

# **THINK CITY ORGANISATIONAL ALIGNMENT WITH THE SDGS**

# THINK CITY ORGANISATIONAL ALIGNMENT WITH THE SDGS

*This paper delves into Think City’s organisational alignment with the UN Sustainable Development Goals and serves as a starting point for discussion at the 46th Think City BOD meeting. It provides context for Malaysia’s progress towards achieving the SDGs and examines Think City’s six flagships and their alignment to the Goals.*

*As an SDG delivery organisation, Think City must maximise alignment with the SDGs and develop corresponding metrics for impact both externally and internally. In line with this, this paper discusses the ways in which Think City could measure its impact across the Goals as an SDG delivery partner (external projects), and as an organisation (internal operations), and makes several recommendations for kickstarting this process.*

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# THINK CITY ORGANISATIONAL ALIGNMENT WITH THE SDGs

## Think City's Organisational Alignment with the SDGs

With a decade of city-making experience under its belt, Think City continues to enhance its impact, and sharpen its focus as it moves forward into a new decade of action. At the 45th Think City board meeting in November 2020, the organisation affirmed its mandate to deliver impact corresponding with the 2030 Agenda for Sustainable Development, and the United Nation's Decade of Action. As such, Think City's road to impact is framed by the 17 sustainable development goals (SDG), along with its 169 targets and 230 individual indicators.

## 1.0 Background

The UN-Habitat World Cities Report 2020 centred its key findings on the SDGs, particularly SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable. Urban clustering, its density, and agglomeration benefits make cities key players in the effort towards global sustainable development. Maimunah Mohd Sharif, Executive Director of UN-Habitat, reiterates, "cities remain central to the sustainable development trajectory<sup>1</sup>". Within this decade of action, "local actions in cities must collectively add up to a global shift toward a more sustainable future that reduces poverty, improves health outcomes, expands access to education and reduces carbon emissions, among other societal challenges".

This dovetails with the New Urban Agenda (NUA), which complements the sustainable development goals with a spatial framework and is focused on concrete processes – including policies, spatial planning, and urban financing strategies – to produce better urban outcomes. Together, the SDGs and NUA direct collaborative efforts towards greater economic, environmental and social resilience, towards growing and inclusive prosperity, and innovative climate change solutions.

## SUSTAINABLE DEVELOPMENT GOALS



<sup>1</sup> - [https://unhabitat.org/sites/default/files/2020/10/wcr\\_2020\\_ed\\_introduction.pdf](https://unhabitat.org/sites/default/files/2020/10/wcr_2020_ed_introduction.pdf)

## 1.1 Malaysia & the Sustainable Development Goals

### Aligning SDGs with the National Development Plan

In September 2015, Malaysia made a commitment to the 2030 Agenda for Sustainable Development, which was mirrored in the 11th Malaysia Plan (11MP). While data collection has been a challenge (as seen in the Department of Statistics Malaysia Indicator Report)<sup>2</sup>, the nation has taken steps to establish a multi-stakeholder and participatory governance structure, conduct data readiness studies and gap analysis, and established a national SDG roadmap towards implementing the SDGs<sup>3</sup>. It was also one of 43 countries that presented their Voluntary National Review at the High-level Political Forum on Sustainable Development (HLPF)<sup>4</sup> in 2017. Malaysia has further localised this implementation strategy by replicating the national multi-stakeholder governance structure at state levels, mobilising funding through partnerships with stakeholders<sup>5</sup> (including through crowd sourcing, social enterprises and CSR programmes), as well as supporting Voluntary Local Reviews at municipal level.

