MALAYSIAN CSO-SDG ALLIANCE

BUDGET 2027 MEMORANDUM

Leaving No One Behind - Reaching the Furthest First

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BACKGROUND OF THE MALAYSIAN CSO-SDG ALLIANCE

The Malaysian CSO-SDG Alliance (MCSA) is a network of civil society organisations, non-governmental organisations, think tanks, academic institutions and social enterprises whose work relate to the United Nations Sustainable Development Goals.

Member organisations come from Peninsula Malaysia, Sabah and Sarawak and work across a wide range of issues. Members are broadly grouped into seven thematic groups: gender, indigenous peoples, environment & sustainability, health, education & training, poverty & social wellbeing and governance. The Alliance is a member of the National SDG Steering Committee and chairs the CSO Working Group (Jawatankuasa Kerja Pertubuhan Masyarakat Sivil) of the SDG Technical Committee, formed by the Ministry of Economy (formerly known as the Economic Planning Unit in the Prime Minister's Department).

The Alliance was formed in 2016 as a network of organisations from the third sector to monitor and oversee Malaysia's progress against the SDGs. It played a pivotal role in the formation of the All-Party Parliamentary Group Malaysia on the Sustainable Development Goals ("APPGM-SDG"), a highly collaborative bipartisan Parliamentary platform for the localisation of the SDGs at the constituency level.

MCSA plays an active role in the Government's SDG governance structure as the Chair of the Jawatankuasa Khas CSO, member of the SDG Technical and Steering Committees, Jawatankuasa Khas SDG and the SDG Council. In collaboration with the Department of Statistics Malaysia and the Ministry of Economy, MCSA leads the public discourse on the Beyond GDP initiative which is set to be the core agenda after 2030. Adjacent initiatives also include Citizen Generated Data initiative and The Right to a Safe, Clean, Healthy, and Sustainable Environment initiative.

This is MCSA's inaugural Budget Memorandum.

EXECUTIVE SUMMARY: CRITICAL AND URGENT AREAS FOR BUDGET 2027 TO LEAVE NO ONE BEHIND

Budget 2027 arrives at a decisive point for Malaysia's commitment to leave no one behind. As the country moves through the final years toward 2030, the national budget must do more than sustain existing programmes; it must close the gaps that continue to exclude communities from rights, services, livelihoods and resilience. This requires a Beyond GDP approach that treats wellbeing, equity, ecological integrity, institutional trust, lived community outcomes and intergenerational sustainability as core measures of national progress, not as secondary considerations. The Malaysian CSO-SDG Alliance therefore urges Budget 2027 to be framed as a targeted fiscal response to the most critical and urgent risks facing people, communities and ecosystems that are furthest behind.

1. Poverty, income insecurity and regional inequality. Budget 2027 must prioritise households and communities facing overlapping disadvantages, including low-income urban families, rural communities, Sabah and Sarawak, Orang Asli and Orang Asal communities, women-headed households, children, older persons and persons with disabilities. Allocations should strengthen social protection, decent work, targeted subsidies, access to food and nutrition, and basic infrastructure ensuring that the delivery of support is monitored through disaggregated data so that exclusion errors are identified and corrected quickly. Failure to close these gaps will suppress domestic demand, keep workers trapped in low-productivity livelihoods, increase long-term transfer dependency, and allow regional disparities to harden into a structural drag on Malaysia's high-income transition, according to a World Bank report.

2. Health, care and wellbeing. Malaysia faces rising pressures from non-communicable diseases, mental health needs, food insecurity, malnutrition, ageing, unpaid care work and uneven access to healthcare. Budget 2027 should invest in preventive health, public healthcare access, mental health services, nutrition programmes, child safeguarding, professional social work, and home- and community-based care. These investments are not welfare costs alone; they are core foundations for productivity, dignity, resilience and social cohesion. Underinvestment here, as highlighted by the World Health Organization, Ministry of Health Malaysia, and United Nations Inter-Agency Task Force on the Prevention and Control of Non-Communicable Diseases in Malaysia will appear as avoidable hospital spending, preventable productivity losses, caregiver withdrawal from the labour force, higher absenteeism, poorer learning outcomes among children, and a greater fiscal burden as Malaysia ages.

3. Structural exclusion. Budget 2027 must remove institutional barriers faced by children, women, persons with disabilities, Indigenous communities, stateless and undocumented persons, migrants, refugees, foreign spouses, youth and other legally or socially marginalised groups. This requires funding for inclusive education, accessible infrastructure, legal identity and work rights, disability-inclusive employment pathways, gender-responsive budgeting, child-friendly justice, and meaningful participation in policy design. Leaving no one behind requires the Government to count, consult and finance the communities that are too often invisible in national averages—a strategy emphasised by the World Bank for social inclusion. Exclusion wastes human capital already present in the country by keeping people outside formal education, employment, banking, enterprise and tax systems, while pushing preventable social risks into emergency responses, detention, informal work and intergenerational poverty.

4. Climate, environment and community resilience. Budget 2027 should finance climate adaptation, biodiversity protection, waste management reform, clean energy transition, forest and marine conservation, food system resilience, and community-led restoration. These investments must be designed so that transition costs are not passed to low-income households and so that Indigenous and local communities are not displaced from lands and ecosystems they have long protected. Environmental sustainability must therefore be treated as a people-centred budget priority, not a separate sectoral concern, and as part of Malaysia's duty to progressively realise the right to a safe, clean, healthy and sustainable environment. Without a heightened prioritisation, the state coffers will be impacted when hit with higher flood and heat losses, damaged infrastructure, disrupted food and water systems, biodiversity decline, insurance and recovery costs, lost tourism and fisheries income, and weakened competitiveness as trade and investment increasingly price climate risk. This is projected in World Bank Country Climate and Development Report 2026 where climate impacts in Malaysia could reduce GDP by up to 16% by 2050, with extreme events pushing annual losses beyond 20% in a single year.

5. Governance, accountability and delivery capability. Budget 2027 should institutionalise SDG budget tagging, publish ministry-level allocation and disbursement data, strengthen independent oversight and public auditing of PADU (central database) ecosystem, support citizen-generated and disaggregated data, and link allocations to measurable outcomes. It should also invest in ministries, state governments and local authorities to improve integrated policy design, coordination, implementation and monitoring. The economic cost of inaction is significant: weak governance turns public spending into leakage, duplication and delayed correction, while poor delivery hides exclusion errors and prevents resources from being redirected to the highest-impact interventions. International findings reinforce this risk. The World Bank links government effectiveness, public sector productivity and GovTech gains to strong institutions, transparent data governance, cross-government coordination and skilled delivery capability. For Malaysia, failing to strengthen governance would mean lower revenue mobilisation, weaker public investment efficiency, slower service delivery, declining public trust and reduced ability to convert Budget 2027 allocations into measurable SDG outcomes

6. Moving Beyond GDP. Budget 2027 can be built around the combined notions of **Best Value for People** and **Leaving No One Behind**. As a nation, measuring our progress through holistic lenses is not entirely new. Notably, Malaysia became the first country in the world to launch a science-driven National Planetary Health Action Plan (NPHAP) in November 2025.

   Moving into **Budget 2027**, Malaysia is well placed to answer the global call by the United Nations for early adopters of a more comprehensive measure of progress that goes Beyond GDP as reflected in the recently launched report ***'Counting What Counts: A Compass of Progress for People and Planet'***. Our Department of Statistics Malaysia (DOSM) has already developed numerous alternative indicators to supplement economic performance, available on the recently launched DOSM Beyond GDP Dashboard.

   So in addition to assessing progress and setting targets for economic health with GDP as a headline indicator, Budget 2027 can actively start utilising headlines in other domains for a more comprehensive measure of progress and also put prominence on:

   A. Outcomes Over Outputs: Prioritising high-impact structural spending that drives real socio-economic mobility over simple capital disbursement. This will drive integrated solutions and allow for more focus on people and micro issues, eg: marginalised communities, micro-enterprises, small maintenance work, eg: repairs to schools, clinics, roads, lifts in low cost flats, more focus on the poorer states, poor single mothers, quality of education in remote areas, etc.

B. Social Health Performance: Anchored by the Malaysian Well-being Index (MyWI), which showed steady positive momentum to 120.6 points in 2024, heavily driven by a 5.9-point increase in the income and distribution component and a 5.1-point rise in social participation. In view of cost of living pressures, particularly due to the geopolitical state, and median wages of about RM 3k per month, there is an urgent need to ensure that no one is really left behind by meeting the needs of the furthest first. Access to fundamental resources by all and economic wealth distribution needs to be prioritised, measured by disaggregated data, to foster equity by ensuring economic figures translate to meaningful outcomes for society.
C. Environmental Health Performance: Using structural indicators from our planetary health framework, supplemented with global resource thresholds metrics like the Ecological Footprint to operate within planetary boundaries and ensure intergenerational equity. Analysis like the Country Overshoot Day show that Malaysia fell prematurely in May signaling that we are using the capital provided by nature faster than it can be regenerated, and borrowing from future generations. Budget 2027 should ensure we transition from short-term responses to impacts to the people arising from ecological depletion to funding long-term climate resilience and ecological stability.

This Budget should boldly apply a framework which allows better diagnostics of progress and priorities as truly a people's budget, both in substance and form. This will better reflect lived realities and people's aspirations; and better capture the people's hopes for today and into the future.

In summary, Budget 2027 must shift from fragmented programme funding toward a mission-based approach that directs public finance to the most urgent gaps, the most vulnerable groups and the most measurable outcomes. Leaving no one behind requires the Budget to be judged not only by the size of allocations, but by whether those allocations reach communities most at risk of exclusion and transform their lived realities by 2030.

About This Memorandum

This memorandum consolidates inputs from civil society organisations under the MCSA into a structured set of issue statements across five key areas: (i) Governance/Accountability, (ii) People, (iii) Prosperity, (iv) Planet, (v) Peace and Partnerships. Each issue statement follows a consistent structure: a situation narrative driven by evidence, the relevant SDG targets, specific recommendations naming responsible institutions and mechanisms, and the anticipated impact of adoption through examples of best practices.

MCSA's Approach in Identifying Priority Areas for Budget 2027

MCSA applies a Leave No One Behind (LNOB) lens as the central framework for identifying priority areas that require public financing, policy attention and stronger delivery accountability. This approach begins by examining where Malaysia's development progress remains uneven, which communities and localities are least reached by existing systems, and what structural barriers prevent them from benefiting fully from national development. MCSA's assessment therefore looks beyond aggregate national indicators and conventional sectoral priorities to identify gaps affecting low-income households, women and girls, children, persons with disabilities, older persons, indigenous communities, migrants, stateless and undocumented populations, and residents of remote, rural, urban poor and climate-vulnerable localities. Through this lens, priority areas for Budget 2027 are not defined only by the size of the problem, but by the depth of exclusion, the persistence of inequality and the urgency of reaching those furthest behind first.

MCSA identifies these priorities through a combination of evidence review, civil society consultation and community-based insights, with particular attention to whether existing and proposed allocations are adequate, accessible, targeted and measurable for groups and places most at risk of being left behind. Each potential priority is assessed against key LNOB questions:

- Who is furthest behind?
- What barriers restrict access to services, opportunities and protection?
- How do different groups of men and women have differentiated needs across their life course?
- Whether current programmes are reaching intended beneficiaries?
- What financing or delivery changes are required?
- How progress can be monitored through disaggregated data, citizen-generated evidence and transparent reporting?

A thorough analysis would have been made possible if there was access to government progress or impact reports of previous and current initiatives.

MCSA's analysis frames its Budget 2027 recommendations around equity, localisation and measurable outcomes through a rights-based, gender responsive lens, while making reference to the MOF's Pre-Budget Statement 2027 to address key focus areas of the second MADANI budget. This memorandum seeks to support the Government to direct resources towards interventions that can close the deepest development gaps and accelerate Malaysia's progress towards the SDGs by 2030. This approach also calls for Malaysia to move beyond GDP as the sole shorthand for progress by measuring whether public spending improves dignity, wellbeing, environmental quality, resilience, participation and distributional justice for communities most at risk of being left behind.

What the Memorandum Covers

Governance and Accountability is organised around five key governance capabilities, in consideration of the cross-cutting approach that budgetary and institutional infrastructure should be utilised:

Governance and Accountability Focus Areas	SDG Tagging
Evidence-Based Policy Making: Disaggregated and Inclusive Data addresses the need for citizen-generated data, particularly to address the gap in availability of disaggregated data, including for children, and the importance of addressing regional inequalities.	
A Human Rights-Based Approach: Delivering on International and Regional Commitments touches on issues including harmonising domestic legislation and policies with CEDAW, CRC, CRPD, ICPD and ILO obligations, Malaysia's National Action Plan on Business and Human Rights, child protection system capacity and financing inefficiencies, the need to ensure comprehensive coverage of the newly passed Social Worker Profession Bill 2026, and the rights of foreign spouses to work in Malaysia.	
Financing the SDGs: Adequate, Transparent and Accountable Allocations addresses SDG budget tagging, ecological restoration and conservation budget allocations, and financing the national energy transition.	
Governance Capabilities for a High-Income Nation addresses the issues of governance of marine and coastal ecosystems as well as rapid expansion of data centres are covered.	
Monitoring, Evaluation and Impact Assessment of Government Deliverables focuses on the needed PACU and PADU monitoring for success.	

Issues that extend beyond governance are covered under four key pillars, as follows:

Pillar	SDG Tagging
People focuses on addressing issues towards a more resilient population for economic productivity, innovation, and social cohesion. Key areas of focus include the need to address vulnerability to scams, particularly for older persons, ensuring access to healthcare, especially in a context where Malaysia faces rising non-communicable disease (NCD) burden, food security and nutrition, mental health, and the care ecosystem.	
Prosperity focuses on advancing the socioeconomic inclusion of Orang Asli and Orang Asal communities and Persons with Disabilities (PWDs) by addressing structural barriers to education, employment, economic participation, infrastructure and decision-making. Recommendations seek to move beyond welfare-based approaches towards needs-based economic empowerment, including formalising culturally grounded livelihoods for Indigenous communities and strengthening inclusive education-to-employment pathways for PWDs. Greater representation, accessibility and data disaggregation are also needed to ensure policies are responsive to the diverse needs of marginalised groups and enable their sustained participation in economic and social life.	
Planet focuses on strengthening environmental sustainability while ensuring that development and environmental governance are inclusive, resilient and responsive to community needs. Four issues are explored: waste management, forest loss and the impact on forest-dependent communities, car-centric development and impacts on people and animals, as well as habitat degradation and seed patent monopolies. Our recommendations seek to strengthen circular resource management, community-led conservation, inclusive urban planning and biodiversity protection, to ensure that development pathways safeguard vulnerable communities, livelihoods and ecosystems.	
Peace and Partnerships integrates two key areas which are focused on inclusive governance, conflict prevention, and collaborative financing for sustainable development. Consequently, this pillar addresses issues which demand cross-sectoral collaboration for financing and resolution, including the detention of children, remediation of environmental damage, exclusion of youth representation in governance and peacebuilding, subscription traps impacting consumer rights, and legal status as a barrier for socioeconomic inclusion of undocumented Malaysians, stateless individuals, and undocumented migrants.	

Issues presented in each pillar represent concerns impacting the rakyat requiring cross-collaboration and synergy between ministerial, state and local authority levels.

The Ask

This memorandum asks Budget 2027 to move beyond programme-level allocation toward a mission-based approach that funds both interventions and the institutional capability to deliver them. It further asks that Budget 2027 measure success beyond headline economic growth by adopting a Beyond GDP lens in budget design, monitoring and evaluation. Allocations should be assessed against whether they improve wellbeing, reduce inequality, protect the environment, strengthen trust in institutions and secure the right to a safe, clean, healthy and sustainable environment for present and future generations. Ultimately, this memorandum seeks to support the government in closing data and coordination gaps, strengthening accountability mechanisms, and directing resources to ensure no one is left behind.

