



UN-HABITAT

# UN-Habitat Malaysia Country Programme Overview 2023-2025

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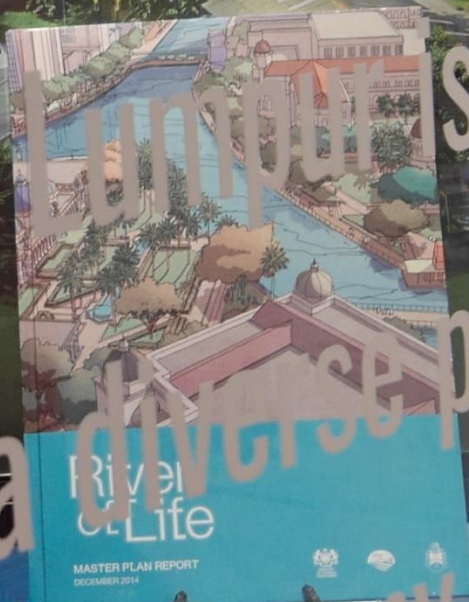
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I truly believe in the vision of a  
Kuala Lumpur as a City for  
all, with a vibrant, colorful  
population - from  
all nationalities and  
ages.





# Country facts

**National population**

**33,573,874**

**Largest urban area**

**Kuala Lumpur (7,997,000)**

**National urbanisation rate**

**77.7%**

**Annual urban growth rate**

**1.8%**

(Source: UN Department of Economic and Social Affairs, Population Division, 2018. World Urbanization Prospects: The 2018 Revision, Online Edition)



By 2030, the projected urbanisation rate of Malaysia is estimated to be 81.8%.<sup>1</sup>



Malaysia's GDP per capita is \$13,380, the third highest in Southeast Asia.<sup>2</sup>



Approximately 75% of the GDP of Malaysia is presently generated in cities.<sup>3</sup>



Since 2000, housing affordability has worsened across all states.<sup>4</sup>



Average transport costs for households in Malaysian cities are relatively high compared to many other Southeast Asian cities.<sup>5</sup>



**11 SUSTAINABLE CITIES AND COMMUNITIES**



Overall progress towards achieving SDG 11 in Malaysia remains inconsistent. There remain challenges in data availability and reporting for SDG 11. Malaysia has made encouraging progress in areas such as improving air quality. However, there is regression in indicators such as satisfaction with public transport.

(Source: <https://dashboards.sdgindex.org/profiles/malaysia/indicators>)

<sup>1</sup> UN Department of Economic and Social Affairs, Population Division, 2018. World Urbanization Prospects: The 2018 Revision, Online Edition

<sup>2</sup> IMF, 2023. World Economic Outlook (April 2023): Malaysia

<sup>3</sup> United Nations Malaysia, 2019. Policy Brief, Strategy Paper on Sustainable Urbanization

<sup>4</sup> Ibid

<sup>5</sup> Ibid

# Malaysia's urban context and challenges

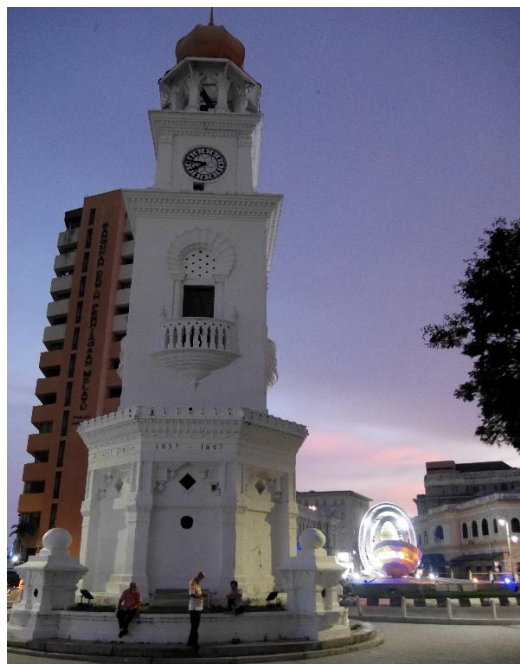
"Malaysia is one of the most urbanised countries in the Asia-Pacific, with more than 75 per cent of its total population living in urban areas. The urban population will continue to increase in the next years, especially in smaller cities and urbanisation is to reach 80 per cent by 2030. Urbanisation in Malaysia has contributed to national growth and development, and 75 per cent of the country's GDP is generated in cities. However, there is a need for a more balanced and effective territorial development, including strengthening urban-rural linkages."<sup>6</sup>

Malaysia has been a regional champion demonstrating strong economic growth and eradicating poverty over recent decades. Indeed, rapid urbanisation has underpinned much of the narrative behind Malaysia's success and growth.

Mostly, this rapid urban development has been supported by the primacy of Kuala Lumpur and a handful of other urban agglomerations. Without a doubt, this has brought many changes and benefits to Malaysia, however this has also led to a range of pressing social and environmental challenges.