Within the 11th Malaysia Plan, **SDG 11** Sustainable cities and communities – the SDG most closely and completely aligned with Think City’s mandate – is reflected in three of 11MP’s seven priorities: Enhancing inclusiveness towards an equitable society, Improving wellbeing for all, and Transforming public service for productivity. In the mid-term review of 11MP (MTR 11MP), SDG 11 sits under three of six main pillars<sup>6</sup>:

- Pillar 1: Reforming governance towards greater transparency and enhancing efficiency of public service
- Pillar 2: Enhancing inclusive development and wellbeing
- Pillar 3: Pursuing balanced regional development

However, the reality of the interconnected, layered nature of cities means that sustainable urban development is also directly or indirectly related to the remaining pillars: Pillar 4 Empowering human capital, Pillar 5 Enhancing environmental sustainability through green growth, and Pillar 6 Strengthening economic growth.

### Malaysia Ranks within Top 1/3 of Countries Committed to the SDGs

Malaysia is ranked 60th of the 193 countries included in the latest Sustainable Development Report 2020<sup>7</sup>, a global assessment of progress towards achieving the SDGs. Malaysia has an overall score of 71.8 (which can also be interpreted as the percentage of SDG achievement), and is positioned behind New Zealand (ranked 16th globally), Japan (17th), Korea (20th), Australia (37th) and China (48th). Among ASEAN countries, Malaysia comes in third (as reflected in Table 1), behind Thailand (overall score: 74.54) and Vietnam (overall score: 73.80) and ahead of Singapore (overall score: 67.00).

**Table 1. SDG Overall score and Ranking for ASEAN countries**

Country	Score	Global Ranking (of 193)
Thailand	74.54	41
Vietnam	73.80	49
Malaysia	71.76	60
Brunei	68.15	88
Singapore	67.00	93
Philippines	65.50	99
Indonesia	65.30	101
Myanmar	64.58	104
Cambodia	64.39	106
Laos	62.06	116

<sup>2</sup> - <http://mysdg.dosm.gov.my>

<sup>3</sup> - *Malaysia Voluntary National Review, 2017, vi*

<sup>4</sup> - <http://sdg.iisd.org/news/publication-showcases-malysias-sdg-implementation/>

<sup>5</sup> - *Malaysia Voluntary National Review, 2017*

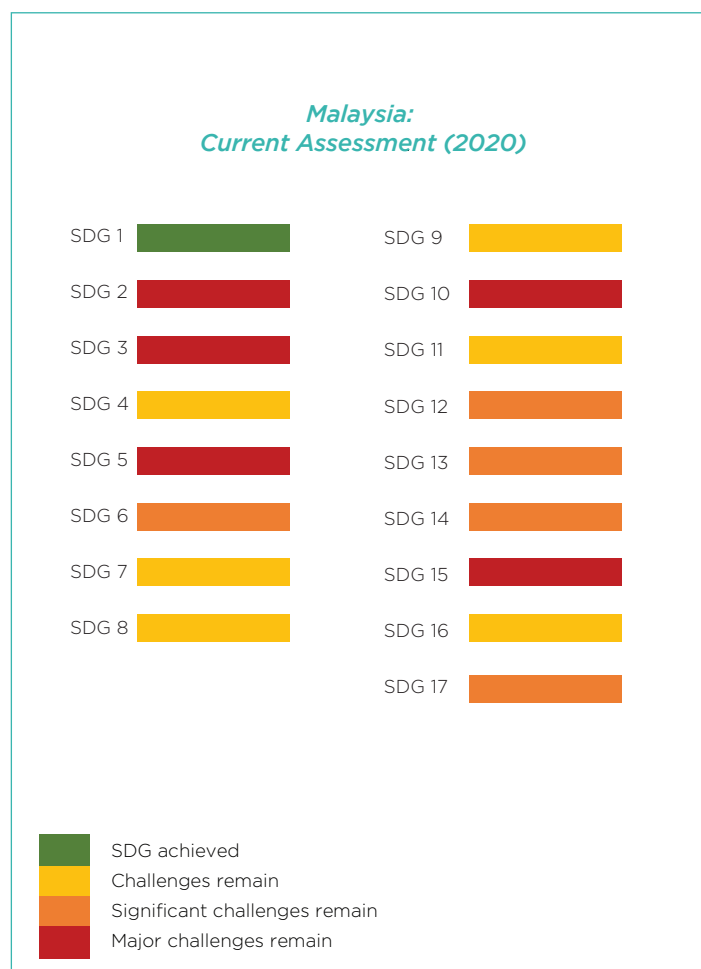
<sup>6</sup> - *DOSM Sustainable Development Goals (SDG) Indicators Malaysia 2018, p27*

