









## PRESS RELEASE

## MITI and the United Nations launch the Malaysia SDG Investor Map, a tool to find investment opportunities that are fully aligned with the Sustainable Development Goals

Kuala Lumpur, 19 June 2023: The Ministry of Investment, Trade and Industry (MITI) and the United Nations (UN) in Malaysia today officially launched the Malaysia SDG Investor Map ("the Map"), an online market intelligence tool designed to help private investors find investment opportunities that are aligned to, and compliant with, the Sustainable Development Goals (SDG).

The development of the Map was led by the United Nations Development Programme (UNDP), with strong support from the Ministry of Investment, Trade and Industry (MITI) and the Malaysian Investment Development Authority (MIDA).

The Map enables interested and willing investors to seek out investment opportunities that are environmentally sustainable and socially just by identifying Malaysia's SDG-aligned business models, known as Investment Opportunity Areas ("IoAs"). Such investments, in turn, would reinforce the drive towards achieving the SDGs.

The Map is freely available at both the UNDP SDG Investor Platform and MIDA's website. Specifically, the Map provides a snapshot of 15 identified IoAs within six sectors that have the most potential for deep development impact: Technology & Communications, Health Care, Renewable Resources & Alternative Energy, Financials, Food & Beverage and Infrastructure.

"It is only when there is a concerted government-wide policy push that a nation can mobilise serious capital, move the needle and facilitate impactful outcomes towards achieving its sustainability agenda. To this end, the SDG Investor Map - with its actionable data and insights, and when aligned to the appropriate investment and tax incentives - could prove to be a powerful platform for channeling valuable capital towards investments strategically aligned to the SDGs," said YB Senator Tengku Datuk Seri Utama Zafrul, Minister of Investment, Trade and Industry, during his officiating address.

Karima El Korri, UN Resident Coordinator, United Nations in Malaysia added, "The Map is a prescient and timely intervention. SDG financing must include the marshaling of all available resources national and international, public, and private. This is coupled with the recognition that the private sector must be engaged, influenced, and incentivized to contribute to delivering the SDGs. The objective is to go beyond ESG efforts, through the hardwiring of sustainability and inclusion within business, and by securing direct investment in SDG-aligned ventures."

Malaysia today boasts well-developed capital markets, having successfully raised RM26 billion from the equity market in 2022. Additionally, its bond market, being valued at RM 1.7 trillion at the end of 2022, equivalent to nearly the country's GDP (RM 1.8 trillion), ranks the largest bond market in Asia, trailing only Japan and South Korea, and stands as the largest bond market in Southeast Asia. Since Malaysia debuted its first social impact sukuk in 2015 and launched the world's first green sukuk in 2017, sukuk has garnered significant attention and investor interest, making Malaysia a leading issuer of sukuk globally.

However, according to Niloy Banerjee, Resident Representative of UNDP Malaysia, Singapore and Brunei Darussalam, this abundance of liquidity in the Malaysian capital markets is not translating into commensurate investments. Investors are being risk-averse, with one of the contributing reasons being an uncertainty about whether investments will meet criteria that are planet-positive and socially responsible. The Map plugs this critical gap by providing investors with pointers about possibilities of investing in businesses and sectors in a way that is planet and people-friendly.

Furthermore, Banerjee emphasized that the Map will only function most effectively as a market intelligence tool if it is actually used by investors and corporations. He also asked for collaborative partnerships for UNDP's next generation activities, namely, to utilize the Map and mobilize SDG-positive investments. He said, "With the market intelligence on positive investment opportunities now made available through the Malaysia SDG Investor Map, our next step is to find and build pipelines of bankable projects, and at the same time, create pathways for small and medium, and even larger enterprises working in these areas to access capital that can help spur their growth, and therefore, the growth of the economy at large."

This was echoed by Fabienne Michaux, Director, UNDP SDG Impact. She commented, "The Malaysia SDG Investor Map provides on-the-ground market intelligence on where investors and policymakers can channel capital to accelerate progress towards sustainable development. While there is no shortage of capital, there was a shortage of qualitative information on where funding is needed most. With the new market intelligence, we hope that it will give industry players the confidence to collaborate on the SDG-priority sectors that have the best chance of moving Malaysia closer, and at the pace needed, to achieve the 2030 Agenda."

The launch of the Map marks a significant step forward in Malaysia's commitment to realizing the SDGs by promoting and supporting investments in SDG-aligned sectors. The Map is also aligned with the strategic roadmap set out in the Twelfth Malaysia Plan (2021-2025), which emphasizes long-term impact, sustainable growth, innovation, and inclusivity.

The event gathered key stakeholders both the public and private sector, major financial institutions, international organizations, government officials and civil organization representatives. The event also provided them a platform to collaboratively embark on the vision of leveraging investments to drive positive change and build a better future based on the findings of the Map.

The Map, funded by the Joint Sustainable Development Goals (SDG) Fund, was developed following the methodology established by UNDP SDG Impact, with technical support provided by the UNDP Istanbul International Centre for Private Sector in Development (IICPSD). To ensure comprehensive

input, bilateral consultations were held in addition to a consultation event that was conducted in December 2022. The event was attended by over 100 participants and was officiated by Ms. Usha Rao-Monari, UN Under Secretary General and UNDP Associate Administrator.

Additionally, two Advisory Panel meetings were held, inviting experts and representatives from various organizations including MITI, MIDA, Ministry of Finance, UN Resident Coordinator's office, Khazanah National Berhad, Bank Negara Malaysia (BNM), The Malaysia Digital Economy Corporation (MDEC), the Malaysian Technology Development Corporation (MTDC), the Malaysian Venture Private Equity Association (MVCA), the National Council of Women's Organizations (NCWO), and the National Chamber of Commerce and Industry of Malaysia (NCCIM). This collaborative approach ensured a robust and inclusive development process for the Map.

The Malaysia SDG Investor Map joins 30 other countries across the emerging markets that have an SDG Investor Map from Africa, Latin America, Middle East, and other Asian countries. Over 500 IoAs are available to explore on the <u>SDG Investor Platform</u>.

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For information, kindly contact:

## Ministry of Investment, Trade and Industry (MITI)

Ezral Uzaimi Director, Strategic Communications Unit ezral@miti.gov.my

## **UNDP Malaysia, Singapore, and Brunei Darussalam**

Heesu Jeon, SDG Impact Finance Specialist heesu.jeon@undp.org