

iESG NEWSLETTER

“Greening the Supply Chain”



INDUSTRY

ESG WORKSHOP

A workshop was held on 14 February 2023 - an extension to the ESG Focus Group discussion with the industry players that was held on 12 January 2023. The main objectives of the workshop were to

- obtain feedback from the manufacturers on the sustainability reporting standards for the National ESG Framework;
- identify issues and challenges facing by companies in adopting ESG practices; and
- identify soundbites as ESG branding.

Nearly 100 participants from 46 associations attended the workshop and were divided into 8 groups, led by facilitators from iESG Division, SIRIM, MATRADE, MPC, MASSCI, HSE and ESGRight. Some of the key challenges identified include too many reporting standards, lack of ESG awareness and skills as well as inadequate financing and incentives.

FINANCIAL INSTITUTIONS AND INDUSTRY PLAYERS

FOCUS GROUP MEETINGS

Prior to the workshop, two engagements were held in January 2023. The first meeting was chaired by Dr Jessica, Senior Director, iESG Division to discuss on the sustainability reporting requirements by the financial institutions. Meanwhile, the second focus group was chaired by Deputy Secretary General (Industry), Dato' Sri Norazman Ayob. The main objective of the engagement was to discuss the four main components of the iESG Framework, namely, standard, capacity building, financing and market mechanism. With regard to sustainability reporting standard, the outcome of the discussion clearly indicates that there is *no one size fits for all*. The sustainability reporting standards need to meet the requirements of the stakeholders, i.e. customers, financing institutions and international standards.

Following the workshop, more targeted engagements will be held according to subsectors in the manufacturing sector. MITI also will organize a National Forum on ESG for the manufacturing sector in collaboration with MITI agencies and Bank Negara Malaysia (BNM).





“Walking the Talk”

During the workshop on 14 Feb 2023, MITI had invited Asli and Co, a Social Enterprise in Malaysia to promote their products as part of MITI’s ESG initiative. The company’s mission is to improve the livelihoods of Orang Asli mothers by providing job opportunities for them to earn a sustainable income from home. The Asli Co. empowers indigenous mothers to earn a sustainable living through making modern handicrafts & products from home. Among the products include kuih soaps, pillow mist, eye pillow and foldable tote bags.

MITI Retreat

MITI retreat was held from 16 to 18 February 2023. During the retreat, the formulation of National ESG Framework for the manufacturing sector had been identified as one of the action plans by Group 4: Trade and ESG with a tagline ‘Greening the Supply Chain’. Among the initiatives under the Framework will include development of clear, consistent and cohesive ESG reporting standards, enhancement of funding and incentives for ESG transition and the appointment of MITI sustainability officer to drive ESG practices in MITI.



Deputy Secretary General (Industry) of MITI, Dato’ Sri Norazman Ayob in his opening remarks during the Government Sustainability Engagement Programme (GSEP) on 14 February 2023, emphasized on the importance of ESG in attracting investments and exporting as well as securing financing. GSEP was organized by MITI in collaboration with MATRADE with the aim to institutionalise the ESG concept, across all government agencies and ministries as well as to accentuate the importance of incorporating sustainability elements into policy decisions to enhance competitiveness, productivity and business potentials.

Government Sustainability Engagement Programme (GSEP)

