REMARKS BY

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AT THE 8TH HEADS OF MISSION CONFERENCE,

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"EXPECTATIONS OF THE 8TH HEADS OF MISSION CONFERENCE 2014"

Deputies Secretary General

Heads of Department

Heads of Mission

Ladies and Gentlemen

Assalamualaikum warahmatullahi wabarakatuh and good morning

Welcome home to all Heads of Mission. Welcome to everyone to the 8th Heads of Mission Conference. I look forward to your full participation, and fruitful conversations with all of you, over the course of the next seven days of this Conference.

2. At the end of this Conference, I hope through your deliberations you are able to distil ideas and identify priorities and strategies to achieve our foreign policy objectives, particularly in support of our aspiration to be a high income developed nation by the year 2020.

Ladies and gentlemen,

3. This Conference has long been in coming since we last held it in 2009. Prevailing situation then hindered us from organizing this Conference. While we may have had conversations over the course of these years, these conversations were limited to smaller groups. We never had the occasion to all come together to

1

reassess, prioritize and strategize our foreign policy and its delivery in achieving our foreign policy objectives.

- 4. Over the years since, we have witnessed significant shifts in domestic and international affairs. We see shift in power towards emerging economies. We also live in times of fiscal restraint. Several other developments occured within and around us that impact us directly or indirectly.
- 5. Responding to these developments and in anticipation of future challenges in the coming years, the Government embarked on several policies and measures aimed at managing these changes and ensuring the promotion and protection of our national interests. The reality which we have to acknowledge is that if we do not change, change will manage us.
- 6. Most notably, the Government embarked on the National Transformation Policy (NTP) aimed at transforming our country to be a high income developed nation by the year 2020. I am sure all of you have deep understanding of the NTP. With less than six years left, this NTP becomes among the priority to the Government.
- 7. The theme of this Conference, "Transforming Malaysia's Diplomacy Towards 2020 and Beyond" is in line with this transformation policy.
- 8. It is noteworthy to be reminded that diplomacy and international cooperation in various economic, political-security and socio-cultural fields are major drivers of Malaysia's growth towards becoming a high income developed nation by 2020.
- 9. The fundamentals of Malaysia's foreign policy remain the same. It is the approach and how we conduct ourselves in diplomacy that needs recalibrating and transformation to cater to the increasing demands and challenges of the 21st century. Most notable is how traditional diplomacy has to adapt to globalization, the advent of ICT and democratization process. The high expectations of the general public,

stakeholders and non-state players demand our attention as well. Their voices must not be ignored. Their thoughts and expectations are of value to us.

10. Furthermore, as we aspire to be a high income developed country by 2020, we too should begin to change our mind-set and adapt our behaviour and approaches to suit the new role we will be assuming. We must be courageous enough to make the necessary adjustments and shifts away from the comfort zones of traditional ways. Embrace new approaches aimed at improving our delivery in implementing the Government's transformation agenda both at home and abroad.

Ladies and gentlemen,

- 11. This transformation demands that we improve our work performance and provide high quality service to our stakeholders and clients. Undoubtedly, upholding Malaysia's interests necessitates a high quality representation abroad and outstanding capabilities and distinct talents at home that are able to generate creative ideas and innovative solutions to challenges faced. This is especially important for Malaysia to continue playing a leading role regionally as well as globally.
- 12. It is important for Heads of Mission particularly, to understand and internalize Malaysia's domestic policies. To do that, I expect all Heads of Mission to have a comprehensive knowledge and in-depth understanding of issues of the day especially those that have direct implications to our country. Be quick to diffuse negative reporting about Malaysia in the media. Engage your clients and stakeholders at post regularly to keep them abreast on the latest developments in Malaysia.
- 13. As Malaysia's representatives abroad, you are duty bound to shape favourable public opinion about Malaysia at your respective posts. Do not shy away from media engagements, public lectures, intellectual discourse and interacting with ordinary people. Use these as platforms to apply the skills that you have acquired over the years in the art of diplomacy to safeguard and promote Malaysia's interest

and to gather more friends of Malaysia abroad. No less important is to also project and carry yourselves well as Malaysia's consummate diplomats. This will certainly make for a more effective representation of Malaysia.

