

The ASEAN Sustainability Forum (ASF) 2019
Business Practices and Opportunities in the Age of Sustainable Development Goals

14 September 2019 (Saturday) at KLCC

Organisers: ISIS Malaysia and Yayasan Budi Penyayang

Keynote Address

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Distinguished guests, ladies and gentlemen,

1. At the outset, I would like to thank ISIS Malaysia and Yayasan Budi Penyayang for organising this ASEAN Sustainability Forum. It is held in conjunction with the ASEAN Lifestyle Week 2019 – the first of its kind in the region with more than 15 participating countries and 20,000 visitors here.
2. The topic of sustainability is an important one for Malaysia, ASEAN and the world. In fact, if we go back to the first Earth Summit in Rio in 1992, under the leadership of YAB Prime Minister Tun Dr Mahathir Mohamad, Malaysia played a leading role in international diplomacy among the Southern countries that ultimately gave birth to the sustainable development agenda at the United Nations.
3. The Sustainable Development Goals (SDGs), is an outcome of a long and arduous journey, from the Rio Summit to the adoption of the SDGs in New York in September 2015. It is promising to see that significant steps have been made to better balance the need for economic development with the need to both preserve the environment and ensure a good standard of living for every human being who lives on this planet.
4. As we approach Malaysia Day in two days' time, 56 years after its formation, it is timely to reflect on Malaysia's own development progress. Back in 1970, the poverty rate was

almost 50%. Now we only have 0.4 percent of absolute poverty. Then, Malaysia was considered a low income economy. Now, we are considered an upper middle income country and making progress to achieve high income economy status.

5. These achievements were made possible by having strong fundamentals. These include an educated workforce, supportive government policies and a developed infrastructure. As a trading nation and a small and open economy, Malaysia has also ensured a vibrant environment for businesses. We rank 25th out of 140 countries in the World Economic Forum's Global Competitiveness Report 2018. Malaysia is 15th in the World Bank's Ease of Doing Business Report 2019 – ahead of countries such as Canada, Germany, France, Switzerland and Japan.
6. Looking ahead, despite the tremendous progress made, we will and should not rest on our laurels. Malaysia has done relatively well in improving the well-being of the *rakyat*, but pockets of poverty and deprivation still exist. In bridging the gap, we need to ensure that these achievements are being felt by all parts of the country. Towards this end, Malaysia is moving towards a new economic model – a shared prosperity model – that aims to provide decent standard of living for all Malaysians by 2030 regardless of economic class, race, and geographic location.
7. Shared Prosperity 2030 outlines a new development direction for the country. It is one that is inclusive and sustainable. It allows everyone to reap the fruits of the country's economic growth and wealth in a fairer and equitable manner. It will be achieved through a more progressive, knowledge-based and high-value economy.
8. In this context, the SDGs and the 2030 Agenda on Sustainable Development is very much in line with Malaysia's own development plans and vision. In particular, a key principle of the SDGs is to leave no one behind. This principle strongly relates to the aims of Shared Prosperity 2030.
9. For this reason, Malaysia has shown strong commitment towards the sustainable development agenda and the SDGs. This is why YAB Prime Minister Tun Dr Mahathir Mohamad will be speaking at the SDGs Summit in New York at the end of this month. At the Summit, I am sure YAB Tun will present Malaysia's case of how it has promoted sustainability as well as share Malaysia's experience in contributing towards achieving the SDGs by 2030.

Distinguished guests, ladies and gentlemen,

10. The SDGs represents a global agenda that needs to be implemented at various levels. The focus is not only at the global or national level, but also at the regional level. No country

can do it alone. Regional cooperation plays an important role to facilitate partnership to achieve the SDGs. In Southeast Asia, ASEAN represents such regional cooperation.

