



STATEMENT BY MALAYSIA

UNCTAD INTERGOVERNMENTAL GROUP OF EXPERTS (IGE) ON FINANCING FOR DEVELOPMENT (FfD)

ITEM 3: DELIVERING DEVELOPMENT FINANCE TO ACHIEVE THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT: MAKING DEVELOPMENT FINANCE CONTRIBUTE TO ENVIRONMENTALLY SOUND INDUSTRIALISATION

**1 NOVEMBER 2023
ROOM XXVI, PALAIS DES NATIONS**

His Excellency Ambassador Guilherme Patriota, Chair of the 7th Session of the IGE on Financing for Development

His Excellency Pedro Manuel Moreno, Deputy Secretary General of UNCTAD
Excellencies and Distinguished Delegates

Malaysia joins others in congratulating you Mr. Chair and the Vice Chair, on your elections to preside over this important meeting. Malaysia associates itself with the statements delivered by Tanzania on behalf of the G77 and China, as well as Thailand on behalf of the Asia Pacific Group. We also thank the UNCTAD Secretariat for convening this meeting, as well as preparing the background documents for deliberations.

Mr Chair,

2. Financing for Development has been a core concern of UNCTAD, since its creation in 1964. Throughout these decades, Malaysia commends UNCTAD's critical role in tackling developing countries' external debt problems, supporting their need and means for increasing the flow of financial resources, and promoting ways to improve the international monetary system, particularly in ensuring developing countries' affordable access to external financing for developmental purposes.

3. Indeed, the focus of this session – the Financing of an Environmentally Sound Industrialisation Strategy, is an opportune response to today's interlocking and cascading global crises. In recent years, the combination of an ongoing health crisis, climate crisis as well as rising food, fertiliser and energy prices, and worsened global financial conditions, has created a cost-of-living crisis, not seen in at least a generation. Therefore,

it does not come as a surprise, that at the midpoint of the 2030 Agenda, progress on the SDGs remains behind schedule.

Mr Chair,

4. Malaysia takes a firm stand on financing for sustainability, advocating for a more fair, inclusive and responsible financing mechanism, to help developing countries address the increasing physical and developmental demands in today's world. With limited resources, many developing countries are struggling to cope with the challenging global outlook, particularly in dealing with the impact of the crises, as well as recovering and re-developing their economies. The challenges ahead are even more arduous as we are already cornered by many unilateral trade and economic policies and requirements, putting more strain on our ability to grow and prosper.

5. At this juncture, Malaysia is hopeful to see more grants or even blended-financing options made available for developing countries. This will also significantly support and shape actions towards sustainable business models, and investment standards based on Environmental, Social and Governance-related criteria, as well as the Just Energy Transition Partnership for the green structural transformation. However, Malaysia is not supportive of the notion of full loans, as a source of public financing for sustainable and climate actions, which will put developing countries at risk of getting caught in debt traps.

6. Finally, Malaysia welcomes and recognises the 7th IGE as an important machinery for policy dialogues, aimed at assisting developing countries in attaining long-term financial, industrial and environmental sustainability. Coordinated efforts through the full range of measures at international, regional and national levels will certainly support the implementation of the 2030 Agenda for sustainable development.

Thank you.

GENEVA

1 November 2023