- 14. Constant and consistent sharing of information with the headquarters in a timely manner is something every Foreign Ministry cannot do without. As those on the ground, I expect you to provide leadership in sourcing information from the host country that should be relayed promptly to the headquarters. Just because a particular country is not constantly under the radar of the Ministry, it does not mean reports on them are not expected. Your prompt analysis, perceptions and assessment are critical to the Ministry, as inputs for the Ministry in formulating positions on issues of interests.
- 15. At the same time, for those at the Headquarters, I expect you to read, digest and use relevant information from these reports to make appropriate recommendations on our action and position. Please deepen the interactive dialogue that you have with our Missions. Often times those at Missions do wonder if their reports are given due attention or found useful.
- 16. As Heads of Mission, you are also expected to interact with local media fraternity, both the mainstream media and alternative media. You must gain the necessary degree of acceptance and access to them as sources for information.
- 17. I would like to remind all of you not to succumb to the threat of mediocrity. Overcoming mediocrity requires the will to improve, the will to excel and self-discipline. Sometimes radical changes are necessary. The traditional hallmark of a successful diplomat is the ones who possess fluency in English and foreign languages, cultural sensitivity, keen observational skills and tenacity, good manners and social etiquette, intelligence and clarity in articulating views. Discipline yourselves to take all efforts at ensuring you possess all these excellent traits.

Ladies and gentlemen,

- 18. I am sure you are fully aware of the austerity measures undertaken by the Government aimed at maintaining a strong federal financial standing throughout 2014. In fact, this Conference is organized under this austerity drive, hospitalities and courtesies have to be scaled down. The Government aims to lower the budget deficit relative to gross domestic product (GDP) to 4% and 3 % for the year 2014 and 2015 respectively. This move is in tandem with Malaysia's fiscal policy aimed at sustaining economic growth, while ensuring prudent use of government financial resources.
- 19. As the Comptroller of Finance, I will closely monitor the Ministry's expenditure by reducing spending on less critical goods and services, avoiding wastages and promoting efficient financial management. The Treasury had indicated that there will be a further 5% cut across the board, under Supplies and Services Expenses, for the 2014 approved budget. Therefore we have to be mindful of any eventualities during this difficult time.
- 20. Despite the austerity measure, the Ministry is committed to improve the quality of Ministry's financial management. In this, we have collaborated with the Accountant General's Department to introduce the new accounting system known as the *Sistem Perakaunan Luar Negeri* (SPLN) at 53 PTJs (Missions) in 36 countries. This is part of the Ministry's initiative under the National Blue Ocean Strategy (NBOS) to transform our business process at the Ministry.
- 21. To ensure that the Ministry's adherence to quality service is not compromised, I strongly urge all officers especially the Heads of Missions to give special attention to the Auditors General's Report for 2012 and our own internal audit reports on the recurring and common audit gaps committed by Missions. These include certain basic activities such as updating the *Manual Prosedur Kerja* (MPK), *Pemeriksaan Mengejut*, handling of Receipts, Book-keeping, Bills Registration and; preparation for Accrual accounting in 2015 for the Management of Assets and Store. It is pertinent for all Missions to consistently update all financial documents and to refer ambiguous

matters to the headquarters for regulations compliance and quality control. These matters may appear mundane but they are not. Pay close attention to them. It is extremely important to comply fully with all financial regulations and guidelines. Accountability is without doubt a matter of the highest priority in our service.