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A. GOVERNANCE AND ACCOUNTABILITY

Governance and accountability is the central mechanism for SDG acceleration. Government's institutional mechanisms, governance, and accountability are crucial for delivering the 2030 Agenda effectively. Strong institutions ensure transparent resource allocation, combat corruption, and foster trust, enabling integrated policy-making across economic, social, and environmental goals. Robust accountability mechanisms, like oversight systems and participatory reviews, empower local governments to implement services, monitor progress, and balance trade-offs, ultimately accelerating sustainable development for all.

This aligns with the 13th Malaysia Plan's Good Governance thrust, which commits to institutionalising an efficient and effective government, strengthening integrity and accountability, and fostering public participation in national socioeconomic development.

- In line with SDG 16, especially Targets 16.6 and 16.7, Malaysia needs effective, accountable and transparent institutions at all levels, with responsive, inclusive and participatory decision-making that enables civil society, local governments and affected communities to scrutinise how public resources are allocated and delivered.
- SDG 17 alignment is also important, particularly policy coherence and stronger disaggregated data systems, so budget priorities can be tagged, monitored and reported against measurable SDG outcomes across economic, social and environmental goals.

This pillar responds to the issues raised under MOF's Pre-Budget Statement 2027, particularly under Focus Area One, "Social Justice and Development for All" and Focus Area Six “Governance and the Best Delivery of Public Services”. It sets out recommendations on local and regional developments, as well as youth and women empowerment. Recommendations are also provided to promote cross agency data integration and enhancements to government accountability and integrity to strengthen public confidence.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
A.1 Evidence-Based Policy Making: Disaggregated and Inclusive Data			
Citizen-generated data in policy making Citizen-generated data (CGD) is increasingly	SDG 17 (Target 17.18): Availability of high-quality, timely, reliable data	**Policy Statement**	Disaggregated citizen-generated data enables culturally appropriate policy design and reveals patterns

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
recognised as a critical complement to official statistics, particularly in surfacing disparities that national data systems fail to capture. The UN Statistical Commission's Copenhagen Framework on Citizen Data (2024) establishes citizen data, including citizen-generated data, crowdsourcing, and community-driven data, as an integral part of the national data ecosystem, alongside official statistics. DOSM has begun moving in this direction, including through open data initiatives such as OpenDOSM. More recently, DOSM and MCSA are working towards a Memorandum of Understanding on citizen-generated data. Disaggregated data that considers socioeconomic status, ethnicity, disability, gender and geographic location is important to ensure gaps and risks that affect communities are not masked by averages. As the Gender Budget Group has noted, coherent, broad disaggregated data is important for evidence-based policymaking. However, the underlying disaggregated data to fulfil this prescription is often unavailable through official statistics alone. Citizen-generated data, if formalised and disaggregated to consider granular socioeconomic markers by design, offers a practical pathway to close this evidence gap. The mechanism would also support Beyond GDP monitoring by capturing lived wellbeing, access to services, environmental quality, participation and community resilience indicators that national averages and GDP growth do not reveal.	disaggregated by income, gender, age, race, ethnicity, migratory status, disability and geographic location. SDG 16 (Target 16.7): Responsive, inclusive, participatory and representative decision-making. SDG 5 (Target 5.c): Sound policies for gender equality (gender-responsive budgeting).	The Government recognises citizen-generated data as a valuable complement to official statistics, and will work with DOSM and civil society partners to strengthen the collection, disaggregation and integration of citizen-generated data into national policymaking. These efforts will close evidence gaps that official data collection alone cannot fill, ensuring that no community is left uncounted in the pursuit of Malaysia's sustainable development goals. **Recommendation** 1. Resource the DOSM initiative on Citizen-Generated Data, with a defined scope prioritising disaggregation gaps identified across vulnerable populations (including Orang Asli, persons with disabilities, and children), joint capacity-building targets, and a public reporting mechanism on how citizen-generated data is integrated into official statistics.	of over-representation or exclusion that national averages conceal. Citizen generated data is used to complement national statistics. For example, in Ghana, a mobile app was introduced to allow citizens to rate their experiences with government services, including health and education. This method yielded insights from typically underrepresented groups, including people with disabilities. In this sense, citizen generated data supported filling evidence gaps, leading to strengthened insights for policymaking. The Philippines has also implemented citizen generated data in reporting for SDGs, which led to improved coverage of disaggregated data and expanded data dissemination through partnerships with local organisations.
Non-disaggregated child data Disaggregated child data matters because it turns broad averages in national-level data into actionable evidence, as evidenced by UNICEF's work. Without it, child policy is more likely to be based on assumptions than on the realities of different children's lives. Current statistics on children in Malaysia are not adequately disaggregated—for example, in DOSM's reporting of Children Statistics 2024, where there is gender-disaggregation for certain issues, it is not consistent throughout. Cross-tabulated disaggregations, that is, considering for example	SDG 16 (Target 16.2): End abuse, exploitation, trafficking and all forms of violence against and torture of children. SDG 17 (Target 17.18): Availability of reliable data disaggregated by age, sex, disability, geographic location and migratory status.	**Recommendations:** 1. Establish a formal inter-agency data-sharing and disaggregation mechanism among all agencies involved in collecting data related to children, including DOSM, JKM/KPWKM, PDRM, MOH, MOE, JPN and the Immigration Department (for statelessness, undocumented and migrant status), and JAKOA (for indigenous/Orang Asli children), to ensure administrative data at the point of collection meets UNCRC disaggregation standards, including	UNICEF's MICS (Multiple Indicator Cluster Surveys), run in over 100 countries, shows how cross-tabulated child data (age × sex × wealth × region) routinely uncovers deprivations hidden in national averages and is used directly to target child policy and SDG reporting. As demonstrated in Canada, where disaggregating public health and child welfare data by

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
intersections of gender, age, and regionality simultaneously, are also not available. Consequently, the prevalence of child protection issues and risks may be underestimated. The UNCRC Concluding Observations call on Malaysia to strengthen its data collection system so that data on children's rights covers all vulnerable groups, disaggregated by age, sex, disability, geographical location, ethnic and national origin, socioeconomic background and migrant status (including statelessness), and to address the extensive gaps in child-related statistics covering stateless, undocumented, refugee and indigenous children and children with disabilities.		cross-tabulated reporting across demographic variables. 2. Build the data collection and harmonisation capacity of all agencies involved in this mechanism, in line with the standards set out in the UNCRC Concluding Observations.	First Nations, Métis, and Inuit status revealed over-representation of Indigenous children in care systems, enabling targeted reform. Applied to Malaysia, this would allow policymakers to identify similar disparities affecting Orang Asli and other vulnerable children currently obscured by non-disaggregated DOSM data.
Income and regional inequality The rural poverty rate of 9.9% is nearly three times higher than the urban poverty rate of 3.7%. The relative poverty rate, which measures whether a household's income falls below the national median household income, is around 16.7%. In undertaking this, there must be recognition of state-level inequalities too. For example, DOSM statistics on poverty by state reported the state with the highest poverty rate was Sabah despite its abundance in natural resources. Sabah's poverty rate of 17.7% is more than three times the national poverty rate of 5.1%. The State also faces the highest instance of hardcore poverty at 0.7%, seven times higher than the national average of 0.1%. A study by Universiti Malaysia Sabah (2025) highlighted the state's limited autonomy to manage royalties from oil and gas resources limits the state's ability to invest in regional development and poverty eradication programmes. Kelantan, on the other hand, recorded the second highest poverty rate in the country, at 11.5%. These figures reflect both income and regional inequalities, impacting the quality of life of millions of Malaysians.	SDG 1 (Target 1.2): Reduce at least by half the proportion of people living in poverty in all its dimensions. SDG 8 (Target 8.5): Full and productive employment and decent work for all.	**Policy Statement:** The Government has committed, through the 13th Malaysia Plan, to balanced development between Peninsular Malaysia, Sabah and Sarawak. Realising this commitment requires strengthened state-level fiscal autonomy, expanded access to secure and adequately paid employment for the urban poor, and social protection systems that account for the compounding vulnerability faced by women, children, and persons with disabilities. **Recommendations:** 1. Strengthen state-level fiscal autonomy so states increasingly receive and reinvest natural-resource revenues in state-level poverty eradication, while diversifying state income away from extractive industries that degrade ecosystems and indigenous livelihoods. This should include a review of the existing special grants mechanism for Sabah and Sarawak under the Tenth Schedule of the Federal Constitution, alongside a defined fiscal allocation formula	Indonesia's Dana Desa (Village Fund, since 2015) transfers fiscal resources directly to villages for locally decided infrastructure and livelihoods, and is credited with contributing to the steady decline in rural poverty rates.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
These are concerns that 13MP have broadly pledged to address, through strategies to Raise the Floor, particularly in commitments of increasing incomes. Simultaneously, urban poverty must not be overlooked either. Shaped by high living costs and employment opportunities which are often low-paying and unstable, findings from UNICEF suggest that women, children, and people with disabilities may be especially vulnerable to urban poverty.		for other structurally underserved states such as Kelantan. 2. Ensure social protection targeting for the urban poor incorporates intersectional criteria, including gender, age, and disability status, rather than income thresholds alone. 3. Actively target the expansion of the Progressive Wage Policy's rollout to urban low-income and informal-sector workers, with monitoring indicators for wage adequacy and job security.	
A.2 A Human Rights-Based Approach: Delivering on International and Regional Commitments			
Domestication of international commitments / legislative harmonisation Malaysia has ratified (with some reservations) key international agreements, including the UN Convention on the Rights of the Child (CRC), the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), and the UN Convention on the Rights of Persons with Disabilities (CRPD). These international commitments, though distinct from accomplishing SDGs, can, in a way, promote SDGs. For example, SDGs 16 and 17 are highly relevant, as they are focused on having fair laws and the enabling environment produced from these laws. Though these commitments have been ratified, domestic laws in Malaysia have not yet been made consistent, leaving gaps between international obligations and enforceable domestic protection. Further, domestication of these international commitments ensures that vulnerable populations, namely children, women, and people with disabilities are provided adequate protection across institutions.	SDG 16 (Target 16.3): Promote the rule of law at the national and international levels and ensure equal access to justice for all. SDG 16 (Target 16.b): Promote and enforce non-discriminatory laws and policies for sustainable development. SDG 17 (Target 17.14): Enhancing policy coherence for sustainable development SDG 5 (Target 5.1): End all forms of discrimination against women and girls . SDG 10 (Target 10.3): Ensure equal opportunity and end discriminatory laws.	**Policy Statement:** The Government commits to accelerating the harmonisation of domestic law with Malaysia's obligations under the Convention on the Rights of the Child (CRC), Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), and Convention of the Rights of Persons with Disabilities (CRPD), ensuring that international commitments to protect children, women, and persons with disabilities translate into consistent and enforceable protection across all institutions. **Recommendations:** 1. Undertake a systematic legislative harmonisation review against ratified treaties, including assessing timeline for progressive withdrawal of reservations. 2. Table the Anti-Discrimination Against Women Bill (previously referred to as the Gender Equality Act).	The Philippines' Magna Carta of Women (2009) domesticated CEDAW into national law, creating enforceable obligations on state agencies and a legal basis for women to claim rights before domestic courts and bodies. Sweden incorporated the CRC directly into domestic law in 2020, requiring courts and authorities to apply children's rights in individual decisions rather than treating the Convention as merely interpretive guidance.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
		3. Review amendments to both the Child Act and the Persons with Disabilities Act to ensure they are in harmony with commitments within the CRC and CRPD.	
Malaysia's NAP on Business and Human Rights remains voluntary The National Action Plan on Business and Human Rights (NAPBHR) was published in 2025. The action plan is laid over a 5-year horizon (2025-2030) and references a few key International Labour Organisation frameworks covering elimination of forced labour and fair recruitment practices. While the publication of the NAPBHR places responsibility on the Government to ensure that the most critical BHR matters are fundamentally addressed in the next five years; actual implementation remains voluntary, with unclear direction and weak accountability. The NAPBHR sets expectations for businesses to proactively adopt human rights principles (ie - policies, due diligence, supplier communication, grievance mechanisms) without clear guidance or enforcement. This leaves a significant gap in the implementation of the NAPBHR as businesses serve as influential spaces where human rights issues take place. The UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises set the international benchmark Malaysia has committed to.	SDG 8 (Targets 8.7): Eradicate forced labour SDG 8 (Target 8.8): Protect labour rights SDG 12 (Target 12.6: encourage companies to adopt sustainable practices and integrate sustainability reporting): corporate responsibility and reporting. SDG 16 (Target 16.3): Promote the rule of law at the national and international levels and ensure equal access to justice for all. SDG 16 (Target 16.6): Develop effective, accountable and transparent institutions at all levels.	**Recommendations:** 1. Strengthen implementation of the NAPBHR by transitioning from a voluntary framework toward a phased and structured human rights due diligence system, aligned with regional and global developments. 2. Allocate targeted funding to support: • A phased pathway toward mandatory human rights due diligence through SME and supplier capacity-building. • Implementation of labour rights and grievance mechanisms.	Regionally, neighbours Indonesia and Thailand are moving towards mandatory human rights due diligence (HRDD) reporting. For example, Thailand's Ministry of Justice is drafting a new law that will require businesses to conduct HRDD in their supply chains. Indonesia is also contemplating a shift from voluntary to mandatory reporting. Strengthening implementation of the NAPBHR would, in turn, strengthen protection of labour rights across Malaysian supply chains, particularly in high-risk sectors such as agriculture, manufacturing and plantations. It would also allow Malaysia to leverage its existing leadership through the Roundtable on Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MPSO) standards in the palm oil sector to demonstrate credible, sector-based sustainability and human rights governance models.
Child protection system capacity and financing inefficiencies Currently, Malaysia's child protection system lacks capacity and faces inefficiencies, impacting children's ability to reach their full potential. Previously, one Special Mobile Court for Children was provided for through an allocation in Budget 2026.	SDG 16 (Target 16.2): End abuse, exploitation, trafficking and all forms of violence against and torture of children. SDG 16 (Target 16.3): Promote the rule of law at the national and	**Recommendations:** 1. Establish a child-friendly justice system and expand mobile child-friendly courts nationwide, including Sabah and Sarawak, so children testify in safe, private spaces, have access to specialised, trained child-friendly lawyers and judges, and experience legal processes adapted to their	The existing Special Mobile Court for Children adequately serves its function and provides rationale for expansion of such services. India's CHILDLINE 1098, a 24/7 toll-free national child helpline operating since 1996, has handled tens of millions of calls and

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Unfortunately, having only one mobile court, meant to safeguard the identity and emotional wellbeing of children affected by crimes, is insufficient. Children from marginalised and remote communities cannot access child-friendly courts, and the current legal and justice system retraumatises children, with many NFA (no further action) or withdrawn cases. This, crucially, is part of a larger gap, wherein the National Child Policy and Action Plan excludes considerations for child-friendly justice. The current child protection case management system is ineffective, with weak interagency coordination, inadequate case and information management systems, and fragmented data collection across agencies. As a result, child victims risk falling through the cracks, especially if interventions are delayed, inconsistent, or absent. These challenges are compounded by the lack of a child-friendly helpline, leaving children without an accessible and trusted channel to report abuse, exploitation, and neglect (Disrupting Harm, ECPAT and UNICEF, 2022). These gaps were identified in the UNCRC Concluding Observations, with recommendations made to Malaysia regarding improving child-friendly justice mechanisms, with a strengthened child protection system through intersectoral coordination, nationwide coverage and case management.	international levels and ensure equal access to justice for all.	age, maturity, gender and developmental needs. 2. Establish a new national dedicated child-friendly helpline with a single, three-digit, toll-free number, operating 24/7, staffed by qualified, competent frontliners trained in child rights and child protection, together with diverse interpreters and frontliners able to engage with disabled children. 3. Back both with investment in an evidence-based interagency child protection case management and information management system (for example Primero or CPIMS), as used elsewhere in the region.	demonstrates how a single, well-known number connects children directly to rescue, protection and referral services nationwide. These types of services are necessary so children have a safe, accessible platform to report abuse without fear of discovery or retaliation. Child-friendly justice systems are important to ensure children testify in safe, private spaces instead of intimidating adult courtrooms, with trained child-friendly lawyers and judges and age-appropriate procedures. Working towards this creates an environment where child victims and survivors are responded to in a timely, coordinated manner by interagency authorities.
Strengthening the Professional Social Worker Ecosystem In 2023, it was reported that there was a rise of 18.8% in children needing protection, compared to 2022. As children's social lives increasingly move online, there is a clear need to strengthen child protection. Since 2024 to April 2026, nearly 1.5 million digital files linked to child sexual abuse material (CSAM) were detected through four major operations. These issues, in part, are meant to be addressed and remedied by social workers, who hold functions such as child protection. Malaysia has 1 social worker for	SDG 8 (Target 8.5): Full and productive employment and decent work for all (professionalisation and career pathways). SDG 16 (Target 16.6): Effective, accountable and transparent institutions.	**Policy Statement:** The Government recognises the importance of social workers, particularly for our care ecosystem, as Malaysia ages. In this regard, we have passed the Social Workers Act. Recognising that while the Act is not perfect, it is a first step that allows the professionalisation of social work in Malaysia. We acknowledge the government itself employs many who undertake social work and, as such, we are committed to ensuring that government social workers will be phased into inclusion for the Act.	The Philippines professionalised social work through licensure as early as 1965 (RA 4373); licensed social workers are mandated across government child protection, courts and disaster response, creating a recognised, regulated workforce pipeline. Professionalisation of all social workers, both private and public, ensures the support received by Malaysians is standardised and quality. This is particularly

