APPGM-SDG supports the Sustainable Development Goals

A partner in the National SDG Steering Committee

SUBMISSION TO MALAYSIA'S 2ND VOLUNTARY NATIONAL REVIEW ON THE SUSTAINABLE DEVELOPMENT GOALS 2021

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APPGM-SDG &
MALAYSIAN CSO SDG ALLIANCE

SUBMISSION TO MALAYSIA'S 2ND VOLUNTARY NATIONAL REVIEW ON THE SUSTAINABLE DEVELOPMENT GOALS 2021

by

APPGM-SDG Secretariat & Malaysian CSO-SDG Alliance

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CHAPTER 1: INTRODUCTION

1.1 Preamble

This report is a summary document of submissions made by the APPGM SDG Secretariat and the Malaysian CSO SDG Alliance who is the secretariat to the All Party Parliamentary Group Malaysia on Sustainable Development Goals (APPGM-SDG) to the Economic Planning Unit (EPU) as the CSO input to the preparation of the 2021 Voluntary National Review Report by Malaysia to the High Level Political Forum on SDGs (HLPF) in July 2021 at the United Nations.

In September 2015 the UN passed the 2030 agenda with 17 universal goals and all the nations of the world including Malaysia agreed to the implementation of these. The countries also agreed that once in four years each country with present a Voluntary National Review (VNR) detailing the implementation at the national level providing a status report of the progress as well as the challenges faced. In addition each country agreed to release data based on specific indicators agreed upon so that there could be a global benchmarking on economic, social and environment concerns including human rights, good governance and partnerships.

Malaysia presented its first VNR report in 2017 and there was opportunity for CSO inputs which was coordinated by the Malaysian CSO SDG Alliance. Then in 2017, we did not have an opportunity to review the draft VNR reports although we provided inputs. In the 2021 VNR preparation, the Malaysian CSO SDG Alliance and the APPGM SDG secretariat has been invited to be part of both the VNR Technical Committee and the VNR Steering Committee which we participated actively. We have had the opportunity to review the draft reports and provide input too this time around. This is a very positive opportunity for us and we thanks the Malaysian government for this partnership in this VNR process.

Each year the UN adopts a theme for the HLPF and select some of the 17 SDGs. For 2021 the theme will be *"Sustainable and resilient recovery from the COVID-19 pandemic that promotes the economic, social and environmental dimensions of sustainable development: building an inclusive and effective path for the achievement of the 2030 Agenda in the context of the decade of action and delivery for sustainable development*".

The HLPF in 2021 will discuss nine of the SDGs namely Goals 1 on no poverty; Goal 2 on zero hunger; Goal 3 on good health and well-being; Goal 8 on decent work and economic growth; Goal 10 on reduced inequalities; Goal 12 on responsible consumption and production; Goal 13 on climate action; Goal 16 on peace, justice and strong institutions and Goal 17 on partnerships in depth. Therefore the Malaysia VNR report will provide key focus on these nine SDGs.

Therefore we established five working groups on Poverty & Nutrition (WG1 on SDG 1 & 2; COVID 19 & Health Recovery (WG2 on SDG 3); Inclusive economic growth (WG 3 on SDG 8, 10; Sustainability & Climate change (WG 4 SDG 12, 13) and Governance, social cohesion & partnership (WG 5 SDG 16, 17). (See Appendix 1).

The five working groups produced reports which came to about 154 pages in total. This can be regarded as a major contributions. It is the collective work of 62 people who participated in the working groups.

This summary report is written by Mr Ahmad Afandi, (a research officer with the APPGM SDG) based on the findings of the five working group reports which was submitted to EPU. He was asked to draw out the major themes pertaining to progress and achievements; gaps and challenges and finally the recommendations.

1.2 Key Recommendations

The five working groups produced reports which came to about 154 pages in total. This can be regarded as a major contributions. It is the collective work of 62 people who participated in the working groups.

This summary report is written by Mr Ahmad Afandi, (a research officer with the APPGM SDG) based on the findings of the five working group reports which was submitted to EPU. He was asked to draw out the major themes pertaining to progress and achievements; gaps and challenges and finally the recommendations.

This report contains 80 recommendations made by the five working groups. This is a serious piece of input from the CSOs. Of the 80 recommendations let me highlight ten key one by way of highlighting the direction the Government must take in the next phase of SDG implement in the Twelfth Malaysia Plan (2021- 2025)

From the 80 recommendations, there are ten key recommendations:

1 **Revamping the Social Welfare System**
The social welfare system has to be revamped due to the limited definitions and coverage used in the official statistical system. The social welfare database is incomplete and the system of registration is not accessible and friendly to the really destitute. Need to establish a social protection floor with universal access and basic protection for all, including for the self-employed and informal workers

2 **A long-term food security strategy**
Malaysia is in need of a long-term food security strategy that includes funding for research and development in related sectors which would eventually increase Malaysia's self-sufficiency while reducing the country's reliance on imports.

3 **Reforming the health system**
There is a need for health system reform especially in terms of health financing. The tax-financing model for national healthcare needs to be supplemented and strengthened, perhaps by a social health insurance model, or most even a hybrid model with more allotment of resources into the healthcare budget must take place. A relatively low-cost compulsory National Health Insurance should be introduced such as those successfully implemented in developed countries such as the United Kingdom's NHS.

4 **Localizing the economy**
Policies for localizing the economy to reduce marginalization that consists of improving infrastructure for rural communities, partnering with indigenous communities for forest management and investing in rural green economies.

In this context the regional corridor development authorities must step up their effort to attract new industries and promote local enterprises to create jobs for the poor and marginalised. Together with other state level authorities, they should undertake initiatives to localise the implementation of the SDGs. Creating more jobs in rural areas by setting up more industries and businesses that need unskilled labour is a better option. The model of One Village One Product could re-introduced.

5 Sustainable economic model

There is a need to build economic model that are more progressive and systemic and which integrates economic, social and environment factors. These models will create share d economics which are in harmony with the environment and nature.

6 **More gender and ethnic disaggregated data of employment**

A publicly available gender and ethnically disaggregated data is urgently required to quantify gender disproportion in employment, analyse minority's contribution to the economy and to better understand discriminations in employment face by women, disabled persons, LGBT persons and foreign workers. The data will also enable better understanding of how COVID-19 affects women since 98% of Malaysian economic backbone is supported by SMEs that mostly made up of women.

7 **Moving towards a circular economy model**

Solid Waste and Public Cleansing Management Act 2007 (Act 672) to be adopted by and implemented in every state in Malaysia. Political will is required to work at national level.

8 Sustainable natural resources management

Ensure sustainable utilization of natural resources as raw materials including revising the delineation of Forest Management Units (FMUs) in Malaysia to enable better management, sustain productivity and ensure long-term viability. In addition formulate an overarching forestry policy for the country to achieve a nationally integrated standard of development and management of Malaysia's forests.

9 Moving Towards Carbon Neutrality

Malaysia should set a target of peak-emission, establishing roadmap for absolute decarbonisation and net-zero emissions by 2050. While rich developed countries should take the lead in deep decarbonising and setting "net-zero" climate target earlier, echoing the equality principle of the Paris Agreement, Malaysia can work towards same agenda internally.

10 Strengthen partnerships for localising SDGs

In order to strengthen partnerships for SDGs, there is a need to enhance policies & institutional coherence by deepening dialogue, network building & partnerships, data-based decision making & monitoring system. There is a need to conduct capacity building for various stakeholders including FBOs, NGOs, CSOs towards Localising SDG 2030

I therefore encourage you to review this summary of the findings. You can request from us the full five reports. In addition it is important to note that this report does not cover the specific interventions made by the CSO and academic representatives in the VNR Technical and Steering committee in their review of the draft VNR reports. We will have an opportunity to discuss these once Malaysia releases the final Malaysian 2021 VNR report.

I take this opportunity to thanks all the working group moderators, rapporteurs and participants in providing your views. We are happy to inform that all the reports were submitted to the EPU, UN country team and also the 2021 VNR Consultants. I also thanks Mr Ahmad Afandi Nor Azmi, Ms Nur Rahmah Othman and Ms Eira Khanum. This is a good example of multi stakeholder engagement.

Prof Datuk Dr Denison Jayasooria
Head of Secretariat, APPGM-SDG & Co Chair Malaysian CSO SDG Alliance
May 21, 2021

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CHAPTER 2: POVERTY AND NUTRITION

BY WORKING GROUP 1

This chapter describe the summary of findings and priority areas from Working Group 1 on progress, challenges and recommendations on SDG 1 and SDG 2. Further details are available in the Working Group 1 Main Report which can be requested from the APPGM-SDG Secretariat.

