STRENGTHENING SOCIAL IMPACT ASSESSMENT AS A TOOL TO FACILITATE JUST TRANSFORMATION IN MALAYSIA

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CONTENTS:

1. The Introduction to Malaysian Social Impact Assessment Association (MSIA)

2. Key Principles of Just Transformation

3. Redefining Challenges of Social Impact Assessments (SIA) in Malaysia and summary Actions to Strengthen SIA Tools and Practices to Facilitate Just Transformation
The Malaysian Association of Social Impact Assessment (MSIA) was established under the Registrar of Societies Malaysia on 2005.

MSIA is an association of multi-disciplinary professionals, open to all Malaysians from various fields including:

- Town Planners
- Socio-economists
- Environmentalists
- Engineers
- Sociologist
- Psychotherapists
- Legislators
- Academicians
- Researchers

Source: MSIA, 2024
KEY PRINCIPLES OF JUST TRANSFORMATION

Equity

Fair distribution of costs and benefits particularly for marginalized or vulnerable communities.

Participation

Engaging diverse stakeholders in decision-making processes to ensure their voices are heard and their perspectives are considered.

Accountability & Transparency

Holding the construction industry and decision-makers responsible for the consequences of their actions and ensuring mechanisms for transparency and oversight in process and outcomes.

Sustainability

Promoting long-term sustainability - interconnections between social economic and environmental factors.

Recognition of Diversity

Acknowledging the diversity of perspectives knowledge systems and values and incorporating these into decision-making processes.

Redress

Providing mechanisms for addressing past injustices and remedying inequalities.

**TYPE OF SOCIAL IMPACT ASSESSMENTS IN MALAYSIA**

**FINANCIER/DONOR REQUIREMENT**

- SIA to meet requirements of financial institutions
- SIA in feasibility assessment/studies
- SIA for programmes or policies

**CERTIFICATION REQUIREMENT**

- SIA for certification schemes such as Malaysian Sustainable Palm Oil, RSPO & FSC

**STATUTORY REQUIREMENT**

- SIA for Project Devt
  - Under the purview of the Town & Country Planning Act
- SEIA in EIA
  - SIA in EIA (Environmental Quality Act)
  - SIA in EIA (Natural Resources & Environment Ordinance) SARAWAK
  - SIA in EIA (Environment Protection Enactment) SABAH

**VOLUNTARY**

*For Sustainability Goal, ESG etc.*

Source: MSIA, 2024
### REDEFINING CHALLENGES & ACTIONS TO STRENGTHEN SIA PRACTICES

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enhancing SIA Mandates: Addressing Recognition Gaps</strong></td>
<td>SIA is currently mandated only at the development project level, lacking recognition and mandatory status at the feasibility study and land approval processing levels.</td>
</tr>
<tr>
<td><strong>Raising Awareness: Overcoming SIA Perception Barriers</strong></td>
<td>A lack of awareness regarding social safeguards among stakeholders in the development industry, combined with a disproportionate focus on economic development, results in SIA being perceived as a barrier and a source of delays in development approval procedures.</td>
</tr>
<tr>
<td><strong>Improving SIA Capabilities: Enhancing Methodology and Expertise</strong></td>
<td>The current capabilities of SIA assessors and consultants are inadequate, necessitating the enhancement of SIA methodology and approach to provide better inputs for decision-making processes.</td>
</tr>
<tr>
<td><strong>Strengthening Legal Frameworks for Effective SIA Implementation</strong></td>
<td>The existing framework for the implementation and monitoring of SIA is inadequate, resulting in challenges in fully implementing mitigation actions.</td>
</tr>
</tbody>
</table>

Source: MSIA, 2024
Land acquisition can lead to long-lasting social impacts, especially when people are physically relocated, even with compensation at Fair Replacement Value (FRV).
The Malaysian government will explore streamlining and enhancing the efficiency of various impact assessment processes in Malaysia. This involves simplifying project approval procedures while maintaining rigorous assessment standards and environmental/social safeguards.
**SIA FUNCTION**

**PROJECT PROONENT**

SIA is a project planning tool for the Project Proponent.

Analysis, scientific studies & predictions from the SIA should lead to better project planning in terms of social aspects, reduce cost to the society, minimise business risks and comply with all regulations.