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
every 8,576 citizens. To date, Malaysia still has not professionalised social work. This has extensive consequences, particularly in the domain of child protectors and coverage in rural areas. In 2023, it was reported that the Children Development Department was established under the Social Welfare Department (JKM) to fulfil the child protection function. Notably, the department was staffed with 169 individuals, meant to cover 105 districts—working out to be a cover of less than two officers per district. Currently, the Social Work Profession Act, passed in July 2026, excludes government social workers. Government social workers primarily work within the Social Welfare Department (JKM), where there were a reported 3,790 officers in 2022. These concerns were previously raised by civil society regarding government-mandated child protectors, as, without a professional act governing their work, it is possible those employed may not have sufficient or adequate training to address complex cases. Within JKM's Social Service Scheme specifically, only 878 of 3,297 filled positions—around 27%—were held by staff with recognised social work qualifications as of early 2024. In recognising this gap, the UNCRC Concluding Observations recommend adopting the Social Work Profession Bill without further delay, ensuring it includes all social workers in the child protection system, including from the public sector.		**Recommendations:** 1. Commit to the inclusion of government social workers in the Social Work Profession Act. 2. To support the implementation of the Social Work Profession Act, allocate RM5 million to support registration, certification, training and supervision, particularly for social workers in non-profit and private settings.	important for vulnerable communities, such as children.
The right to work for foreign spouses of Malaysians Non-citizen spouses of Malaysians on a Long-Term Social Visit Pass (LTSVP) face significant barriers to employment, including a prohibition on employment stated on the pass and a restrictive work endorsement process that can result in recurring periods of unemployment.	SDG 8 (Target 8.8): Protect labour rights and promote safe working environments for all workers, including migrant workers. SDG 10 (Target 10.2): Promote social, economic and political inclusion of all.	**Recommendation:** 1. Allow non-citizen spouses of Malaysians to work without restrictions through the removal of the statement "prohibited from all forms of employment" on the LTSVP issued to non-citizen spouses of Malaysians. 2. Provide Financial Inclusion for Legally Vulnerable Populations through improved access to banking, entrepreneurship financing and microenterprise development	Singapore's LTVP+ (2012) gives holders greater certainty of stay including employment benefits; Australia's partner visas allow holders to live, work and study; Germany grants the right to work without a separate work permit. By granting foreign spouses of Malaysians the right to work, there is a direct positive impact on the Malaysian economy. Additionally, household finances are

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Although these policies are not gender-specific, these gaps particularly affect non-citizen wives by limiting their financial autonomy and increasing dependence on their spouses, making it more difficult for those in abusive marriages to leave. There are an estimated 200,000 non-citizen spouses in Malaysia, yet only 52,065 were issued work endorsements on their LTSVPs between 2020 and 2025.	SDG 5 (Target 5.2): Eliminate all forms of violence against women and girls (economic dependence traps women in abusive marriages).		strengthened, ensuring income security. If 50% of non-citizen spouses of Malaysians were employed, they could contribute an estimated RM10.19 billion annually to Malaysia's economic output, based on the DOSM's national average labour productivity of RM102,672 per employed person. This also provides additional stability in the best interest of the family unit aligned with the family-oriented policies of Keluarga MADANI
A.3 Financing the SDGs: Adequate, Transparent and Accountable Allocations			
SDG Budget Tagging Malaysia has formally committed to tagging government expenditure to the SDGs in 2021, according to the High Level Political Forum on Sustainable Development. This was a response to a finding within the 2021 Voluntary National Review, where development expenditure across 361 projects for two ministries indicated lower spending on certain SDGs, pointing to financing gaps. Malaysia's 2025 Voluntary National Review (VNR) reports that an estimated 43% of SDG targets are on track, a figure well above the global average of 17%, but no ministry-level, SDG-tagged expenditure dataset or a post-disbursement reconciliation showing which tagged allocations produced which indicator movements was published. Transparency particularly towards financing the SDGs is important to achieving the SDGs.	SDG 17 (Target 17.14): Enhance policy coherence for sustainable development. SDG 17 (Target 17.18): Reliable, disaggregated data. SDG 16 (Target 16.6): Effective, accountable and transparent institutions.	**Recommendations:** 1. Publish an annual, ministry-level SDG-tagged expenditure dataset (allocation and actual disbursement) in open, machine-readable format, e.g. via OpenDOSM or the Ministry of Finance's open budget platform. 2. Mandate a post-disbursement reconciliation exercise linking tagged allocations to SDG indicator movements, reported in budget documents and future Voluntary National Reviews.	Indonesia's climate budget tagging (from 2014-2016, with UNDP support) made tagged expenditure traceable and became the underlying asset base for the world's first sovereign green sukuk in 2018 (US$1.25 billion), showing that credible tagging unlocks new SDG financing. Nepal and Mexico tag their entire national budgets against all SDGs; Mexico used its SDG tagging system to underpin sovereign SDG bond issuances (2020-2021), linking budget transparency directly to capital-market financing. Published tagged-expenditure data lets Parliament and civil society see whether under-funded SDGs identified in the VNR actually receive corrective allocations, converting a reporting

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
			exercise into an accountability tool.
Ecological restoration and conservation budget allocations are fragmented and insufficient States receive Ecological Fiscal Transfers (EFT) to protect forests and expand protected areas, but design and reporting sit with individual states, and there is no public accounting of what most of the money bought. An analysis of disbursements found little transparency on the majority of funds, with usable state-level data available only from Johor and Sabah. At the same time, Orang Asli continue to lose land to logging and, increasingly, to forest carbon projects, with states reluctant to gazette Orang Asli Reserves because gazettement forecloses timber and concession revenue. This is important because when conservation finance cannot be traced, it cannot be evaluated. Untraceable money can also be absorbed into projects that displace the people who have conserved the land longest. Where communities are dispossessed, the impacts fall disproportionately on Orang Asli women; though they rely on forest resources for food, water, medicine and non-timber income, they are least likely to be present in the negotiations that decide land use, since consultation is typically routed through male-dominated village leadership structures. Land remained the primary source of insecurity for Orang Asal in 2025, with carbon-related initiatives named as a driver of tension over land governance and consent. The Aboriginal Peoples Act 1954 grants only rights of occupation and use, explicitly excluding ownership and permitting state revocation, while the National Land Code 1965 does not recognise customary rights at all. Malaysia has committed under the Kunming-Montreal framework to recognise territories conserved by Indigenous peoples and local communities (ICCAs) and other effective area-based conservation measures (OECMs); notably, the EFT scoring formula added an OECM variable in 2026.	SDG 15 (Target 15.1): Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements. SDG 15 (Target 15.2): Promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally. SDG 16 (Target 16.7): Inclusive, participatory decision-making (FPIC that includes Orang Asli women). SDG 1 (Target 1.4): Equal rights to ownership and control over land and natural resources.	**Recommendations:** 1. Increase the EFT budget from RM250 million to RM600 million, and prioritise these funds to states on condition that they protect the forest and recognise the rights of the Orang Asli to usufructuary rights and to manage and conserve the forest, in line with CBD commitments to recognise ICCA and OECM lands. 2. Require gender-inclusive Free, Prior and Informed Consent (FPIC) processes, with guaranteed representation and participation of Orang Asli women, as a precondition for EFT-funded projects, forest carbon initiatives, and Orang Asli Reserve gazettement decisions. 3. Revise the forest cover definition used in EFT scoring and related conservation legislation to exclude degraded or non-natural land currently classified as "forest," so that funding and legal protections reward genuine conservation outcomes and give states clear, actionable criteria to act on.	• Stops forest loss and protects wildlife and biodiversity habitats, water and clean air security, and indigenous peoples' rights, as a major climate mitigation measure. Also addresses food security, public health, and climate challenges such as flooding and droughts. • The increased budget to compensate states for protecting their forests will produce large reductions in mitigation and avoidance costs, very likely far exceeding the RM250 million or even RM600 million spent as EFT.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
National energy transition budget is solar-only, with no investment in grid infrastructure or BESS Federal budget allocations for the energy transition remain concentrated in solar generation and financing schemes, while the infrastructure that determines whether that generation is usable, namely transmission and distribution upgrades and battery energy storage, is funded almost entirely through utility capital expenditure and developer obligations rather than through appropriations Parliament can scrutinise. TNB is proceeding with a RM43 billion grid modernisation programme and LSS6 makes storage mandatory for bidders; these efforts are financed through the Energy Commission's Regulatory Period 4 tariff mechanism. There is concern also in how it does not address distribution-level constraints or grid weakness outside Peninsular Malaysia. Critically, placement of the cost determines who pays. Infrastructure financed through utility balance sheets is recovered through tariffs, and electricity is a regressive expense: low-income households spend a far larger share of income on power than high-income households. Female-headed and single-income households are over-represented in the lower income deciles, so a transition financed predominantly through tariff recovery rather than public investment transfers cost onto the households least able to absorb it. Rooftop solar incentives compound this, since they are claimable only by property owners. Greenpeace Malaysia's assessment of Budget 2026 concluded that Malaysia still lacks a clear plan to modernise the national grid or to strengthen community-led adaptation, and that measures without timelines, measurable targets and accountability mechanisms risk being short-term fixes. The technical case for storage is not disputed: intermittent solar requires BESS, demand-side management and advanced monitoring for secure grid operation.	SDG 13 (Target 13.2): Integrate climate change measures into national policies, strategies, and planning. SDG 7 (Target 7.1): Affordable, reliable energy access; 7.b: upgrade energy infrastructure. SDG 10 (Target 10.4): Fiscal policies that progressively achieve greater equality (who bears transition costs).	**Recommendations:** 1. Shift the financing of grid modernisation and battery energy storage from utility-recovered tariffs toward parliamentary-appropriated public investment, at minimum for the portion of capital expenditure attributable to renewable energy integration. 2. Mandate published timelines, measurable targets, and public accountability reporting for national grid modernisation and battery storage rollout, tied to Malaysia's net zero 2050 commitment and the National Energy Transition Roadmap. This should include specific attention to distribution-level grid constraints outside Peninsular Malaysia, ensuring that modernisation efforts are not concentrated only in areas with existing infrastructure capacity.	Investment focused primarily on solar generation results in sub-optimal generation and utilisation of electricity. Investing in grids and BESS allows more distributed provision of electricity and more effective usage, with renewable generation located near demand.
A.4 Governance Capabilities for a High-Income Nation			

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Fragmented governance of marine and coastal ecosystems across Federal and State levels Responsibility for coral reefs, mangroves, seagrass beds and island ecosystems is split across levels and ministries that answer to different objectives. Marine and coastal biodiversity conservation sits with NRES, while Marine Park management sits with the Department of Fisheries under the Ministry of Agriculture and Food Security, and land and near-shore development approvals sit with the states. Federal conservation goals therefore run in parallel with, and often against, state development strategies, with no standing body to reconcile them. Many of the ecosystems affected by fragmented governance also support livelihoods, impacting those dependent on small-scale fisheries, coastal tourism and storm protection for island and coastal communities. There are additional concerns regarding lost biodiversity too. Within these small-scale fishing communities, both men and women are involved; though men appear to dominate, with DOSM reporting over 98% of those involved being men, women also depend on downstream activities, once the men return with their catch, for livelihoods. These women are rarely captured in data though. Thus, when a reef degrades or an area is closed, women's livelihoods are also affected, without necessarily being reflected in official statistics. Malaysia's coverage remains well short of target. The NPBD sets 10% of coastal and marine areas to be conserved through protected areas and other effective area-based conservation measures, and Malaysia's MPAs have historically covered only a small fraction of its maritime waters. A dedicated Thematic Working Group on Coastal and Marine Sustainability, recommended under the NPBD, was still being advocated for as of early 2026 and had not been established according to Reef Check Malaysia. The SDG14 budget for 2026 was reduced by 49.9% though it is unclear which components of the SDG14 that are affected.	SDG 14 (Target 14.2): Protect and Restore Ecosystems SDG 14 (Target 14.4): Sustainable Fishing SDG 14 (Target 14.5): Conserve Coastal and Marine Areas SDG 14 (Target 14.b): Support Small-Scale Fishers SDG 17 (Target 17.16): Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries	**Policy Statement:** The Government recognises that fragmented governance across Federal and State authorities impacts the effective conservation of Malaysia's coastal and marine ecosystems, and is committed to strengthening institutional coordination, in partnership with civil society, local communities, and other stakeholders, to close this gap and deliver on Malaysia's commitments under SDG 14 and the National Policy on Biological Diversity **Recommendation:** 1. Support the formation and operation of the Thematic Working Group for Coastal and Marine Sustainability recommended under the National Policy on Biological Diversity (NPBD), including dedicated financial and human resource allocation to enable its functioning.	In Malaysia, the Coral Triangle Initiative (CTI-CFF) exists as an inter-agency working group, involving non-governmental organisations, universities and environmental agencies in Sabah. The group works to address climate risk and overexploitation of marine resources. This provides a model for the recommended Thematic Working Group for Coastal and Marine Sustainability at a national level. The formation of this Thematic Working Group could: • Safeguard the nation's food availability, supply chain stability, and regional GDP. • Treat marine and coastal ecosystem management and conservation as an economic prerequisite ensures that Malaysia's agrofood systems and tourism lifelines remain resilient against external climate shocks, avoiding the catastrophic domino effect of localised ecosystem collapse.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Rapid expansion of data centres Malaysia is emerging as a key destination in APAC for data centre growth with 143 data centre projects approved between 2021-2024 with a cumulative live capacity of 784 MW. These data centres service both domestic and international markets and have become a key source of foreign direct investments bringing in a cumulative RM144.4 billion between 2021 - 1H 2025. The National Green Lane Pathway, a TNB initiative incentivises rapid growth of data centres by fast tracking energy supply agreements, water connection and government approvals in as little as 12 months, where the normal process may take 3-4 years. The National AI Action Plan serves as the implementation framework for developing Malaysia's AI ecosystem and supporting the country's ambition to become an AI Nation by 2030. The action plan emphasises cybersecurity, developing local AI talent, strengthening the country's data and computing infrastructure, and accelerating AI adoption across the public sector and industries. However, responsible natural resource use is not mentioned in the Action Plan. Bank Negara estimates that a 50MW data centre uses the same electricity as 22,000 households and the same water consumption of 2,200 households. For example, data centre projects in Selangor and Johor are expected to consume 800 million litres of water per day. Unregulated data centre expansion can place significant strain on shared resources, electricity, water and land. Furthermore it risks disrupting or displacing other development zones, leading to utility bottlenecks and driving up costs for other sectors.	SDG 6 (Target 6.4): Increase water-use efficiency and ensure fresh water supplies SDG 7 (Target 7.3): Double the rate of improvement in energy efficiency SDG 12 (Target 12.2) Sustainable management and efficient use of natural resources	**Policy Statement:** While AI integration remains a key focus area for the Government, Budget 2027 will ensure that shared natural resources are managed with adjacent communities in mind. The Government will ensure that expansion of data centres will minimise the use of natural resources through the use of recycled water and renewable energy. **Recommendations:** 1. Mandating energy efficiency grades on data centres as approval requirement similar to China's data centre Energy Efficiency Standards 2. Establish Green data centre standards with a transparent evaluation process to ensure responsible natural resource use and promote use of green technologies. Similar to China's Green data centre standards 3. Publicly disclosed & transparent environmental & social impact assessment report disclosing source of energy, percentage of renewable energy usage and water source.	Responsible expansion of data centre infrastructure without compromising common resources for adjacent communities and neighboring industries.
A.5 Monitoring, Evaluation and Impact Assessment of Government Deliverables			
Monitoring and reporting for PADU success	SDG 1 (Target 1.3):	Recommendation:	Brazil's Cadastro Único single