<sup>7</sup> - *Sachs et al. (2020): The Sustainable Development Goals and Covid-19. Sustainable Development Report 2020.*

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Malaysia has achieved **SDG 1** End poverty in all its forms (reflected in green in Figure 1), successfully reducing absolute poverty from 49.3% in 1970 to 0.6% in 2014. The national poverty line now sits at approximately USD2.02 per capita per day, above the international benchmark of USD1.90 per capita per day<sup>8</sup>. According to the Sustainable Development Report 2020, progress is being made but challenges remain for **SDG 4** Quality education, **SDG 7** Affordable and clean energy, **SDG 8** Decent work and economic growth, **SDG 9** Industry, innovation and infrastructure, **SDG 11** Sustainable cities and communities, and **SDG 16** Peace, justice and strong government (reflected in Figure 1). As it stands, significant hurdles remain for achieving **SDG 2** Zero hunger, **SDG 3** Good health and wellbeing, **SDG 5** Gender equality, **SDG 10** Reduced inequalities, **SDG 15** Life on land, **SDG 6** Clean water and sanitation, **SDG 12** Responsible consumption and production, **SDG 13** Climate action, **SDG 14** Life below water, and **SDG 17** Partnerships for the goals.

**Figure 1: Current assessment of Malaysia's progress towards achieving individual SDGs**



Nevertheless, trends show a slightly more encouraging outlook with Malaysia on track to achieving and maintaining four SDGs<sup>9</sup>, **SDG 1** No poverty, **SDG 7** Affordable and clean energy, **SDG 8** Decent work and economic growth, **SDG 9** Industry, innovation and infrastructure (as marked in green in Figure 2). Trends indicate that scores for five SDGs are moderately improving, if insufficient to attain goals: **SDG 3** Good health and well-being, **SDG 5** Gender equality, **SDG 6** Clean water and sanitation, **SDG 11** Sustainable cities and communities, as well as **SDG 16** Peace, justice and strong institutions. However, scores have stagnated with an increase of less than 50% of the required rate for **SDG 2** Zero hunger, **SDG 4** Quality education, **SDG 13** Climate action, **SDG 14** Life below water, and **SDG 15** Life on land, necessitating fast action to course correct. Most pressing is the decreasing score for **SDG 17** Partnership for the goals.

**Figure 2: Trends for Malaysia's progress towards achieving individual SDGs**



<sup>8</sup> - Malaysia Sustainable Development Goals Voluntary National Review 2017

<sup>9</sup> - Sachs et al. (2020): The Sustainable Development Goals and Covid-19. Sustainable Development Report 2020. Cambridge: Cambridge University Press.

## Malaysia's Road to Impact

In an important step towards achieving the SDGs, Malaysia's 2021 budget acknowledges the Goals and has allocated resources in several SDG-related areas. In his speech, Datuk Seri Tengku Zafrul Tengku Abdul Aziz affirmed the country's commitment to the 2030 Agenda, "[F]or the first time, the annual budget is aligned with the SDG, so that our Rakyat can move towards a more prosperous, more sustainable and inclusive future<sup>10</sup>". The budget has allocated RM25 million in support of SDG programmes, with RM20 million for an SDG trust fund and RM5 million for SDG implementation programmes by the Parliamentary Cross Party Group.

