

**MSIA Reading
Series 20**

**MAPPING OUT POVERTY
360° – SUSTAINABLE
PLANNING SOLUTIONS**

by

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**4 January 2024
(2.30 – 4.30 pm)**

Moderated by
**Puan Sri Jahara Hj Yahaya
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(2024)**



Sembang SIA

01/2024

**Pemetaan Kemiskinan 360 Darjah:
Solusi Perancangan Berimpak Lestari**

4 Januari 2024

(Khamis)

2.30 – 4.30 PM

Speaker

**Prof. Dr. Wan Ahmad Amir Zal
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Moderator

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1. Introduction

This article is derived from the Malaysian Association of Social Impact Assessment Impact (MSIA) ongoing HardTalk series held online on 4 January 2023 by Professor Dr. Wan Ahmad Amir Zal bin Wan Ismail of Universiti Malaysia Kelantan, entitled "*Pemetaan Kemiskinan 360 darjah: Solusi Perancangan Berimpak Lestari*", and moderated by Puan Sri Dr Jahara Yahaya.

Dr Jahara kicked off the HardTalk by highlighting the importance of poverty and social impact analysis, particularly on the distributional impact of poverty policies and programmes on the well-being or welfare of the poor and vulnerable. Referring specifically to the topic, she pointed out that a 360° mapping of poverty facilitates comprehensive data collection to provide (i) a complete and holistic view of poverty in the country; (ii) what are the poverty rates; (iii) who are the poor and disadvantaged; (iv) what are the root causes of poverty; (v) what are their needs, priorities and preferences, and (vi) what are the appropriate strategies and measures that can be formulated to ensure the poor are not being marginalized from any development project.

Professor Amir's deliberation provide a complete and wholistic analysis of poverty in Malaysia, from multi-dimensional poverty measurement, to different perspectives of poverty, to a 360° mapping out of poverty, and to framing sustainable planning of poverty reduction.

His presentation is organized as follows: Section One presents snapshots of poverty in Malaysia such as the incidence of poverty, poverty measurements, and national statistics of poverty. Section Two examines poverty from varying perspectives, viz. economic (income level), multidimensional (deprivation, health, education, quality of life) and humanitarian (basic human right, inclusivity). Section Three then presents an in depth analysis of the 360° poverty mapping (background, concept, theories and dimensions). Section Four considers the practices and examples of sustainable impact planning for poverty reduction.

The following sections detail out the contents of Professor Amir's presentation.

2. Incidence of Poverty

The poverty incidence in Malaysia is defined as "the percentage of households that has a gross monthly income lower than the pre-determined Poverty Line Income (PLI). Using the national PLI average of RM2,589 and below (2022), it was estimated that some 416,552 households are poor. Based on states, the top three having the highest number of poor households are Sarawak (81,882), Sabah (72,560) and Kelantan (68,742) as shown in Table 1 and Figure 1.

Table 1: Distribution of Poor Households by States

State	Absolute Poor	Poor	Total
Sarawak	20,885	60,997	81,882
Sabah	18,733	53,827	72,560
Kelantan	9,527	59,170	68,742
Kedah	11,934	22,898	34,832
Terengganu	6,430	24,493	30,932
Perak	5,459	22,732	34,832
Johor	4,133	11,701	15,834
Selangor	2,604	13,177	15,834
Perlis	3,876	10,728	14,604
Pulau Pinang	2,933	11,382	14,315
Pahang	3,516	9,474	12,990
Negeri Sembilan	2,802	7,048	9,850
Melaka	958	8,461	9,419
WP Kuala Lumpur	1,044	3,623	4,667
WP Labuan	346	1,583	1,929
WP Putrajaya	0	33	33
Total	95,225	321,327	416,552

Source: PPN, ICU, JPM (2023)