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**GOVERNMENT**

SIA report is a decision-making tool for the Government.

The SIA reports should provide sufficient and reliable information about the impacts and mitigation measures to enable the Government to make informed decisions, in line with the national’s policies and aspirations.

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3 criteria need to be fulfilled:

- The project must be in line with national policies & laws
- Benefits to society surpass costs to society
- Adverse impacts must be reduced to acceptable levels

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REDEFINING CHALLENGES

Recognizing SIA as an ongoing process enables organizations to be flexible, responsive, and adaptive.

This approach optimizes expenses, promotes stakeholder engagement, and ensures long-term sustainability.

It's a comprehensive, iterative process that considers social impacts at every stage of development.

Source: PPSIA PLANMalaysia (Adapted)
SIA Symposium and Module 1
Competency Courses involving property developers

LEADING ESG IN CONSTRUCTION CONFERENCE
International Construction Week (ICW) 2023.

MALAYSIA URBAN FORUM
SIA and Social Inclusion in Cities

Source: MSIA, 2024
Accountability & Transparency

MSIA as one of the Panelists at PLANMalaysia HQ dan PLANMalaysia (State) in assessing SIA reports submitted by applicants for approval
Raising Awareness: Overcoming SIA Perception Barriers

STRENGTHENING SIA METHODOLOGY

To enhance the credibility and reliability of SIA findings, prioritize achieving sustainable, equitable, and inclusive development outcomes in decision-making processes

Guidance for the Implementation of SIA for Development Projects (2023)

SIA Category A

Projects of national significance - require advice from NPPC*
*NPPC: National Physical Planning Council chaired by the Prime Minister

SIA Category B

Projects that has significant social impacts at state level

REDEFINING CHALLENGES Data limitations/Inadequate Data Quality

Actions needed include:

1. Deploying tech-driven methods such as remote sensing and digital surveys in rural areas for precise and prompt data collection.
2. Establishing uniform protocols for data gathering to maintain consistency across different SIAs.
3. Maintaining a centralized database to store and distribute SIA-related data for stakeholders' easy access.
4. Collaborating with local communities, NGOs, and academia to broaden data collection and ensure comprehensive coverage.
5. Regularly reviewing data collection processes to enhance quality and identify areas for improvement.

A database system and spatial analysis of rural geographic information (GIS) to help make decisions on rural planning and development.

S-CHARMs
SISTEM CIRI-CIRI SPATIAL DESA MALAYSIA SPATIAL CHARACTERISTICS OF RURAL MALAYSIA SYSTEM

SIA RAPID APPRAISAL DECISION SUPPORT SYSTEM (SIRA)
- Industry Matching Program 2024
  UniSZA-MSIA-PEERS
THE CAPACITY BUILDING ACTIVITIES & COMPETENCY COURSES

3 levels of training i.e Beginner, Intermediate and Advanced level

SIA Professionals Accreditations by PLANMalaysia

Source: MSIA, 2024
PHYSICAL WORKSHOPS / SIA COURSES

WORKSHOP ON
SOCIAL IMPACT ASSESSMENT (SIA)
METHODOLODY & PRACTICE

- Interactive Learning
- Industry-Relevant Content
- Expert Facilitators
- Networking Opportunities

Source: MSIA, 2024

ABOOUT THE COURSE
This intensive course delves directly at providing an in-depth understanding of underlying methodology concepts for SIA professionals and practitioners. It also includes case studies and best practices in methodology.

CONTENTS
- Introduction to SIA in Sarawak
- Methodological Framework for SIA
- Principles in Methodology
- Screening, Scoping and ZOI
- Sampling and techniques
- Baseline Data Collection
- Implications of Methodology
- Impact Imputations
- SIA for Plantation
- Case Studies
MALAYSIA ASSOCIATION OF SOCIAL IMPACT ASSESSMENT
Webinars/Talks 2019-2024

# Socio-Economic

MALAYSIA ASSOCIATION OF SOCIAL IMPACT ASSESSMENT
Webinars/Talks 2019-2024

# Land Acquisition

HARD TALK MSIA
05/10/23

LAND ACQUISITION CRITICAL ISSUES AND THE ROLE OF SIA
24th AUG 2023 THURSDAY 2.30 PM – 4.00 PM

Speaker:
Professor Dr Haji Ismail Omar
President, Pertubuhan Profesional Tanah Malaysia

