

**SPEECH BY
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AT THE EXCHANGE OF VIEWS ON THE CURRENT INTERNATIONAL
SITUATION AT HAVANA, CUBA
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Mr. Chairman,

1. I wish to convey Malaysia's deep appreciation to you, President Abdelaziz Bouteflika, for Algeria's stewardship of the G-15 since the 12th summit in Caracas in February 2004. I thank President Castro for Cuba's solidarity in making possible the convening of our G-15 Summit in Havana at this time.

2. This Summit Meeting is valuable in providing the opportunity for all of us to meet in person and exchange views on critical and urgent international issues, in particular those issues directly affecting the G-15 countries.

3. Given the myriad and complex challenges confronting the international community, our G-15 grouping can play an important part in advancing the interests of south countries on major issues affecting international relations and the world economy in particular. Our grouping can also be the catalyst for undertaking effective programmes of cooperation among developing countries.

4. Many of the challenges confronting us as developing countries arise out of the changing geo-political situation, the inequitable international system, the revolution in information technology as well as the increased interconnectivity of the global system. They affect us in different ways and to varying degrees given our different national circumstances and situations.

5. There are many issues in which our respective wellbeing would be much better served if we address them collectively. I must also say that there are indeed certain stands which we must defend or positions which we must support as a matter of principle. I believe the group of 15 can make an impact in shaping the global agenda if we can effectively adopt common strategies and policies in certain particular matters. Distinguished speakers before me have touched on some of these areas and issues.

6. On my part, I would like to highlight a number of issues which I consider urgent and important. But first let me congratulate Algeria for selecting "Rural and Agricultural Development and the Management of Water Resources" as the theme for this summit. This is indeed most pertinent. Water is a source of life and livelihood and thus fundamental to human progress. Yet one in three of the world's inhabitants are short of water. The majority of our people in the developing world resides in the rural areas and depends on agriculture for a living. Increasing rural agricultural

productivity is therefore key to reducing rural poverty and improving the living standards in the rural areas. And, efficient management of water resources is key to the effort of revitalizing the agricultural sector. In Malaysia, we have decided to make agriculture one of the main pillars for our economic growth.

Mr. Chairman,

7. On a more general note, it is a sad commentary of our times that our world continues to be burdened by some very difficult circumstances. Global peace and security continue to elude us. There is a continuing inclination for unilateralism by certain states. International laws are ignored. Some even renounce commitments previously undertaken in their relations with other states. We continue to witness resistance to reform of the international economic and financial architecture. We see resistance to the efforts of the developing countries in promoting the development agenda.

8. As a result, the United Nations has been weakened. The global trade talks have failed to make progress. The international financial system remains unstable. There is continuing inequities in the distribution of global wealth. Global warming has not been addressed. There is limited progress in achieving the millennium development goals. In the process, the vulnerabilities of the developing world have increased. Lebanon has been ravaged by excessive and disproportionate use of force against it. Similarly, the occupied Palestinian territories continue to suffer atrocities and deprivations. Unless there is peace in the world, the development agenda will continue to be shelved or set aside. In the name of humanity, we must commit ourselves to creating a better world for ourselves and for the people who will come after us.

9. We have to address these systemic constraints imposed upon the developing world. We must reinvigorate our struggle for a more just, equitable and peaceful international order. We need to work together to ensure that the reform and restructuring of the United Nations lead to the strengthening of the multilateral processes. A more open and democratic process must be established. There must be greater empowerment of the General Assembly rather than the further strengthening of the Security Council. The international community must unite to provide a stronger role for the U.N system on development issues.

10. The World Trade Organization must live up to the Doha Development Agenda and the spirit of the Hong Kong Declaration. The international financial institutions must render their governance structure more democratic, transparent and accountable. Their strategies and policies must be made more responsive to a fairer, just and sustainable global economic and financial system.

11. At the same time, we must keep within sight other types of risks looming in the horizon. These include such crises as a possible sharp rise in the price of oil and the breaking out of a major pandemic flu. Collaborating together, we will certainly be better placed to deal with these calamities.

Mr. Chairman,

12. There are many ways that the G-15 can collaborate. I wish to highlight two aspects, namely further strengthening of trade and investment among ourselves and capacity building. The first is very much related to the original objective of the establishment of the G-15. Sadly, progress in this regard has been minimal. But we must persevere in fostering trade and investment among developing countries in order to help bring the more marginalized countries into the mainstream of the international trading system.

13. Malaysia is convinced of the latent potential for trade and investment among the Group of 15 countries. This is in view of the encouraging statistics we have regarding trade with the G-15 countries, inflows of foreign direct investment from G-15 countries as well as Malaysia's investment into G-15 countries, all of which show growth and increases over the years.

14. On capacity building, I would like to stress that partnerships in this endeavour are indispensable for strengthening public infrastructure and government institutions in developing countries, especially through the sharing of experiences. Since 1980, Malaysia has instituted a scheme for sharing expertise and exchanging experience under the Malaysian Technical Cooperation Programme. This has been a modest but concrete contribution to South-South Cooperation.

15. Within the framework of the organization of Islamic conference, Malaysia has launched an initiative called "Capacity Building Programme for O.I.C. Countries." It is aimed at providing the least developed O.I.C Countries with the capacity to better manage and improve the performance of their economies, reduce poverty and promote sustainable growth. I believe this and other similar efforts can be repeated as G-15 projects

Mr. Chairman,

16. Indeed, the G-15 had in the past initiated several cooperation programmes among its member countries. More than 20 such projects have been initiated but the results have been mixed. We need to ensure that future activities are feasible and viable and that they bring common benefits.

17. We may need to revisit and decide on the best ways of getting some projects off the ground. We may not need to wait for all G-15 members to participate before getting started. Some members may wish to get together to bring into reality ideas such as the south bank, the university of the south or the south television network. Malaysia, for example, is ready to work with G-15 countries that are interested in the "Financial Mechanism to Enhance Trade Among Developing Countries". Similarly, we

are ready to cooperate and make available the "Centers of Educational Excellence" for the development of human resources.

18. In conclusion, Mr. Chairman, I wish to reiterate Malaysia's conviction that the Group of 15, acting together in a more coherent and concerted manner, can and will live up to its full potential. It is really up to us to make our group serve its purposes and objectives. Malaysia looks forward to contributing to the work of G-15 under the leadership of our new chairman, president Ahmedinejad of Iran.

Thank you.