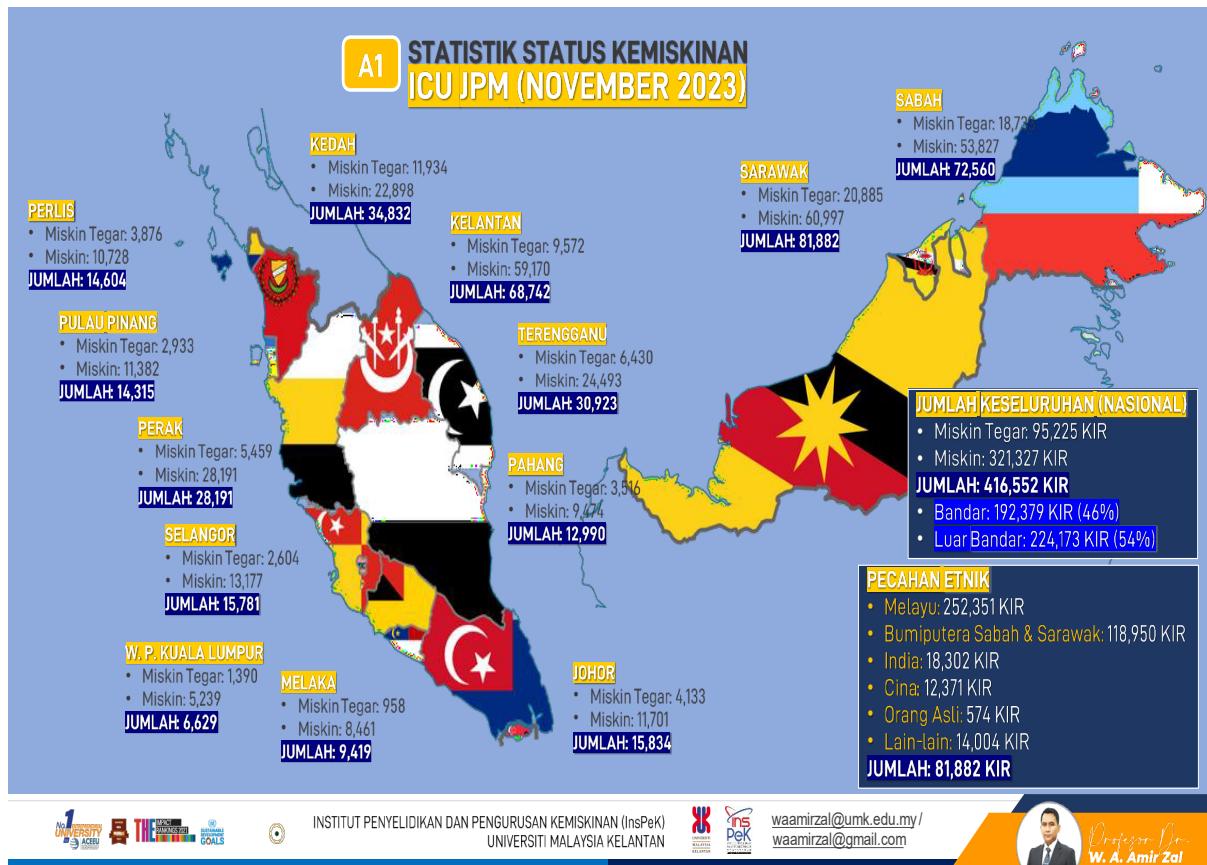


Figure 1: Incidence of Poverty by State, 2023

Incidence of poverty in Malaysia is defined and measured from different perspectives viz. economic, multi-dimensional and humanitarian. The salient points to define and measure poverty from the different perspectives, as alluded to by Professor Amir are as follows:

- a) Economics / Finance / Income
 - Absolute Poverty
 - Poverty Line Income (PLI)
 - Value Add to PLI, food and non-food
 - National Poverty Data Bank (E-Kasih) - A database system developed to assist the government to be better able to plan, implement and monitor poverty eradication at the national level
- b) Multi-Dimensional
 - Deprivation of the poor households from health, education and living standard
- c) Humanitarian
 - Basic right element
 - Inclusivity vs. Exclusivity

(a) Economics / Finance / Income

From the economic perspective, poverty is a situation or condition explained by lack of financial means to meet one's basic needs such as food, clothing and shelter, and to attain a quality of life much beyond basic needs. Poverty can be measured as **absolute poverty** or **relative poverty**. Absolute poverty refers to when a person or household does not have the minimum income to meet the minimum living requirements needed over a long period of time. Malaysia sets the threshold of poverty line income at RM2,589 per household per month (2023). By statistics, some 95,225 households or 22.9% the total poor households in Malaysia are considered as living in absolute poverty.