2.1 SDG 1: No Poverty

2.1.1 Progress and Status

Malaysia have made progression in reducing poverty rate. From 2016 to 2019, absolute poverty rate decreased from 7.6% to 5.6% and hardcore poverty decreased from 0.6% in 2016 to 0.4% in 2019. In Sabah and Sarawak, the poverty rate is 9% and 19.5% respectively. Median income grew 3.9% a year to RM5,873 in 2019 while mean income increased 4.2% per year to RM 7,901. However, Gini coefficient based on gross income increased from 0.399 to 0.407; and based on disposable income, it increased from 0.391 to 0.393. Despite the declining poverty rate, the household income gap has widened. The reduction in poverty has been reversed and the income gap exacerbated by the Coivd-19 pandemic when Malaysia's GDP declined by 5.6% in 2020, the lowest since the 1998 Asian Financial Crisis. As a result, unemployment rate grew to 4.8% in 2020.

The new Poverty Line Income (PLI) of RM2,208 is still considered low as the government continues to provide cash assistance to the B40 group with incomes up to RM4,000 and Prihatin to B40 and even M40 groups with income up to RM8,000 a month. World Bank classifies Malaysia as an Upper Middle-Income Country and hence, a better measurement of PLI would be USD5.50 a day. Another alternative would be to use 60% the median income as the PLI as is done in OECD countries, in which case would be RM3,524 a month. Policy implications of using the different PLIs is huge. There is also need to review the multi-dimensional poverty index (MPI) as the indicators and targets used are set at very low thresholds and are not realistic.

The vulnerable groups in Malaysia include 2.8 million affected B40 households; 2.81 million self-employed/own account/informal workers (19% of labour force); urban poor; women who are disproportionately affected; 2.1 millions of elderly people; indigenous peoples; the 2 million documented migrant workers (15% of workforce) plus 2 to 4 million migrant workers; and at least 12,000 stateless people in West Malaysia and possibly hundreds of thousands in Sabah.

2.1.2 Gaps and Challenges

Despite progress made in poverty eradication, there are still notable issues and challenges in achieving the SDG 1 in Malaysia.

Among the various assistance initiatives introduced by the government, PRIHATIN provides only RM25 billion or 10% are for direct cash transfer based on income level: – RM1,600 to HHs earning up to RM4,000 per month; RM1,000 to HHs earning from more than RM4,000 to RM8,000 per month. Given that Malaysia's PLI is now RM2,208, it can be questioned whether an allocation to those households with more RM4,000 monthly income is warranted or prudent. It is critical to ensure that those most in need are at the front of the queue.

Furthermore, exclusion rate from government financial aid is high. UNICEF reported that 34% of households did not get BRIM despite being qualified. For example, only 4% got the aid with 96% exclusion in for low-cost flats. Many poor people fall between the cracks. including the elderly, indigenous peoples, disabled, homeless and stateless people.

In terms of employment, informal sector workers and unpaid family workers making up 19% of the workforce are excluded. Conditions of the Wage Subsidy Programme (WSP) are too onerous to benefit employers. Federation of Malaysian Manufacturers (FMM) reported that 74% of respondents said the wage subsidy was inadequate to retain employees for the next 3 to 6 months. MEF reported that the WSP is insufficient as it amounts to only about 19% of total wages. By Nov 2020, more than 30,000 SMEs have closed. The majority were micro-SMEs, making up 79.5% of the closures during the MCO and 70.8% during the RMCO, and the majority had yet to receive government assistance.

2.1.3 Cross-Cutting Issues

While overall poverty reduction rate has declined, there are still packets of poverty in Malaysia involving vulnerable groups, particularly the urban poor, women and children:

1. Urban Poor

A UN survey showed that socio-economic conditions for half the low-income families in KL's PPRs deteriorated as unemployment among heads of HHs increased 15% in Dec 2020, while one in three adults are without work. The overall poverty rate stood at 42%, while the rates were higher among PWD-headed HHs and female-headed HHs, at 55% and 61% respectively. Increased pessimism and mental health issues are leading to unhealthy living environments. If nothing is done now, the B40 group might not only be unable to earn the low income they were earning before the pandemic but may also be faced with socioeconomic problems which will result in unhealthy and depressed generations for years to come. It is critical to rethink social protection system.

2. Women

Low-income female headed households are exceptionally vulnerable, with higher rates of unemployment at 32%. They also registered lower rates of access to social protection, with 57% having no access compared to 52% of total heads of HHs. This necessitates a drastic change in the social protection system to prevent COVID-19 exacerbating pre-existing poverty, inequality and social exclusion challenges. Given women's greater vulnerability to loss of jobs and incomes, increases in their unpaid care responsibilities and the growing incidence of domestic violence, it is necessary to change the structures by which the formal economy "only functions because it is subsidized by women's unpaid care work."

3. Children

Family income insecurity and increased child poverty are likely to increase food insecurity, exacerbating the high levels of malnutrition already found among Malaysian children. They are also associated with risks related to child mental health and education outcomes as well as violence and neglect. The persistent poverty or also known as Intergenerational poverty will persist if the children are unable to gain access to education and if they are unable to recognise the importance of education, as with their parents before them.

2.1.4 Recommendations

The working group 1 provide six broad recommendations to accelerate achievement of SDG 1 in Malaysia:

1. The social welfare system has to be revamped due to the limited definitions and coverage used in the official statistical system. The social welfare database is incomplete and the system of registration is not accessible and friendly to the really destitute. Need to establish a social protection floor with universal access and basic protection for all, including for the self-employed and informal workers as one in five of the heads of HHs are self-employed and the percentage is higher among female head of HHs at one of three.

2. Investing in the care economy could stimulate growth and recovery and ensure women's rights. In the 'new normal' post-pandemic, new social norms and work arrangements and transformative change for equality can be made by addressing the care economy, paid and unpaid.

3. Address current institutional barriers and cumbersome bureaucratic mechanisms and processes that require excessive documentation, block access to registration and entitlement to support or that result in long queues, and delays in receiving payments. Need to simplify and streamline the application process, including providing helplines for those unable to do so.

4. The regional corridor development authorities must step up their effort to attract new industries and promote local enterprises to create jobs for the poor and marginalised. Together with other state level authorities, they should undertake initiatives to localise the implementation of the SDGs. Creating more jobs in rural areas by setting up more industries and businesses that need unskilled labour is a better option. The model of One Village One Product could re-introduced.

5. As Malaysia advance to high tech industries, the employment of foreign low-skill workers should be phased out in order to induce firms to offer higher wages and to undertake training of poor local workers.

6. Expand safe, adequately-maintained, low-cost public housing that the poor can rent and later be eligible to buy at original cost of construction after specific years of residence.

Immediate corrective policy responses could include:

1. Extending Social Welfare financial assistance to all children, older people and pwds living in poverty;
2. Introducing measures to increase income generating opportunities for low income families, particularly for low-income single mothers (including access to affordable child care and employment support);
3. Providing greater access towards employment protection such as SOCSO and other income relief schemes among the self-employed;
4. Expanding the provision of quality school meals;
5. Strengthening measures to prevent school drop-out, including through more active risk-informed collaboration between schools and social welfare services;
6. Strengthening the provision of mental health services and interventions in communities and schools;
7. Strengthening services that prevent and respond to gender-based violence and violence against children, including expanding parenting support programmes in vulnerable communities.

2.2 SDG 2: Zero Hunger

The working group identified several major challenges under two broad thematic areas of nutrition and food security; and subsequently provide key recommendations to address these challenges.

2.2.1 Nutrition: Progress and Challenges

Malnutrition remains a huge challenge in Malaysian society. The two major challenges for SDG 2 are stunting and underweight. From 2016 to 2019, underweight among the children below the age of 5 has risen from 13.7% to 14.1%, and stunting has gone up from 20.7% to 21.8%. The deterioration of these two indicators took place before COVID-19 pandemic in early 2020 and would have deteriorated since.

Malaysia's adult population also faces a malnutrition burden. 24.9% of women of reproductive age have anaemia while 11.4% of adult men and 10.7% of women have diabetes. 17.9% of women and 13% of men suffer from obesity. Malaysia is among the fattest country in Southeast Asia and Asia Pacific. Non-communicable diseases (NCDs) dominate as the leading causes of premature death and disability in Malaysia. NCDs reduce individual productivity and quality of life, raises health costs, with 10% to 19% of national healthcare expenditure in 2018 was spent on obesity-related matters.

Malnutrition among indigenous peoples is also a serious concern even in government resettlement schemes. They and their children are facing malnourishment due to diminishing access to traditional food sources, often related to the destruction of their forest and resource base, leading to severe stunting and malnourishment.

2.2.2 Nutrition: Recommendations

Eight recommendations are provided to address nutrition challenges in Malaysia:

1. Introduce government policies to regulate the marketing of food products, e.g. on trans-fats, sugar and salt content, and eliminating promotions on ultra-processed and junk foods.

