

Evaluation Brief: ICPE Malaysia

The United Nations Development Programme (UNDP) has been a development partner of Malaysia since the country's independence in 1957. The current programme of cooperation covering the period 2016 to 2020 was designed to support national priorities under the Eleventh Malaysia Plan (11MP), premised on the theme, "Anchoring Growth on People." The programme aimed to contribute to two broad outcome results – inclusive growth and development and sustainable and resilient development – using an issues-based approach and a mix of strategies, including policy advice and analysis, institutional capacity development and piloting of new initiatives and models. The indicative budget was US\$51.5 million.

The Independent Evaluation Office of UNDP conducted an Independent Country Programme Evaluation in Malaysia in 2019, to inform the development of the next UNDP country programme and to strengthen accountability to national stakeholders and the UNDP Executive Board.

Conclusions and recommendations

In the context of growing socioeconomic disparities and the environmental footprint of natural resources consumption, the UNDP country programme has appropriately emphasized inclusive growth and sustainable development support. The programme remains relevant to Malaysia's upper-middle-income country context, providing evidence-based upstream policy and capacity development support to national institutions. UNDP has produced substantive results in proposed policies, legislation and capacity development. Under the inclusive development and growth portfolio, UNDP supported research and analysis that are feeding into policy discussions and national and sectoral development planning frameworks, e.g., midterm review of the 11MP and preparation of the Twelfth Malaysia Plan. However, strategic linkages with the Government's macro and sector levels need to be strengthened to ensure longer-term outcomes and impact. The climate change, energy efficiency and biodiversity

interventions also scored gains, introducing manuals and guidelines for industry practitioners as well as design and industry standards and legislation on energy efficiency and access and benefit-sharing of biodiversity resources. The programme integrated gender equality more prominently as a key result area and identified it as a strategy to enhance inclusive growth and sustainable development. Gender mainstreaming is increasingly gaining traction with stakeholders, despite uneven results in programmes, communities and policymaking.

UNDP is said to have high institutional buy-in, enabling partnerships which it can leverage to convene stakeholders, especially at the federal level. At the subnational level, there is scope to enhance engagement with subnational agencies. Being part of the United Nations system and hosting the resident coordinator system (until 2018) enhanced UNDP skills for engagement with partners in government, the United Nations Country Team and other development actors. UNDP is a key actor in national development planning and mainstreaming of the Sustainable Development Goals (SDGs). UNDP has been approached to help support sensitive democratic governance reforms due its mandate and recognized technical leadership. This advantage and position of UNDP are derived from its multilateral character and long presence in the country.

UNDP faces practical challenges due to funding and staffing modalities that affect its strategic positioning in an upper-middle-income country such as Malaysia. Despite the challenges of a tight fiscal situation, there is general budget adequacy across all sectors, and UNDP is expected to bring in high-level technical expertise and knowledge services to help address "last-mile" service delivery challenges. The ongoing relevance of UNDP will depend partly on innovation and adaptation to changing conditions. Its strategic positioning and future role in Malaysia must take into account the need to enhance its strategic focus and adopt a longer-term view, particularly in the inclusive growth portfolio.

Recommendations

Recommendation 1. UNDP should enhance its strategic focus and redefine its value proposition in terms of impact. More strategic engagement of UNDP is possible given that the Government has the capacity to finance its own development priorities. UNDP must enhance its in-house expertise to be able to engage fully and substantively in high-level policy discussions. Both the Government and UNDP are open to exploring alternative delivery arrangements to strengthen the effectiveness and impact of UNDP, including reimbursable advisory services. Given Malaysia's upper-middle-income country status and the limited resources of UNDP, it is important to support the Government in adopting new financing approaches for achievement of the SDGs. This entails enhanced in-house capacities to be able to leverage the resources of other development actors for SDG financing.

Recommendation 2. UNDP should enhance its engagement at the local level to strengthen local governance capacities. Malaysia has high-level human capital development, with a highly literate and well-qualified civil service driving the Government's development agendas. However, there is a recognition that there are programmatic deficiencies in pockets of the Government's development agenda

at subnational levels. This has implications for the presence, strategies and support provided by UNDP. Strengthening capacities at local levels is an area where UNDP can contribute, building on its emergent engagement at the subnational level.

Recommendation 3. UNDP should review its value proposition in the area of inclusive growth. The value of UNDP analytical and research work in the area of inclusive growth is recognized. However, the Government is looking to UNDP for highly-tailored technical support and policy advice and sharing of experiences from elsewhere. In a country that has general budget adequacy and macrodevelopment strategies using medium- and long-term strategic development planning frameworks, the inputs and contributions of UNDP must be couched strategically to ensure appropriate value addition to the country's development and policy priorities. UNDP should focus on its areas of strength where it can add value to the existing programmes of client ministries and outcomes. This requires a higher degree of selectivity and a move away from microprojects. UNDP should ensure a clear and tangible rationale and clarity on the strategic linkages of project proposals and the stated macropriority areas in inclusive

growth. UNDP should ensure that proposed projects have clear sustainability strategies which are time-bound and linked to the country's medium-term programming.

Recommendation 4. Planning and management related to climate change should be harmonized. The Government of Malaysia (and UNDP) should give serious consideration to the development of a new entity, the National Climate Change Centre, as a physical (rather than virtual) entity, with appropriate staff seconded from relevant ministries and agencies.¹

Since it is recognized that there is still poverty in marginalized communities throughout Malaysia, the programme needs to look at opportunities and rights that suit these communities in areas where there are still substantial natural resources. There is also a need to ensure that environmental quality in marginalized communities is not compromised for the sake of development that might benefit others; this requires more state-level engagement. The Government and UNDP should strategize how to improve engagement in marine habitat management as well as the environmental impact assessment process, integrated water resource management and waste management.

¹ In fact, this has happened as of October 2019. The Malaysia Green Technology Corporation has been rebranded as Malaysia Green Technology and Climate Change Centre. This was accompanied by the establishment of the National Council of Climate Change Action under the Centre.