Budget 2021 allocations for climate and adaptation initiatives contribute towards goals like **SDG 13** Climate action, **SDG 6** Clean water and sanitation, **SDG 14** Life below water, and **SDG 15** Life on land. These initiatives include:

- RM50 million to address waste and solid waste trapped in rivers
- RM40 million (over 5 years) to strengthen environmental quality monitoring, establish 30 monitoring stations nationwide
- RM10 million to implement Integrated Island Waste Management to reduce effects of coral reef and marine life destruction
- RM70 million towards ecological fiscal transfer activities to ensure biodiversity
- RM20 million to strengthen biodiversity protection and patrol
- Implementing mangrove tree planting programmes to preserve mangrove swamp areas

Further, allocations for green and sustainable financing also contribute to the Goals. This includes RM2 billion for the Green Technology Financing Scheme 3.0 (GTFS3.0) as well as income tax exemptions for Sustainable & Responsible investments. 2021 will also see the launch of the first sustainability bond in Malaysia for environmental and social initiatives (in 2021). The budget's financial assistance allocation, Bantuan Prihatin Rakyat (BPR), also strengthens work towards SDG Target 1.3, which covers social protection for vulnerable communities. BPR cash assistance is expected to benefit 8.1 million Malaysians with an allocation of RM 6.5 billion. Additionally, RM 1.5 billion is earmarked for implementation of the Jaringan PRIHATIN Programme which will increase B40 access to internet services and contribute to SDG Targets 9.c and 17.8.

## 1.2 Think City and the SDGs

As Malaysia makes progress towards achieving the goals of the 2030 agenda, the realisation of these Goals in Malaysian cities will require strategic collaboration among municipal leaders, policymakers, local communities, and private corporations. Here, Think City – with a decade of experience in building resilient, sustainable, and vibrant cities – is well placed to be an effective SDG delivery partner. Think City's six flagship programmes integrate various interdisciplinary elements of sustainable urbanism, focusing on culture-based urban regeneration, climate resilience and the environment, social resilience, and urban data analytics. TC's 40-plus strong team is organised around these six flagship programmes:

- Culture-based Urban Regeneration
- Climate Programme
- Social Resilience
- Urban Data Analytics
- SDG Cities
- Think City Institute

### Flagship 1: Culture-based Urban Regeneration

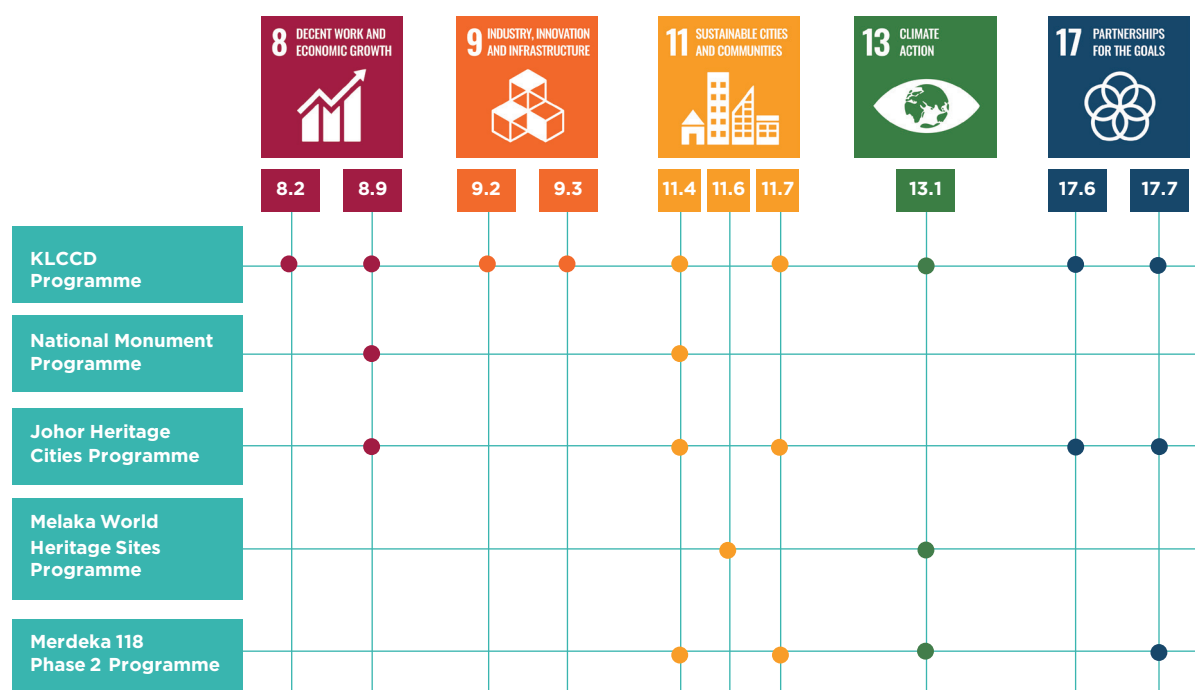
Think City pioneered culture-based urban regeneration (CBUR) in Malaysia through its various grants, conservation, and placemaking initiatives in the historic areas of Penang, Kuala Lumpur, and Johor. The programme in George Town is a partnership with Chief Minister Incorporated and is administered via a special purpose vehicle – the George Town Conservation and Development Corporation (GTCDC). The flagship's current focus in George Town is on the restoration of the historic urban landscape of The Esplanade and the conservation of Fort Cornwallis. In downtown KL, the team is working with local authorities to build a cultural district designed to bring new life into old buildings, while Think City Johor is collaborating with the state government to expand its historic cities programme to Muar and Batu Pahat.