Moderator:
TPn Dr. Gobi Krishnia Simbho
Chairman of Training
MSIA No.6053

# Social Impact Management Plan

Malaysian Association of Social Impact Assessment
SIA HARD TALK
WEDNESDAY, 24 FEBRUARY 2021
1600 – 1730 Hrs

TOPIC
Improving SIMP - Perspectives of SIA Review Panel Members

# Public Participation

SEMBANG PAGI SABTU

PUBLIC PARTICIPATION:
MANAGING CLIENT AND STAKEHOLDER EXPECTATIONS
20th November 2023
10:00 AM Kuala Lumpur

Speakers:
Ms Md. Shahira Jamshin
Consulting Engineer
Southeast Asia

Asoc. Prof. Dr. Kuppusamy Dhilawan
Executive MSIA

TPn Dr. Gobi Krishnia Simhish
Executive MSIA

# SIA and ESG

Sustainable Horizon: The Anchor of ESG Practices
Special Webinar Series - SusDIA2024 Conference

Prof. Ir. Ts. Dr. Mohd. Fadhill bin Md Din
Panel
Quantitatively defining of impact and level of significance provides clarity and facilitates decision-making. However assigning a score to intangible social impacts poses a distinct challenge.

Many social science impact assessors find themselves more at ease resorting to subjective assessment methods in grappling with these intricate, less tangible aspect.

### Standard Impact Rating Score Matrix

<table>
<thead>
<tr>
<th>Severity</th>
<th>Probability</th>
<th>Very Unlikely (1)</th>
<th>Unlikely (2)</th>
<th>Possible (3)</th>
<th>Likely (4)</th>
<th>Very Likely (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negligible</td>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Minor</td>
<td></td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Medium</td>
<td></td>
<td>3</td>
<td>6</td>
<td>9</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Critical</td>
<td></td>
<td>4</td>
<td>8</td>
<td>12</td>
<td>16</td>
<td>20</td>
</tr>
<tr>
<td>Catastrophe</td>
<td></td>
<td>5</td>
<td>10</td>
<td>15</td>
<td>20</td>
<td>25</td>
</tr>
</tbody>
</table>

Source: PPSIA 2023 (Adapted)
### Social Impact Management Plan

<table>
<thead>
<tr>
<th>Component 1</th>
<th>Component 2</th>
<th>Component 3</th>
<th>Component 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Impact, Risk Level and Mitigation Measures</td>
<td>Consensus Target</td>
<td>What and Who to Implement Mitigation?</td>
<td>Who to Monitor and When?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impacts</th>
<th>Significant Level</th>
<th>Mitigation Measures</th>
<th>Expected Outcome</th>
<th>Key Performance Indicator (KPI)</th>
<th>Implementing Agencies</th>
<th>Monitoring Frequency</th>
<th>Monitoring Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and property loss</td>
<td>High</td>
<td>Fair compensation. Relocation assistance and resettlement.</td>
<td>Better socio-economic status after the project</td>
<td>Compensation received within 3 months after the investigation at the Land Office</td>
<td>Land Administrator / Project Proponent</td>
<td>Every 3 months</td>
<td>State Economic Planning Unit (SEPU)</td>
</tr>
</tbody>
</table>

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**Organizational Structure**

**Implementation Mechanism**

**Monitoring Framework**

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**SIMP Components**

- Grievance Management Mechanism
- Emergency Response Plan
- Reporting and Auditing Framework

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**Roundtable Discussions on Post-SIA by MSIA/PLANMalaysia**

Evaluation of current practices and its effectiveness, identify gaps, streamlining the practices and enhance capacity of SIA professionals in Post-SIA services

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**Source:** PPSIA 2023 (Adapted), MSIA, 2024
CONCLUSION

FOR JUST TRANSFORMATION

Early Integration of SIA

Collaborative Approach

Continuous Capacity Building

SIA

Advocacy for Policy Improvement

Innovation and Technology Integration

TOOLS
MSIA PUBLICATION BOOK
SOCIAL IMPACT ASSESSMENT; PRACTICES AND APPLICATION IN MALAYSIA.

Get your copy by emailing us at
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herlinaabaziz@gmail.com

Source: MSIA, 2024
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