11. ASEAN has played a crucial role in the SDGs through the ASEAN Community and its central pillars, namely the ASEAN Economic Community and the ASEAN Socio-Cultural Community.
12. Founded in 1967, ASEAN has come a long way. It is now a global economic powerhouse with a combined GDP of more than 2.8 trillion US Dollars and a population of 643 million people. It is a big market, coming next only to China, India and the US. It has a fast rising middle class and youthful entrepreneurship.
13. This puts ASEAN on the right footing to champion sustainable development regionally and globally. Thailand, the ASEAN chair, Thailand, has chosen “Advancing Partnership for Sustainability” to be the theme for its chairmanship of ASEAN in 2019. And this time is supported by all ASEAN member states.
14. The key focus here is on economic and development cooperation. Through better connectivity and integration, the region stands to gain from increased trade and more foreign investments. While significant progress has been made, there is still room for better integration through improved physical infrastructures, as well as deepening the non-tangible aspects of connectivity through data, finance, technology, people to people connections and harmonised regulations.
15. At the heart of this partnership is the principle of Prosper-Thy-Neighbour adopted by ASEAN. We reject the Beggar-Thy-Neighbour policy and believe that economic prosperity and political stability are beneficial for the region. Prosper-Thy-Neighbour is also a long-held policy for Malaysia.
16. As a whole, ASEAN member states are committed to narrowing the development gap within the region. This is proven by the rapid economic progress made within the region in recent years, including in Cambodia, Laos, Vietnam and Myanmar. This is a testament to the roles that ASEAN member states have played to contribute to these achievements. We also value the support given by our ASEAN strategic and dialogue partners.

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17. A lot of these efforts for sustainable development have been done through governments and regional institutions. However, let us not overlook the role of businesses and civil society.

18. Businesses have a key role to play in promoting the sustainability agenda. They can be a force for good. For example, businesses help generate and distribute wealth in economies and societies. Businesses, big or small, also have the power to limit negative impacts to communities and the environment.
19. In this new era of sustainability, there is now increasing awareness on alternative business models, such as community based development and solidarity economic models. These models promote community well-being as well as job opportunities in the global battle against poverty and inequality. This is in line with the Pakatan Harapan government's promises to the people and Malaysia's commitment to the 2030 Agenda for Sustainable Development.
20. Businesses should see sustainability as a core part of their business identities and strategies. They should be a sustainable leader in their own right. It is important to note that there are many businesses in the region that are changing their ways to undertake better sustainable business practices. In fact, there are already enterprises present here at the ASEAN Lifestyle Week whose business models embody what it means to be sustainable.
21. We have the people and the businesses in the region that have what it takes to be sustainable. Now, we need to help these businesses in Malaysia and ASEAN to move up the value chain and not just be *jaguh kampung* or village champions. The challenge is to upscale and showcase the sustainable products and services that are proudly made in ASEAN.
22. From a macro perspective, there are also some key issues we need to evaluate to ensure businesses can thrive in ASEAN. Firstly, we must look at trade facilitation in ASEAN. There are measures introduced to reduce barriers to trade such as the ASEAN Single Window system and the ASEAN Self Certification scheme. However, more can be done to further reduce non-tariff barriers to trade and to harmonise standards across the ASEAN member states. This would encourage better trade facilitation and hence, trade opportunities for everyone in ASEAN.
23. Secondly, we need to assist businesses, especially micro, small and medium enterprises or MSMEs, to have greater market access. This will help them engage with the various trade and investment opportunities available in the region and enable them to increase their capabilities to be competitive and venture into new markets.
24. Considering that small businesses are the backbone of any economy, we must then put greater importance in not only enhancing their ability to compete regionally, but also

innovate themselves. This is crucial towards ensuring that they are part of the global value chain and can then benefit from it as well.

25. In ASEAN alone, there are 64 million enterprises with its share to total business establishments standing between 88.8% in Myanmar and 99.9% in Laos. Therefore, businesses everywhere in ASEAN need to step up and seize the opportunities available in the region, especially ones created thanks to the ASEAN Economic Community.
26. Therefore, this ASEAN Sustainability Forum and the ASEAN Lifestyle Week are important platforms to bring different stakeholders – governments, businesses, academia and civil society – in order to address the challenges discussed and better understand and promote sustainable business practices. They help to showcase, share and encourage ideas and business opportunities from all across ASEAN. This would also help foster better trade and people-to-people connectivity and therefore more cooperation and partnerships within ASEAN.
27. On that note, I hope that more platforms like the ASEAN Sustainability Forum are increased. I also hope that the ASEAN Sustainability Forum would be continued to carry the conversation forward for businesses and sustainability in the region. We need to sustain this momentum towards achieving the SDGs and ultimately the 2030 Agenda for Sustainable Development. I look forward to the fruitful discussions that will take place on the challenges of businesses and societies in sustainable development. I hope that together, we can build on what we have here towards a more sustainable future for Malaysia and ASEAN. I wish you a successful forum.

Thank you and Happy Malaysia Day in advance.