CASE STUDY
Institution Building in Malaysia
Establishing the National SDG Council

Background Information

Malaysia created the National SDG Council as part of the National Action Committee in December 2016, to provide leadership for the country's programs on the Sustainable Development Goals (SDGs). The council is led by Malaysia's Prime Minister, Najib Razak, with the purpose of planning and monitoring SDG implementation, setting the national agenda and milestones for the SDGs, and preparing reports for the UN High Level Political Forum (HLPF). A Steering Committee, chaired by the Director General of Malaysia's Economic Planning Unit reports up to the National SDG Council, and five Cluster Working Groups report up to the Steering Committee.
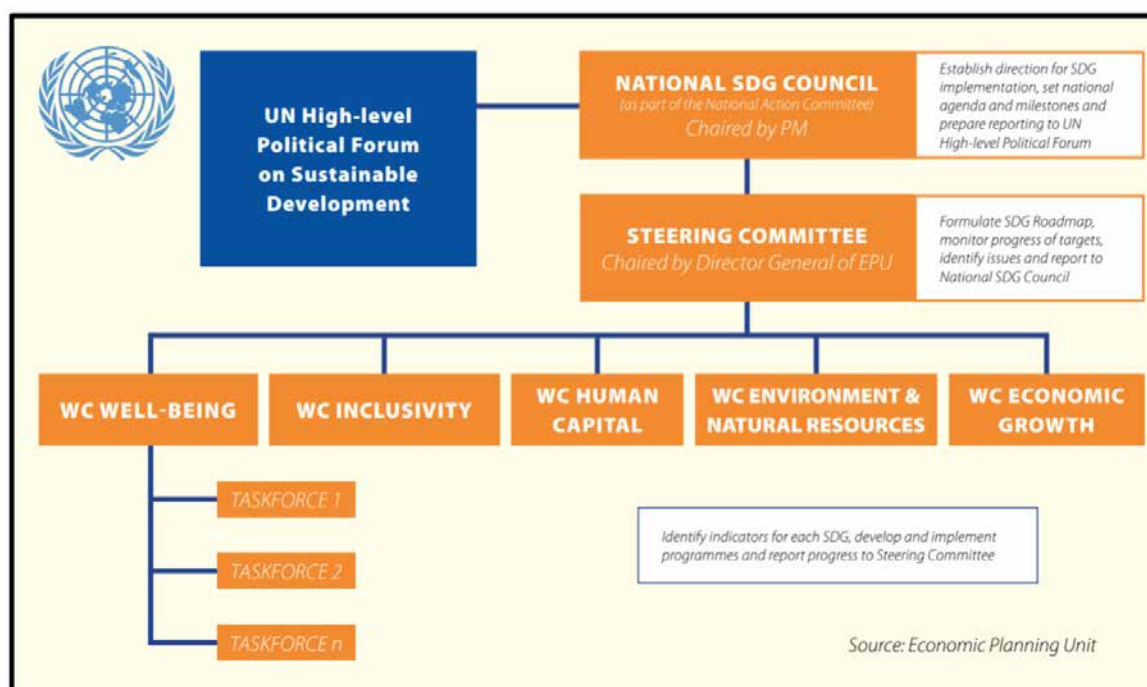
Malaysia's SDG governance structure[1]

1   "Malaysia Voluntary National Review Powerpoint," *Sustainable Development Knowledge Platform*, July 17, 2017, https://sustainabledevelopment.un.org/content/documents/25493MALAYSIA_VNR_FINAL_PPT.pdf.

Malaysia has set up its New Economic Model (NEM) to mirror the three-pronged approach of the SDGs. The social focus of the SDGs is paired with inclusivity in the NEM, environment is paired with sustainability, and economy is paired with high income. This aligns with the 11th Malaysia Plan (11MP), "Anchoring Growth on People."

Approach, Delivery, & Challenges

The National SDG Council sets the country's agenda for the SDGs. It is also responsible for completing Malaysia's Voluntary National Reports (VNRs) to the HLPF. Its National Steering Committee, chaired by the Director General of the Prime Minister's Economic Planning Unit (EPU), leads the direct efforts to plan and monitor the implementations of the SDGs. The steering committee is charged with formulating Malaysia's SDG Roadmap, monitoring progress, identifying issues, and reporting on all of these areas to the National SDG Council. It includes representatives from government agencies, civil society organizations (CSOs), the private sector, and academia.

Five SDG Cluster Working Groups — that report up to the National Steering Committee — were launched between January and March of 2017. The clusters focus on wellbeing, inclusivity, human capital, the environment and natural resources, and economic growth. The working groups are led by Section Heads from the EPU. Alongside the working groups are seventeen Task Forces; one for each of the goals. The Task Forces are led by Directors or Deputy Directors of the EPU.

Another layer of Malaysia's SDG-related institutions exists at the Department of Statistics Malaysia (DOSM). This includes the Task Force SDGs DOSM, chaired by Malaysia's Chief Statistician, and Working Groups that mirror those that fall under the National Steering Committee.

From March 2017 to June 2017, the National SDG Council held workshops to map the SDGs onto the 11MP. These workshops were also used to collect direct reports on progress, to prepare Malaysia's SDG roadmap, and to develop the country's first VNR.

Uncovering the necessary resources is a key challenge for the National SDG Council. They need funding and technical assistance to finish developing the national indicators and baselines that will be used to assess Malaysia's progress on the 2030 Agenda and SDGs. Doing so will enable the council to make evidence-based decisions, and prepare better plans.