Ladies and gentlemen,

- 22. Let me highlight to you, priority areas in our core business. Our immediate focus will be our effective and successful chairmanship of ASEAN in 2015, the realisation of the ASEAN Community 2015 during our ASEAN Chairmanship and our membership of the United Nations Security Council (UNSC) for the term 2015-2016. Another significant event leading to 2020 is our hosting of CHOGM in 2019.
- 23. Our chairmanship of ASEAN will feature a focused approach to establish a "People-Centred ASEAN". ASEAN will remain the cornerstone of Malaysia's foreign policy. We envisage ASEAN to continue being relevant to its citizens and further catalyse regional integration. Meanwhile our membership in the UNSC is testimony to our firm belief in multilateralism. We will continue to contribute to the deliberations and efforts towards finding solutions to various international issues of common concern on peace and security.
- 24. Developing close bilateral relations particularly with strategic countries remain a high priority. The conduct of bilateral relations will continue to be guided by the fundamental principles of mutual respect for sovereignty and territorial integrity; non-interference in the internal affairs; and settlement of disputes by peaceful means. We will continue to advocate for global peace and security especially through the initiative by YAB Prime Minister of the Global Movements of Moderates (GMM).
- 25. As a trading nation, it is in our interest to pursue a foreign policy that prioritizes trade and investment. The Government is committed to attain annual GDP growth between 5-6% to elevate the per capita income from US\$8,000 to US\$15,000 by 2020. We therefore cannot ignore the fact that economic considerations will significantly influence how we safeguard our interest internationally.

- 26. But our foreign policy should not focus on our economic interests only. Instead it should serve both the economic and political interests of the country as a whole. It must not be dealt in a manner of prioritising one over the other. Both dimensions are interrelated. We must be prepared to respond to all kinds of issues. The strategy and approach in furthering our foreign policy objective must be pragmatic, adaptive, targeted and timely.
- 27. In keeping up with these expectations, officers need to be continuously trained and retooled. This is to ensure that they are able to keep up with the demands of managing Malaysia's foreign affairs in a constantly changing world.
- 28. There is also a need for you to provide timely quality analysis and anticipate the trend on developments in your host country, region or even globally, particularly those which have an impact on Malaysia. This will make sound basis on the actions we would be taking to safeguard our interests.
- 29. Going back to basics reports, SITREPS, brief and speaking notes must be current, succinct and concise but I expect you to pay attention to details. Brief and speaking notes especially must be prepared tailor-made to the specific events. Officers must invest time and effort in consulting the relevant Divisions, Departments, Ministries or other sources of reliable information before preparing the brief and speaking notes. I wish to caution all of you to avoid from producing "one-size-fits-all" or "cut-and-paste" brief and speaking notes.

Ladies and gentlemen,

30. We have started the groundwork to develop a model Ministry that is leaner, more adaptable and nimble. The Ministry will continue to develop new technology and applications such as e-Consular, Protocol Management Information System (PROMIS) and Online Customer Satisfactory Survey to improve its delivery system to stakeholders and Malaysians at large. This is part of our business process reengineering.

31. The business process re-engineering is intended to further enhance the quality of our work. The KPIs are part of this business process re-engineering. The KPIs set for all Heads of Mission, and soon for Heads of Department and SUBs, are not merely intended to quantify our achievements and performance. It should also measure the quality of our work that we have put in to achieve these targets. It is quite meaningless to attend to a number of receptions as set under the KPI without tangible outcome from these activities.

32. In our further effort to transform to be more adaptable, effective and efficient, I intend to revisit the review of our Missions abroad once the 'moratorium' is lifted following our successful candidature of the UNSC for the term 2015-2016. A review of missions abroad was undertaken by the Ministry in 2010 but was put on hold to ensure the successful campaign of our candidature to the UNSC for the term 2015-2016.

33. The review exercise is intended to ensure that our representation abroad is closely aligned with our foreign policy priorities and optimise our limited resources. We will however be mindful of not being seen to downgrade our bilateral relations with affected host countries.

Ladies and gentlemen,

34. These are some of my pertinent expectations of you as you deliberate to transform Malaysia's diplomacy towards 2020 and beyond. We will have the opportunity after this to continue our conversation on all the matters I mentioned just now.

35. Finally, I wish you success in your deliberations at this 8th Heads of Mission Conference.

Thank you.