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
PADU was introduced to streamline aid disbursement, particularly addressing the fragmentation gap across 167 schemes across 17 ministries and agencies. This effort aimed to ensure targeted subsidies and assistance was fairly distributed, particularly ensuring the right people were reached. PADU, in effect, is covering 270 databases across ministries, federal government agencies, state governments and statutory bodies. However, to date, there has not been any disaggregated reporting on social protection allocation, particularly what the actual disbursement has been, specifically in consideration of intersectional indicators (example, by state, income band, gender, disability status). Given PADU underpins RM80 billion in annual subsidy and social assistance spending, an inability to verify who is actually being reached means exclusion errors can compound for years without any external check. As Malaysia moves towards a Beyond GDP approach, PADU success should be assessed through outcomes such as wellbeing, dignity, access, trust and reduced exclusion.	Social protection systems SDG 16 (Target 16.6): Effective, accountable and transparent institutions . SDG 17 (Target 17.18): Availability of reliable disaggregated data.	1. Fund and mandate annual public reporting on PADU coverage, exclusion and inclusion errors, disaggregated by state, income group, gender, and disability status, with an independent audit of data quality, so that targeted subsidy delivery can be monitored by Parliament and civil society. 2. Incorporate citizen-generated data as a complementary verification channel to identify households and communities missed by administrative records.	social registry, which underpins Bolsa Família, is an example of how one continuously audited registry enables accurate targeting at national scale. The registry is credited with supporting large, measurable reductions in poverty and inequality, precisely because coverage and errors are monitored and corrected. Consequently, improved monitoring and transparency of PADU could increase success through fewer exclusion errors in targeted subsidies and ensuring wrongly excluded households identified and corrected faster.

B. PEOPLE PILLAR

By prioritising allocations for social protection, healthcare access, education equity, and poverty alleviation, governments build resilient populations that drive economic productivity, innovation, and social cohesion. This aligns directly with the 13th Malaysia Plan's (RMK13) "Raising the Floor" pillar, which anchors the government's own five-year commitment to strengthened social protection and closing gaps in access, particularly to healthcare and, for the first time in Malaysian development planning, to long-term care, to ensure the most vulnerable are not left behind amid new and compounding pressures

Neglecting this pillar risks leaving emerging vulnerabilities unaddressed or underaddressed—including vulnerabilities that leave Malaysians exposed even amid economic progress, such as scam vulnerabilities, food insecurity, and the rising NCD burden. Addressing these issues mitigates the entrenchment of inequalities, ensuring inclusive growth, empowering marginalised groups, and accelerating the 2030 Agenda for a prosperous, equitable future.

- **SDG 1: No Poverty – Eradicating extreme poverty and strengthening social protection systems.**
- **SDG 2: Zero Hunger – Ensuring access to safe, nutritious food and ending all forms of malnutrition.**
- **SDG 3: Good Health and Well-being – Promoting healthy lives, strengthening healthcare systems, reducing national healthcare financial costs, and reducing mortality rates.**
- **SDG 4: Quality Education – Ensuring inclusive, equitable quality education and promoting lifelong learning opportunities.**
- **SDG 5: Gender Equality – Empowering women and girls, eliminating discrimination, and ensuring equal rights**

This pillar responds to the issues raised under MOF's Pre-Budget Statement 2027, particularly under Focus Area Two, "Protecting the People Against Cost-of-Living Pressures", Focus Area Three, "Strengthening Social Protection for Affected Families" and Focus Area Four “Empowering Education, Healthcare and Essential Services”. It sets out recommendations to strengthen social protections and healthcare affordability — with an emphasis on nutrition, supporting workers in the care economy, and building resilience for an ageing nation.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Issue 1: Low financial literacy and rising scam vulnerability especially among women, youth, senior citizen, and rural communities			

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Most Malaysians (92%) use digital financial products and services. However, the amount of money lost to scams from 2024 to 2025 nearly doubled, reaching RM2.97 billion in 2025. **This indicates a rising vulnerability amongst Malaysians to scams**. The Securities Commission previously also reported that, despite high education levels, one in three Malaysians are vulnerable to investment fraud. This demonstrates a new vulnerability that Malaysia is unprepared to address; Bank Negara has also observed a decline in financial literacy amongst low-income households from 2021 to 2024. Simultaneously, amongst parents surveyed by Global Anti-Scam Alliance (Gasa), 21% reported that their children have fallen victim to scams. Seniors are also a prime target for scams—despite representing only 6.4% of those scammed, their losses amounted to 20% of money lost to scams in Malaysia, at around half a billion ringgit across 2021-2023. In recognising the gravity of these issues, the Malaysian government introduced the National Strategy for Financial Literacy (NS2.0) 2026-2030, which represents a good start to addressing the financial resilience of the country. Additionally, the MADANI government has also set up the National Scam Response Centre (NSRC) in October 2022 and, most recently, introduced a new task force to tackle the issue. Nonetheless, despite these many approaches, scam vulnerability has not abated. More concerningly, **these strategies often lack an intersectional approach**, neglecting the ways vulnerabilities such as gender, age, socioeconomic status, and regionality may compound.	SDG 5 (Target 5.A): Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws SDG 8 (Target 8.10): Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all SDG 10 (Target 10.2): Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	**Recommendations:** 1. Fund a sustained, localised scam-and-financial-literacy programme that is population-differentiated (for example, programming would be different based on intersectional vulnerabilities), delivered through trusted community intermediaries, co-designed with CSOs already doing this work. 2. Mandate intersectional data disaggregation in NS2.0's M&E framework and NSRC's victim reporting. Current data captures single variables (for example, age only) rather than how vulnerabilities intersect (for example the interaction between age x marital status x socioeconomic status—a widow in her 60s who recently lost her husband and has just been given his life savings or a young man who is struggling to find a job and make ends meet). These precise vulnerabilities need to be captured for better programming and intervention. 3. Study the underlying risk of requiring the mobile phone as a one stop device for banking, payments, registration for services, placing food orders and numerous other actions. Such a study can identify practical means to reduce such risks, including keeping some of these services distinct and separated from each other, rather than concentrating their access all through one device, a personal mobile phone.	Malaysiakini's Kini News Lab ran a scam-awareness roadshow with local NGOs, community groups, and a senior-citizens' congress. This programme reached over 1,000 participants since it kicked off in February. Given the specificity of working with the senior-citizens' congress, this could be used as a model and learning to target the supports relevant for seniors.
Despite 92% of Malaysians utilising digital financial services, a 2022 survey by the Securities Commission found that two-thirds of Malaysians (65%) were unsure about their investment skills, owing to limited knowledge.	SDG 9 (Target 9.c): Significantly increase access to information and communications	**Recommendation:** 1. Allocate budget for the Financial Education Network (FEN) to conduct a	

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
This may be a gap partly widened by rapid connectivity expansion under initiatives like Jalinan Digital Negara (JENDELA), a digital connectivity initiative that worked to broaden access, without financial capability keeping pace. In aligning with Strategic Priorities identified in NS2.0, particularly Strategic Priority 3, promoting safe, confident and meaningful usage of digital financial services, and Strategic Priority 1, promoting wise financial planning and preparation for retirement (Priority 1), it is crucial to enhance Malaysian's knowledge on digital banking, investment, and debt management.	technology and strive to provide universal and affordable access to the Internet SDG 10 (Target 10.2): Empower and promote the social, economic and political inclusion of all SDG 4 (Target 4.6): Ensure that all youth and a substantial proportion of adults achieve literacy and numeracy (financial literacy is measured under this education agenda)	disaggregated needs-scoping exercise (by age cohort, income band, urban/rural, and gender) to map existing digital financial literacy gaps, and use findings to co-develop differentiated learning modules delivered through segment-appropriate channels (school curricula for youth, AKPK/community-based delivery for older and rural cohorts, workplace/digital channels for working-age adults).	
The first Policy Objective of Bank Negara's Financial Inclusion Framework 2023-2026 was to expand financial access for the "last frontier", recognising the need to promote reach into underserved communities. This objective aligned well with the precedent set by the government through budget cycles in the years prior. For example, Budget 2021 earmarked RM18 million for local banks to provide 30 mobile banking units in the country, including Sabah and Sarawak, aiming to cover 250 rural zones and subdistricts. To date, Sabah and Sarawak were reported to have 20 mobile banks, as of November 2025. Nevertheless, it is unclear how successful these efforts have been towards financial inclusion, both in rural communities in Peninsular Malaysia, as well as Sabah and Sarawak, and whether the initially stated 250 rural zones and subdistricts were successfully covered. Further, 20 mobile banks likely is not a sufficient amount to reach interior areas of Sabah and Sarawak.	SDG 8 (Target 8.10): Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.	**Recommendations:** 1. Publish a coverage assessment reporting current reach against that target, given the gap between the stated ambition and confirmed delivery. 2. Scale mobile banking unit deployment to meet the original 250-rural-zone coverage target set in 2021.	Malaysia's own agent-banking rollout under the first Financial Inclusion Framework shows what scaled delivery achieves: the share of sub-districts served rose from 46% in 2011 to 97%, giving 99% of Malaysians convenient access to essential financial services. This shows scaling is possible, though strategies may need to be adapted to rural settings.
Issue 2: Access to Healthcare and Rising Non-Communical Disease (NCD) Burden			

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Current healthcare financing structures are shifting towards models which may make healthcare less accessible. Over the past few years, the government has committed to strengthening public-private partnerships within healthcare delivery—a principle embedded within the Health White Paper (HWP) which was passed by Parliament in June 2023. This direction was affirmed by the 13th Malaysia Plan, which introduces Rakan KKM, allowing private companies to purchase paid access to services at public healthcare facilities. Simultaneously, Malaysia is also exploring a new billing model, called Diagnosis-Related Group (DRG), with hospitals that are part of the pilot testing implementing Electronic Medical Record (EMR) systems to track patient data and standardise billing. DRG systems, which are meant to manage hospital spending and curb overbilling, are also only as good as the assumptions that are built into the system. For example, if DRG assumes there is a standard, predictable path to recovery, ignoring the complexities faced by, for example, patients experiencing multidimensional poverty stressors, the system may potentially penalise them for recurring visits. The integration of these DRG caps into the upcoming MediAsas insurance framework risks turning healthcare into a commercial market that excludes the poor. Consequently, these new developments in the management of public healthcare risks compromising the quality of care for the most vulnerable communities, namely B40 and M40 groups.	SDG 3 (Target 3.8): Achieve universal health coverage, including financial risk protection and access to quality essential health-care services for all	**Policy Statement:** With the rollout of MediAsas, the Government understands there are concerns around affordability of healthcare. We remain committed to ensuring equitable and affordable access to healthcare, particularly for vulnerable communities, including B40 and M40 families. As there are social determinants of health that extend beyond bodily conditions, including environmental factors and stressors that compound when experiencing poverty, we want to ensure that the vulnerable are not locked out of access to healthcare. **Recommendations:** 1. Establish a multidisciplinary equity oversight team to audit DRG outputs and integrate an automated social risk adjustment index into the billing algorithm. The audit should draw on citizen-generated patient experience data and Beyond GDP wellbeing indicators so affordability, access, quality of care and environmental health stressors are reflected in healthcare financing decisions. 2. Impose legal conditionality for insurance companies participating in the MediAsas market for public-private risk-sharing agreements. For example, a no-rejection mandate to ensure private insurers cannot reject low-income applications with pre-existing chronic illnesses that are common in poverty-stressed communities.	

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
According to the **National Health and Morbidity Survey (NHMS) 2023** released by the Ministry of Health (MOH), approximately **2.3 million adults** in Malaysia live with at least **three** of the four main non-communicable disease (NCD) risk factors, these being diabetes, hypertension, high cholesterol, and obesity. Across several policy documents, including the National Strategic Plan for NCD (NSP-NCD) 2016-2025, the National Plan of Action for Nutrition (NPANM), and the National Agrifood Policy 2.0 (NAP 2.0) 2021-2030, there is a sustained commitment by the government to address NCD risk factors upstream, through food systems and nutrition policy rather than treatment alone. This demonstrates the government's awareness of the scale of cost of NCDs to the country. In fact, the economic burden was shared in Parliament in November 2024, at an estimated **RM 64.2 billion annually** (equivalent to roughly 4.2% of the country's GDP). Evidence increasingly supports food-systems intervention as a driver of NCD reduction. Modelling by the EAT-Lancet Commission suggests that global adoption of a plant-forward "Planetary Health Diet" could prevent an estimated 10.8 to 11.6 million deaths annually worldwide—approximately 19 to 24% of total adult deaths. The Commission identified benefits of the diet include lower rates of obesity, coronary heart disease, stroke, and type 2 diabetes relative to high-meat dietary patterns; as these NCDs are elevated in the Malaysian population, it suggests mainstreaming a Planetary Health Diet could have far-reaching benefits for the rakyat.	SDG 3 (Target 3.4): By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment	**Policy Statement:** The Government recognises the importance of preventive health investments. Central to this effort is the need to shift food system policy upstream and explore embedding sustainable, plant-forward nutrition standards. In doing so, we are committed to seeing implementation across public institutions and invest in cultivating local plant-protein value chains, to reduce the long-term burden of diet-related non-communicable diseases and build a more resilient, self-sufficient food economy. **Recommendations:** 1. Allocate research funds, working in collaboration with public universities, for cultivating locally sustainable plant-based protein crops (for example, soybeans, lentils, and other legumes), suited to Malaysian growing conditions, paired with farmer extension and adoption support and a budget for protein-diversification education. 2. Pilot the "Plant-Forward by Default" culinary standards in select public hospitals, informed by the EAT-Lancet Planetary Health Diet, as a preventive and medical-inflation management measure. Phased extension to other public institutions may be considered once the pilot demonstrates feasibility and cost outcomes.	Reduced burden on MOH medical costs, encompassing both hospital and medical expenditure, alongside reduced pressure on existing medical infrastructure, such as dialysis centres, as a result of fewer people developing non-communicable diseases (NCDs). Reduced costs on food service provision, as plant proteins are typically more cost-effective, across government and institutional settings, including hospitals and schools.
NCDs are linked to consumption of sugary beverages. In 2024, MOH raised potentially increasing the Sugar-Sweetened Beverage (SSB) tax to 20%, though there was never any formal follow-through. Though a 10% tax currently exists, research has recently	SDG 3 (Target 3.4): By 2030, reduce by one third premature mortality from non-communicable	**Recommendation:** 1. Support finalisation of MOH's proposed 20% ad valorem Sugar-Sweetened Beverage (SSB) tax	