<sup>10</sup> - Budget 2021 speech, Nov 6 2020 <https://www.theedgemarkets.com/article/full-budget-2021-speech>



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Figure 3: SDGs connected to Think City's Culture-based Urban Regeneration flagship



The flagship's current programmes are linked to five main SDGs (Figure 3): **SDG 8** Decent work and economic growth, **SDG 9** Industry, innovation and infrastructure, **SDG 11** Sustainable cities and communities, **SDG 13** Climate action, and **SDG 17** Partnerships for the goals.

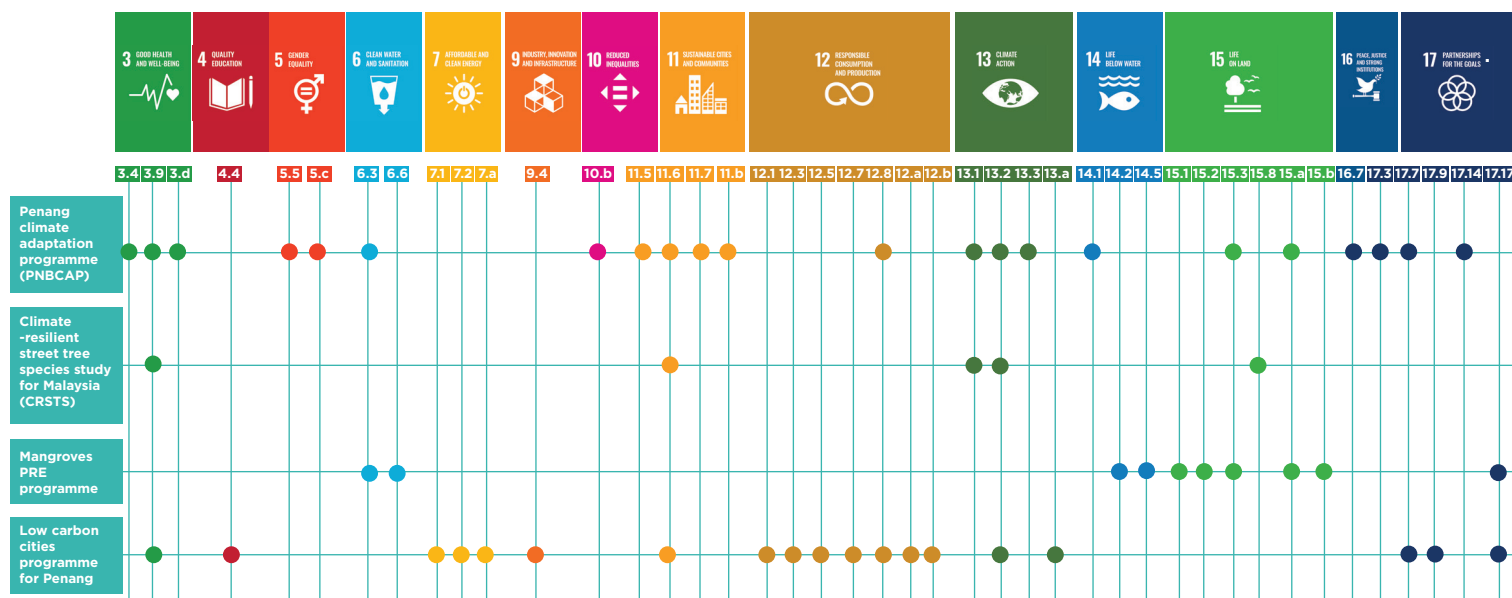
Drilling down into individual SDG targets, it is no surprise that target 11.4 “Strengthen efforts to protect and safeguard the world’s cultural and natural heritage” relates most closely to a majority of CBUR projects, namely the KL Cultural and Creative District programme, the National Monument Programme, Johor’s Heritage Cities Programme, and Merdeka 118 Phase 2. Targets 8.9, 11.7, 13.1, and 17.7 also feature prominently in CBUR’s SDG profile, covering areas related to sustainable tourism; universal access to inclusive, accessible green and public spaces; resilience and adaptive capacity towards climate-related hazards; and the development, dissemination, and diffusion of environmentally sound technologies.