2. Conduct workshops with community groups and nutritional/health/behavioural specialists to discuss the problem of poor nutrition and possible solutions. Involve community to implement and support behavioural change.

3. Provide a subsidy for fresh fruit and vegetables to ensure they are more affordable than energy dense snacks and junk foods.

4. Remove advertising of ultra-processed and junk foods in and around schools, and from children's TV, and ban promotion of junk food to children.

5. Promote healthy nutrition in schools through education and fun activities to engage parents and caregivers so that the changes at school are encouraged in the home.

6. Conduct workshops for caterers working in schools, factories and office cafeterias, aimed at improving the nutritional content of the meals they provide, and minimizing sugar, salt and fat content.

7. Accelerate nutrition research to advance the response to obesity and poor nutrition, and continual assessment of policies/interventions implemented, and adjustments made as necessary.

8. Ensure food safety by reducing the overuse and abuse of antibiotics for animals, including in fish breeding.

2.2.3 Food Security: Progress and Challenges

Food security is an increasingly urgent concern as food imports continue to grow. Malaysia's food import bill has risen by an average of 6.5% per year from RM30 billion in 2010 to RM50 billion in 2018. Over 2/3 of the country's 8 million hectares of agriculture land are planted with oil palm, while 1.2m ha were planted with rubber. Only 8% are left for agro-food. Currently, Malaysia ranks 28th on the 2019 Global Food Security (GFS) Index, while Singapore has topped the index 2 years in a row, in 2018 and 2019. A lack of food security, compounded during global shocks such as the Covid-19 pandemic, is particularly damaging for poorer communities that may lack access and the money to afford food when it becomes scarce.

One major factor that affected agriculture industry is the underinvestment in R&D in the agriculture sector and inadequate extension services. Research & Development as a share of agricultural GDP has declined from its peak of 1.88 percent in 2002 to 0.85 percent in 2016. In order to ensure the supply of quality and safe food at affordable prices, investment in food production should not only be evaluated in terms of private benefits but also social returns and the country's security.

Agriculture in Malaysia is characterised by high levels of fertiliser and pesticide, causing environmental pollution. Despite the benefits of organic farming, its adoption rate is low among farmers. Unsolved land issue among farmers inhibits adoption of any sustainable agricultural practices. Land tenure is critical as tenant farmers would not be interested in investing in the land and go through a difficult conversion period without a strong guarantee of access to the land in later years.

2.2.4 Food Security: Recommendations

Malaysia is in need of a long-term food security strategy that includes funding for research and development in related sectors which would eventually increase Malaysia's self-sufficiency while reducing the country's reliance on imports. The policy focus should include the following:

1. Need for rigorous and intense R&D efforts by universities, research institutions like Mardi and extension efforts on sustainable agriculture and organic farming; and on agro-food production and processing. Incentivize local universities to strengthen their schools of agriculture to undertake research on increasing local soil fertility, developing higher-yielding crops grown by local farmers, and by breeding more resilient livestock.

2. Adopt the digitalisation of agriculture and AI to enhance productivity and quality of food, enable suitable sites to be identified, and tracking the food delivery chain to ensure quality and safety of farm products.

3. Ensure that more land is made available for food production. Need to ensure security of tenure through establishing property rights for small-scale food producers or promote long-term rental contracts for small-scale producers and make provisions to compensate farmers upon the termination of their contracts for investments made by them to improve the land.

4. Improve and upgrade existing infrastructure such as Internet connectivity, advanced storage capacity, drainage and irrigation for farms, road, port as well as airport connectivity.

5. Industrialisation of the agro-food sector to add value by encouraging initiatives by the private sector, cooperatives and partnership with producers to undertake processing of agricultural products and packaging them for the retail market.

6. Encourage youth, skilled and professional labour force participation in modern agriculture. Use of high-end technology could attract youth to re-look their employment opportunities.

7. Provide direct incentives and some financial support to organic farmers and facilitate the certification process systems. The Govt can consider using development financial institutions (DFIs) such as SME Bank, Agro Bank, etc. to provide assistance to manufacturers and domestic cottage industries, to help turn them into high quality farms, that also produce products that are internationally acceptable**.**

CHAPTER 3: COVID 19, HEALTH RECOVERY & WELL-BEING

BY WORKING GROUP 2

This chapter describe the summary of findings and priority areas from Working Group 2 on progress, challenges and recommendations on SDG 3: Good Health and Well-Being. Further details are available in the Working Group 2 Main Report which can be requested from the APPGM-SDG Secretariat.

3.1 SDG 3: Good Health & Well-Being

3.1.1 Progress and Achievements

The working group highlighted seven general progress:

1. Good performance over maternal and child health indicators (Target 3.1, Target 3.2)
2. Good performance over major communicable diseases (Target 3.3)
3. Efforts to put in framework to contain non-communicable diseases (Target 3.4; 3.4.1)
4. Efforts to put in frameworks for management of mental health (Target 3.4, 3.4.2)
5. Continued efforts to increasing funding into health (Target 3.1-3.9; 3.A-D)
6. Sustainance and maintenance in subsidisation of public sector health services (Target 3.1-3.9; 3.A-D)
7. Strength of health system are observed in managing successive waves of Covid-19 and commencement of vaccination programme (Target 3.8, 3.B, 3.C, 3.D)

3.1.2 Gaps and Challenges

There are many discernible gaps and underlying issues in the progress of various indicators within the context of the different Targets under SDG 3.

3.1.2.1 Lack of funding in public sector

Healthcare expenditure as a percentage of GDP continues to remain low compared to other countries with similar economic statuses. While public healthcare is largely subsidised through tax financing, there are also utilised heavily. This lack of public expenditure allocation and health financing revenues contributed heavily to shortages and deficiencies within the system in terms of service provision inequalities, healthcare worker burnout, challenges in introducing new and innovative therapies etc. This directly affects progress of all Targets under SDG 3 (Target 3.1-3.9; 3.A-D).

3.1.2.2 Divide between parallel public and private health sector

There is still huge divide the parallel public and private health sector that operates independently while crossing-over at certain points. Public healthcare continues to be under-resourced despite being largely subsidised and receives slightly rising national health budgets. On the other hand, there are concerns regarding underutilisation of human resources, infrastructure and technology in private healthcare institutions, whom are GLCs funded by public funds. This continues to drive disparities and inequalities in provision of care across the nation and affects progress of Target 3.1-3.9 and 3.A-D.

3.1.2.3 Last mile challenges

There are still 'last mile' challenges in terms of unable to complete the gap in terms of ensuring health care coverage to the final areas and target group such as maternal and child healthcare. Poor disaggregation of data and lack of 'smaller' indicators to complement big picture data resulted in difficulties in shaping strategies, designing interventions and allocating resources for on-the ground implementation and specific target groups. These challenges affect Target 3.1, 3.2, 3.3, 3.4, 3.5, 3.7, 3.8.

3.1.2.4 Insufficient preventive health programmes

There is a need of transforming healthcare perspective from currently leaning more in the direction of a curative model to a model that is driven by a preventive perspective. Unfortunately, there has not been enough of political will for this purpose which hinders financing, planning and implementation of preventive health programmes and services in all sectors. This affects progress of Target 3.3, 3.4,3.5,3.6.3.7, and 3.A.

3.1.2.5 Lack of human resources in public sector

There are also insufficient trained healthcare workers (HCW) in the public sector to sustainably carry out plans across different areas. There are difficulties in retaining HCWs due to employment by contract basis, unattractive wages and inappropriate compensation. This directly affects progress in Target 3.8 and 3.C).

3.1.3 Cross-Cutting Concerns

Besides the aforementioned gaps and challenges described in **Section 2.3.2**, the working group also found several common cross-cutting concerns interlinked with various Targets.

1. Geography

There are geographical disparities that affects provision of health care to inner areas and communities across Malaysia affecting health outcomes.

This concern is interlinked with targets 1.4 and 9.1. According to target 1.4, the poor and the vulnerable ought to have equal access to basic services, among others. Target 9.1 expresses the need to develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all. T

he interlinkages suggests that infrastructures and access to public facilities are needed for better health outcomes in certain geographical locations in Malaysia. These targets corresponds to targets 3.8 and 3.C.

2. Poor Population

Poorer Malaysians face severe psychosocial barriers to access care despite it being available at subsidized rates/almost free in the public sector.

This concern is interlinked with targets 1.B and 5.C. Target 1.B describes the need for sound policy frameworks based on pro-poor and gender-sensitive development strategies to support accelerated investment in poverty eradication actions. Target 5.C describes the promotion of gender equality and empowerment for women and girls at all levels.

There are stigmas that exists in the healthcare services which affects the quality of healthcare provided. This interlinkages ensures the pursuant of fairer equitable healthcare provision where healthcare is provided to all gender without stigma. These targets corresponds to targets 3.8 and 3.C.