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
demonstrated that it only reduced purchases by about 1.7%.	diseases through prevention and treatment	and its extended coverage to made-to-order beverages, sweetened condensed milk, creamers, and cordial. Revenue collected will be put towards a dedicated NCD Prevention Fund rather than general tax revenue.	
Issue 3: Food security and nutrition			
Malaysia's stunting rates among children below five years old rose to 24% in 2024, higher than the rates in Indonesia (23%), Cambodia (22%), Vietnam (19%), Thailand (12%), and Singapore (3%). This represents a regression from the 2000 benchmark of 19%. Stunting presents a concern because childhood malnutrition is associated with poor cognitive development, with far-reaching consequences into adulthood. Simultaneously, research has also demonstrated that childhood obesity in Malaysia nearly doubled from 1996 to 2022. Importantly, these trends are driven by different mechanisms, with stunting reflecting insufficient nutrition at young ages, while rising obesity reflects a food environment shaped by affordability and marketing of ultra-processed foods relative to whole foods. However, they constitute what the National Plan of Action for Nutrition of Malaysia III (NPANM III) 2016-2025 terms as the "double burden of malnutrition", an issue the plan set out to address through targets spanning both undernutrition and overweight across age bands. NPANM III concluded in 2025 without a confirmed successor strategy in place. An independent outcome evaluation commissioned by MOH and UNICEF found that only about one-third of its 49 outcome indicators were achieved or on track, while 43% were not achieved and roughly a quarter lacked sufficient data to assess. Child undernutrition indicators showed little to no reduction over the plan's decade-long implementation, similar to overweight and obesity indicators. The evaluation also found that Malaysian children's fruit and vegetable intake remained persistently low. The evaluation specifically pointed to the plan's equity gap, wherein disaggregated data by income, ethnicity, and	SDG 2 (Target 2.1): End hunger and ensure access by all people to safe, nutritious and sufficient food all year round. SDG 2 (Target 2.2): End all forms of malnutrition, including stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.	**Policy statement:** Children represent the future in Malaysia. The Government stands concerned with the current indicators, demonstrating stunting, malnutrition, and overweight as prevalent issues amongst our youth. With the successful implementation of Rancangan Makanan Tambahan (RMT) year-on-year, we also recognise that this is an important programme to ensure our children are fed and healthy. In aiming to ensure the continued health and good development of our children, we are committed to ensuring RMT meets their nutritional needs. **Recommendation:** 1. Revise Rancangan Makanan Tambahan (RMT) to adopt "Diversified Protein" and Healthy Suku2 Separuh standards, gradually shifting towards plant proteins (for example, tempeh, tofu, legumes, chickpeas, groundnuts) and fortified alternatives (for example, soymilk) alongside subsidised fresh produce, with per-school cost adjustments for geographically isolated schools, where fresh produce logistics are costlier. • Implementation should be monitored through	• Lowering direct treatment costs which currently total **RM12.4 billion**. • For the estimated **2.85 million** obese children in Malaysia, this direct medical burden exceeds **RM 2.8 billion annually** in immediate healthcare costs alone. • Reducing stunting directly improves cognitive development and future earnings potential, supporting the **Ekonomi MADANI** goal of "Raising the Ceiling" for Malaysia's global competitiveness • Targeted nutritional aid for the B40 reduces the health gap between income groups, fulfilling the **SDG 10 (Reduced Inequalities)** mandate. • Plant-forward school meals address obesity by reducing saturated fat intake and tackle stunting by providing a wider spectrum of micronutrients and fiber. • eKasih recipients receiving SARA will have improved quality of diets rather than just calorie quantity. • Increased qualified canteen operators and chefs who have upskilled through the

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
disability were not systematically collected. Rural, lower-income and East Malaysian communities were found to have benefitted less from the gains that the plan had. Given that Rancangan Makanan Tambahan (RMT) benefits 870,000 children nationwide, it is an important starting point for ensuring children receive sufficient nutrition. To support this, the Ministry of Education has expanded the food offerings that are part of RMT, aiming to incorporate more protein- and fibre-rich foods. Unfortunately, however, RMT has not been adjusted for inflation since 2022. Given the rise of food costs, this may mean that more nutritious options are excluded given insufficient funding. Further leveraging RMT to address the nutritional needs of children in Malaysia could improve their health and wellbeing.		citizen-generated school and community feedback on food adequacy, cultural acceptability, nutrition quality and access, and evaluated as a Beyond GDP investment in child wellbeing, learning potential and long-term health. 2. Adjust the RMT programme for inflation, increasing the amount allocated per child to ensure nutritious food, including plant-forward options, can be integrated into the programming. 3. Introduce mandatory and subsidised micro-credentials for canteen operators and head chefs at all publicly funded institutions to support adoption of meal preparation methods that preserve nutrient density and produce palatable plant-based meals.	micro-credentials courses.
According to The Lost Food Project, which provides food aid to B40 families, demand for food aid has increased 35-40% between 2025 and 2026. Economic uncertainty worsens this issue, as families struggle to keep up with rising food costs. Hidden hunger is also a growing issue in Malaysia, as micronutrient deficiencies are on the rise, particularly amongst the urban poor. This is driven, in part, by increasing consumption of calorie-dense, nutrient-poor foods, which are typically more affordable. The issue is grander in scale, as Malaysia is highly reliant on imported items such as animal feed, fertilisers, and wheat. Approximately 26% of Malaysia's land area is agricultural land, and only around 2.4% is arable. Consequently, the domestic market is vulnerable to global supply shocks. Malaysia's import dependency is directly addressed	SDG 2 (Target 2.1): End hunger and ensure access by all people, in particular the poor and people in vulnerable situations, to safe, nutritious and sufficient food all year round SDG 2 (Target 2.2): End all forms of malnutrition, including stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and	**Recommendations:** 1. Establish a National Community Food Resilience Fund prioritising B40, youth, indigenous communities, and women-led farming, consolidating grants for community-based regenerative agriculture, urban farming, school/PPR/local council edible gardens, agroecology and climate-resilient production training, and community seed banks/seed sovereignty programmes. The Fund should advance the right to a clean, healthy, safe and sustainable environment by supporting community control over nutritious food, local biodiversity, soil health and climate resilience, with citizen-generated data used to track food insecurity, affordability and ecological outcomes.	Improved national food resilience and reduced dependency on imports, alongside reduced hidden hunger and improved nutrition outcomes. Increased livelihoods and income opportunities for smallholders and youth, contributing to greater community resilience against economic and climate shocks. Strengthened biodiversity and preservation of indigenous agricultural knowledge.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
under the National Agrofood Policy 2021–2030 (NAP 2.0), which sets self-sufficiency level (SSL) targets for key commodities and includes specific measures to reduce reliance on imported animal feed. The National Food Security Policy Action Plan 2021-2025 similarly responds to the vulnerabilities described above, structuring its interventions around the four pillars of food security—availability, access, utilisation, and stability—which together address both the import-dependency risks facing domestic supply and the affordability pressures driving rising demand for food aid among B40 households.	older persons. SDG 2 (Target 2.4): Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity, help maintain ecosystems, and strengthen capacity for adaptation to climate change, extreme weather, and other disasters SDG 3 (Target 3.4): Reduce by one third premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and well-being	2. Provide matching grants and tax incentives for food-waste upcycling, composting, and circular food economy enterprises. 3. Reform Sumbangan Asas Rahmah (SARA) to exclude ultra-processed foods and prioritise "Green Food" baskets focused on high-nutrient local produce (fruits, vegetables, pulses).	
The Ministry of Health's Orang Asli Health Survey 2022 is described as the first national survey focusing specifically on Orang Asli health, intended to provide community-based evidence for health planning. The survey found high child malnutrition indicators: • 43.8% stunting among Orang Asli children below five, • 29.0% stunting among children aged 5–17. Among adults, the survey found 16.1% raised blood glucose, 22.2% obesity, and 46.1% abdominal obesity, showing a double burden of undernutrition and non-communicable disease risks.	SDG 2 (Target 2.2): End all forms of malnutrition, including the internationally agreed stunting targets for children under 5. SDG 3 (Target 3.4): Reduce by one third premature mortality from non-communicable diseases through prevention and	**Recommendations:** 1. Implement targeted health intervention programmes focused on education and monitoring of Orang Asli health data on serious nutrition and NCD risks, including stunting, raised blood glucose, obesity, and abdominal obesity. 2. Institutionalise the Orang Asli Health Survey as a recurring survey (e.g., every five years) with disaggregated public reporting, and co-design nutrition and NCD interventions with Orang Asli communities, JAKOA, and civil society groups working with Orang Asli communities so programming reflects	The Philippines National Nutrition Survey has been analysed alongside an updating survey specifically to address the gap in knowledge on indigenous peoples' nutrition and health status, using anthropometric measurement, blood and urine collection, and interviews to build disaggregated evidence. This recurring, disaggregated approach identified that indigenous populations faced stunting and underweight prevalence of significantly higher public health significance than their non-indigenous counterparts,

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Addressing these issues is explicitly targeted in RMK13 strategies, including those focused on enhancing healthcare service delivery, strengthening health promotion and security, as well as strategies to specifically target vulnerable groups, including Orang Asli communities.	treatment, and promote mental health and well-being SDG 3 (Target 3.8): Achieve universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality and affordable essential medicines and vaccines for all SDG 10 (Target 10.2): Inclusion of all, irrespective of ethnicity or origin	community priorities.	enabling more targeted policy response, directly supporting the case for institutionalising Malaysia's own survey on a recurring, disaggregated basis.
Issue 4: Mental Health Crisis in Malaysia			
Malaysia's mental health burden has sharply worsened in recent years. NHMS 2023 estimated that approximately one million Malaysians aged 16 and above are experiencing depressive symptoms, which is double the prevalence reported in 2019; a substantial proportion reported suicidal ideation, and one in six children were identified as experiencing mental health concerns, similarly representing a twofold increase compared to 2019. Despite this, the mental health workforce remains structurally precarious: short-term contractual arrangements for Psychology Officers trained and deployed within community mental health settings are approaching their conclusion on August 2, 2026. Contracts for other medical and allied health	SDG 3 (Target 3.4): Reduce premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and well-being.	**Recommendations:** 1. Earmark 2% of the healthcare budget for mental health, with resources particularly put towards ensuring the retention and absorption into full service of trained Psychology Officers. 2. Establish a Whole-of-Government Mental Wellbeing Framework embedding mental health considerations across ministries to recognise that psychological well-being is shaped by socioeconomic determinants rather than healthcare alone.	According to the World Health Organization (WHO), the median spend for mental health as a portion of the healthcare budget is 2%. While this is still an insufficient amount, it is a good start, especially compared to how Malaysia consistently allocates less than 1% of the healthcare budget towards mental health spending. Ensuring a sufficient amount of trained Psychology Officers helps support community-level mental health response.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
professionals, who form the ecosystem of psychological care, are also impacted. The National Mental Health Strategic Plan states that mental wellbeing goes beyond the purview of health but also encompasses social factors such as financial security, housing and employment. This is corroborated by Deloitte's 2025 Gen Z & Millennial survey were almost 50% of Gen Zs and millennials do not feel financially secure leading to stress and anxiety. Thus cross-agency interventions beyond MOH are required to address root cause of deteriorating mental health in Malaysia. While the Government has consistently emphasised mental health as a policy priority, concerns remain as to whether these commitments are being translated into tangible and effective measures for the rakyat.		3. Provision of mental health counselling along with financial counselling while strengthening unemployment assistance	
When looking at state-level, there are wider gaps that need to be addressed. Focusing specifically on Sarawak, suicide deaths rose from 40 cases in 2020 to 63 cases in 2024. Current systems are largely treatment-based rather than preventive, making early intervention and postvention harder to prioritise. Sarawak also faces human resource shortages and distribution challenges, relying heavily on federal staff for health professionals and specialists, which limits the number of available trainers and postvention counsellors. In rural areas, this is compounded by geographical barriers, transportation difficulties, and socioeconomic challenges affecting access to care. Data-driven activities remain inadequate, and there is no local Sarawak suicide registry, with the state heavily reliant on federal and global data instead. This limits the ability to identify specific determinants needed for a targeted prevention approach.	SDG 3 (Target 3.4): Reduce premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and well-being.	**Recommendations:** 1. Allocate dedicated funding to increase psychiatrists, clinical psychologists, counsellors, social workers, and community mental health workers, with priority deployment to underserved rural districts. 2. Allocate targeted funding to implement community-based suicide prevention pilots in high-risk rural divisions, including expansion of KMIND outreach and structured gatekeeper training for primary healthcare workers and community leaders. 3. Establish a state-level suicide surveillance system and geospatial mapping infrastructure for Sarawak, paired with a local registry. 4. Fund local research and determinant studies (for example, focused on indigenous/rural mental health determinants, youth and workplace risk,	A local registry enables identification of division-level determinants so prevention can be targeted rather than generic. This must be supplemented by studies to better target interventions in Sarawak.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
		post-suicide psychological autopsy, service accessibility gap analysis).	
Issue 5: Ensuring adequate funding for Malaysia's care ecosystem and care infrastructure			
Over the past few years, the government has taken interest in the issue of the care economy. While the visibility to the unpaid care labour borne predominantly by women has been welcomed, there remain areas where support could be further bolstered. As part of Budget 2025, tax reliefs for private companies providing care breaks for up to one year to employees were announced, with TalentCorp slated to draft regulations. Unfortunately, these regulations were never released, stalling the implementation. Elsewhere, under RMK13, the government explicitly outlines its commitment to preparing for an aged nation, including the need to bolster the care ecosystem, particularly paying attention to home- and community-based eldercare. While these efforts are commendable and necessary, given the preference of Malaysians to age-in-place, there remains an underinvestment towards expansion; in Budget 2026, RM5 million was provided to KPWKM to develop national standards for care workers for eldercare and PWD care—however, other initiatives mentioned within RMK13, including flexible working arrangements and community-based care initiatives, did not receive explicit allocations. Undoubtedly the expansion of the care ecosystem necessitates sustained policy planning and investment. Simultaneously, the care ecosystem is also wider than just eldercare and PWD care, encompassing also childcare and other forms of unpaid care work that extend beyond directly caring for others. While separate budget allocations have been put aside to address childcare, the larger picture of cohering these policies together must be done. Addressing gaps in care also requires addressing gender inequalities that perpetuate gendered division of labour, normalising the unequal burden women carry. In July 2026, DOSM reported that	SDG 5 (Target 5.4): Recognise and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household. SDG 8 (Target 8.5): Achieve full and productive employment and decent work for all women and men SDG 3 (Target 3.8): Universal health coverage (long-term care dimension)	**Recommendations:** 1. Establish a cross-ministry care economy coordination mechanism. 2. Undertake a time-use survey to accurately capture the amount of unpaid care and domestic work undertaken by Malaysians. 3. Allocate RM5 million to initiatives mentioned as supportive of unpaid care work redistribution, including community-based care initiatives.	Uruguay's National Integrated Care System (SNIC, 2015): Established care as a right and expanded childcare and eldercare services; evaluations of its SIEMPRE childcare centres find they reduce the unequal distribution of care work ("defamilialising" care) and promote women's economic autonomy, enabling mothers to take up full-time employment.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
women spend 25.5% of their daily time—about 6 hours and 7 minutes per day—on unpaid domestic and care work, compared with 18.1% for men, highlighting an uneven split between genders. That said, concerns have been raised around the methodology for the study, which was not explicitly a time-use approach.			
Issue 6: Enhancing financial flexibility for an ageing nation			
Malaysia is moving towards an ageing society, increasing pressure on retirement, healthcare and household finances. Longer life expectancy means retirement savings must potentially finance a much longer period. The issue is therefore shifting from simply accumulating savings to managing income and assets throughout retirement. The current EPF i-Legasi scheme permits intergenerational transfers while protecting the transferor's retirement adequacy by restricting transfers to savings above the RM650,000 Adequate Savings threshold. However, this is an irreversible lifetime transfer that may leave older members vulnerable as healthcare, long-term care costs are uncertain.	SDG 1 (Target 1.3): Implement nationally appropriate social protection systems and measures for all	**Recommendations:** 1. Enhance i-Legasi Scheme into a Dual Track i-Legasi under EPF as an additional financial flexibility option for an ageing population: ● **Track A – Immediate Lifetime Transfer,** retaining the existing i-Legasi model without amendment; and ● **Track B – Deferred i-Legasi Nomination,** enabling members to retain full ownership and access to their retirement savings throughout their lifetime whilst pre-authorising any remaining balance, upon their demise, to be transferred directly into their nominee's EPF account instead of being compulsorily paid out as cash. 2. Strengthen EPF Retirement Income Adequacy and Belanjawanku frameworks with targeted support and guidance for low-income, informal and care workers.	Balances autonomy with intergenerational security. Members retain financial flexibility during life while allowing retirement wealth to remain within the EPF ecosystem across generations. Reduces risk of premature depletion while strengthening beneficiaries' future retirement adequacy. More resilient older households; reduced risk of old-age poverty; better alignment between retirement policy and actual household expenditure needs.

