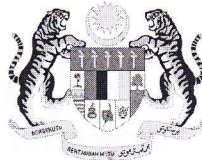


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**INTERVENTION BY MS. SYUHADA ADNAN
SECOND SECRETARY, PERMANENT MISSION OF MALAYSIA TO THE UNITED
NATIONS OFFICE IN GENEVA
10TH SESSION OF THE EXPERT MECHANISM ON THE RIGHTS OF INDIGENOUS
PEOPLES (EMRIP)**

**ITEM 4: DRAFT STUDY AND ADVICE ON GOOD PRACTICES AND CHALLENGES,
INCLUDING DISCRIMINATION, IN BUSINESS AND IN ACCESS TO FINANCIAL
SERVICES BY INDIGENOUS PEOPLES, IN PARTICULAR INDIGENOUS WOMEN
AND PERSONS WITH DISABILITIES
11 JULY 2017**

Mr. Chair,

As we are taking the floor for the first time, my delegation wishes to congratulate you on your re-election and we look forward to actively participate in the 10th Session of the Expert Mechanism.

2. Malaysia noted the Expert Mechanism's study and draft advice on indigenous people's business and access to financial services. We acknowledged that several recommendations listed in the advice have been implemented in Malaysia. In this regard, my delegation wishes to offer several observations on this matter.

3. At the outset, Malaysia wishes to highlight that the creation of an enabling business environment and the promotion of inclusive finance as being among the key focus of the Government, as laid out in Malaysia's national development plan, the 11th Malaysia Plan. The goal is to ensure that all segments of the society are able to pursue their entrepreneurial aspirations, and fulfill their needs in terms of access to financial services.

4. Towards this end, Malaysia continues to undertake various measures to ensure equal access to business opportunities as well as access to financial services for bumiputra including indigenous peoples.

5. With respect to business opportunities, Malaysia recognizes the need to address the challenges of, and provide support for indigenous peoples at different stage of business pursuits. The Entrepreneur Development

Program for Indigenous Peoples or *Orang Asli* in Malaysia entails short-term and long-term programs undertaken to produce at least 60 entrepreneurs from among the indigenous peoples per year. The Government continues to implement programs including the construction of business premise, providing entrepreneurship assistance and guidance, training, promotion and marketing, as well as corporation development specifically targeting the indigenous communities.

6. Grants are also awarded to indigenous peoples to implement their business plans according to their needs. The TEKUN National program was established in 1998 to provide financing facilities for entrepreneurs to kick-start and further expand their business. Sub-programs with specific focus given to women and young entrepreneurs are also featured under this initiative. Malaysia shares the view expressed by the Expert Mechanism that financial support provided to indigenous peoples should always respect the decision-making process of indigenous communities and the Government has been cognizant of this matter.

7. Malaysia also concurs with the view presented in the draft report that financial institutions play crucial roles in facilitating access to financial services by indigenous peoples. In Malaysia, these efforts are being spearheaded by the Central Bank of Malaysia, with the participation of various financial institutions in the country. Malaysia pursues four desired outcomes in this regard :

- a. convenient accessibility ;
- b. high take-up ;
- c. responsible usage ; and
- d. high satisfaction.

8. An important catalyst for financial inclusion in Malaysia is through the use of agent banking. Agent banking enables consumers, including indigenous communities living in remote areas, to obtain banking services through licenced financial institutions operated by third-party agents such as retail outlets or post offices. Since its introduction in 2012, almost 8000 agent banks have been established throughout the country, facilitating the setting up of bank accounts and other transations amounting to USD1.9 billion.

9. As an example of the successful utilisation of agent banking, the indigenous community in Tanah Abang, Johor, Malaysia, no longer has to commute more than one hundred kilometers to the nearest town in Mersing to access financial services as they did before. The use of agent banking facilitated not only individual banking needs, but also small companies from the indigenous communities that received microfinance loans from the participating banks.

10. Outreach programs to rural communities and indigenous peoples are offered and these include financial education talks and advisory, as well as dissemination of information about illegal deposit schemes and financial scams. These services aim to instil financial discipline and inculcate awareness of good credit track record amongst rural and indigenous communities. With such information, it is hoped that these communities would be empowered to better manage their finances and make more well-informed decisions on financial matters. The Government is currently expanding its outreach program to reach out to more targeted communities.

11. As a result of various efforts, the Financial Inclusion Index score of Malaysia has improved significantly but certain gaps have been identified, particularly concerning the low-income segment of the Malaysian society. As has been recognised by the Expert Mechanism in the draft study, the development of products and services specifically targeting indigenous communities is useful. Malaysian financial institutions have been encouraged to develop and offer microsavings products and services, microinsurance for the protection against unexpected adverse events, and microfinancing for small and medium enterprises to help close these gaps, including for the indigenous communities.

I thank you, Mr. President.

GENEVA
11 July 2017