These include an urban-rural divide, growing inequality, urban sprawl, a lack of sufficient and affordable housing, poor urban mobility, traffic congestion, and environmental issues such as waste management, intensive flood risk and a lack of green spaces.

The Government of Malaysia has very closely aligned its urban development plans and priorities with the Sustainable Development Goals (SDGs) and the New Urban Agenda. The Twelfth Malaysia Plan 2021-2025 (12MP), recognises the need to strengthen urban development,



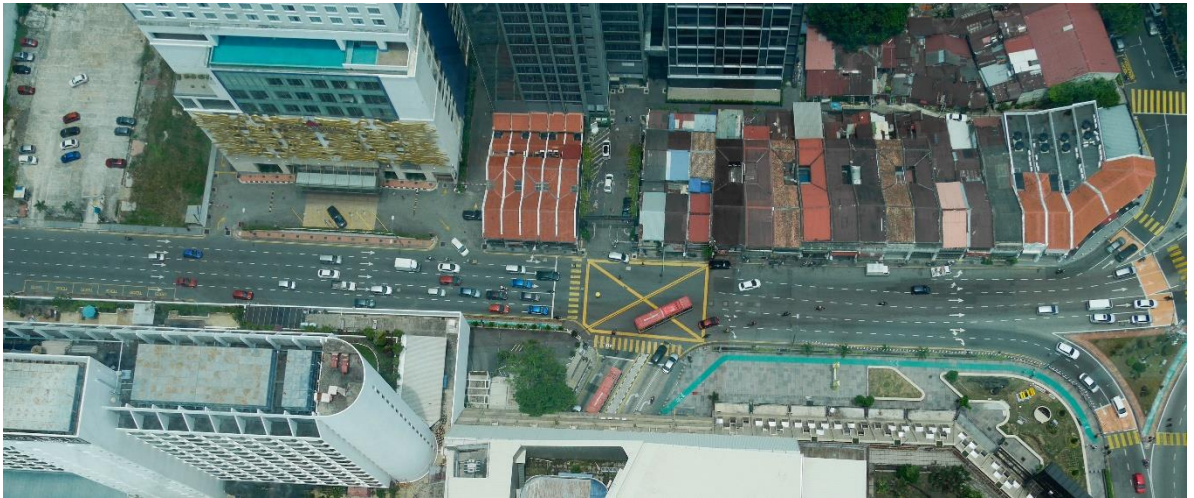
planning, and priorities across a range of areas to ensure more balanced development across the rural-urban continuum and greater connectivity.

In implementing the SDGs at the local level, Malaysian cities have been very active compared to their counterparts in the Asia-Pacific. Malaysian cities have enthusiastically engaged in the VLR process, while others are also now further emerging within 2023.

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<sup>6</sup> Ibid

# UN-Habitat and Malaysia



UN-Habitat is mandated by the United Nations General Assembly to help foster and promote socially and environmentally sustainable towns and cities. UN-Habitat is the focal point for all urbanisation and human settlement matters within the UN system.

UN-Habitat and Malaysia maintain and build strategic partnerships with key Ministries along with key national, sub-national and local partners to assist governments and communities to deliver SDG 11, the urban dimensions of the SDGs, and advance implementation of the New Urban Agenda.

Through close collaboration with the Office of the UN Resident Coordinator Office and the United Nations Country Team (UNCT), UN-Habitat supports a range of country, regional, and global programmes being implemented across priority intervention areas.

UN-Habitat is further strengthening its partnerships across Malaysia and Southeast Asia, standing ready to work in partnership for the implementation of the New Urban Agenda and towards the full achievement of the SDGs at all levels in Malaysia.



Together with the UNCT Malaysia, UN-Habitat supports delivery of the United Nations Sustainable Development Cooperation Framework Malaysia (2021-2025) and its four strategic priority areas: People, Planet, Prosperity, and Peace.

Specifically, the Collaborative Output 3.4, calls for "Competitive, sustainable and inclusive urban development that supports social and economic well-being for the population."



## Priority intervention area

# Climate change adaptation and mitigation

### Partners

Ministry of Natural Resources, Environment, and Climate Change, Penang State Government, Penang Island City Council, Department of Drainage and Sewerage, Think City

### Estimated budget

US \$40 million (US \$10 million secured, US \$30 million required for full implementation)

### Timeframe

2022-2027

### Location

Penang Island (secured)

### Target partners

Elderly, women, and youth in flood-prone and urban areas in Bayan Lepas and Georgetown area

### SDGs alignment

SDGs 3, 4, 5, 11, 13, 17



The effects of urbanisation and climate change are converging in dangerous ways. Urban areas in Malaysia are becoming increasingly susceptible to the impacts of climate change. Some impacts such as flooding, heat island effects, and the loss of biodiversity are already apparent and having very profound impacts upon the liveability of Malaysia's cities and towns.