3. Vulnerable Groups

Vulnerable groups such as single mothers, Orang Asli and LGBTQI face complex challenges in receiving health services, with them being left behind as a result.

This concern is interlinked with targets 5.1, 5.6, and 10.1. Target 5.1 indicates the urgency to end all forms of discrimination against all women and girls everywhere and target 5.6 expresses the need for a universal access to sexual and reproductive health and reproductive rights accordingly. Target 10.1 specifically targets the income growth of the bottom 40 percent of the population.

By addressing the interlinked targets, there will be wider coverage and access to quality healthcare services to vulnerable communities. These targets correspond to targets 3.1, 3.3 and 3.7.

4. Migrants and Refugees

Migrants and refugees are totally not within the system as they are neglected and often are also 'reservoirs' of disease- the concept of leave no one behind doesn't sufficiently apply to them.

This concern is interlinked with the target 10.3. There is a need to ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.

By addressing this target, there will be the collection of disaggregated data which may suggest interventions to migrants and refugees. This target correspond to targets 3.1, 3.2, and 3.3 where there are minimal interventions by CSOs to address their needs.

3.1.4 Covid-19 Implications

Despite lack of quantitative data on the impact of COVID-19 on the various aspects of the health system, there were noticable disruption and delays in provision of healthcare services. This disproportionally affects more individuals from vulnerable groups. Although the enforced travel restrictions and movement control are important public health measure, there are several impacts.

Many individuals had difficulties in accessing maternal and child healthcare services as well as curative services in both communicable and non-communicable diseases. For many existing

accesses to health services from employer insurance coverage were removed due to job terminations and salary reductions.

The strain on the healthcare system has been significantly worsened by the pandemic, and many of the cracks are beginning to come to the surface. Despite the ongoing vaccination programme, the long-lasting effects of Covid-19 will still be felt in the healthcare sector. There is a foreseeable reduction on health budgets which has been projected for many years to come.

3.1.5 Recommendation

The Working Group II proposed and detailed out various recommendations across all targets in the Working Group Report. To summarised, there are six broad recommendations and key priority areas as described as below:

3.1.5.1 Reforming the health system

There is a need for health system reform especially in terms of health financing. The tax-financing model for national healthcare needs to be supplemented and strengthened, perhaps by a social health insurance model, or most even a hybrid model with more allotment of resources into the healthcare budget must take place. A relatively low-cost compulsory National Health Insurance should be introduced such as those successfully implemented in developed countries such as the United Kingdom's NHS.

3.1.5.2 Integrate public and private health services closely

There needs to be closer integration of public and private health services at various levels to maximise the availability of infrastructure and human resources especially medical specialists within the private sector to reduce the burden on public sector. The integration should allow staff movement across sectors, buying of services from private sectors and negotiation for general practitioners (GP) capitation driven primary care.

3.1.5.3 Focus on non-communicable diseases and mental health

Screening, prevention, detection and management of non-communicable diseases (NCD) across the country must be improved with sustained focus. This can include enhancing domiciliary care, strengthening capacity of healthcare workers, closer private-public partnerships and empowering communities in co-managing NCDs. A closer integration of mental health services within all disease areas is also recommended for early screening and pickups.

3.1.5.4 Funding for health prevention

Funding for health prevention programmes is required to restructure and reintroduce a National Health Promotion / Prevention Body. These programmes should be designed for preventing substance abuse, non-communicable diseases and promoting mental health and well-being.

3.1.5.5 Specific oversight over vulnerable communities

There is a need for specific oversight over vulnerable communities on their health and indicators to address their needs. This includes those from lower socio-economic groups, single mothers, members of LGBTQIA+, migrants and refugees, among others. There needs to be resources and efforts to ensure they can access healthcare, preventive services and protective mechanism to benefit rest of society.

3.1.5.6 Empower volunteer community level health workers

Volunteer community level health workers should be more energised and empowered to work within and alongside the health system to provide care especially in era of limited resources. Partnerships civil society organisations (CSOs) is vital in providing myriad of healthcare services especially those from vulnerable groups. A mechanism to formalise and incorporating CSOs activities and efforts within government action frameworks should be established.

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CHAPTER 4:
INCLUSIVE ECONOMIC GROWTH

BY WORKING GROUP 3

This chapter describe the summary of findings and priority areas from Working Group 3 on progress, challenges and recommendations on SDG 8 and SDG 10. Further details are available in the Working Group 2 Main Report which can be requested from the APPGM-SDG Secretariat.

4.1 SDG 8: Decent Work and Economic Growth & SDG 10: Reduced Inequalities

4.1.1 Progress and Achievements

The working group highlighted three major progress in the Malaysian economy:

1. An increase in the Poverty Income Line (PLI) from RM980 to RM2208 which resulted over 400,000 households in the country with monthly incomes below this level to be considered poor.
2. Inter-ethnic inequality in the economy has been reduced. Although numbers of foreign migrant workers are high, it demonstrates that the Malaysian economy is creating jobs for these communities instead of locals.
3. During pre-Covid 19 pandemic era, Malaysia enjoyed full employment (with the unemployment rate recorded below 3%). However, such a situation has reversed drastically since the pandemic of the COVID-19. As at Dec 2020, the unemployment rate was 4.8% which equivalent to nearly 773,000 Malaysians unemployed.

4.1.2 Gaps and Challenges

The working group identified four key challenges in achieving SDG 8 which are poor economic structure, high unemployment rate, increasing vulnerability and poor connectivity.

4.1.2.1 Poor economic structure

The whole Malaysian economic structure suffers from several reasons in moving towards sustainable economic growth:

1. Disproportionate wealth distribution in business

While the big companies and corporations have profited from the businesses, they contribute disproportionately to the workers. At the moment, share to labour are only at 30-35% and the rest are share to the capital. Furthermore, small-business holders often find it difficult to compete in market with larger corporations and enterprises due to disproportionate incentives allocation by the government that tend to favor large and established corporations.

2. Lack of empirical data on COVID-19 effect on the businesses for SMEs.

The lack of empirical data are hindering the examination for the side effects of the series of lockdowns to curb the pandemic on the small-business owners. The pandemic has also reveal the implications of uneven economic growth.

3. Increasing over-reliance and number of migrant workers

There are over 2.97 million foreign workers and possibly another 3 million unregistered. There are increasing demand by employers of 3D sector (Dirty, Dangerous and Difficult) yet the demand does not match the unemployment rate among locals, with no empirical study to study why Malaysians backing away from 3D sectors.

The increasing reliance and number of foreign workers for cheap labours hinders economic and technological development and made Malaysia less competitive in the region. Furthermore, they do not boost the local economy since their income would be sent back to their home countries and they often had a circular economy among themselves in Malaysia.

The recruitment of foreign workers in Malaysia also suffers from corruption. Since the foreign workers matters are under the purview of Ministry of Home Affairs and not Ministry of Human Resources, there are no studies on the demand and supply of foreign workers.

4. Uncompetitive and unattractive to foreign investments

Malaysia is less attractive to foreign investments due the perceived political instability by the investors and more incentives given by our neighbouring countries to foreign investors. For example, Malaysia still imposes corporate tax by 24% which is higher compared to other countries. Reduction in foreign investors would reduce employment opportunities and increase job losses in Malaysia.

5. Income disparity between regions

Some states such Sabah does not receive many foreign investments. It receives domestic investments from the Peninsula, most only in plantation and retail, but not much industry.

4.1.2.2 High unemployment rate

The unemployment rate in Malaysia is 4.8 per cent (about 773,000 Malaysians) according to DOSM. The definition of poverty in Malaysia has become broader and there are increasing number of working poor and unemployment especially in urban areas involving ageing population, women and youth.

<u>Ageing population</u>

The current ageing group in Malaysia comprises close to 6 per cent of the population. By 2030, Malaysia will be an ageing population. Many would still be working past the retirement age stipulated in the Employment Act 1955 of 55 and 60 years old for private and public sector respectively. Older workers, especially in M40, will likely force to continue working to pay off their mortgage. Despite the increasing life span for both men and women, older workers are not utilised effectively. Due to the insufficiency of the Employment Act, they can only work for contractual and temporary jobs which does not offer social benefits and protection. Many would withdraw all their Employment Provident Funds (EPF) after retirement which will affect government development plans.

<u>Working Poor</u>

The purchasing power for working class people in urban areas had dropped significantly due to high cost of living in education, transport, food, utility and e-commerce. Their poverty conditions are largely due to weak bargaining power and the current threshold for minimum wages and the poverty line that does not match the threshold that required in modern society.

