



# NEWSLETTER

DOSM/SDG/BPHPP/1.2022/Series 8

## What is Inclusivity



Inclusivity is equal access opportunities and resources for people who might otherwise be excluded or marginalized in a community, such as those having physical or mental disabilities or belonging to other minority groups.

Sustainable Development Goals (SDG) is a universal set of goals, targets and indicators that United Nations member state expected need to use to frame the agenda and national policies over a period of time. Currently UN is targeted to develop the needs of targeted indicator for year 2016 to 2030. In Malaysia, despite the economy continues to grow since independence, however absolute poverty still exist at a rate of 5.6 per cent in year 2019. Then, the impact of the COVID-19 pandemic, the poverty rate increased to 8.4 per cent in 2020.

### The two goals involve in Cluster Inclusivity SDG are



#### Goal 1: No Poverty

#### Goal 10: Reduced Inequality

To end the poverty in all its form everywhere, social protection policies play an important role in taking care human rights for every individual who encounter social and economics difficulties. Basically, among the total of 13 indicators under Goal 1, there are five targets need to be fulfilled, namely eradicate extreme poverty, reduce poverty at least by 50%, implement social protection systems for all, equal rights to ownership, basic services, technology & economic resources and build resilience to environmental, economic resources. Currently, the statistics for seven indicators is available.

In order to reduced inequality within and among the country, there are seven targets to meet the SDG requirements which is to achieve and sustain income growth of B40 at a rate higher than the national average, to the social, economic and political inclusion of all, to ensure equal opportunity and reduce income inequalities, as well as promoting appropriate legislation and policies. Besides there are three types of income can be measured related to imports tariff, the income resource flows and Remittance costs.

Indicator	Description	Availability
1.1.1	Proportion of the population living below the international poverty line by sex, age, employment status and geographic location (urban/rural)	Available
1.2.1	Proportion of population living below the national poverty line, by sex and age	Available
1.2.2	Proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions	Available
1.3.1	Proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable	Available
1.4.1	Proportion of population living in households with access to basic services	Available
1.4.2	Proportion of total adult population with secure tenure rights to land, (a) with legally recognized documentation, and (b) who perceive their rights to land as secure, by sex and type of tenure	Not Available
1.5.1	Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population	Available
1.5.2	Direct economic loss attributed to disasters in relation to global gross domestic product (GDP)	Available
1.5.3	Number of countries that adopt and implement national disaster risk reduction strategies in line with the Sendai Framework for Disaster Risk Reduction 2015-2030	Available
1.5.4	Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies	Available
1.a.1	Total official development assistance grants from all donors that focus on poverty reduction as a share of the recipient country's gross national income	Partially Available
1.a.2	Proportion of total government spending on essential services (education, health and social protection)	Available
1.b.1	Pro-poor public social spending	Not Available

Indicator	Description	Availability
10.1.1	Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population	Available
10.2.1	Proportion of people living below 50 per cent of median income, by sex, age and persons with disabilities	Available
10.3.1	Proportion of population reporting having personally felt discriminated against or harassed in the previous 12 months on the basis of a ground of discrimination prohibited under international human rights law	Partially Available
10.4.1	Labour share of GDP	Available
10.4.2	Redistributive impact of fiscal policy	Partially Available
10.5.1	Financial Soundness Indicators	Available
10.6.1	10.6.1 Proportion of members and voting rights of developing countries in international organisations	Available
10.7.1	Recruitment cost borne by employee as a proportion of monthly income earned in country of destination	Not Available
10.7.2	Number of countries with migration policies that facilitate orderly, safe, regular and responsible migration and mobility of people	Available
10.7.3	Number of people who died or disappeared in the process of migration towards an international destination	Not Available
10.7.4	Proportion of the population who are refugees, by country of origin	Not Relevant
10.a.1	Proportion of tariff lines applied to imports from least developed countries and developing countries with zero-tariff	Partially Available
10.b.1	Total resource flows for development, by recipient and donor countries and type of flow (e.g. official development assistance, foreign direct investment and other flows)	Partially Available
10.c.1	10.c.1 Remittance costs as a proportion of the amount remitted	Available