## Flagship 2: Climate Programme

Think City’s climate resilience programme spans both mitigation and adaptation elements. This includes efforts to create low carbon cities through a combination of sustainable transport, urban cooling, and implementation of activities to create a 20-minute city. On the adaptation front Think City has pioneered the introduction to nature-based solutions in Malaysian cities. Its internationally recognised Penang programme has been approved in principle for funding by the Adaptation Fund. It includes urban cooling through urban greening and flood reduction via upstream retention and the sponge city concept. The team is also working on a mangrove restoration and conservation programme with carbon sequestration and coastal protection benefits.

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Figure 4: SDGs connected to Think City's Climate Programme flagship



Think City's Climate Programme connects to 14 of the 17 SDG goals, and is the organisation's widest-reaching flagship in terms of sustainable development goals (refer to Figure 4). Target 11.6 features prominently within the Climate Programme's work, which aims to "reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management". Further, the Climate Programme's projects also closely align with SDG Target 3.9 which relates to the "reduction of death and illnesses caused by air, water and soil pollution and contamination" and target 13.2, "integrating climate change measures into national policies, strategies and planning". The Penang Climate Adaptation Programme is the only Think City project that aligns with **SDG 16** Peace, justice and strong institutions, and is one of only two projects which align with gender equality Goals (SDG 5), alongside the Safe City for Women project run by the Social Resilience flagship.

## Flagship 3: Social Resilience

Since its inception Think City has put inclusivity at the forefront of its work, incorporating it as a requirement in the initial grants programme. Investments have been made in housing upgrades in George Town and in programmes with low-income/ B40 communities. Programmes in Kuala Lumpur and Johor Bahru have also had strong social elements with safety, migrants, homelessness and

vulnerability-related initiatives. During the Covid-19 lockdowns in March-April 2020, the team developed the Kita Untuk Kita Programme (K2K) which includes a mobile app to ensure efficient and effective delivery of support and aid to urban B40 communities. Since the completion of its pilot phase in Selangor, K2K has been attracting significant interest from both public and private agencies.