C. PROSPERITY PILLAR

National budgets should emphasise sustainable economic growth, decent work, and resilient infrastructure to ensure all people thrive. Budgets must target inclusive economic opportunities, such as job creation and skills training to boost productivity and reduce poverty. This mirrors the 13th Malaysia Plan's (RMK13) "Raising the Ceiling" pillar, which anchors the government's own commitment to economic diversification. This diversification is not possible without inclusion, particularly for traditionally marginalised communities—a principle RMK13 itself commits to, pledging targeted initiatives for Orang Asli communities, the natives of Sabah and Sarawak, and minority groups to ensure no Malaysian is left behind. Reducing inequalities requires progressive spending on social protection and equitable resource distribution across groups.

These issues are deeply interconnected with the People and Planet pillars—social mobility depends on access to opportunities, infrastructure, and health, which, ultimately, are key to promoting inclusive livelihoods.

- SDG 7: Affordable and Clean Energy – Ensuring access to modern, sustainable energy for all.
- SDG 8: Decent Work and Economic Growth – Promoting sustained, inclusive economic growth and full employment.
- SDG 9: Industry, Innovation, and Infrastructure – Building resilient infrastructure and fostering innovation.
- SDG 10: Reduced Inequalities – Reducing inequality within and among countries.
- SDG 11: Sustainable Cities and Communities – Making cities inclusive, safe, and resilient

This pillar responds to the issues raised under MOF's Pre-Budget Statement 2027, particularly under Focus Area Four, "Empowering Education, Healthcare and Essential Services," Focus Area Six, "Governance and the Best Delivery of Public Services"and Focus Area Seven, "Prioritising Workers' Welfare and Decent Wages". It sets out recommendations to close governance gaps on education and employment; targeted to indigenous communities and people with disabilities to ensure every Malaysian has a fair chance to improve their standard of living.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Issue 1: Orang Asli & Orang Asal barriers socio-economic inclusion			
Orang Asli communities face multiple barriers preventing socioeconomic inclusion, resulting in high poverty rates, with JAKOA reporting in 2021 that 89.8% of Orang Asli were living in poverty. Further,	SDG 8 (Target 8.5): Full Employment And Decent Work With Equal Pay	**Policy statement:** The Government will shift its approach from welfare-based interventions towards economic empowerment strategies, working	• The Australian Government has formalised commitment to overcome entrenched

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
available data is not gender-disaggregated, limiting the ability to assess more granular gaps, including differential impacts by gender, age, and regionality. **Barrier 1: Limited policy decision making participation.** The Orang Asli often have limited representation in policy design and implementation processes affecting them. As of 2026, there has only been one elected Indigenous MP. A consequence of their limited decision making capacity is that policies on education, infrastructure, and land use are frequently drafted without factoring in local needs and lived realities. The Government has been urged to increase OA representation in National Unity Advisory Council and the National Education Council to ensure policy decisions are inclusive and responsive. **Barrier 2: Limited access to quality education:** Orang Asli students continue to experience lower level of education, the Thirteenth Malaysia Plan highlighted this disparity with secondary school enrolment rates for Orang Asli at 46.2%, compared to a national average of 94.9% at the same level. Barriers include geographic isolation, lack of transport, poor support and lack of cultural sensitivities in the national education syllabus. On top of that, current schooling approaches may disadvantage Orang Asli students as it does not meet their needs. For example, the curriculum is generally delivered in standard Malay, which for many Orang Asli children, as found by SUHAKAM, is a second language. Orang Asli children have been found to perform better in tests that were offered bilingually in Malay and their mother tongue. **Barrier 3: Limited access to decent employment and economic opportunities** According to the Borgen Project, many indigenous communities in Malaysia survive off of various traditional lifestyles, including hunting and gathering, hill rice cultivation, coastal fishing and subsistence farming. While the 13MP emphasises social mobility, narrowing socioeconomic gaps and boosting resilience, its applications to OA communities must be sensitised to their livelihoods. A study on	SDG 10 (Target 10.2): Promote Universal Social, Economic And Political Inclusion SDG 10 (Target 10.4): Adopt Fiscal And Social Policies That Promote Equality SDG 7 (Target 7.1): Universal Access To Modern Energy	collaboratively across ministries, including the Ministry of Education and the Ministry of Investment, Trade and Industry (MITI) to ensure Orang Asli communities are equipped with the skills needed for economic prosperity. **Recommendations:** 1. **Establish an Orang Asli Socioeconomic Inclusion Dashboard** This would be a national-level tracking mechanism, with collaboration across bodies including DOSM, MOE, and JAKOA, to capture education, income, employment, infrastructure access, digital connectivity and health outcomes, disaggregated by gender, age, and regionality. It should be co-produced with Orang Asli communities using citizen-generated data and Beyond GDP indicators, including customary land security, environmental quality, cultural continuity, community wellbeing and participation in decisions affecting land and livelihoods. 2. **Build an integrated Orang Asli education-to-employment pathway** that centres culturally-responsive schooling from primary level, targeted TVET access through scholarships and mentorships with industry partners, and second-chance programmes for mature students who left formal schooling early. 3. **Develop an Indigenous-led Economic Empowerment Framework** that formalises and adds value to existing Orang Asli livelihoods (sustainable forestry, agroforestry, craft production, and eco-tourism), rather than displacing traditional practices with unrelated employment schemes. 4. **Introduce participatory budgeting approaches for community development projects** to enable Orang Asli communities to have direct input into design and prioritisation	inequality faced by Aboriginal and Torres Strait Islander people through its Closing the Gap Agreement and socio-economic monitoring dashboard . This national-level dashboard monitors 164 supporting indicators across socio-economic outcome areas. • Culturally-responsive schooling boosts participation of indigenous youths in school by providing meaningful a learning environment that preserves identity, strengthens community and empowers youths towards social transformation. As exemplified by the Philippines Indigenous Peoples Education framework • Improved connectivity to basic amenities frees up time, labour to pursue education and boost economic productivity. Additionally, improved basic amenities removes gender-based barriers to socio-economic participation, especially for women who tend to dominate housework.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Australian-indigenous businesses developed a practical tool to boost culturally-grounded Indigenous enterprise development planning. These livelihoods are also intrinsically linked to the environment.The limited land rights afforded to the Orang Asli through The Aboriginal Peoples Act 1954 (Act 134) essentially limits indigenous settlements to tenancy status. Many communities face livelihood challenges when OA land is degazetted. **Barrier 4: Infrastructure Gaps (Digitisation, electricity, water)** Many Orang Asli settlements remain underserved and face challenges accessing basic infrastructure such as clean water, sanitation and electricity, let alone broadband connectivity. Poor road connectivity increases isolation and limits access to schools, healthcare facilities, markets and employment. These issues compound, affecting quality of life and economic participation especially for women.		of local infrastructure and development spending. 5. **Invest in and accelerate targeted infrastructure delivery to underserved Orang Asli settlements**, prioritising electricity, clean water, road connectivity, and broadband access. Utilise existing rural infrastructure and connectivity programmes, including JENDELA, with implementation coordinated across JAKOA and relevant utilities agencies. Access to clean water, sanitation, safe energy and healthy surroundings should be framed as part of the right to a clean, healthy, safe and sustainable environment, not only as infrastructure delivery.	
Issue 2: PWD/OKU barriers to economic inclusion			
In line with the 13th Malaysia Plan, the government has stated that PWD inclusion will be prioritised through workforce integration, needs-based education support, improvement of public infrastructure and promotion of PWDs in sports. In terms of employment and workforce integration, PWDs face barriers in low employment rates. Despite setting a quota of 1%, PWDs only make up 0.64% of civil servants as of 2025. Further, this data is not gender-disaggregated, which makes policy targetting more difficult, though evidence globally from the International Labour Organization (ILO) does suggest women with disabilities tend to be more disadvantaged when accessing employment. A small-scale study based in the Klang Valley has highlighted there may be barriers within recruitment practices that disadvantage PWD.	SDG 10 (Target 10.2): Promote Universal Social, Economic And Political Inclusion SDG 10 (Target 10.3): Ensure Equal Opportunities And End Discrimination SDG 8 (Target 8.5): Full Employment And Decent Work With Equal Pay	**Policy statement**: In line with the 13th Malaysia Plan, the Government remains committed to strengthening the participation of Persons with Disabilities in economic life, recognising that despite three decades of policy attention, disability workforce participation has stagnated at below 1%. The Government will prioritise PWD inclusion through workforce integration, needs-based education support, improved public infrastructure, and greater promotion of PWDs in sports, ensuring that this commitment translates into measurable gains in employment and economic participation. **Recommendations:** **Employment:**	• Enhanced inclusion of PWDs in the workforce could raise regional GDP by 1–7%. UNICEF: Global Disability Inclusion Report • Supported internship programmes such as DFN SEARCH in the UK have helped over 3,000 young adults with learning difficulties to transition into meaningful employment with over 60% being hired after the programme • Shifted baseline from primary school completion to secondary school completion effectively

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
At an education level, Malaysia has dedicated programmes to promote PWD inclusion including, including Malaysia's Zero Reject Policy, Special Education Integration Programmes (PPKI) and the new establishment of autism education centres. The programmes have material success with Special Education Schools recorded increases of 5.6% at pre-school, 11.0% at primary, and 4.6% at secondary level. But students often follow limited curriculum and are channeled into narrow pathways early on. Consequently, many do not complete SPM. Issues of access to education for PWD is further exacerbated by the discriminatory filtering process by UPU admission system. This compounds into systemic barriers in continuing to higher education, where institutions have low rates of PWD enrollment.		1. Mandate reform of public and private sector recruitment practices and processes with employer incentives tied to demonstrated inclusive recruitment outcomes. This can include standardised reasonable-accommodation protocols and accessible application processes to ensure PWD candidates can be fairly assessed. 2. Require gender-disaggregated reporting on PWD employment, recruitment, and compensation across the public sector, and ensure the data is publicly available and used to inform evidence-based decision-making for policies. 3. Introduce targeted compensation and career-progression protections for women with disabilities, paired with employer incentives to ensure gender gaps in PWD employment are addressed. **Education:** 4. Revise measures of success across the PWD education pipeline from enrollment at primary level to rates of SPM completion, higher education graduation, and post-graduation employability.	measures the true effectiveness of Malaysia's disability inclusion & PPKI programme.

D. PLANET PILLAR

The Planet pillar is often considered a critical, dominating component in evaluating overall SDG compliance, as it deals directly with the ecological foundations of human life. The national budget should prioritise environmental sustainability, protecting ecosystems and combating climate change while ensuring that the communities most connected to these ecosystems—including forest-dependent and Indigenous communities—are not left behind in the process. This pillar should also be read through the right to a safe, clean, healthy and sustainable environment, which links environmental governance to dignity, health, livelihood security, access to information, public participation and effective remedy Key focus areas include more efficient waste management, protecting forests and the land security of the communities who depend on them, halting habitat degradation and safeguarding seed sovereignty, and moving away from car-centric development toward infrastructure that serves people and the environment alike.

This aligns with the 13th Malaysia Plan's own commitment to environmental sustainability and green growth, though realising it will require stronger financing and enforcement than currently allocated. The Planet Pillar is deeply interconnected with People and Prosperity pillars, given how directly the health of forests, land, and ecosystems shapes the livelihoods and wellbeing of the communities named throughout this memo.

- **SDG 6: Clean Water and Sanitation – Ensuring availability and sustainable management of water.**
- **SDG 12: Responsible Consumption and Production – Reducing waste and promoting sustainable consumption patterns.**
- **SDG 13: Climate Action – Combating climate change and its impacts.**
- **SDG 14: Life Below Water – Conserving and sustainably using oceans and marine resources.**
- **SDG 15: Life on Land – Protecting terrestrial ecosystems, managing forests, and halting biodiversity loss**

This pillar responds to the issues raised under MOF's Pre-Budget Statement 2027, particularly under Focus Area One, "Social Justice and Development for All," and Focus Area Ten, "Building Energy, Food, Climate and Cyber Security". It sets out recommendations to strengthen national preparedness for climate change, extreme weather events and food shortages all the while strengthening public transport access.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Issue 1: Waste management inefficiency leaves communities at risk			
Malaysia generates approximately 39,000 tonnes of municipal solid waste (MSW) daily, with waste generation increasing alongside urbanisation, rising incomes, e-commerce and population growth. The largest composition of waste is organic waste (kitchen scraps, market refuse, horticulture waste) making up 35% of Malaysia's waste, followed by plastics at 26%. Food waste alone makes up a huge portion of about 97.3kg of food waste per capita annually. Given the composition of waste, alternative waste management methods are available. But a majority of the waste is still sent for landfilling. Malaysia remains heavily dependent on landfilling as its primary disposal method, with 65% of its waste directed for landfilling. This continued reliance on landfill disposal reflects a predominantly linear "take-make-dispose" model rather than a circular economy that prioritises waste prevention, reuse and resource recovery. Meanwhile recycling rates reached only 38%, with recycling performance varying considerably across states. The challenge extends beyond the sheer number of landfills. Malaysia has 135 landfill sites, of which only 22 are sanitary landfills; the remainder are open dumpsites. Open and poorly managed landfills allow methane, a greenhouse gas that is significantly more potent than carbon dioxide to escape directly into the atmosphere, while inadequate leachate management can contaminate surrounding soil, rivers and groundwater. As urban populations grow and landfill capacity becomes increasingly constrained, Malaysia faces rising environmental costs, higher operational expenditure for local authorities and increasing difficulty in securing suitable sites for new landfills. The Circular Economy Blueprint for Solid Waste 2025-2035, led by KPKT with local and state authorities as implementers, sets out Malaysia's transition away from linear disposal. However, the Blueprint carries no statutory force, and the primary enabling legislation, the Solid Waste and Public Cleansing Management Act 2007 (Act	SDG 12 (Target 12.3): Halve Global per capita food waste SDG 12 (Target 12.3): Responsible Management of Chemicals and Waste SDG 12 (Target 12.5): Substantially Reduce Waste Generation SDG 12 (Target 12.9): Support Developing Countries' Scientific and Technological Capacity for Sustainable Consumption and Production	**Policy Statement:** The Government recognises inefficient waste management risks the health and well being of communities and causes environmental degradation. The government will work with producers of plastic packaging and manufacturers to manage waste at source. In addition, the Government will create more incentives for household organic waste management. These reforms are anchored in the right to a clean, healthy, safe and sustainable environment and will be assessed through Beyond GDP measures such as reduced pollution exposure, community health, neighbourhood liveability and environmental justice. **Recommendations:** **1. Draft a Circular Economy Act** that can be comprehensively implemented and enforced by all states. The Act, aligned with the Circular Economy BBluelueprint for SW Management mandates responsible design standards that require products to be reusable, repairable, recyclable and contain recycled material where feasible **2. Introduce Extended Producer Responsibility (EPR) legislation** requiring producers and importers to finance the collection, recycling and recovery of packaging, plastics, electronics and priority waste streams. Enable a stakeholder	Good practices include Extended Producer Responsibility Policy in Indonesia that mandate producers of plastic package goods to finance plastic waste management organisations Governance documentation to address Responsible Production and Consumption, future proof waste management, reduce resource extraction and emissions, eliminate public and environmental health concerns and reduce healthcare and environmental cleanup costs Divert up to 50% of household waste from disposal through composting facilities

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
672), binds only those states that have acceded to it. This leaves implementation dependent on state-level political will rather than a uniform national obligation. Importantly, these inefficiencies are not experienced equally. Poor waste management disproportionately affects marginalised communities, raising concerns of environmental justice whereby those with the fewest resources often bear the greatest environmental and health burdens. **Community 1: Low-income urban communities** are more likely to live near landfills, transfer stations or illegal dumpsites due to lower housing costs and historical land-use decisions. They are also more likely to experience inconsistent waste collection services, exposing residents to accumulated waste, odour, contaminated water, air pollution from open burning, and increased risks of vector-borne diseases such as dengue. Communities living adjacent to waste sites can also face harms due to mismanagement of landfills. **Community 2: Informal waste workers** play an important yet often overlooked role in recovering recyclable materials and reducing waste sent to landfills. However, they frequently work without formal recognition, occupational health and safety protections or stable incomes. Daily exposure to hazardous and infectious waste, combined with limited access to personal protective equipment and social protection, leaves them particularly vulnerable. **Community 3: Orang Asli communities** in rural and forest-edge areas often have limited access to formal waste collection services. This can result in open burning, illegal dumping and pollution of rivers that serve as essential sources of water, food and cultural significance. Inadequate waste management also contributes to the degradation of customary lands and ecosystems on which many Indigenous communities depend. **Community 4: Coastal communities** bear a disproportionate share of the impacts of plastic pollution. Mismanaged waste entering rivers and marine		grievance mechanism for communities to provide feedback to manufacturers to reduce unnecessary and non-recyclable materials. **3. Develop National Food Waste Management Strategy** that promotes prevention of food waste at source, redistribution of edible surplus food, upgrading of composting facilities in urban communities. Building upon tax exempt status of at-home composting machines. ● The strategy should include citizen-generated reporting on waste collection reliability, illegal dumping, odour, open burning, vector risks and community composting uptake, so residents can help identify environmental health risks and monitor local authority performance. **4. Allocate funding for capacity building among community leaders on zero waste community waste management models in rural areas.** Promoting local level waste reduction, segregation, recovery programmes covering the gap of centralised waste management. **5. Address financing gap for waste management in rural areas.** **6. Allocate funding for the whole material recovery system** including education and promotion of sustainable waste management, recyclables collection centres and composting facilities together with its operation.	

