INTERNATIONAL SYMPOSIUM ON SOCIAL IMPACT ASSESSMENT IN EAST ASIA AND THE PACIFIC

Country Presentations: Malaysia

IMPLEMENTATION OF SOCIAL IMPACT ASSESSMENT FOR DEVELOPMENT PROJECT IN MALAYSIA

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1.0 INTRODUCTION
1.1 SPATIAL PLANNING FRAMEWORK IN MALAYSIA

TOTAL PLANNING AND DEVELOPMENT PHILOSOPHY

The relationship between Man and The Creator

The relationship between Man and The Environment

The relationship between Man and Man

SHARED PROSPERITY VISION 2030

LEVEL 1: NATIONAL PLANNING

- 5-Year Malaysia Plan
- NATIONAL PHYSICAL PLAN
- Sectoral Policies/Strategies

National Urbanisation Policy
National Rural Planning Policy

LEVEL 2: REGIONAL/STATE PLANNING

- Regional Plan
- STRUCTURE PLAN
- Sectoral Policies/Strategies

LEVEL 3: LOCAL PLANNING

- LOCAL PLAN
- Special Area Plan

IMPLEMENTATION

- Implementation
- Monitoring
- Review
1.2 APPLICATION OF SIA IN MALAYSIA

- SIA for international organization that provide financing (World Bank, IMF)
- SIA for certification scheme like Malaysian Sustainable Palm Oil (MSPO), Roundtable on Sustainable Palm Oil (RSPO) & Forest Stewardship Council (FSC)
- SIA for policy and program (example under Ministry of Women, Family and Community Development)
- SIA for development project under Town and Country Planning Act (Act 172)
- SIA in the feasibility study (highway project under budget Ministry of Works)
- SIA Study in the EIA under Sabah Environmental Protection Enactment
- SIA Study in the EIA under Sarawak Natural Resources and Environment Ordinance
- SIA study in the EIA under Sabah Environmental Protection Enactment
1.3 EVOLUTION OF SIA FOR DEVELOPMENT PROJECT IN MALAYSIA

- **1990s: government, universities, corporate circle**
- **Late 1990s:** PLANMalaysia presented many SIA-related papers (workshop, meeting, seminar)
- **1998:** 4 local plan incorporate SIA element (Cyberjaya, Sungai Merab, Dengkil & Salak Tinggi)

- **2000:** First SIA Manual (Prime Minister Office)
- **2001:** Act 172 amendment to include public participation in plan-making
- **2002:** SIA Handbook of Malaysia 2002: UNDP funded
- **2003:** National Social Policy
- **2005:** Malaysia Association of Social Impact Assessment (MSIA) formed
- **2008:** Book: Social Impact Assessment in Malaysia

- **2008:** SIA Manual for project development, PLANMalaysia
- **2012:** 1st SIA Panel Meeting
- **2015:** PLANMalaysia as the lead agency for SIA in project development
- **2016:** 1st SIA Panel Meeting
- **2017:** SIA report compulsory for reclamation and national major infrastructure
- **2018:** 2nd Edition SIA Manual for Development Project, PLANMalaysia

- **2021:** Reviewing of the existing Manual
- **2022:** Registered SIA Practitioner (pioneer group)
In the year 2017, the 5th amendment of Act 172 provided a legal basis for the **requirement to prepare and submit an SIA report** for a national significance project and **an analysis of social impacts** for all the development that need planning approval.

**Town and Country Planning Act 1976** is an Act for the proper control and regulation of town and country planning in Peninsular Malaysia.

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**Sec. 20B**

**Duty to seek advice**

**Submission of SIA report** is required for project getting advice from National Physical Planning Council (NPPC). (e.g. coastal reclamation, major national infrastructure and new township)

**Sec. 21A(1)**

**Development Proposal Report**

- Analysis of social impact shall be one of the contents in the development proposal report.
1.5 Manual for Preparation SIA Report for Development Project (2nd Edition)

**CATEGORY 1**
- Subsection 20B(1) and (2), Act A1522
  - Coastal reclamation
  - Major national infrastructure
  - Other infrastructure of national interest

**CATEGORY 2**
- Subsection 22(2A), Act 172
  - New township
  - Major infrastructure
  - Development on hill tops and hill slopes