Another economic perspective of determining poverty, as elucidated by Prof Amir, is *Fardhu Kifayah*. In Islam, *Fardhu Kifayah* is the principle of communal responsibility which foster a sense of shared responsibility amongst community members to look after the physical, mental and spiritual well-being of one another. From the *Fardhu Kifayah* perspective, specification of poor households (*fakir, miskin or asnaf*) is based on basic living needs taking into account the spatial and time differences and socio-economic circumstances. An example of calculating poverty based on the *fardhu kifayah* limit is as follows:

- Rental > RM500 =RM1,120
- Household size of 6
 - Wife working, RM315
 - 1 adult of above 18 years working, RM250
 - 1 child in an Institution of Higher Learning, RM260
 - 1 child in 7-12 years age group, RM 250
 - 1 child in 5-6 years age group, RM230

Thus, total *Kifayah* limit = RM2490

As stipulated, a person with household income of RM 3,000 does not qualify for the *zakat*. If a person has a household income of RM 2,000, then he qualifies to receive zakat of RM490.

The weaknesses of this system are:

1. Different from one state to another
2. No measure at the national level
3. Does not take into account urban-rural differences
4. Does not consider calory needs by gender
5. Does not differentiate the expenses by gender.

(b) Multidimensional Poverty Index

Quoting the definition of the Oxford Poverty and Human Development Initiative (OPHI), Multidimensional Poverty Index (MPI) is “*an international measure to complement the traditional monetary poverty measure by capturing the acute deprivation in health, education and living standards that a person faces simultaneously.*” Indicators used for health are nutrition and child mortality; for education are years in schooling and school attendance; while for standard of living covers access to cooking fuel, sanitation, drinking water, electricity, housing and assets. Malaysia has included the income elements into this measure. However, MDPI in Malaysia has the weakness that it does not measure real poverty and it was very much towards the provision and access to facilities. MDPI in Malaysia stood at 0.044 in 2014; 0.033 in 2016; and 0.0110 in 2019 (the smaller the better) showing Malaysia has been improving significantly on this aspect.

(c) Humanitarian

This perspective looks into (i) malnutrition, famine and infant mortality rate; and (ii) human rights – inclusivity and exclusivity. The former relates to under nutrition (weight loss - underweight and height; stunted height according to age; and underweight by age), lack of or excessive micronutrients (lack of important vitamins and minerals), and overnutrition (obesity and non-contagious diet related diseases such as heart ailments, stroke and diabetes).

The dimensions and indicators of poverty are as shown in Figure 2.

3. Multidimensional Perspectives: The 360° Poverty Mapping

Following the shortcomings of the existing measurements, the Poverty Research and Management Institute (InsPek) of Universiti Malaysia Kelantan (UMK) developed the 360° Poverty Mapping perspectives, which is adopted by the Ministry of Economics Malaysia. The mapping focuses on 11 intervention dimensions as shown in Figure 2.

Background to 360° Poverty Mapping

The need for 360° Poverty Mapping is based on the view that researchers are faced with sufficiency of data, applicability of existing data, the issue of data reality vs community reality, and one step further to distinguish between the need for academic research and non-academic research. Beyond this is the issue about how to benefit from the research output, as well as the transfer of knowledge to empower communities and assist in their capacity building.

Definition

The mapping is generally defined as an initiative to collect data that are systematic and holistic that would provide a broad view of the community, and this departs from profiling data that is very much based on demography of the community. The operational definition of this mapping is to collect community data based on specific dimension that can be turned into a community potential that can be developed. For the latter, the data is obtained on each dimension that can be termed as community capital.



Figure 2: Eleven Poverty Mapping Dimensions

Objectives

The objectives of the mapping are to (i) collect data on the community and stakeholders in a more organized manner according to the specific dimensions; and (ii) map out data that can be applied for intervention actions.

Output

The community mapping can provide comprehensive description on the community, appropriately contextualising data to form baseline data, so that intervention programmes can be proposed and acted upon.

Theory

According to the speaker, the idea is founded on Kretzmann (2010), Kretzmann and McKnight (1993), Mathie and Cunningham (2003)'s Asset-based Community Development Theory (in short, ABCD Theory). The theory is founded on asset and community strength instead of viewing poverty as a problem or a need; identifying and mobilizing individual and community assets (skills and interests); community driven – building community from within themselves; and the mobilizing would depend on the relationship between the stakeholders.