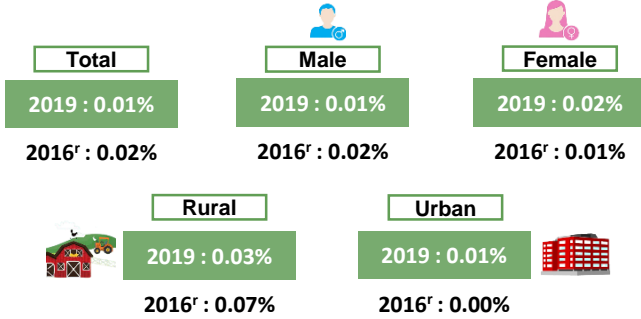
# GOAL 1 : NO POVERTY

Internationally, the extreme poverty line income used is USD 1.90 per day per person. In Malaysia, the extreme poverty rate according to the international poverty line income decreased to 0.01 in 2019 (2016: 0.02 percent). Besides, base on the Multidimensional Poverty Index (MPI) that measured from four dimensions which are education, health, living standards and income decreased to 0.0110 in 2019, as compared with 0.0152 in 2016.

However, in 2020, it is estimated that the number of poor households increased to 639.8 thousand households as compared to 405.4 thousand households in 2019. The incidence of absolute poverty increased from 5.6 per cent in 2019 to 8.4 per cent in 2020. Meanwhile, the incidence of hardcore poverty is estimated to increase from 0.4 per cent to 1.0 per cent over the same period, which involved 78.0 thousand households (2019: 27.2 thousand households). This is mainly due to COVID-19 crisis.

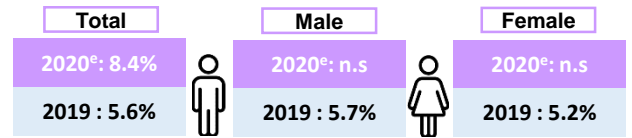
Strong social protection systems are essential for mitigating the immediate and long-term consequences of the COVID-19 pandemic and preventing people from falling into poverty. Due to COVID-19, the number of recipients and total assistance due to loss of employment increased sharply in 2020, to 107,024 people amounting RM363,560 from 40,084 people with a total of RM107,438 in 2019. However, in 2021, the number of recipients dropped to 61,360 people.

SDG 1.1.1 Proportion of the population living below the international poverty line by sex, age, employment status and geographic location (urban/rural)



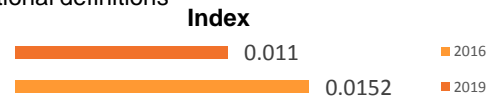
Source: Household Income and Basic Amenities Survey, Department of Statistics Malaysia

SDG 1.2.1 Proportion of population living below the national poverty line, by sex and age



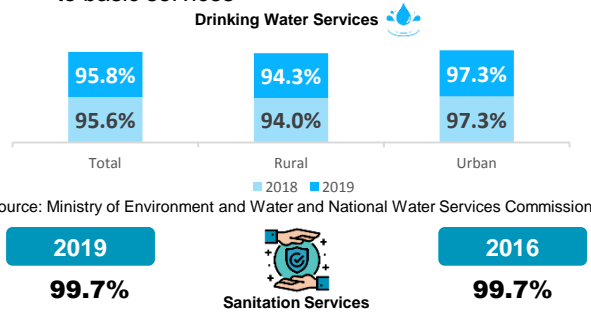
Source: Household Income and Basic Amenities Survey, Department of Statistics Malaysia

SDG 1.2.2 Proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions



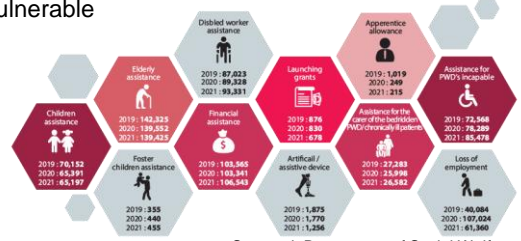
Source: Household Income and Basic Amenities Survey, Department of Statistics Malaysia

SDG 1.4.1 Proportion of population living in households with access to basic services



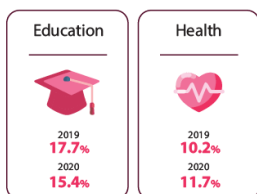
Source: Ministry of Environment and Water and National Water Services Commission