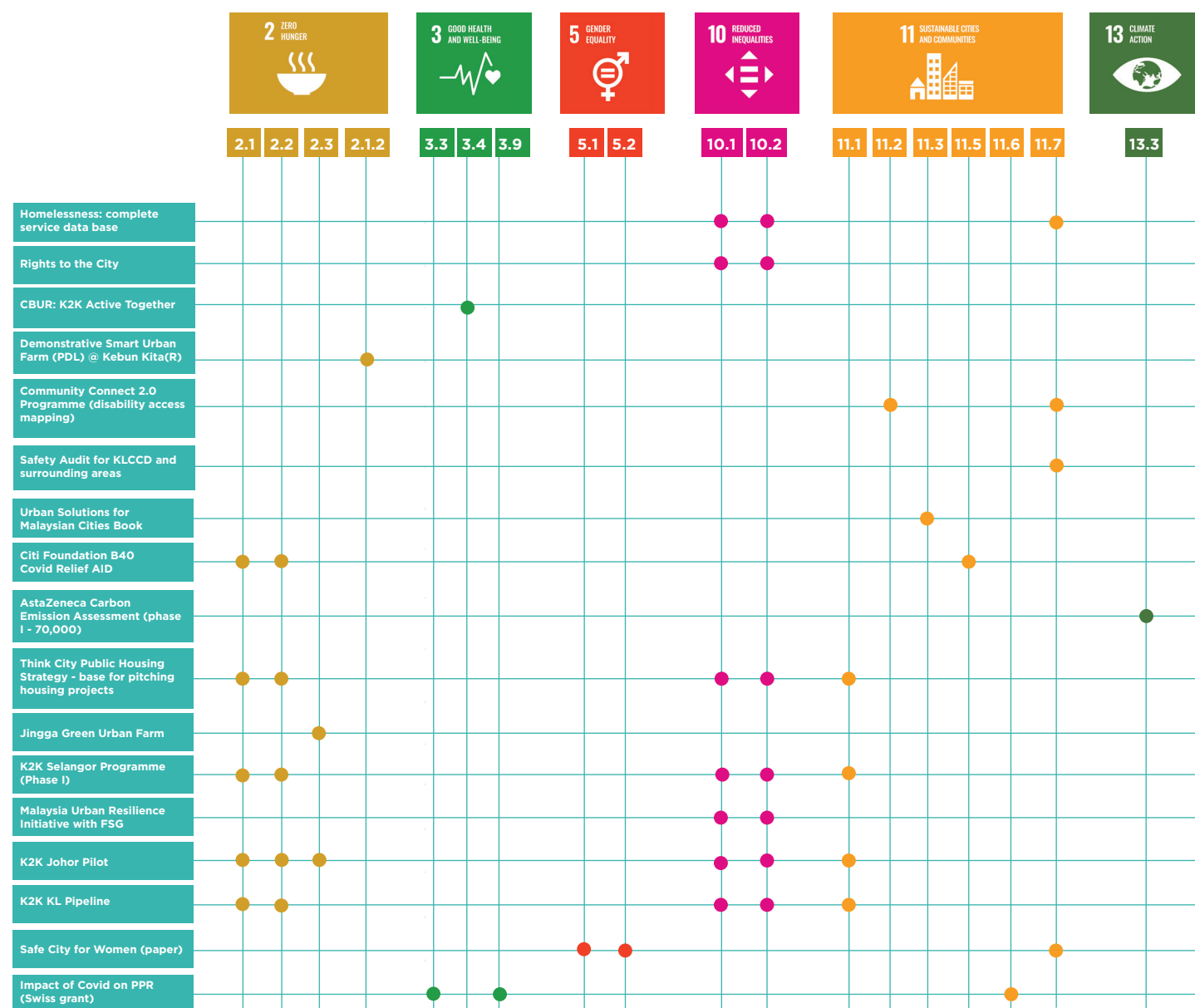
The Social Resilience flagship's numerous programmes largely contribute to **SDG 10** Reducing inequalities and **SDG 11** Sustainable cities and communities. Seven individual social resilience projects align with Target 10.1 "progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average" and Target 10.2 "empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status", affirming the flagship's core work in increasing living standards for urban poor communities and advocating for greater inclusivity, especially among vulnerable populations.

Several social resilience projects also align with **SDG 2** Zero hunger, with six projects hitting Targets 2.1 and 2.2, which relate to ensuring access to nutrition, particularly for the poor and vulnerable, and ending all forms of malnutrition in children, pregnant women and the elderly.