Mapping approach

The mapping approach depends on whether the plan is top-down, bottom-up or partnership. The top-down approach places the direction to be dictated by the authorities concerned, whereby the communities just have to place them into the programme. This may lead to lack of trust and participation, and would depend on the preparedness of the community to participate. On the other hand, the bottom-up approach would be regimented from within by the community, driven by the community, usually does not relate to national policies and would often involve conflicts within the communities. The partnership approach derives the benefits from the strength of various stakeholders and leverages on “working together” concept.

Focus

The mapping can be based on need-based (focusing on the community needs. There exists confusion between their needs and expectation; needs will always increase and keeps changing; related programmes are limited and are not expandable, problem-based (focused on community problems; problems never cease to exist and will only increase; and “problem” will be the centre of attention), or potentials-based new approach; leverages on strength of the community; communities provide input for intervention planning; easier for change management).

Principles

360° Mapping is principled on potentials; context; 360° data on community; usable data; and based on partnership approach.

4. Sustainable Impact Planning

The mapping looks into practicality of implementing the 11 dimensions by exploring data according to urban and rural differences (Table 2). A comparison on the first three dimension

is presented in Table 1 earlier. Almost 46% of the poverty cases are detected in urban areas, unlike before when most of the poverty incidences were from rural areas. Poverty intervention programmes are more complicated in urban areas due to their dependence on economic activities, i.e. employment and businesses.

Table 2: Stratum Comparison on Three Dimensions

Rural	Urban
Human Capital <ul style="list-style-type: none"> – Low – Unskilled – Low salary 	Human Capital <ul style="list-style-type: none"> – Average – Semi-skilled – Trapped in high cost of living conditions
Social Capital <ul style="list-style-type: none"> – High – Dark side of social capital (eg. Others will be there to help us) 	Social Capital <ul style="list-style-type: none"> – Low – Time commitment
Economic Capital <ul style="list-style-type: none"> – Average – Assets that have been inherited 	Economic Capital <ul style="list-style-type: none"> – Low – Living issues

5. Examples of Poverty Eradication Projects

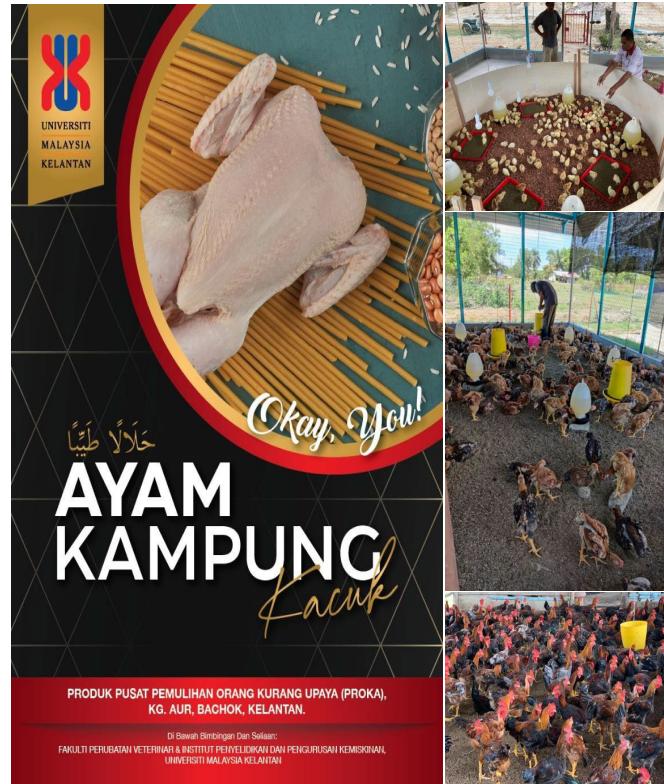
(1) Projek Ikan Bekok Tumpat

Employed three dimensions: human, economic, and nature capitals. The project focused on managing poor coastal communities by increasing their income based on “Ikan Bekok Tumpat” products that were introduced under the Universiti Malaysia Kelantan’s programme. The programme was in collaboration with the Ministry of Economy and Pejabat Tanah Jajahan Tumpat. The program fetched RM6,000 per month for some of the participants. Involved 25 participants.