SDG 1.3.1 Proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable



Source: i. Department of Social Welfare, Malaysia  
ii. National Disaster Management Agency  
iii. Social Security Organisation

SDG 1.a.2 Proportion of total government spending on essential services (education, health and social protection)



Source: i. Global SDG Indicators Data Platform (Ministry of Education Malaysia)  
ii. Ministry of Health Malaysia

SDG 1.5.1 Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population



Source: National Disaster Management Agency

## GOAL 10 : REDUCED INEQUALITIES

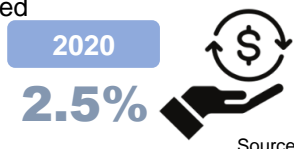
In 2019, mean income in Malaysia was RM7,901 while mean income for Bottom 40 was RM3,152. Generally, this scenario is in line with the situation in most of other countries where it pictures the inequality of household income that is influenced by a group of high-income households. Indicator 10.2.1 shows the number of households below the median income decreased from 16.9 percent (2019) to 16.2 percent in 2020. In term of the labour share of GDP, compensation of employees decreases from 37.1 percent (2020) to 34.1 percent in 2021, with the agriculture sector recorded the highest decrease level.

SDG 10.1.1 Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population

2019			
Mean Income (RM)		Compounded Annual Growth Rate (%)	
Bottom 40	Total	Bottom 40	Total
3,152	7,901	3.4	4.2

Source: Household Income and Expenditure Survey, Department of Statistics Malaysia

SDG 10.c.1 Remittance costs as a proportion of the amount remitted



Source : Bank Negara Malaysia

SDG 10.5.1 Financial Soundness Indicators (FSI)

	2020 (%)	2021 (%)
Tier 1 capital to assets	9.0	8.8
Tier 1 capital to risk-weighted assets	15.7	16.0
Nonperforming loans net of provisions to capital	5.5	6.1
Nonperforming loans to total gross loans	1.6	1.7
Return on assets	1.1	1.2
Liquid assets to short-term liabilities	148.2	153.4
Net open position in foreign exchange to capital	5.2	4.0

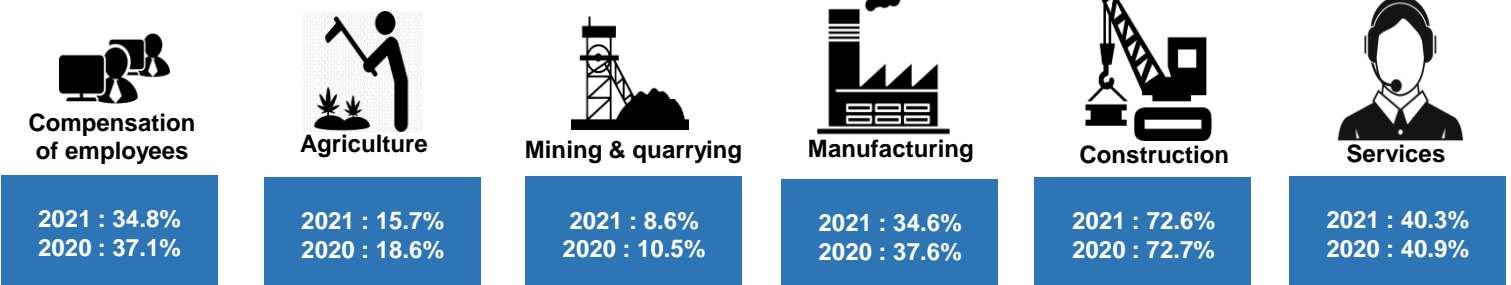
Source : Bank Negara Malaysia

SDG 10.2.1 Proportion of people living below 50 per cent of median income, by sex, age and persons with disabilities



Source: Household Income and Basic Amenities Survey, Department of Statistics Malaysia

SDG 10.4.1 Labour share of GDP



Source: National Accounts Gross Domestic Product Income Approach, DOSM

### CHALLENGES IN THE DEVELOPMENT AND COORDINATION OF SDG INDICATORS

- Data sources for one indicator in various agencies
- Reporting at an international level that is not consistent with reporting at a national level
- Lack of technical expertise in indicator development