century," said Dr. Mahathir.

He also said that RSC-AP should also consider setting up a national revolving fund along the lines of Bangladesh' "Palli Karma Sahayak Foundation (PKSF)".

Under the foundation, the government establishes a non-profit institution under the Company's Act whose sole objective is to provide loans to small MFIs to scale-up their operations while promoting other NGOs to go into poverty-focused micro-financing.--BERNAMA

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