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
environments threatens fisheries, mangrove ecosystems, coral reefs and tourism, undermining the livelihoods of communities that rely heavily on coastal and marine resources. **Community 5:** Across the board, **children and the elderly** are particularly vulnerable to the health impacts associated with inefficient waste management. Their greater susceptibility to air pollution from open burning, exposure to hazardous substances, contaminated water and vector-borne diseases places them at higher risk of adverse health outcomes, reinforcing existing social and health inequalities.			
Issue 2: Forest loss and land insecurity impacts towards forest-dependent/Indigenous communities			
According to Global Nature Watch, from 2002 to 2025, Malaysia lost 3.1 million hectares of primary forest. Forest-dependent communities rely on forests for clean water, food, medicinal plants and cultural practices. This livelihood is threatened by forest conversion, fragmentation and unsustainable land use reducing biodiversity and ecosystem services. While Indigenous communities inhabit 22% of the world's land, they also safeguard 80% of its biodiversity. Their stewardship through their cultural practices and traditional livelihoods provide cost-effective ways for forest conservation and carbon sequestration, both of which increase climate resilience. The stewardship of land is crucial for addressing climate change and achieving sustainable development. However, despite its importance, indigenous land rights are being undermined Conservation projects in Malaysia are structurally skewed toward government and corporate actors, leaving community-based organisations under-resourced for project development. ISIS Malaysia noted how government incentives are concentrated on demand-side instruments like the Forest Conservation Certification under the Malaysian Forest Fund, which primarily benefit corporations already engaged in conservation, while supply-side support for civil society and community-based project development is largely absent. This mechanism further alienates indigenous communities that are the	SDG 15 (Target 15.2): By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally SDG 15 (Target 15.9): By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts	**Policy Statement** This Government recognises that upholding Indigenous customary land rights and investing in community-led conservation is beneficial to both social justice and environmental sustainability. By providing secure land rights protection and adequate financing, Indigenous communities will receive support to continue their traditional livelihoods and continue to conserve natural habitats that in turn deliver critical ecosystem services including biodiversity conservation, carbon storage, watershed protection with benefits for all. **Recommendations:** 1. Allocate funding to state Forestry Departments for participatory boundary mapping and gazettement of forest reserves adjoining Orang Asli customary settlements, prioritising areas with pending Orang Asli Customary Rights claims. 2. Develop a federal-level joint	• Further alignment with the Kunming-Montreal Global Biodiversity Framework and the national Policy on Biological Diversity 2022-2030 • Improved protection of ecosystem services, including clean water, carbon storage, and biodiversity. • Greater security for land guardians, reducing land disputes and strengthening Indigenous participation in conservation. • Increased resilience of forest-dependent communities to climate change. • Increase effectiveness and adaptive forest management informed by local ecological knowledge

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
front-line to environmental protection. This is compounded by land insecurity and inadequate support of the state to recognise and uphold customary land further undermining long-term indigenous forest management. As states hold the jurisdiction over land, gazettement of OA land is often at odds with significant revenue generating industries for the state including logging concessions and plantations. Given this dispute, there is a resistance by states to adequately survey and demarcate Orang Asli land despite federal-level forest conservation commitments. NGOs have urged the government to accelerate the tracking, measuring and reporting of OA land gazettement. These land disputes, which can take years to resolve, delay conservation initiatives and erode trust between communities and authorities.		programme under DOSM and Ministry of Rural Development to survey, demarcate, and report progress of Orang Asli land gazettement. 3. Fund the documentation and integration of Indigenous ecological knowledge in forest governance, ensuring this knowledge is formally incorporated into forest management plans, environmental impact assessments, and biodiversity monitoring through partnership arrangements with local indigenous communities. 4. Establish grants for community-led forest restoration and sustainable livelihoods. Funding should directly support Indigenous communities in restoring degraded forests, managing community forests, developing sustainable agroforestry, ecotourism, and harvesting non-timber forest products.	
Issue 3: Car-centric development and its impacts on people and animals			
Urban expansion in Malaysia has largely prioritised highways, parking infrastructure and private vehicle ownership. Public transport integration, pedestrian infrastructure, cycling networks and accessible green spaces remain uneven across many urban areas. This pattern disproportionately affects groups that are less likely to own their own vehicles including the elderly, youth, people with disabilities and lower income households. Further, car-centric development impacts care-related journeys, as care infrastructure, including care centres for children, elderly, and people with disabilities, clinics, and grocery stores, may be far away from each other. This toll further impacts women, who are more likely undertaking these journeys.	SDG 11 (Target 11.7): Green Spaces. Provide universal access to safe, inclusive, and accessible green and public spaces SDG 11 (Target 11.5): Disaster Risk Reduction Reduce deaths, people affected, and economic losses from disasters,	**Policy Statement** Malaysia shall integrate ecological connectivity, climate resilience and gender-responsive social outcomes as equal key criteria in land use and urban development planning, ensuring that no public investment in infrastructure is approved, financed or monitored on economic return alone. Public budgeting processes shall embed biodiversity conservation, community wellbeing and gender equity as mandatory appraisal criteria across the full project cycle.	• More accessible green spaces with greater recreational value and protection from overdevelopment • Prevention of recurring flashfloods and landslides • Enhanced usage of public transportation • Selangor invested RM10.4 million in the DRT programme to support those facing first and last mile issues, disbursed

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Limited investment in parks and recreational spaces also reduces opportunities for physical activity, mental wellbeing, and social cohesion. Investment in reliable public transport as well as safe pedestrian and cycling infrastructure would produce broader economic returns through improved labour force participation, public health and social wellbeing aligned with the goals of Kuala Lumpur Structure Plan 2040 (PSKL2040). While LRT3 was recently launched, concerns regarding the Kelana Jaya line functionality have mounted, as it appears unable to handle demand, with a load factor of 109% during peak hours—effectively 9% more passengers than the trains are able to handle. The Kuala Lumpur Structure Plan 2040 and Kuala Lumpur Local Plan 2040 both commit to transit-oriented development and improved walkability, establishing that the policy direction is already accepted at the planning level. However, financial allocation continually favours road capacity over the first and last mile connections and pedestrian infrastructure these plans depend on. Though Demand Responsive Transit (DRT) have been introduced, they are currently insufficient to bridge these first and last mile gaps.	especially water-related ones SDG 11 (Target 11.2): Transport Provide access to safe, affordable, accessible, and sustainable transport systems, improving road safety and expanding public transport SDG 11 (Target 11.3): Urbanization Enhance inclusive and sustainable urbanization and participatory, integrated settlement planning SDG 13 (Target 13.1): Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	**Recommendations:** 1. Earmark budget for improving affordable public transport, pedestrian infrastructure, cycling networks and universal accessibility taking into account travel patterns of women, caregivers, elderly, people with disability and youths. 2. Fund first and last mile infrastructure, including pedestrian walkways, public buses and demand-responsive transport, to connect neighbourhoods with MRT and LRT alignments and boost public transport usage. 3. Upgrading of parks and newly gazetted urban green spaces, especially in areas of high population density, to provide recreational value and accessibility to urban residents 4. Create protective buffer zones around hillsides, slopes and riverbanks in urban areas to arrest recurrence of landslides and flash floods.	as RM30 subsidy monthly. • Seoul's removal of the Cheonggyecheon elevated highway, replaced with a linear park and reinforced bus network, reduced traffic volumes rather than displacing them and delivered measurable improvements in air quality and surrounding land value.
Habitat fragmentation, through the development of roads, is leading to biodiversity loss through roadkillings. Most accidents occur due to driver negligence on roads with known wildlife crossings. At the same time, existing eco-viaducts (wildlife crossings) are ineffective at attracting wildlife. According to the Wildlife and National Parks Department (Perhilitan), 2,336 wild animals were killed by vehicles	SDG 15 (Target 15.5): Protect Biodiversity and Natural Habitats	**Recommendations:** 1. Establish a dedicated fund to finance roadkill monitoring, wildlife crossing maintenance and community-led biodiversity monitoring that prioritises ecological hotspots and frequent collision sites.	Banff National Park in Canada is the standard reference for crossing design. A network of overpasses and underpasses along the twinned Trans-Canada Highway, paired with wildlife fencing, reduced wildlife-vehicle collisions by more than 80%, with species-specific design proving decisive: bears and wolves use wide

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
nationwide from 2020 to 2024, with 522 incidents recorded in 2024 alone. Between 2020 to 2024, five endangered species were involved in road accidents, leading to the deaths of 112 Malayan tapirs, nine sunbears, nine black panthers, six Asian elephants, and four Malayan tigers. Given the endangered status of several of these species, the scale of roadkill deaths points to an urgent infrastructure planning gap.		2. Ensure local communities, particularly women and Indigenous groups, participate in monitoring programmes and decision-making on conservation policies, with participation resourced rather than assumed, including transport, scheduling and compensation for time. 3. Adopt a species-specific approach to wildlife crossings and fund targeted upgrading of existing eco-viaducts aligned with local wildlife behaviour, including native vegetation, salt licks and water sources.	vegetated overpasses while deer and elk favour open underpasses.
Issue 4: Habitat degradation and seed patent monopoly undermine crop genetic diversity and traditional agricultural knowledge			
Habitat degradation, land conversion and ecosystem fragmentation are reducing agricultural biodiversity by diminishing wild crop relatives, heirloom varieties and locally adapted landraces. As traditional farming landscapes disappear, Indigenous farming knowledge, seed-saving practices and community seed exchange systems are also being lost, resulting in declining crop genetic diversity and reduced resilience to climate change, pests and diseases. There are also planned changes to legal frameworks. The Government has decided to proceed with aligning the Protection of New Plant Varieties Act 2004 (Act 634) with the 1991 International Union for the Protection of New Varieties of Plants (UPOV) Convention, despite sustained objection from farmer organisations and civil society, with a looming deadline of November 2026. The amendments have not yet been tabled, and the draft has not been released to Members of Parliament, state legislative assemblies or affected stakeholders. A separate Crop Seed Quality Bill is moving in parallel which may make seed processing a licensed activity enforced through	SDG 2 (Target 2.4): Sustainable Food production and Resilient Agricultural practices SDG 2 (Target 2.5): Maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species	**Recommendation:** 1. Allocate scaled funding to expand the Inisiatif Rizab Benih Komuniti into a national community seed bank network, with a stated allocation and coverage target. 2. Fund the documentation, archival and revitalisation of Indigenous farming knowledge and traditional seed management practices, with community ownership of the resulting records and deliberate inclusion of older women as the primary knowledge holders. 3. Establish national programmes for the conservation, cultivation and commercialisation of heirloom and climate-resilient local crop varieties, delivered through MARDI and FAMA.	Conserved crop genetic diversity and strengthened food security through more resilient agricultural systems Preservation of Indigenous knowledge and cultural heritage. Enhanced ecosystem connectivity and long-term conservation of Malaysia's agrobiodiversity. Malaysia is closer aligned to the UN Declaration on the Rights of Indigenous Peoples. New Zealand legislated a regime that preserves protections for Māori interests in indigenous plant species, including a requirement to consider Māori kaitiaki relationships before granting rights over an indigenous species, and a Māori advisory committee within the granting process.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
criminal law. Concerns have also been raised about this bill. Under the proposed amendments, farmers would retain the ability to save and reuse seed harvested from their own holdings, but would no longer be permitted to share, exchange or sell it on a small scale. Since exchange and small-scale sale are the mechanisms by which landraces circulate between farms and across generations, restricting them narrows crop genetic diversity even where saving for own use is preserved. Seed saving is a widespread and traditional farming practice where farmers save their own seeds from preferred varieties for replanting the following year. This practice enables farmers to boost the health of their crops. Limitation on seed saving practices reduces genetic diversity of crops, thereby reducing crop resilience; on top of that, claims from proponents of higher yields and increased food security are not based on robust evidence.		4. Provide financial assistance and incentives to support Indigenous farming practices, delivered through JAKOA and the Department of Agriculture and targeted at smallholders practising traditional cultivation. 5. Fund the legal and technical capacity to design an exemption within any amended Act 634 preserving smallholder and Indigenous farmers' rights to save, use and exchange traditional seed, and to exempt smallholder and Indigenous farmers from breeders' rights restrictions on traditional varieties.	

E. PEACE AND PARTNERSHIPS PILLAR

Both these pillars foster inclusive governance, conflict prevention, and collaborative financing for sustainable development, ensuring equitable resource allocation while building resilient institutions and multi-stakeholder cooperation. This mirrors the 13th Malaysia Plan's "Strengthening Governance" pillar, which commits government to a public administration that is transparent, accountable, and responsive to the rakyat, a commitment this section holds government to across justice, environmental accountability, and civic participation.

Peace focuses on funding justice systems and inclusive institutions to protect the most vulnerable and promote accountable governance. This includes ensuring children are protected rather than detained on the basis of their legal status, and that polluters, not the public, bear the cost of environmental remediation. It also means creating real pathways for youth to participate in peacebuilding and decision-making, rather than consultation without influence. Key indicators and challenges of SDG 16 (Reduce all forms of violence, end abuse/trafficking of children, promote rule of law, reduce illicit arms/flows, and combat corruption):

- Violence: The economic impact of violence is high.
- Safety: The indicator measuring the proportion of the population that feels safe walking alone is crucial.
- Corruption: High levels of bribery and corruption continue to be significant challenges

Partnerships emphasises multi-stakeholder collaboration and consumer protection as part of building public trust in institutions. This includes closing enforcement gaps that leave consumers exposed to exploitative practices, such as subscription traps, and ensuring that partnerships between government, business, and civil society serve the public interest rather than sidestepping accountability to it. Key Components of the Partnership Pillar (SDG 17):

- Finance: Mobilising financial resources, including Official Development Assistance (ODA), increasing domestic tax capacity, and providing debt relief for developing nations.
- Technology: Enhancing North-South, South-South, and triangular regional and international cooperation on and access to science, technology, and innovation.
- Capacity Building: Supporting national plans to implement all SDGs through international cooperation.
- Trade: Promoting a universal, rules-based, open, and equitable multilateral trading system under the World Trade Organization (WTO).
- Systemic Issues: Enhancing policy coherence, multi-stakeholder partnerships, and data, monitoring, and accountability.