(2) Projek Ayam Kampung Kacuk

Involved three dimensions: human, economic, and social capitals. Under a zakat grant by RHB Islamic Berhad and Permodalan Nasional Berhad, UMK introduced the project targeting at B40 communities in Bachok, Kelantan. It also targeted at poverty eradication involving OKU persons. This programme involves building the infrastructure to nurture and support hatchery as well as processing of poultry food. The programme targeted to produce 60,000 chicks for the market in a year, involving 20 participants. The full cycle of the poultry farming is only 60 days before it is ready for the market.



(3) Projek Ikan Lunak Tok Bali

Involved three dimensions: human, economic, and nature capitals. The programme targeted at the spouses of fishermen by producing lunak fish and pastes using high technology and sold as ikan lunak brands for the market. The programme at Tok Bali involved the Ministry of Finance Malaysia, LKIM, Permodalan Nasional Berhad, Kumpulan Wanita Nelayan (KUNITA) and Agrobank.



(4) Biochar Enriched Organic Planting

Involved three dimensions: human, economic, and nature capitals. The programme targeted at the poor communities in Jeli, Kelantan focusing on biochar enriched organic planting mix production knowledge and skills set for capacity building and preparing the participants as independent self-sustaining biochar entrepreneurs. The programme involved UMK, the Ministry of Finance Malaysia, Pertubuhan Komuniti Tempatan Kg Bukit Setar dan NikZZ Enterprise.



(5) *Inoproduk Batik Berasaskan Warna Alam* Orang Asli at Sungai Rual, Jeli

Employed three dimensions: human, economic, and nature capitals. The project focused on managing poverty within the Orang Asli community by getting them to participate in a social product Inoproduk Batik. The project involved UMK, the Orang Asli community, JAKOA and APPGM-SDG.



(6) Oyster Mushroom Farming Programme by Orang Asli at Sungai Rual, Jeli

This involved three dimensions: human, economic, and nature capitals. The project focused also on managing poverty within the Orang Asli community to increase their income by getting them to participate in oyster mushroom farming. The project involved UMK, the Orang Asli community, JAKOA and APPGM-SDG.



6. Conclusion

Comprehensive data collection on poverty remains a persistent challenge in Malaysia. A 360° mapping of poverty facilitates to provide a complete and wholistic view of poverty and

inequality within the country: multi-dimensional poverty measurement; different perspectives of poverty; and framing sustainable impact planning of poverty reduction. Spatially data sets made available through poverty mapping assists policymakers, development agencies and academic researchers in making decision to reduce poverty and inequality.

7. Question and Answer Session

What can be done on rural communities who take poverty as something acceptable and are not willing to work to come out of it?

The answer lies in the term productive and non-productive poverty. Productive poverty can be supported by giving them skills and training. Non-productive poverty (those unable to work due to age, inability etc) would best be tackled by social protection support systems. Over time, urban poverty will become higher than rural poverty due to migration into urban areas.

Sources of poverty data

- (1) The Department of Statistics Malaysia (DOSM) produces the national poverty estimates
- (2) e-Kasih serves as a poverty database providing information on individual profiles, programs received by the head of household, assistance provider agencies and monitoring effectiveness of the programmes
- (3) MyGOV / e-Service Delivery / G2C (Government to Citizen) provides one-stop online access to information and services to individuals.

Poverty due to being OKU is quite high in certain areas. What can be done for them?

Any intervention programmes would depend very much on support systems. Any training programmes will be irrelevant to them. The best way is to explore where the community/individual can be placed under the 11 dimensions.

There are some areas where nothing can much be done

In terms of Orang Asli communities, there are too much of intervention by other parties such as NGOs. At times, there are also infighting within themselves which may adversely affect the income-generating initiatives

How do we end poverty?

Ensure that members of the family, not the head of household alone, earn some income, and initiate and develop more income-generating opportunities for the communities.

On Social Impact Assessment reporting and analysis, how could one improve the impact assessment using poverty?

Always ensure that a mixed method is used. One may use Nominal Group Technique (NGT) which promotes group participation and encourages contributions and inputs from everyone in the decision-making process.

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