Across Malaysia, there are opportunities to build upon the work of UN-Habitat in implementing climate change adaptation and mitigation, serving to enhance urban resilience. A Penang Nature-Based Climate Adaptation Programme is being implemented in collaboration with city, State, and Federal government entities, including Ministry of Natural Resources, Environment and Climate Change with support from Adaptation Fund.

### Key proposed outcomes

- Through technical support, build institutional capacity within local governments to develop and implement nature-based solutions.
- Facilitate built environment projects on urban greening and stormwater management.
- The needs of the most vulnerable, including the urban poor, are prioritised in developing climate change interventions across Malaysia.

## Priority intervention area

# Advancing Agenda 2030 Goals in Malaysia

### Partners

Ministry of Local Government Development, Urbanise Malaysia, UNESCAP, UNU-IAS, UCLG ASPAC; APRU, IGES, sub-national and local governments, development partners

### Estimated budget

US \$600,000 (US \$100,000 secured, US \$500,000 required for replication and full implementation)

### Timeframe

2023-2025

### Location

Iskandar, Melaka, and other cities and states across Malaysia

### Target partners

Local and sub-national governments

### SDGs alignment

All SDGs, with a particular focus on priority SDGs for partners



UN-Habitat works at all levels and across sectors to advance implementation of Agenda 2030 and the SDGs through a comprehensive strategy and set of tools aimed at harnessing the potential and capacities of local and sub-national governments. From 2018-2022, UN-Habitat supported the efforts for a Green Transport Corridor Strategy and Heritage Area Integrated Mobility Plan in Melaka and Strategy for a Smart Integrated Mobility Management System in Iskandar.

In line with 12MP and other national frameworks and priorities, UN-Habitat works closely with partners to localise the SDGs, including development of Voluntary Local Reviews (VLRs), as being carried out in Penang, Seberang Perai, Shah Alam, and Subang Jaya. The Asia-Pacific Mayors Academy initiative has included a distinguished cohort from Hang Tuah Jaya, Rompin, Sepang, Subang Jaya and Tawau.

### Key proposed outcomes

- Build and institute capacity to localise Agenda 2030 and the SDGs in local and sub-national governments.
- Increase alignment among local, sub-national, and national SDGs plans and strategies.
- Increase the number of VLRs delivered by local and sub-national governments.



# Priority intervention area

## Accelerating strategic sustainable urbanisation

### Partners

Member States, local and national authorities and agencies

### Location

Partner cities

### Target partners

Local governments, national and provincial governments and agencies, academia, civil society, and local entities

### SDGs alignment

SDGs 8, 10, 11, 13, 17



UN-Habitat supports local governments and partners across Malaysia and Southeast Asia to analyse and understand their strategic urban contexts and develop viable and bankable project proposals in line with regional and global frameworks. Cities across Malaysia have shown appetite for greater technical and financial support to deliver sustainable urbanisation.

In close cooperation with the ASEAN Secretariat, from 2020 to 2022, UN-Habitat delivered the Accelerating the Implementation of the ASEAN Sustainable Urbanisation Strategy (ASUS) Project, providing technical support across 8 ASEAN pilot cities through diagnostic, knowledge management, production, and advocacy initiatives. UN-Habitat partnered with Shah Alam to deliver a city technical proposal on digital solutions to enhance safety and security.

### Key proposed outcomes

- Strengthen strategic and technical support for sustainable urbanisation in partnership with cities.
- Further build capacity within cities to execute viable and bankable project proposals in alignment with ASUS and other regional frameworks, the SDGs and New Urban Agenda.
- Deliver capacity to support a broader adoption of regional and global sustainable urbanisation frameworks and driving implementation.

## Priority intervention area

# Innovative and catalytic urban solutions

### Partners

Ministry of Local Government Development, UNEP, UN agencies, civil society, sub-national and local governments, and private sector

### Estimated budget

US \$3 million required for full implementation

### Timeframe

2023-2024

### Location

Kota Kinabalu, Seberang Perai, Seremban, and other potential sites in Malaysia to be partnered with

### Target partners

Private sector, utility operators, scientists and academia, sub-national and local governments

### SDGs alignment

SDGs 1, 6, 11, 12, 13, 14, 15



UN-Habitat has a track record of offering policy and technical assistance to local authorities in improving and innovating for urban basic services, including tackling the growing challenge of municipal solid waste management, affordable housing, public spaces, and to contribute to a circular economy. A 'Fukuoka Method' for sanitary landfill management has been applied in Seberang Perai, and an assessment of waste flows and categorisation carried out in Seremban.

Across Malaysia, there are opportunities to build upon UN-Habitat's global, regional, and local flagship work in improving urban basic services. An executive course on Sustainable Housing has been developed together with government and key partners, while activities are being explored in the areas of accessibility, road safety and universal design, especially to help take account of the needs of persons living with disabilities.

### Key proposed outcomes

- Build capacity within local governments and partners to improve and innovate for urban basic services and infrastructure development.
- Strengthen policies along with institutional frameworks for expanding equitable access to urban basic services, especially for the urban poor and vulnerable communities.





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all in an urbanizing world**

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