**CATEGORY 3**
- Development that has significant social impacts *as determined by the State Authority / Local Authority.*

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**Projects of national significance - require advice from NPPC***

* NPPC: National Physical Planning Council chaired by Prime Minister

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**Projects that has significant social impacts at state level – do not require advise from NPPC**

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**No. of SIA Evaluation Meeting (2016-2022)**

<table>
<thead>
<tr>
<th>SIA CATEGORY 1 &amp; 2</th>
<th>SIA CATEGORY 3</th>
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</thead>
<tbody>
<tr>
<td>40 reports</td>
<td>64 reports</td>
</tr>
<tr>
<td>16 reports</td>
<td>24 reports</td>
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</tbody>
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*Example of SIA report*
2.0 CASE STUDIES
2.1 CASE STUDY 1: WEST COAST EXPRESSWAY (WCE), PENINSULAR MALAYSIA

**Project Background**
- From Banting to Taiping
- 233 kilometres
- 21 intersections
- Project start Aug 2014
- Expected complete by 2024
- **Study area for SIA is 10km** from Assam Jawa - Tg. Karang (the 7th section of 11 sections)

- **Option 1**: mainly non built up area, maintain the existing road system, need to construct 6 bridges, 1 interchange
- **Option 2**: using existing road in the town area, need to construct 3 ‘U turn’, 1 interchange and 1 bridge

2.1 CASE STUDY: WEST COAST EXPRESSWAY

OVERALL IMPACT BY OPTION IN CONSTRUCTION AND OPERATION STAGE

<table>
<thead>
<tr>
<th></th>
<th>Construction</th>
<th>Operation</th>
</tr>
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<tbody>
<tr>
<td><strong>Option 1</strong></td>
<td>49% 51%</td>
<td>74% 26%</td>
</tr>
<tr>
<td><strong>Option 2</strong></td>
<td>80% 20%</td>
<td>67% 33%</td>
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**Outcome**
- Option 1 – more favoured and manageable, need mitigation measures for unavoidable impacts.
- Land acquisition for 164 lots vs. 510 lots (including 21 lots of community facilities) in option 2
- Impacted 529 individuals vs. 7,017 individuals in option 2
- Cost of acquisition is RM25.9 mil vs RM136.5 mil in option 2.

2.2 CASE STUDY 2: PENANG SOUTH RECLAMATION (PSR), PULAU PINANG

Project Background

- PSR is part of Penang Transport Master Plan (PTMP) included proposals for highways, LRT, monorail, bus rapid transit, trams, ferries and water taxis with PSR as the funding module.

- The islands, named A, B and C, will measure a total 4,500 acres (1,821 ha)

- The National Physical Planning Council (NPPC) gave advice to PSR in April 2019 with 18 conditions and subject to other required approvals like EIA, SIA, FIA etc.

2.2 CASE STUDY: PENANG SOUTH RECLAMATION (PSR) (CON’T)

SUMMARY OF SIGNIFICANCE OF THE SOCIAL IMPACTS DURING OPERATION

<table>
<thead>
<tr>
<th>Impact</th>
<th>Score</th>
<th>Without Mitigations</th>
<th>With Mitigations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Demography</td>
<td></td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>2. Occupational and socio-economic structure</td>
<td></td>
<td>8</td>
<td>+ve</td>
</tr>
<tr>
<td>3. Ethnic, social and cultural conflict</td>
<td></td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>4. Problem of integration</td>
<td></td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>5. Clash of lifestyle</td>
<td></td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>6. Problem of marginalisation/alienation</td>
<td></td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>7. Services</td>
<td></td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>8. Employment</td>
<td></td>
<td>4</td>
<td>4</td>
</tr>
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Legend:
- Rating=Significant (high priority)
- Rating=Significant (medium priority)
- Rating=Significant (low priority)

PROJECT ACCEPTABILITY

With mitigations, fisherman acceptance levels increased from 3.5% to 40.5%
3.0 CHALLENGES IN IMPLEMENTING SIA
3.0 CHALLENGES IN IMPLEMENTING SIA