<u>Middle Income and M40 Group</u>

There are growing phenomena of middle-income squeeze which resulted in high employment rate among white collar workers. This is due to globalisation, increasing number of foreign

workers and rising of digital economy and AI which resulted in middle-income job such as secretary, law and accountancy to be less competitive. The M40 became a vulnerable group since most of government financial aids and incentives are concentrated on B40 group despite the M40 being the largest taxpayer group in the country.

Youth
700,000 of youths are unemployed largely due to skills mismatch with current industries. These difficulties resulted in poverty, becoming working poor and getting temporary jobs. On the other hand, more graduates with skills chose to migrate to other countries to seek better opportunities and contributed to "brain drain" in Malaysia.

Women
Despite the lack of empirical data, the World Bank reported that women participation in labour forces in Malaysia are at 55% which is lower than neighboring countries and global average of 63%. Although 60% of graduates from high education institutes are women, these numbers are not represented in the employment sectors. These are hampered by pervasive gender inequality and a disenabling environment which push women out of the workforce or resort to take on insecure, under protected and poorly remunerated employment. Foreign spouses in Malaysia are also disproportionately affected due to significant challenges in obtaining employment in Malaysia since spouse visa prohibiting all forms of employment and getting Permanent Residence (PR) status.

4.1.2.3 Increasing vulnerability

SDG 1 is closely related to SDG 8 since poverty is a manifestation of poor economic structure and unemployment. The vulnerable groups consist of the urban and working poor, aging population, youth, women, the M40 and minorities such as people with disabilities, LGBT persons and foreign workers are increasing. Some parts of Malaysia still have high poverty rates and experiencing uneven development such as Tongod, Kota Marudu, Beluran and Telupid in Sabah among the Kadazan, Dusun and Murut.

In some cases, local government agencies are unintentionally increasing the inequality between communities. In Jeli, there are indications of mismanagement of schemes and lack of transparency of how funds are being used by RISDA and FELCRA that exacerbated the poverty rate and inequality among small-holder farmers. The Orang Asli group received very low payment of "Tanaman Semula Kelompok" and didn't received any dividend from RISDA for more than six to eight months.

COVID-19 increases vulnerability due to lack of new employment, loss of white-collar jobs, increasing inequality and growing discrimination against gender, ethnicity and age. Women, in particular, are disproportionately affected by the pandemic. Globally, 740 million women that works in informal economy suffers loss of income by 60% in first month of pandemic. The pandemic also threatens to undo the limited progress made on women's equal participation in the labour market; linked to loss of income and more time dedicated to unpaid care and domestic work during lockdown.

4.1.2.4 Poor connectivity

Some parts in Malaysia have poor connectivity. For example, even though 93% of households in Sabah are using smartphones, about 50% of households do not have internet connectivity in some districts.

4.1.3 Recommendations

The working group outlined four broad recommendations to meet target and goals under SDG 8.

4.1.3.1 More gender and ethnic disaggregated data of employment

A publicly available gender and ethnically disaggregated data is urgently required to quantify gender disproportion in employment, analyse minorities contribution to the economy and to better understand discriminations in employment face by women, disables, LGBT persons and foreign workers. The data will also enable better understanding of how COVID-19 affects women since 98% of Malaysian economic backbone is supported by SMEs that mostly made up of women.

4.1.3.2 Policy changes for more inclusivity

Six policy changes are proposed as below:

1. Policies for **localizing the economy** to reduce marginalization that consists of improving infrastructure for rural communities, partnering with indigenous communities for forest management and investing in rural green economies.

2. Policies to **generate internal growth** through foreign or domestic investments. Existing policies must be reviewed to reduce corporate tax and to improve local consumption to generate domestic growth.

3. A new **Equitable Employment Act** to ensure equity in employment, benefits and protections for workers across minorities, different age groups, sex and local and foreign workers.

4. A **comprehensive Anti-Discriminative Act** which aligns with the Business and Human Rights Declaration and provide better protection for vulnerable workers due to age, sex and ethnicity.

5. **Revision of the Employment Act 1955** to keep up to date with the current economic trends such as gig economy and revision of compulsory retirement age.

6. **Revision of existing policies for hiring foreign workers** to reduce dependency on foreign workers in 3D sectors, low and semi-skilled jobs and to address economic challenges faced by foreign spouses of Malaysians.

4.1.3.3 More opportunities for small business holders

Opportunities must be increases for rural community and small business holders through:

1. Providing more incentives for small business holders and SMEs in Malaysian markets to obtain the infrastructure and logistics for efficiency in production.

2. Establishing a platform for transparent conversation between government agencies and local SMEs to build partnerships and ensuring transparency and accountability. Role of social vehicles of the government such as RISDA and FELCRA must be reviewed in relation to poverty and inequality eradication. They need to provide regular annual and financial reporting and effective consultancy group for accountability.

3. Reactivate the Rural Development Authorities (RDA) such as Pahang Tenggara Development Authority (DARA), Johor Tenggara Development Authority (KEJORA) and Terengganu Tengah Development Authority (KETENGAH) to eradicate poverty and restructure the society in poorer regions.

4.1.3.4 Training and re-reskilling for the older and retired workers

Youths or retirees can be reskilled through training and educations at training centers and institutes of higher learning to contribute to the market and generate income. The TVET (Technical and Vocational Education and Training) schools should be upgraded to meet this purpose.

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CHAPTER 5: SUSTAINABILITY AND CLIMATE CHANGE

BY WORKING GROUP 4

This chapter describe the summary of findings and priority areas from Working Group 4 on progress, challenges and recommendations on SDG 12 and SDG 13. Further details are available in the Working Group 4 Main Report which can be requested from the APPGM-SDG Secretariat.

5.1 SDG 12: Sustainable Consumption and Production

5.1.1 Progress and Achievements

Below progress was highlighted by discussants in working group:

- Malaysia is increasing commitment and adopting the sustainable consumption and production concept as stated in the Mid-Term Review of the Eleventh Malaysia Plan. Between 2016 and 2018, Malaysia has signed 13 multilateral environmental agreements.
- Recycling rate for solid waste has increased to 30 per cent in 2020 from 17.5 per cent in 2016.
- Implementation of Government Green Procurement of selected green products and services

5.1.2 Gaps and Challenges

5.1.2.1 Balancing domestic and imported supply for raw materials.

There is a lack of reliable data to determine balance between domestic and imported supply, which is currently believed to rely heavily on importation. Manufacturing base (furniture, moldings, plywood) in Malaysia is still highly dependent on imported raw materials. Furthermore, export of tropical hardwoods to high quality markets curtailed by sustainability and assurance issues. Supply of natural commodities such as rubber and wood-based products faces issues in ensuring sustainable domestic supply through establish domestic plantations while reducing deforestation.

5.1.2.2 Lack of monitoring database for sustainability reporting

While sustainability audit and reporting are evident across corporate sector, there is no platform or monitoring databases to assimilate hundreds of reports to generate useful feedback into the nation's sustainability goals and achievements.

5.1.3 Recommendations

The working group outlined four broad recommendations to meet target and goals under SDG 8.

5.1.3.1 Moving towards circular economy model

In moving towards a circular economy model, below measures are proposed:

1. Solid Waste and Public Cleansing Management Act 2007 (Act 672) to be adopted by and implemented in every state in Malaysia. Political will is required to work at national level.
2. Implement Extended Producer's Responsibility Scheme with a fair price mechanism for both buyer and seller of used plastic.
3. Increase CEPA on waste segregation at source.
4. Make research papers and data on waste management publicly accessible.

5.1.3.2 Sustainable natural resources management

To ensure sustainable utilization of natural resources as raw materials, below policies should be undertaken:

1. Revise the delineation of Forest Management Units (FMUs) in Malaysia to enable better management, sustain productivity and ensure long-term viability,
2. Formulate an overarching forestry policy for the country to achieve a nationally integrated standard of development and management of Malaysia's forests.
3. Establish framework to ensure domestic supply of wood given the medium-term incubation period needed to establish a sustainable base for supply of "throw-away wood".
4. Conduct review on eco-labelling for national and global assurance schemes in Malaysia, and plotting a path forward to remove conflict, overlap and waste of resources.

5.1.3.3 Green public procurement

Below measures are recommended to promote public procurement practices that are sustainable:

1. Set sustainability procurement targets to complement the strategy of using procurement policies to generate investment. The targets can be set over fixed periods in line with the Malaysia Development Plans and indicates what procurement strategies or policies will come into place within a set number of years.
2. Incorporate sustainability into private sector procurement by preferring domestic supply over importation. Incentives should be developed for investment in key wood-based industries, highlighting paper, rubber and bamboo.
3. Link procurement with products by providing incentives for the private sector to link their procurement policies with the sustainability of their brands and marketing strategies. Promote the concept of "local is sustainable"

5.1.3.4 Establish clearing-house mechanism for sustainability reporting

A Clearing-house Mechanism for Sustainability Reporting should be established to assimilate sustainability reports and provide monitoring system to generate useful feedback into the nation's sustainability goals and achievements.

