CSR, Public-Private Partnerships, Social Entrepreneurship and SDGs: The Malaysian Context

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Partnerships between
- Government
- Private sector
- Community/NGOs

THE CONCEPT

Corporate Social Responsibility (CSR)
The assumption of responsibility of companies whether voluntary or by virtue of statute in discharging socio-economic obligations to society.

Public-Private Partnership (PPP)
A long-term contract between a private party and a government entity, for providing a public asset or service.

Social Enterprises
Organisations that have a social cause as their primary mission and use a private sector business model to sustain themselves.

CSR IN MALAYSIA

- 1970s - CSR began in the form of small contributions driven by religions and racial motivations.
- Overtime - Influenced from the west – more multinational companies are formed – became more structured and linked to corporate strategies.
- Currently
  - Increased focus and promotion of CSR
  - Policies and regulations
  - Framework for CSR
  - Yearly budget report
  - 5 years Malaysia Plan
  - Tax and fiscal incentives
  - Endorsement through awards

SDGs - OUR COMMON GOALS

IMPROVING PEOPLE'S QUALITY OF LIFE
- Enhancing inclusiveness towards an equitable society
- Accelerating human capital development for an advanced nation
- Pursuing green growth for sustainability and resilience
- Strengthening infrastructure to support economic expansion
- Re-engineering economic growth for greater prosperity

FOSTERING EQUITABLE GROWTH
- Improving wellbeing for all
- Enabling industry-led Technical and Vocational Education and Training (TVET)
- Public-Private Partnership

PROTECTING THE ENVIRONMENT
- Liftng 800 households towards a middle-class society
- Enhancing innovation competitive productivity to wealth cities

GOAL 17
STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALIZE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

11MP: ANCHORING GROWTH ON PEOPLE

SDGs - MALAYSIAN CONTEXT

Multidimensional goals, 2016-2020
- GDP growth of 5-6% per annum
- Labour productivity increases from RM92,300 (2014) to RM115,100 (2020)
- GD per capita at RM54,100 by 2020
- Average monthly household income increases from RM1,341 (2014) to RM1,540 (2020)
- Compensation of employees to GDP increase from 34.4% (2015) to 40% (2020)
- Malaysia Wellbeing Index (MWI) to increase by 1.7%
FRAMEWORKS AND REGULATIONS FOR CSR IMPLEMENTATION

   - Guidelines for Government-linked Companies (GLC)
   - Part of GLC’s Transformation Programme

2. CSR Framework (2006)
   - Guidelines for Public listed Companies (PLC)
   - Developed by BURSA Malaysia (Malaysian Exchanged Holding Company)
   - Mandatory reporting of CSR activities
   - Focus areas: Environment, Workplace, Community, Market Place


4. Environmental, Social and Governance Index for PLCs

CSR IN MALAYSIA

Government linked Company (examples)

Public Listed Company (examples)

CSR – TENAGA NASIONAL BERHAD

Empowering the Community - Kampung Kuantan (Fireflies park)
in partnership with the State Government, community and NGOs:
- Fireflies protection
- Replanting of Trees
- Campaign and awareness programmes

Tree For A Tree - Tree Planting in Port Dickson
In partnership with the State Government, community and NGOs:
- Trees planting
- Campaign and awareness programmes

CSR – THE ACHIEVEMENTS

Programmes
1. Welfare initiatives
2. Education support
3. Environment conservation
4. Child protection
5. Health programmes
6. Housing for the bottom 40%

PUBLIC-PRIVATE PARTNERSHIP IN MALAYSIA

Enabling Framework
- Formation of Public Private Partnership Unit (UKAS) under the Prime Minister’s Department
- Main roles:
  - Processing and evaluation of PPP Project
  - Propose potential projects to the government
- Projects: Infrastructures, Facilities, Services
- Guidelines and Master plan for Privatization

Key Principles
- i. Socio-economic impacts
- ii. Value for money and cost savings to the Government
- iii. Quick delivery of the project and service enhancement
- iv. Increased level of accountability, efficiency and effectiveness
- v. Risk transfer
- vi. Long term contract
- vii. Output specification
- viii. Competition
- ix. Value for money
PUBLIC-PRIVATE PARTNERSHIP – THE ACHIEVEMENTS

• More than 500 privatized projects
• Saving in capital expenditure: RM161 billion (estimated RM25 billion over 25 years)
• Reduce government administrative expenditure following privatization of 58 government agencies
• Provided world class infrastructure (north south highways, LRT, Ports, KLIA)
• Successfully created local conglomerate - Tenaga National Berhad (National Electricity Board), TELEKOM Malaysia, etc.
• Development and maintenance of infrastructure and facilities

SOCIAL ENTERPRISE BLUEPRINT IN MALAYSIA

SOCIAL ENTERPRISES IN MALAYSIA

The folks in Kakiseni are fighting the good fight for Arts in Malaysia.
Revenue: Events and training program

Provides HIV/AIDS education and support programs for communities.
Revenue: User fees at drop-in centres

One-stop-hub for volunteering in Malaysia
Revenue: Licensing its technology and arranging volunteering opportunities

Bridging the urban-rural divide through building houses for aboriginal families.
Revenue: organizing workshops

SOCIAL ENTERPRISES – THE ACHIEVEMENTS

100 successful social enterprises in 2015

SOCIAL PUBLIC PRIVATE PARTNERSHIP (SOCIAL PPP)

NBOS

It is an initiative under the National Blue Ocean Strategy (NBOS).

Social PPP is a collaborative initiative between Malaysia Innovation Agency (AIM) and UKAS

It refocuses on traditional ways of delivering social services, tapping into strengths of government, social-purpose organizations (SPOs) and the private sector to address social disparities.
SOCIAL PUBLIC PRIVATE PARTNERSHIP
4 Pilot Projects (Completed 2016)

- Malaysian Collective Impact Initiatives (MCII)
  - An innovative model for multi-sectoral partnership for corporate CSR involves 7 corporate funders
- School Retention Programme (subset of MCII)
  - Peer tutoring and mentoring programme to increase student’s Maths and English proficiency
- Youth Up Skilling (subset of MCII)
  - To upskill disadvantaged and at-risk youth towards employment by providing opportunities
- Scalable, Commission based telemarketing Center
  - An establishment of a virtual call center service, allowing 18 disabilities and impaired person the opportunity to be financially independent and contribute to the society

SOCIAL PUBLIC PRIVATE PARTNERSHIP
6 Projects (coming up)

1. After School STEM Programme
2. Empowering Single Mother
3. Building Library for the Autism Children
4. Using Technology to Address Social Issues
5. Developing Local Center in Urban Low Cost Housing Area
6. Free on-line Tuition for Students with Disabilities

THE CHALLENGES

Social development & environmental conservation are not growing at the same pace with economic development

Traditional ways of delivering social services are not fully effective, and consume a huge portion of public expenditure

Measurement of performance and targets for the existing CSR/PPP/SE initiatives towards Sustainable Development

Social purpose organizations lack of the resources and professionalism to scale and achieve wide impact

THE WAY FORWARD

- To link CSR, PPP, SE and Social PPP with sustainable development and SDG’s
- To embed environmental and social safeguard in targets and goals
- To develop performance measurement towards sustainable development
- To replicate the initiatives at city scale
  - creating policies and guidelines to achieve SDG’s Goals,
  - identify projects for partnerships.
- To promote and extend the initiatives to small and medium industries (SME’s)

SUCCESS STORY AT THE CITY LEVEL:
THE PARKLIFE - CITY OF SHAH ALAM

Thank You
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http://www.townplan.gov.my