This pillar responds to the issues raised under MOF's Pre-Budget Statement 2027, particularly under Focus Area One, "Social Justice and Development for All," and Focus Area Six, "Governance and the Best Delivery of Public Services." It sets out recommendations for governance reforms that uphold the rule of law and rights of vulnerable communities — particularly by improving access to government services for rural and marginalised groups.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Issue 1: Detention of children based on legal status			
Detention of children based on legal status, with non-disaggregated child data as the accountability blind spot obscuring the true scale of harm Refugee, undocumented, stateless children are arrested, detained and deported due to their legal status. As of 2025, over 1,800 children were held in immigration detention facilities, about 10% of the total detained population. It has been estimated that from 2013 to 2023, over 15,000 children were subjected to detention. At the same time, detention centres lack a conducive environment for the children while exacerbating instances of abuse, neglect and exploitation that may intensify their trauma. These facilities often have few gender considerations, leading to a lack of access to hygiene and sanitary products for women and girls—an issue the CEDAW Committee has commented on. Facilities additionally do not appear to have gender-specific mitigation protocols, leaving girls vulnerable to sexual and gender-based violence (SGBV). Overall, however, facilities generally appear unsafe and ill-equipped, as a report by Tenaganita stated that 465 people, including 12 children, have died in immigration detention centres since 2021. The Child Act 2001 defines a child without reference to nationality or immigration status, meaning its protections extend on their face to migrant, refugee and stateless children. In practice, the Immigration Act 1959/63 operates without a corresponding child-specific exemption, and the National Child Policy is silent on children in detention. The result is that children holding legal protection under one statute are detained under another, with no policy instrument reconciling the two. Following Malaysia's recent review under the Convention on the Rights of the Child (CRC), SUHAKAM's Office of the Children's Commissioner has called for the urgent implementation of non-custodial alternatives, an end to the immigration detention of children, and amendment of the Immigration Act to bring it into compliance with the	SDG 16 (Target 16.2): Protect Children from Abuse, Exploitation, Trafficking and Violence	**Policy Statement:** The Government affirms that a child is a child first, regardless of nationality or immigration status, and that the protections of the Child Act 2001 are not suspended by the circumstances of a child's arrival. We are committed to ending the detention of children on immigration grounds and to resourcing the community-based alternatives that make that commitment operational rather than aspirational. **Recommendations:** 1. Invest in developing a roadmap on strengthening alternative care for children in immigration proceedings, including allocating sufficient resources and funding for adequate workforce and a child protection system that tracks which type of care children are placed in and assesses the quality of care and the ratio of care providers to children, with a costed caseworker-to-child ratio. 2. Fund capacity building, livelihoods and parenting programmes to prevent separation of children from their families, and to place children without parental care in family-based and community-based care including kinship care meeting UNCRC Alternative Care standards. 3. Establish and fund a disaggregated data system on children in immigration detention, capturing age, sex, nationality, accompanied status, duration of detention and outcome, published annually, with a single consistent definition of a child applied across all	Children raised in family and community settings feel safe, supported and acquire essential life skills, smoothing their transition into independent adult society. Children build healthy social relationships and emotional stability. Migrant, refugee, and asylum-seeking children and undocumented children are no longer traumatised and suffer from PTSD and can resume normalcy and live a safe, healthy life and access school and able to reach their fullest potential. Thailand's 2019 Memorandum of Understanding on alternatives to detention for children established a formal mechanism to release children and mothers from immigration detention into community care and shelter placements, and is the closest regional precedent for what Recommendation 4 asks. It demonstrates that a state facing comparable mixed-migration pressures, and likewise not party to the Refugee Convention, was able to construct an alternative pathway without amending its immigration statute first.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Convention. SUHAKAM has noted that during that review the Government reaffirmed its commitment to prioritising the protection, development and participation of children.		facilities. 4. End detention for children in Malaysia, moving them to family-based and community-based care and linking them to livelihood programmes and life-saving and essential services.	
Issue 2: Remediation of environmental damage is fully borne by the Government while polluters are not made to pay.			
The Department of Environment (DOE) is responsible for the enforcement of environmental management practices, with the ability to issue fines and pursue criminal convictions. DOE, which falls under the Ministry of Natural Resources and Environmental Sustainability of Malaysia (NRES), is only using the criminal justice system for environmental governance, which is limited to criminal prosecution. At the same time, the government has not been claiming compensation for mitigation and remediation of environmental damages, resulting in the cost being borne entirely by the government. In line with Budget 2026 that emphasised strengthening institutions for the delivery of justice, the civil court should play a more prominent role in governing environmental management. The mechanism for remediation technically already exists within law, but is not being applied: Section 47 of the Environmental Quality Act 1974 already confers a power of recovery of costs and expenses, meaning the statutory basis for making polluters bear remediation costs has existed for five decades and is simply not being exercised. The Environmental Quality (Amendment) Act 2024 raised maximum fines substantially, with the most serious offences including discharge of pollutants into land and water now carrying fines of up to RM10 million. As it is, these are treated as punitive fines, as opposed to remediation cost recovery. Where remediation does not occur, the residual burden is absorbed by affected households rather than by the polluter. That burden is gendered and largely uncounted—for example, in the aftermath of the Sungai	SDG 15 (Target 16.3): Promote the rule of law at the national and international levels and ensure equal access to justice for all SDG 16 (Target 16.6): Develop effective, accountable and transparent institutions at all levels	**Recommendations:** 1. Establish a ring-fenced Environmental Remediation Fund receiving recovered costs and a defined share of environmental fines, applied to restoration of affected sites and compensation for affected communities, rather than returning to consolidated revenue. The Fund should be framed as an implementation mechanism for the right to a clean, healthy, safe and sustainable environment, with priority given to communities facing the highest health, livelihood and unpaid care burdens. 2. Fund a dedicated environmental civil litigation capability within the Attorney General's Chambers and NRES to pursue cost recovery under Section 47 of the Environmental Quality Act 1974, with an annual public report on sums claimed and sums recovered. 3. Adopt Beyond GDP indicators in environmental enforcement and remediation budgeting, including community health impacts, ecosystem restoration, unpaid care burdens, school closures, livelihood losses and public trust in institutions, so that remediation decisions account for wellbeing and	More active community based litigation. Victims of Typhoon Odette, sued Shell at the Royal Courts of Justice, with the argument that Shell's emissions contributed to the intensity of the disaster and sought compensation. This is one of the first civil case to directly link a fossil fuel company to climate change impacts in the global South.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Kim Kim chemical dumping incident, children were the worst affected, with 111 schools closed as a result. In circumstances like this, it is often women, as primary caregivers, who need to absorb the additional unpaid care work of tending to sick children while managing the impact of school closures across the household. Compensation frameworks do not conventionally treat unpaid care as a recoverable harm, which systematically understates what affected households lose.		environmental justice rather than only fiscal cost. 4. Create a formal citizen-generated data pathway for affected communities, schools, health providers and civil society to submit verified pollution, health, livelihood and remediation monitoring data to DOE/NRES, with safeguards for data quality, privacy and protection from retaliation.	
Issue 3: Youth structurally excluded from governance/peacebuilding decision-making despite existing consultative frameworks			
Youth participation remains largely consultative rather than decision-making. Malaysia has established institutional architecture for youth engagement through the Malaysian Youth Policy, the Malaysian Youth Council, the National Youth Consultative Council and Rakan Muda 2.0. Each of these bodies is constituted as advisory, with no mandate to determine budget allocation or policy outcomes. Five resolutions were passed during the ASEAN Interparliamentary Assembly in which Malaysia was the host and signatory 1) implementation of quotas for youth parliamentarians 2) empower young parliamentarians via youth political incubator programs 3)strengthen youth-led advocacy effort 4) establishing a national or regional youth observatory to monitor participation 5)collaborate with other AIPA member states, civil society and external partners As of 2026, Malaysia is still behind on implementing the above matters as the Institute for Youth Research Malaysia reported " that youths achieved high scores in political awareness and spirit of unity indicators. Meanwhile, they had low scores in Discussion of democratic issues and Participation in democratic issues. This shows that while youths are more aware of the political environment, there is still a barrier preventing their participation.	SDG 16 (Target 16.7): Ensure responsive, inclusive, participatory and representative decision-making at all levels SDG 17 (Target 17.16): Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology, and financial resources. SDG 17 (Target 17.17): Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships.	**Policy Statement:** The 13th Malaysia Plan has made provisions to boost youth welfare and living standards while prioritising education and skill development. To achieve success in this area, the Government is committed to strengthen institutional mechanisms and dedicated funding to ensure meaningful, inclusive and sustained youth participation in governance, peacebuilding and public decision-making through equitable representation, capacity building, digital engagement and multi-stakeholder partnerships. **Recommendations:** 1. Developing a National Youth, Peace and Security Action Plan to institutionalise youth participation and ensure youth participation in national and local decision-making bodies. 2. Establish a dedicated Youth Development and Peacebuilding Fund to support youth-led initiatives, civic participation, social innovation and grassroots peacebuilding programmes. 3. Strengthen youth leadership and	Strengthened youth participation, leadership and trust in governance, resulting in more inclusive, transparent and accountable public institutions. More resilient, peaceful and cohesive communities through reduced youth vulnerability to crime, extremism and social unrest, supported by stronger multi-stakeholder partnerships. Enhanced long-term economic and sustainable development driven by youth innovation, improved productivity, more efficient public spending and stronger progress towards the SDGs.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
Additionally, rural youth, Indigenous youth, youth with disabilities, refugees, stateless youth and young women may experience additional barriers to participating in governance processes due to geography, socioeconomic constraints or legal status.		governance capacity through civic education, digital literacy, anti-corruption education and leadership development in educational institutions, and invest in digital participation platforms and connectivity to enable meaningful engagement in policymaking for rural, Indigenous and remote youth. 4. Promote multi-stakeholder partnerships by incentivising collaboration among government, academia, civil society and the private sector to support youth-led innovation, governance and peacebuilding initiatives. 5. Establish a youth observatory and citizen-generated data mechanism to collect, validate and publish youth-led data on participation barriers, safety, discrimination, access to services, climate and environmental concerns, and trust in institutions, ensuring that community evidence directly informs budgets, policy design and monitoring.	
Issue 4: Infringement on Consumer Rights through unfair 'subscription traps' of digital platforms, telecommunications bodies and services			
The National Consumer Complaints centre have received complaints from consumers who felt trapped by unwanted subscriptions due to excessive delays, steep penalties or complicated cancellation procedures. 77% of complaints are for gyms and wellness centres while 23% are regarding telecommunication and streaming services. Other issues faced by consumers: *-Unfair contractual and operational practices:* *- Deliberate delays in port-out processes* *-Complicated and restrictive service termination procedures* *- Excessive early termination penalties* *- Forced single-channel processes (e.g., termination via*	SDG 17 (Target 17.10): Promote a universal, rules-based, open, non-discriminatory, and equitable multilateral trading system	**Recommendations:** 1. Mandate platforms to remove multi-step and vague process to end subscription based payments. 2. Develop centralized redress platform across agencies that are responsible for licensing, regulation and consumer addressing complaints—a one-stop portal involving the Domestic Trade and Cost of Living Ministry, Malaysian Communications and Multimedia Commission, Health Ministry and local councils—to streamline licensing,	Reduce burden on consumers that wish to end online subscriptions or telco contracts. EU Consumer Rights Directive has enforced a new requirement to all e-commerce businesses to provide a clearly visible and easily accessible "withdrawal button" on their websites and apps, enabling consumers to perform their legal right of withdrawal by canceling their online purchase with a single click.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
phone only) *- Continued billing even after service termination* The legal framework to address these issues do exist. For telecommunications and multimedia, Act 588 establishes the regulatory framework under which providers are licensed, and Act 589 establishes MCMC as the enforcement authority over it. The Communications and Multimedia (Amendment) Act 2025 strengthened this framework's consumer protection provisions and expanded MCMC's audit and enforcement powers, giving it a current legal basis to act on unresolved billing and termination complaints. For the gym and wellness sector, where most complaints originate, Act 599 (Consumer Protection Act 1999) governs gym and wellness packages as “future services contracts.” However, there appears to be an enforcement gap, as well as potentially a gap in accessing redress for customers.		regulation and consumer complaints.	In an effort to protect residents from subscription traps and junk fees, NYC announced a new ‘click-to-cancel’ ruling that require businesses that reduce friction for users that sign out
Issue 5: Legal status as a barrier to institutional inclusion and economic participation			
Economic participation in Malaysia is highly dependent on legal status. A MyKad, visa, or lack thereof will determine access to education, healthcare, banking and employment. Different groups of people face distinct legal challenges to economic participation. Due to lack of disaggregated data on non-citizens, the true scale of the issue may be underreported - no breakdown on the number of refugees, migrants, stateless persons or undocumented persons. Children are disproportionately impacted as citizenship is tied to the parents nationality, thus children born to stateless or undocumented parents may face intergenerational statelessness. **Group 1: Undocumented Malaysians** Despite being citizens, administrative gaps leave marginalised groups such as indigenous communities and rural ethnic minorities at risk of statelessness. The main driver for this is delayed birth registry due to poor physical access to key registration services leading to many remaining undocumented. Additionally, a lack of local registration service centres which are not supplemented by adequate mobile registration services. According to	SDG 16 (Target 16.9): By 2030, provide legal identity for all, including birth registration SDG 8 (Target 8.8): Protect Labour Rights And Promote Safe Working Environments	**Recommendations:** 1. National Legal Identity & Economic Inclusion Strategy - due to the distinct barriers faced by each group, this strategy would harmonise policies currently managed by JAKOA, JPN, Immigration Department and Ministry of Home Affairs by linking legal identity with employment, financial inclusion and public services 2. Develop an integrated digital identity platform to reduce delays and improve access to citizenship registration 3. Financial Inclusion for Legally Vulnerable Populations - provide better access to banking, entrepreneurship financing and microenterprise development 4. Use Beyond GDP indicators to assess	Improved inter-agency coordination for faster legal identity registration, increased access to public services, banking and healthcare while reducing socioeconomic exclusion of undocumented Malaysians, stateless persons, migrants and refugees. Reduced exploitation of undocumented workers and refugees through improved labour protections aligned with national commitments to UNCRC and ASEAN Human Rights Declaration 2012 Reduced multidimensional poverty and inequality associated with legal status.

Current Situation	Relevant SDG Targets	Recommendations	Project Impact and Good Practices
SUHAKAM's Report on Human Rights and Statelessness in Peninsular Malaysia, approximately 12,000 Tamil plantation workers and over 80 Orang Asli (Rompin) still lack MyKad despite being naturalised citizens. **Group 2: Stateless individuals** Stateless children face denied citizenship due to failure of marriage registration by their parents, unregistered births, adopted or abandoned children, and children of refugees and undocumented migrants. It was estimated that there were almost 300,000 stateless children in Malaysia in 2016. As a signatory to the UNCRC, support is needed to align local policy implementation with Malaysian commitments **Group 3: PATI (Undocumented migrants) and Refugees are vulnerable to human rights abuses** Undocumented migrants often work in sectors experiencing labour shortages but remain outside formal regulation. Workers remain vulnerable to exploitation and unsafe working conditions. As Malaysia has published the NAPBHR, aligning its labour commitments to the ILO, support is needed to protect migrant workers from all forms of workplace exploitation and trafficking As Malaysia has no domestic refugee legislation, many refugees work informally in Malaysia without labour protections, increasing vulnerability of these communities to further exploitation.		institutional inclusion, including legal identity coverage, access to education and healthcare, decent work, financial inclusion, safety from exploitation, household wellbeing and reduced multidimensional poverty among undocumented Malaysians, stateless persons, migrants and refugees. 5. Recognise citizen-generated data from community organisations, legal aid providers, schools, clinics, worker groups and affected communities as complementary evidence for identifying documentation gaps, workplace exploitation and exclusion from services, with clear protocols for verification, confidentiality and referral into government action.	