5.1.3.5 Securing sustainable ecotourism base

A policy to secure the tenure, land use, access rights and equitable benefit-sharing for the ecological footprints of ecotourism destinations, locations and artefacts is required to ensure success of frameworks and implementation of PA management plans.

5.2 SDG 13: Climate Action

5.2.1 Progress and Achievements

There is certain notable progress made by the government for meeting targets under SDG 13 and support other related SDGs.

1. Establishment of specialised financial instruments such as Ecological Fiscal Transfer, National Natural Resource Conservation Trust Fund and Forest Development Fund to incentivise state government to preserve natural forests and restore degraded areas. This helps accelerate natural climate solutions for carbon sequestration and ecosystem-based adaptation.
2. Progress in risks and vulnerability assessment with future climate projections based on AR4 projection for key sectors (i.e., water resources, agriculture, coastal resources, infrastructure and health facilities) to assist in adaptation planning for socio-economic and development agenda in the country.
3. Development of early warning system such as the National Flood Warning Centre and National Flood Forecasting and Warning System (PRABN) by DID to provide early warning of floods. The forecast system is able to predict floods in 70% of river basin areas nationwide.
4. Increased climate action by local government where 57 cities have registered in the Green Technology Application for the Development of Low Carbon Cities (GTALCC) project as of 2019.

5.2.2 Gaps and Challenges

The discussants identified various challenges, which are grouped and summarized below:

5.2.2.1 Decarbonisation

In the latest Biennial Update Report 3, Malaysia is on track to meet its NDC target. However, if one would consider all emissions and removals which includes land use changes and forestry under Approach III of the GHG Inventory, Malaysia has achieved 6% of its NDC as of 2016. On contrast, Malaysia has achieved 33% reduction in 2014 using the same approach. This is a sharp reduction which shows that the carbon sequestration potential of Malaysia's forest has reduced drastically in span of two years as a result of development purposes.

Under the Paris Agreement Nationally Determined Contribution (NDC), Malaysia intends to **reduce its greenhouse gas (GHG) emissions intensity of GDP by 45% by 2030 relative to the emissions intensity of GDP in 2005**. This consist of 35% on an unconditional basis and a further 10% is condition upon receipt of climate finance, technology transfer and capacity building from developed countries.

This dismal performance was echoed in the latest Climate Change Performance Index Report 2021; which stated that Malaysia is ranked 56th overall out of 61 countries behind Indonesia at 24th position and Thailand in 26th.

Another major gap to highlight is by examining Malaysia's use of 'emission intensity' and not absolute total GHG emission. While UNFCCC allows Malaysia as a developing country to use emission intensity or emission per capita, adopting this metric provide false sense of since they mask overall GHG emissions growth as long as GDP increases at the same rate or faster than emissions. As Malaysia aim to be a developed nation and being the 34th highest per capita emissions in the world, it should aspire to have more ambitious climate commitments.

5.2.2.2 Inadequate Adaptation and Risk-Based Planning

Following similar trends globally, action and discussion on climate change in Malaysia are heavily skewed towards mitigation i.e. reducing GHG emission while adaptation i.e. coping with climate change impacts are not given adequate attention.

In Malaysia, adaptation efforts remains fragmented and based on sectoral requirements and implemented sporadically on ad-hoc basis. They are not mainstreamed into all policies and actions across economic sectors. The lack of integrated approach and adequate level of engagement with relevant stakeholders will negatively impact development agenda and social mobility. A National Adaptation Plan, which intended to guide this process and supposedly completed by 2020 under the RMK-11, is still in the midst of development by KASA.

5.2.2.3 Reactive Disaster Risk Management

While establishment of NADMA has helped coordinating DRM, Disaster Risk Management (DRM) in Malaysia is still heavily government-centric with disproportionate efforts between top-down and bottom-up approaches. This include reactively responding to disasters in emergency and relief instead of shifting towards long term and integrated planning across the whole disaster management cycle including empowering local communities and inculcating the concept of 'build back better'.

Most measures to mitigate disaster in Malaysia are focused on tackling a single hazard that lacks integrated approach. For example, tackling flood still relies heavily on Rancangan Tebatan Banjir (RTB) and not addressing the root cause such as deforestation in upstream, development in river reserves and rapid land use change. Addressing the later through nature-based solutions for multiple hazards are perhaps more cost-effective compared to undergoing increasingly expensive flood mitigation works.

5.2.2.4 Inadequate Youth Involvement in Climate Governance

In Malaysia, generally there are still lack of intergenerational equity and development of the youth agenda which resulted in unutilized youth potential for climate action and investments. Despite increasing climate activists by youth in Malaysia, climate governance still requires more processes for participatory decision-making and co-management in determining the Nationally Determined Contributions. Lack of integrated adaptation action also affects social mobility of vulnerable groups especially youth, women and marginalized communities.

5.2.3 Recommendations

The synthesis of working group findings outlined four broad recommendations to meet goals and targets under SDG 13:

5.2.3.1 Moving Towards Carbon Neutrality

Malaysia should set a target of peak-emission, establishing roadmap for absolute decarbonisation and net-zero emissions by 2050. While rich developed countries should take the lead in deep decarbonising and setting "net-zero" climate target earlier, echoing the equality principle of the Paris Agreement, Malaysia can work towards same agenda internally. Under these, certain policy measures can be taken:

1. Ramp up nature-based solutions (NbS) through halting degazettment, deforestation and reforestation at degraded areas through green financing mechanism. In long term,

federal-state fiscal needs restructuring to allow State government obtain direct revenue from modern taxes (e.g. SST, individual income, corporate taxes) and reduce dependency on natural resources.

2. Establish legal mechanism for regulating state government engagement in voluntary carbon markets to ensure international carbon offset schemes for rising demands in NbS doesn't affect national NDC commitments and socio-economic agenda.

3. Harness 'blue carbon' potential through coastal and marine rehabilitation, increasing marine protected areas in Protected Area network and managing them in seascape manner. Carbon sequestration value of marine assets needs to be incorporated in the National GHG Inventory.

4. Revising the energy mix by establish a road map to reduce coal-gas combo to manageable quantum. Coal-fired power plants should be phased out and opt for gas-fired power plants. The intermittent nature of RE can be offset by the reliability of natural gas.

5. Set target for each sectors (energy, transport, agriculture, waste, LULUCF) to reduce certain percentile of their emission under the revised NDCs.

5.2.3.2 More Holistic Disaster Risk Management and Adaptation Planning

To enable more holistic disaster risk management and risk-based planning to cope with changing climate conditions, several policy reforms for development planning and enabling conditions can be done through:

1. Establishing a regulatory framework and tools to enable different sectors to mainstream climate adaptation into their respective policies, plans and programmes.

2. Undertaken more holistic water management especially for urban areas and cities such as 'Sponge City' concept in China or using underground aquifer to store rainwater from excess rainfall and re-use during drought/water shortage.

3. Upscaling and priorities Ecosystem Based Approach and Nature-Based Solutions (NbS) to manage natural hazards that can provide socio-economic benefits and cross-cutting benefits to other SDGs.

4. Empowering local stakeholders and grassroot level action by through nationwide Community-based Adaptation and Community-based Disaster Risk Management in high-risk areas.

5. Inculcate build back better through financial, physical and mental health support for rebuilding livelihood and individual assets for local communities. Priority should be on vulnerable groups that are disproportionately affected such as elderlies, women, stateless persons and refugees.

5.2.3.3 Improving Accessibility of Data and Research

More reliable, science-based and publicly available climate information are required for better reporting and facilitating risk-based planning for stakeholders:

1. Establish a publicly available and up to date climate centre database and national risk inventory collating research, assessments, climate projections and spatial data by government agencies, think tanks and universities.

2. Establish single database compiling health of individual marine areas (e.g. coral reefs, mangroves, seagrass meadows) or phenomenon (e.g. ocean acidification, coral mass bleaching) that integrates published reports by scientific and government sources.

3. Develop a national mechanism to collate, standardise and map various climate reports into an integrated and live/crowd-sourced updatable web portal to identify critical areas that require more research.

5.2.3.4 Accelerating Education for Climate Change

For meeting SDG target 13.3, Minister of Education should include subject or curricular activity on climate change in Sustainable Development depending on education level. At undergraduate and postgraduate level, courses should be mapped to the SDGs to promote "whole of society approach" for climate action and sustainable development.

5.2.3.5 Partnerships and Participatory Planning for Climate Action

A platform for multi-stakeholder discussions and engagement between government agencies, civil societies, private sectors, think tanks and local communities should be formed. The roundtable can guide and complement the Malaysian Climate Change Action Council (MyCAC) and strengthening of the country's climate change governance.