In addition to government budgets for financing SDG programs, the council is looking at innovative approaches to encourage partnerships and access additional funding, through several mechanisms:

- *Corporate Social Responsibility (CSR) programs*: Since 2007, listed companies in Malaysia have been required to report on their CSR activities and tax incentives are available for implementing such activities. The National SDG Council will look to encourage the alignment of CSR programs with Malaysia's SDG plans;

- *Financial institutions*: The council will work with financial institutions to share resources and collaboratively uncover projects that incorporate the necessary elements of sustainability, resilience, and inclusivity that are necessitated by the goals;

- *International Sources*: Malaysia is taking part in the biodiversity finance (BIOFIN initiative), a project supporting sustainable biodiversity management via financial incentives. The goal is to direct funding to projects that will have "positive biodiversity outcomes." Malaysia is also piloting a sustainable forestry project, as part of the REDD+ programme that aims at reducing emissions from deforestation and degradation;

- *Collaboration with non-governmental organizations (NGOs), CSOs, academia and local governments*;

- *National Blue Ocean Shift (NBOS) initiatives*: Malaysia runs a national strategy platform that designs and executes initiatives aimed at the country's economic and social issues. Since its inception in 2009, the platform has launched over one hundred initiatives through a collaborative process that brought together volunteer representatives from all levels of government, as well as the private sector. This is an area in which the National SDG Council might leverage civil society's expertise as over half of the completed NBOS initiatives integrated contributions from non-government stakeholders, including CSOs, NGOs, educational institutions, and other volunteers.

- *Social Entrepreneurship*: SDG training has been provided to Malaysian social entrepreneurs, and they're encouraged to select projects that support the SDGs.

Benefits & Lessons Learned

Under the guidance of the National SDG Council, Malaysia has shown it can achieve ambitious targets through sustained, systematic and dedicated efforts. They have aligned the SDGs with 11MP and summarized those plans in the National SDG Roadmap 2016–2020, which is now guiding Malaysia's SDG efforts.

The initial SDG efforts have helped provide important learning experiences for the council, as well as a range of stakeholders that are supporting the goals. Preparing the Roadmap provided a platform for shared learning and community-building between government workers and representatives of the private sector, NGOs and CSOs who also took part. It also gave them the opportunity to review status, assess challenges, and plan next steps collectively. As noted in Malaysia's 2017 VNR, "These experiences have clearly demonstrated that when success is understood as a journey, and not as a destination, every step provides concrete lessons for charting the way forward."

In looking to address the SDGs systematically, Malaysia has achieved the following: (1) created a multi-stakeholder, participatory governance structure led by the National SDG Council, (2) held national SDG symposiums and focus groups to promote stakeholder awareness and participation, (3) conducted data readiness and gap analysis studies, (4) mapped the SDGs to 11MP initiatives in an exercise that included participants from NGOs, CSOs, and the private sector, (5), developed a National SDG Roadmap to guide the country's efforts with the SDGs and the 2030 Agenda, (6) implemented Malaysia's SDG initiative under the framework of the 11MP. Going forward, Malaysia will continue to deliver on the 2030 Agenda, while working within the framework of 11MP.

Opportunities & Next Steps

Continued implementation efforts will include: replication of the national multi-stakeholder governance structure at state levels to localize the SDGs at the local level; mobilization of funding and resources through crowdsourcing, social entrepreneurship and CSR programs; validation of data readiness and gap analysis to develop a comprehensive set of SDG indicators.

The National SDG Council will follow the SDG Roadmap as the country works to localize and mainstream the goals, as it also promotes partnerships for their advancement. As aforementioned, the council is replicating the multi-stakeholder governance structure at local levels to provide the vertical and horizontal support needed at the state level to enable policy coherence. The local governance groups will facilitate SDG indicator adaptation, data collection, accountability, monitoring and evaluation, budget allocation, and resource mobilization at the local level. These groups will help build a national consensus around the necessity of the goals, while also fostering engagement.

Additional work aiding the National SDG Council includes "road shows" that will be held in all of Malaysia's states with the goal of raising awareness and knowledge on the SDGs, while fostering a sense of ownership for the 2030 Agenda. SDG communication materials will be translated into Malay, Malaysia's national language to help with this work. Those programs will be supported by the work of the Malaysian CSO-SDG Alliance, and the UN's Global Compact Network Malaysia. The CSO-SDG Alliance will perform advocacy work with the help of the Asian Strategy and Leadership Institute (ASLI) and the UN Country's Team for Malaysia. Those organizations will give presentations, host seminars, and lead discussions on the 2030 Agenda. Teams will be needed at the local level to deliver the tools and technical support necessary for implementation. Insights from methods that have recently been applied in Malaysia, like Lab, NBOS, and Open Space Technology should provide inspiration for these new efforts.

Further work needs to be done to enable proper reporting on the SDGs. The National SDG Council is working to ensure that Malaysia will be able to provide accurate and timely updates on all SDG indicators. They have the DOSM conducting the National Comprehensive Data Gaps Study to uncover all remaining challenges so that plans can be laid to address shortcomings. And collaboration with data providers is underway to ensure they will be ready and able to do their part to enable reporting. Baselines have been set for the SDG indicators to identify progress. The National SDG Council is tasked to lead on such efforts and craft a delicate balance between the need for timely, accurate data, and the cost of its provision.

Malaysia's leaders have committed not only to deliver on the SDGs within its borders, but also to share its experiences and knowledge around implementing the SDGs through the UN system, as well as avenues like the Association of Southeast Asian Nations (ASEAN) and South-South Cooperation. Besides, the National SDG Council has made it a point to include non-government actors in the SDG implementation process. Those representatives provide a view of the impacts of SDG efforts from the communities they work closely with. Collaborating on data sharing with these groups offers another route in which they might mutually benefit the communities they serve. Maintaining stakeholder engagement is another duty the National SDG Council is undertaking.

Sources & Verification

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