Integration of Social Impact Assessment (SIA) Reporting and Sustainability Reporting (SR) in Malaysia

Towards a better SDGs Performance

Fazriz Fadzil
ESIA Consultant, ERM Indonesia

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Session D2: Practical Tools and Techniques for Voluntary Adoption of IA by the Private Sector
Introduction & Reporting Frameworks
In 2018 - No country is on track towards achieving all SDGs
Overview of Reporting Frameworks

Social Impact Assessment (SIA)
- Understand the issues
- Predict, analyse and assess the likely impact pathways
- Develop and implement strategies
- Design and implement monitoring programs

Sustainability Reporting (SR)

Stakeholder Engagement

Intensity of Engagement
- Number of People Engaged
  - Communication Strategies
  - Information Disclosure
  - Consultation
  - Participation
  - Negotiation & Partnerships
Key Opportunities and Recommendations
Comparative Analysis (Social Components)

International IA Reporting
- **Lifestyle and Human Rights impacts**
  - on the way people behave and relate to family, friends and cohorts on a day-to-day basis.
- **Cultural impacts**
  - on shared customs, obligations, values, language, religious belief and other elements which make a social or ethnic group distinct.
- **Community impacts**
  - on infrastructure, services, voluntary organisation, activity networks and cohesion.
- **Quality of life impacts**
  - on sense of place, aesthetics and heritage, perception of belonging, security and liveability, and aspirations for the future.
- **Health impacts**
  - on mental, physical and social wellbeing, although these aspects are also the subject of health impact assessment.

Local IA Reporting
- **Social Impact Variables**
  - Health & Social Wellbeing
  - Environmental Quality
  - Economic Impact & Material Wellbeing
  - Cultural Impact
  - Family & Community Impact
  - The impact of institutions, legislation and equity
- **Social Change Variables**
  - Demographic process
  - Economic process
  - Geographical process
  - Socio-cultural process

GRI400 SR
- **Labor Practices and Decent Work**
- **Human Rights**
- **Society**
- **Product Responsibility**

Bursa Malaysia SR
- **Diversity**
- **Human Rights**
- **Occupational, Safety and Health**
- **Anti-Competitive Behaviours**
- **Anti-Corruption**
- **Labour Practices**
- **Society**
- **Product & Services Responsibility (Social)**
- **Supply Chain (Social)**
- **Compliance (Social)**

Stakeholder Engagement
Gaps

**SIA Reporting**

- Labour and Working Conditions particularly:
  - Collective Bargaining Agreement & Migrant Workers;
  - Workers’ Organisations;
  - Non-Discrimination & Equal Opportunities;
  - Retrenchment;
  - Grievance Mechanism for Workers;
  - Protecting Work Force i.e. Child Labour & Forced Labour; and
  - Workers Engaged by Third Parties & Supply Chain.


- Indigenous People - Circumstances Requiring Free, Prior and Informed Consent (FPIC) i.e. Broader Development Opportunities.

- Stakeholder Engagement - Negotiation and Partnerships mainly Stakeholder Involvement during Monitoring activities.

**Sustainability Reporting**

- Labour Practices & Decent Work
  - New Hires & Parental Leave;
  - Formal joint management-worker i.e. Trade Unions on OHS related;
  - Career Performance Review Evaluation;
  - Notice of Operational Changes & Collective Bargaining Agreement; and
  - Equal Remuneration.

- Human Rights
  - Training for Security Forces; and
  - Violations involving the rights of Indigenous Peoples.

- Public Policy
  - Political Contribution & Lobbying; and
  - Anti Corruption i.e. confirmed incidents of corruption and actions taken.

- Product & Services Responsibility (Social)
  - H&S impacts of products and services.

**Similarity of Gaps Items**

- **Labour i.e. Equal Opportunities and Remuneration**
  - Collective Bargaining Agreement

- **Formal joint management-worker i.e. Trade Unions on OHS related**
  - Training for Security Forces

- **The rights of Indigenous Peoples**
## Opportunities

### Similar Gaps Items
- Labour i.e. Equality
- Formal joint management-worker i.e. Trade Unions on OHS related
- Collective Bargaining Agreement
- Training for Security Forces
- The rights of Indigenous Peoples

### Relevant SDGs

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<tr>
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<th>Description</th>
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<td>No Poverty</td>
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<td>Quality Education</td>
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<td>Gender Equality</td>
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<td>Decent Work and Economic Growth</td>
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<td>Reduced Inequalities</td>
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<td>16</td>
<td>Peace, Justice, and Strong Institutions</td>
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<td>17</td>
<td>Partnerships for the Goals</td>
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### Applicable Local Regulations

- **Section 5(1)(c) Industrial Relations Act 1967 (Act 177)**
- **Section 60L(1) Employment Act 1955 (Act 265)**
- **Section 30(2) Occupational Safety and Health Act 1994 (Act 514)**
- **Industrial Relations Act 1967 (Act 177)**
- **Private Agencies Act 1971 (Act 27)**
- *** Section 201(1&2) Armed Forces Act 1972 (Act 77)**
- **Aboriginal Peoples Act 1954 (Amendments up to 1 January 2006) (Act 134)**
## Opportunities

### Other Gaps Items in IA
- Labour & Working Conditions
  - Retrenchment
  - Workers Grievance Mechanism
  - Child & Forced Labour
  - Supply Chain
- Stakeholder Engagement - during monitoring activities

### Other Gaps Items in SR
- Labour Practices & Decent Work
  - New Hires/ Parental Leaves
  - Performance Review
  - Operational Changes
- Public Policy
- Product & Services Responsibility (Social)

### Relevant SDGs
- [SDG 4: Quality Education](#)
- [SDG 5: Gender Equality](#)
- [SDG 8: Decent Work and Economic Growth](#)
- [SDG 10: Reduced Inequalities](#)
- [SDG 16: Peace, Justice and Strong Institutions](#)
- [SDG 17: Partnerships for the Goals](#)
## What’s Next?

### SDGs

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### Malaysia SDGs Performance (2016-2018)