

Policy brief 2023



# Sustainability challenges for lower income community group projects in Malaysia

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### Summary

Introduction

There is great concern for social community projects aimed at helping the lower income communities in Malaysia. With all the present economic challenges, organisations and countries have started to review their sustainability in their community projects and supervision approaches due to the lack of continuity or follow up.

### **Key recommendations**

- SDG 1 Maximise the utilities and resources available as a source of sustainable income.
- SDG 2 and SDG 8 Creating small plantations by producing goods for their own consumption.
- SDG 3 Creating mental health awareness among the lower income areas.
- SDG 4 Donating recycling learning tools for the lower income public school and learning centres in rural areas and low-income living areas.
- SDG 17 Partnering with companies that have funds for Corporate Social Responsibility (CSR) and resources from NGOs.

The problems faced by social community projects for the low-income earners in Malaysia are shown in the diagram below on the

Malaysia are shown in the diagram below on the monthly income classification in Malaysia – 2,500 RM equates to just \$547. Projects require huge funding to cater to the right target audience and a lot of time and effort is spent on making the projects successful. However, there is lack of continuity in the long term as most projects last for just three months. There is also a lack of commitment from the donors and the receivers.

In		,∞ ne Classifi by Househo	
Household G	roup	Median Income (RM)	Income Range (RM)
B40	<b>B1</b>	1,929	Less than 2,500
	B2	2,786	2,500 - 3,169
	<b>B</b> 3	3,556	3,170 - 3,969
	B4	4,387	3,970 - 4,849
M40	M1	5,336	4,850 - 5,879
	M2	6,471	5,880 - 7,099
	MЗ	7,828	7,110 - 8,699
	M4	9,695	8,700 - 10,959
T20	T1	12,586	10,960 - 15,039
	T2	19,781	15,039 or more
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### About the study

#### **Recommendation 1: SDG 1 No Poverty**



According to government statistics, the pandemic led to an increase in the share of Malaysian households living below the national poverty line to 8.4 per cent in 2020, following a record low of 5.6 per cent in 2019. Over the same period, income inequality increased slightly, continuing a recent trend after years of decline. Official statistics reported that the Gini index for total household income increased from 40.7 per cent in 2019 to 41.1 per cent in 2020.

For achieving and managing sustainability, there is an urgent requirement for skill, resource, knowledge, and organisational capability (Lund-Thomsen and Lindgreen, 2014).

**Methods:** Two projects have been extremely successful. In Kuala Lumpur, an HIV community, *pictured below*, were unable to find work due to their condition. In a collaboration with the Soroptimist International Club of Shah Alam, a non-governmental organisation (NGO), three goats - that amounted to RM600 – were donated for the group to rear. Over the years, this has multiplied to 300 goats that are used for milk and sold for meat. The community now has a source of income that is sustainable and the project has become a community activity. They have ample land and also manpower from the recovering HIV patients.

Another project, *also pictured below*, was at an orphanage and home for disabled children in Petaling Jaya, which caters for those aged between 12 to 16. The home had a baking room equipped with all the facilities and students from Asia Pacific University taught the children to bake and this has become their source of funding for the home during the festive season.











### Recommendation 2: SDG 2 Zero Hunger and SDG 8 Decent Work and Economic Growth

The University of Bonn has developed a marginal abatement cost curve which shows that the G7 target of lifting 500 million people out of hunger by 2030 would require investment of US \$11–14 billion per year. This could be achieved at the least cost through agricultural research and development efficiency, agricultural extension services, information and communications technology, agricultural information services, small-scale irrigation expansion in Africa, female literacy improvements, and scaling up existing social protections. To end hunger by 2030, investment of US \$39–50 billion per year could lift 840–909 million people out of hunger. (Mullen, 2021)

**Methods:** The orphanage in Petaling Jaya had a lot of used land at the back of the house which was used for dumping rubbish. The students from Asia Pacific University

cleaned the area to allow for the planting of vegetables that can be used for their own consumption saving the home a lot of money on their food supply costs, with the extra produce sold to the nearest market and also a night market. A smaller area is being used to build a Aquaponic food production system for the home to have a constant supply of food. This is in a collaboration with the University Pertanian Malaysia as part of its research.