The One Health concept, that recognizes that the health and well-being of citizens is closely connected to the ecological health and shared environment, should be promoted nationwide for "whole of society" approach in climate action and natural resource management.

Youth groups and NGOs such as Malaysia Youth Delegation (MYD) and Klima Action Malaysia (KAMY) needs to be meaningfully engaged in climate change governance, planning and policy development across all levels.

CHAPTER 6: GOVERNANCE, SOCIAL COHESION & PARTNERSHIP

BY WORKING GROUP 5

This chapter describe the summary of findings and priority areas from Working Group 5 on progress, challenges and recommendations on SDG 16 and SDG 17. Further details are available in the Working Group 5 Main Report which can be requested from the APPGM-SDG Secretariat.

6.1 SDG 16: Peace, Justice and Strong Institutions

SDG 16 promotes peace and good governance which is paramount and is the key guiding principle that sets the benchmark for the 17 goals to administer justice, accountability, inclusivity and equality for effective delivery and means of implementation.

6.1.1 Progress and Achievements

The working group highlighted key major progress in the Malaysian economy:

Themes	Progress
Public access to information and fundamental freedom protection	Establishment of open data initiatives at the Federal level and Open Government data rights with discretion of individual ministries.
Reduction of all forms of violence and related death rates	Community Mediation and Interreligious Mediation services by the Department of National Unity and Integration to make meditation as an alternative dispute resolution.
Non-discriminatory laws and policies for sustainable development	▪ Achievement of Gender parity in education. ▪ Amendment to several legislation such as Penal Code, Anti-Trafficking in Persons Act of 2007, the Domestic Violence Act of 1994, Employment Act of 1955. ▪ Adoption of the National Women's Policy and Action Plan 2009 – 2015.
Promoting rule of law and equal access for all	Rectification of few treaties including United Nation Declaration of Rights of Indigenous Peoples (UNDRIP).
Participation of developing countries in the institutions of global governance	Alignment of SDGs key elements with the 11th Malaysia Plan 2016-2020 to strengthen public sector institutions.

6.1.2 Gaps and Challenges

The working group identified four key challenges in achieving SDG 8 which are poor economic structure, high unemployment rate, increasing vulnerability and poor connectivity.

6.1.2.1 Public access to information and fundamental freedom

Due to the Official Secrets Act (OSA) being the main challenge to freedom of information, it breeds a culture of secrecy in the civil service since they are unsure about the future of the practice of information management and disclosure. Current Access to information also included Indigenous People' needs most often is left behind.

6.1.2.2 Institutional capacities and complexities

The operation of Institutions at sub-national level suffers over-centralization of decision-making power and authority at federal level. Furthermore, public participation at local government level remains low.

6.1.2.3 Corruption and bribery

There is a need to move from racial prejudice at policy level. There is still a lack of strategic mechanism expose executive, civil, government servants to good governance.

6.1.2.4 Discrimination and harassment under human rights

Some policymakers and legislators in Malaysia lack universal human rights values and norms and fails to address the needs of migrants, refugees and victims of trafficking. There is still no safe migration law and policy on migrants which makes these groups more vulnerable with no access to justice, protection, health care, proper jobs and risks being abused by employers.

6.1.2.5 Freedom and public access to information

The Official Secrets Act (OSA) breeds a culture of secrecy in the civil service since they are unsure about the future of the practice of information management and disclosure.

6.1.2.6 Violence and death-related cases

There is a need to communicate about violence beyond public sphere and in private sphere especially in private life and relationship. In Malaysia, LGBT community especially the transgender is being targeted and abused mainly by the police and the authorities.

6.1.2.7 Upholding the rule of law

The amendments to the Legal Aid Act 1971 have expressly preclude non-Malaysians from having access to legal aid services governed by the Act. Furthermore, legal aid assistance programs do not specifically focus on women's rights nor take into account the specific vulnerabilities of women from marginalised communities.

There is continue usage of draconian law; Suaram report indicates that human rights defenders and media are being targeted and force to disappear if they are critical of the government.

6.1.3 Recommendations

The working group put forward below **key priority areas** to administer good governance accountability and strong institutions and set cross cutting benchmarks for other SDGs.

1. Moving towards **economic model** that is 1) more progressive and systemic that integrates economic, social and environment factors 2) creating share economic, and 3) grow in harmony with the environment and nature.

2. Establish **an 'Oversight Committee'** or similar body to reform weak institutions from "hearts and mind" organisation, whose main purpose was to gain the people's loyalty [to the government], into an economic enterprise which provides good economic life to the participants.

3. Urgently implement **data collection and reporting system at the local level** that is standardised and aligned to the SDG targets and indicators. Voluntary Local Reviews should be integrated with national reviews of the SDGs based on the UNSESCAP Asia-Pacific Regional Guidelines on Voluntary Local Reviews.

4. Intensify meaningful and genuine **multi-party decision-making** among the local authorities, local assemblymen, local NGOs, community representatives, businesses and academia.

5. Conduct **intensive capacity-building at the local level** for achieving meaningful sustainable development at the local level. National goals cannot be achieved without local actions.

6. Amend Paragraphs (b) and (c) in Part 111 of Federal Constitution to ensure **mother of a child born overseas has the right to automatically transmit her citizenship to the child**.

7. Repeal all national and state laws, policies that discriminate rights especially cultural, spiritual custom and practices. Notable examples are:
   - Sarawak land code/ordinance amendment 2000 of section 5(2) that deleted and prohibited the cultural rights of inheritance of properties of the natives or indigenous peoples. It also contradicts an article of UNDRIP and Malaysian federal constitution article 161.
   - Sarawak land code/ordinance cap 81- 1958 amendment of section 6 that carries elements of discrimination of rights to cultural land, territories and self-determination. It is in contradictory to article 25 & 26 of UNDRIP.

8. Revise the national registration policy that doesn't recognise the cultural marriage, traditional home village base delivery of new-born sibling rendering multiplying of stateless in person.

6.2 SDG 17: Partnership for the Goals

On SDG 17, the key focus was to strengthen partnership with Faith-Based Organisation (FBO), CSO, Private Sectors, government agencies and local stakeholders in localizing SDGs at the state, district and neighbourhoods

6.2.1 Progress and Achievements

The government of Malaysia has recognised the contribution of the Civil Societies in strengthening the delivery of the SDGs. The formation of the All-Party Parliamentarian Group - SDG which was approved by the Parliament in October 2019 has been the result of the collaboration work begun with the SDG Alliance.

Role of Faith-Based Organisations are also being strengthened for nation-building and upholding peace and justice.

6.2.2 Gaps and Challenges

Localizing the SDGs to leave no one behind is a continues challenge at the grassroots level. Government programs and assistance is still not reaching the actual target group especially the vulnerable and the minority groups.

6.2.3 Recommendations

The working group put forward below **key priority areas** to strengthen partnerships for SDGs:

1. Move forward towards policies & institutional coherence, deepen dialogue, network building & partnerships, data-based decision making & monitoring system.

2. Conduct capacity building for various stakeholders including FBOs, NGOs, CSOs towards Localising SDG 2030

3. Enhance the role of FBOs to understand Asian sensitivity, mobilise resources to understand and respond to issues for common good and promote Asian harmony

4. Conduct interfaith engagement to mobilise religious leaders to address human trafficking and climate change.

5. Embrace multi-stakeholder partnership where government and CSOs joint in hands to end modern slavery.

6. Discuss disability issues via multistakeholder engagement between government, NGO and private sectors to discuss disability issues in line with the spirit of inclusion.

7. Implement better monitoring system and scrutinize the role of local authorities. For example, some local authorities offer free buses and vans but the service are not reaching the needy group, the marginalised and the people with disability.