7. Integrity and etiquette
   - SIA practitioners
   - Registered system

6. Valuation process
   - Transparency
   - Focus on theory

5. Monitoring and regulating
   - Interdisciplinary mitigation measures
   - Redundant with existing monitoring system

1. Legal Aspect
   - Provision of Act
   - Institutional framework

2. Capacity Building
   - SIA Practitioner
   - Project proponent
   - Local authority planner

3. Public Participation
   - Limited influence
   - Not involve in full cycle of SIA

4. Scope and methodology
   - Social: wide definition
   - Understanding
4.0 WAY FORWARD
4.1 ADVOCATE THE VALUE OF SIA

4.1 PARADIGM SHIFT THE PHILOSOPHY OF SOCIAL IMPACT ASSESSMENT

PROJECT PROPONENT

SIA Report is a **project planning tool** for project proponent

- AVOID -ve impacts
- REDUCE -ve impacts

GOVERNMENT

SIA report is a **decision making tool** for government

- FAIR COMPENSATION
- MAXIMUM +ve impacts

social impact

social change
### 4.2 USER-FRIENDLY GUIDELINE

**3rd SIA Guidelines**
- Published – Oct 2022
- User-friendly reference for stakeholders
- Reviewing 12 aspects

**12 Aspects**
1. SIA Philosophy
2. Prescribed List for SIA
3. Public Participation
4. SIA Methodology
5. Evaluation Proses
6. Monitoring and Audit
7. Legal Aspect
8. AIS vs. SIA
9. Qualified Person
10. Integrity and Etiquette
11. Capacity and Skill
12. Public Awareness

**Main Changes**

**CATEGORY 1**
- Coastal reclamation
- Major national infrastructure
- Other infrastructure of national interest

**CATEGORY 2**
- New township
- Major infrastructure
- Development on hill tops and hill slopes

**CATEGORY 3**
Development that has significant social impacts at State Level.

**CATEGORY A**
- Coastal reclamation
- Major national infrastructure
- Other infrastructure of national interest
- New township
- Major infrastructure
- Development on hill tops and hill slopes

**CATEGORY B**
Development that has significant social impacts at State Level.
4.3 TOWARDS PROFESSIONAL PRACTICE

**PHASE 1 (2022 to 2024)**

- Corporate Member (Urban Planner)
- Professional Member (including social science, planner, engineer, architect)

  - Prepare and submit SIA Report to PLANMalaysia
  - **OPTIONAL** to attend the SIA formal training course and if passed will be registered (administrative by PLANMalaysia)

**PHASE 2 (2025 onwards)**

- Corporate Member (Urban Planner)
- Professional Member (including social science, planner, engineer, architect)

  - **MUST** attend the SIA formal training course and get certified in order to be registered as a Certified Social Professional in SIA.
  - Prepare and submit SIA Report to PLANMalaysia

No legal provision on the competent SIA practitioner.

With legal provision to registered Certified Social Professional in SIA.
A total of 27 experts (with various experiences in land use planning, social science and economics) joined the first formal SIA training course on 12th May 2022. All of them will be registered as **Certified Social Professionals** in SIA.
4.4 IMPROVEMENT OF THE LEGISLATION

- PLANMalaysia is in the final stage of drafting an amendment for Act 172 (5 amended existing provisions and 23 new provisions)

- 2 new provisions had been proposed to enable SIA implemented in a more inclusive approach that is in line with SDGs.

**Proposed Provision 1: Consideration of SIA Report**

- Director General (DG) of PLANMalaysia will be given the power to process and approve SIA reports for project development that need to seek National Physical Planning Council Advice.
- SIA reports need to comply with specific guidelines.
- DG also need to maintain a list of the qualified person who practices SIA.

**Proposed Provision 2: SIA at State Level**

- State Authority can decide the requirement of SIA for those projects that have social impact at state level.
- The SIA report have to submit to State Director of PLANMalaysia for approval.
4.5 PUBLIC AWARENESS

Partnership with local and international SIA bodies

i. Social Media

ii. Electronic Media

iii. Printed Medium

iv. Seminars/ FGD/ townhall
“There is no power for change greater than a community discovering what it care about”

-Margaret J. Wheatley
writer, teacher, speaker
Thank you

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