### **Recommendation 3: SDG 3 Good Health and Well-Being**



Although the economy is on track for a stronger recovery, progress has not been experienced equally across Malaysian households. Findings from a recent survey showed that, in May 2022, nearly 60 per cent of households felt that they were not at all, or only partially able, to cover their basic monthly needs (Poverty and Equity Brief, 2022). This can be a form of mental stress which causes many to have mental breakdowns simply due to their lack of income to cover basic needs.

**Methods:** An NGO called Yayasan Health on World (YHOW) trained about 70 other NGOs in 2021 on psychological first aid to help low-income communities by motivating them in being financial independent. This initiative was by the Ministry of Health who gave grants for organisations with this type of expertise to run programmes for the community as a public service.

### **Recommendation 4: SDG 4 Quality Education**



The growth in consumer electronics has also had an impact on the environment with the amount of electronic waste (e-waste) generated increasing year on year. This e-waste grew by around 21 per cent up to 2018. E-waste is a complex waste stream with many diverse materials from precious metals to plastics and presents us with many challenges as to how to manage, dispose, and recycle it.

**Methods:** Before the pandemic, the Soroptimist International Club of Shah Alam carried out a project by collecting used laptops from companies, which were disposing of their laptops and computers after five years but were still functionally. Around 40 laptops and 20 computers were collected over a period of three years and given to learning centres and schools in the low-income residential areas. To refurbish each computer and laptop the cost was RM80 and this cost was sponsored by the NGO.

### **Recommendation 5: SDG 17 Partnerships for Goals**



Different types of organisations such as multi-national corporations, non-government organisations, and international governmental organisationa are faced with challenges to incorporate and work with partner organisations (De Lange *et al.*, 2012).

**Methods:** A project with the indigenous community in Janda Baik was a collaboration with the HSBC Bank and Soroptimist International Club of Bangsar, who had funds for farming

materials. The club had students who were able to help in the farming process and teach the children about financial literacy.

### Recommendations

### **SDG 1:** Maximise the utilities and resources available as source of sustainable income

In any community service project undertaken, to evaluate the resources that are readily available and to fully utilise them, such as land and building space. This can eventually be a source of sustainable income in the long term.

# SDG 2 and SDG 8: Creating small plantations to produce foods for their own consumption

Creating a plan to produce small plantations, which could be through vertical plantations or even Aquaponics, where the produce is used for its own consumption. If there is extra produce, this can be sold and will provide a sustainable income.

### SDG 3: Creating mental health awareness among the lower income groups

Mental health is an issue for many, therefore, to collaborate with an NGO in creating a sound mindset for people makes projects sustainable in the long term and the project will be able to continue for some time.

# SDG 4 Donating recycled learning tools for public schools and learning centres in lower income areas

By donating and recycling laptops and educational gadgets, this helps not only the children who are going to schools but also helps the parents who are running a small business. The children are able to help set up social media for the families to run their business more effectively and sustainably.

# SDG 17 Partnering with companies that have funds for Corporate Social Responsibility and using the resources from NGOs

By partnering with corporate and non-profit organisations that have funding, expertise, knowledge, and skill in making the project sustainable. However, resources such as land building and manpower, knowledge, and skills and expertise for the projects also need to come from the receiver. With the community's help and funding from the organisation, the project will be sustainable, as shown in the graph below.



#### Developing a Sustainability Plan in Project Proposal (Eva Wieners, 2017)

### About the author

**Cynthia Mala Paul Dorairaj** is a lecturer in the School of Business at the Asia Pacific University of Technology & Innovation, Kuala Lumpur, and has been doing a lot of social work for the past 20 years with different learning centres and communities in creating a source of sustainable income towards the economic growth in Malaysia.



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