APPENDIX

AP-1: List of Working Group Members

WORKING GROUP 1: POVERTY & NUTRITION (SDG 1 & 2)

Facilitator: Dr Lin Mui Kiang – Head of Solutions, APPGM-SDG Secretariat
Rapporteur: Ms Zoel Ng, Central Region Liaison & Research Officer, APPGM-SDG Secretariat

Members:

1. YB Dato Seri Rohani Karim, MP of Batang Lupar, and Chair of APPGM-SDG
2. YB Puan Maria Chin Abdullah, MP of Petaling Jaya, and Deputy Chair of APPGM-SDG
3. Prof Woo Wing Thye, Professor of Economics at University of California, and Head of the Jeffrey Cheah Institute on Southeast Asia and Jeffrey Sachs Center on Sustainable Development
4. Mr Derek Kok - Research Analyst at Jeffrey Sachs Center on Sustainable Development
5. Mr Danesh Prakash Chacko - Research Analyst at Jeffrey Sachs Center on Sustainable Development
6. Mr Eow Shiang Yen - Majlis Belia Malaysia, Country Ambassador of Youth Opportunities, Chair of New Media and Information Special Committee at Young Buddhist Association of Malaysia, Vice Chair at PBUPM-A
7. Dr Jain Yassin – UITM, Sabah Liaison & Research Officer, APPGM-SDG Secretariat
8. Assoc Prof Dr Zaimuariffuddin Shukri Bin Nordin - UNIMAS, Sarawak Liaison & Research Officer, APPGM-SDG Secretariat

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WORKING GROUP 2: COVID-19, HEALTH RECOVERY AND WELL-BEING (SDG 3)

Facilitator: Dr. Murallitharan Munisamy - Director, National Cancer Society Malaysia
Rapporteur: Ms. Syahirah Khanum, Communication & Capacity Building Officer, APPGM-SDG Secretariat

Members:

1. Ms. Victoria Navina - Galen Centre for Health & Social Policy
2. Ms. Winnie Ong - Galen Centre for Health & Social Policy
3. Prof. Koh Hock Lye - JSC Sunway University
4. Ms. Gill Raja - Sarawak Women for Women Society
5. Mr. Arman Rashid - SOLS Health
6. Dr. Jeyakumar Devaraj - Parti Sosialis Malaysia
7. Ms. Mageswari Ranjanthran - Sunway University
8. Ms. Mandy Thoo - NCSM
9. Ms. Subhashimi Rajendran - NCSM

WORKING GROUP 3: INCLUSIVE ECONOMIC GROWTH (SDG 8 & 10)

Facilitator:

1. Datuk Prof Mohd Yusof Kasim - Commact Malaysia, Adjunct Professor at Perdana University
2. Kon Onn Sein - General Manager of Yayasan Kajian dan Pembangunan Masyarakat

Rapporteur: Dr Teo Sue Ann, Northern Region Liaison & Research Officer, APPGM-SDG Secretariat

Members:

1. Dr Jain Yassin - UiTM Sabah and Sabah Liaison & Research Officer, APPGM-SDG Secretariat
2. Assoc. Prof. Dr Fadilah Puteh - UiTM Sabah
3. Bina Ramanand - Foreign Spouses Support Group
4. Professor Shandre Mugan Thangavelu - Jeffery Cheah Institute for Southeast Asia, Sunway University
5. Thi Laga - Justice for Sister
6. Dr Juita Mohamad - Institute of Strategic and International Studies
7. Dr Zaim Nordin - Universiti Malaysia Sarawak, Sarawak Liaison & Research Officer, APPGM-SDG Secretariat

WORKING GROUP 4: SUSTAINABILITY & CLIMATE CHANGE (SDG 12 & 13)

Facilitator: Lavanya Rama Iyer - WWF-Malaysia)
Rapporteur: Anthony Tan, Executve Officer (Finance), APPGM-SDG Secretariat

Members:

1. Prof. Agamuthu Pariathamby - JSC, Sunway University
2. Mr. Andrew Fan - JSC, Sunway University
3. Mr. Anthony Sebastian - Forest Stewardship Council
4. Mr. Leong Yuen Yoong - JSC, Sunway University
5. Mr. Henry Chan - WWF Malaysia
6. Mr. Kiu Jia Yaw - Bar Council Environment & Climate Change Committee
7. Mr. Kelvin Diong - WWF Malaysia
8. Mr. Ahmad Afandi - South Region Liaison & Research Officer, APPGM-SDG Secretariat
9. Mr. Kim Leng Yeah - JSC, Sunway University
10. Ms. Miew Luan Ng - Quest International University
11. Ms. Kong Phui Yi - JSC, Sunway University
12. Joyline Chai - SDG2030
13. Ms. Woh Peng Fun - JSC, Sunway University
14. Zara Phang - WWF Malaysia
15. Chen Jit Ern - JSC, Sunway University

WORKING GROUP 5: GOVERNANCE, SOCIAL COHESION & PARTNERSHIP (SDG 16 & 17)

Facilitator: Assoc. Prof. Dr. Zainal Abidin Sanusi - Director of Sejahtera Centre, Head of Capacity Building, APPGM-SDG Secretariat
Rapporteur: Mr. James Raj, Executive Officer (Solution), APPGM-SDG Secretariat

Members:

1. Prof. Dato' Dr. Rashila Ramli - IKMAS UKM, Head of Monitoring & Evaluation, APPGM-SDG Secretariat
2. Mr. Ruekeith Anak Jampong - SADIA
3. Ms. Karen Chand - JSC, Sunway University
4. Mr. Thai - MBM
5. Ms. Yi Jian - JSC, Sunway University
6. Ms. Eta Ting Ming Na - Caritas Malaysia
7. Mr. Muhammad Sha'ani bin Abdullah - SUSDEN
8. Mr. Nicholas Mujah Anak Ason - SADIA
9. Prof. Datuk Dr. Denison Jayasooria, Head of Secretariat, APPGM-SDG
10. Ms. Bathmavathi Krishnan - Association Of Women With Disabilities Malaysia
11. Mr. Charles - Caritas Malaysia
12. Ms. Shanthi Dariam - Women's Aid Organization
13. Ms. Wathashah Naidu - Centre for Independent Journalism

AP-2 - APPGM-SDG & VNR Working Groups Engagement Dates

Date	Meeting
APPGM-SDG Secretariat's VNR Engagament Sessions with the CSOs	
February 5th, 2021	APPGM-SDG Secretariat Inception Meeting for the VNR Working Groups
March 1st, 2021	APPGM-SDG Secretariat Collective Discussion & Review of the Working Groups' Reports
March 12th, 2021	APPGM-SDG Secretariat Final Discussion with the WG Facilitators & Rapporteurs
VNR Working Groups' Engagement Sessions	
Working Group 1	
February 9th, 2021	1st Meeting
February 10th, 2021	2nd Meeting
Feb 23rd, 2021	3rd Meeting
Working Group 2	
February 18th, 2021	1st Meeting
February 20th, 2021	2nd Meeting
Working Group 3	
February 9th, 2021	1st Meeting
February 16th, 2021	2nd Meeting
Working Group 4	
February 10th, 2021	1st Meeting
February 18th, 2021	2nd Meeting
February 23rd,2021	3rd Meeting
Working Group 5	
February 13th, 2021	1st Meeting

AP-3 - EPU Engagement Dates: VNR Technical Working Groups & Steering Committee Meeting

Dates	Meeting	APPGM-SDG/Malaysian CSO SDG Alliance Representative
February 2nd, 2021	EPU - 1st VNR Technical Working Group Meeting	1. Prof. Datuk Dr. Denison Jayasooria 2. Dr. Lin Mui Kiang 3. Mr. Anthony Tan Kee Huat 4. Ms. Nur Rahmah Othman 5. Ms. Lavanya Rama Iyer 6. Prof. Dato' Dr. Rashila Ramli
February 5th, 2021	EPU - 1st VNR Steering Committee Meeting	7. Prof. Datuk Dr. Denison Jayasooria 8. Dr. Lin Mui Kiang 9. Mr. Anthony Tan Kee Huat 10. Ms. Nur Rahmah Othman 11. Ms. Lavanya Rama Iyer Prof. Dato' Dr. Rashila Ramli
February 8th, 2021	EPU - Inception Workshop & Technical Working Group Meetings	1. Prof. Datuk Dr. Denison Jayasooria 2. Dr. Lin Mui Kiang 3. Mr. Anthony Tan Kee Huat 4. Ms. Nur Rahmah Othman 5. Ms. Lavanya Rama Iyer 6. Prof. Dato' Dr. Rashila Ramli 7. Mr. Ahmad Afandi Azmi 8. Ms. Zoel Ng 9. Dr. Teo Sue Ann 10. Ms. Syahirah Khanum 11. Dr. Jain Yassin 12. Assoc. Prof. Dr. Zaimuariffudin Shukri Nordin 13. Mrs. Jamilah Taib
May 5th, 2021	EPU - 2nd VNR Technical Working Group Meeting	1. Dr. Lin Mui Kiang 2. Ms. Lavanya Rama Iyer 3. Prof. Dato' Dr. Rashila Ramli 4. Ms. Nur Rahmah Othman
May 7th, 2021	EPU - 2nd VNR Steering Committee Meeting	1. Prof. Datuk Dr. Denison Jayasooria 2. Dr. Lin Mui Kiang 3. Ms. Lavanya Rama Iyer 4. Prof. Dato' Dr. Rashila Ramli 5. Ms. Nur Rahmah Othman
May 20th, 2021	EPU - 3rd Steering Committee Meeting	1. Prof. Datuk Dr. Denison Jayasooria 2. Dr. Lin Mui Kiang 3. Ms. Lavanya Rama Iyer 4. Prof. Dato' Dr. Rashila Ramli 5. Mr. Anthony Tan Kee Huat
May 21st, 2021	CSOs Review On VNR 2021 (Public Review of the VNR Process & Submissions to the EPU)	-