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Figure 5: SDGs connected to Think City's Social Resilience flagship



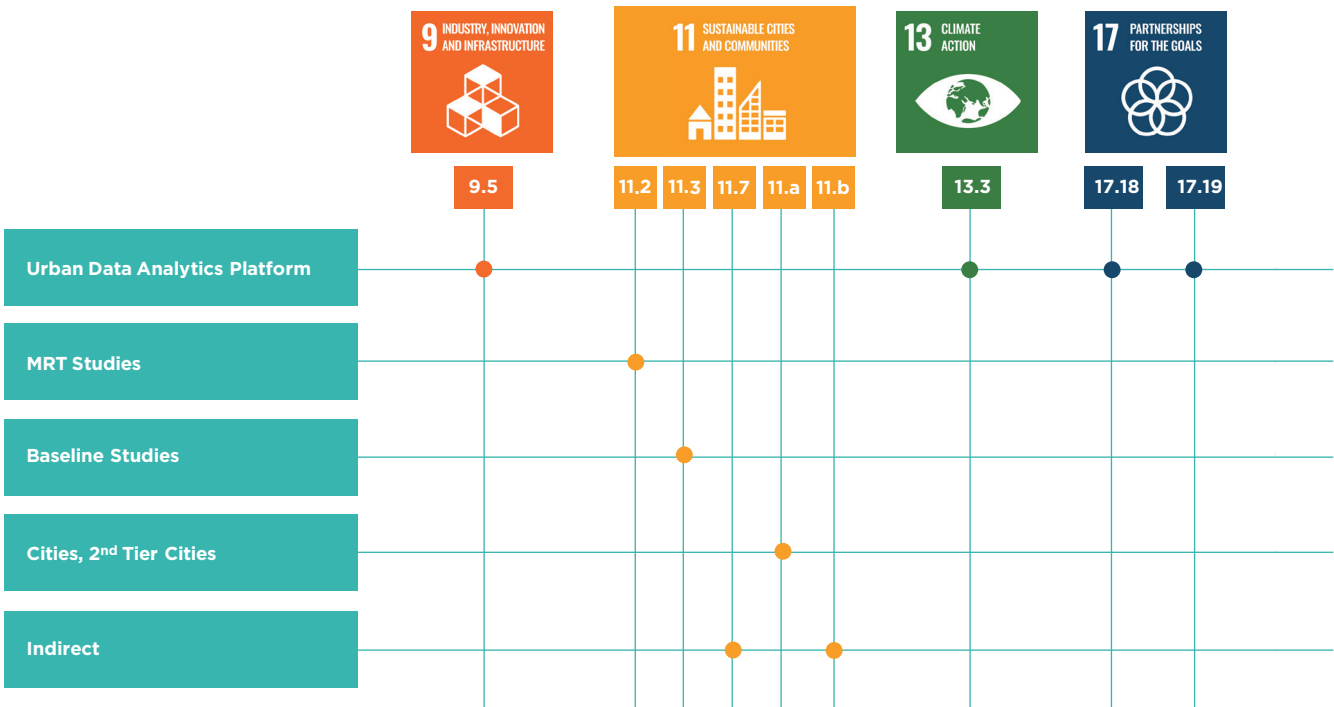
## Flagship 4: Urban Data Analytics

Think City has been applying evidence-based planning in its processes since it was first established. Therefore, baseline studies and cultural mapping are a well-developed expertise within the organisation. The team has deepened these skills over the past three years and now supports complex analysis of cities and city regions, including

strategies and policy documents, across a wide range of subjects and methodologies. Urban Data Analytics is a critical function underpinning all Think City's projects from background research all the way up to reporting and measuring impact. At the moment, the team is building on a more extensive urban data analytics platform and preparing an inaugural "State of Malaysian Cities" report.

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Figure 6: SDGs connected to Think City's Urban Data Analytics flagship



The Urban Data Analytics flagship is unique in its cross-cutting function, contributing to projects across all other flagships. Its contributions towards the SDG goals, therefore, are extensive but will not be reiterated here.

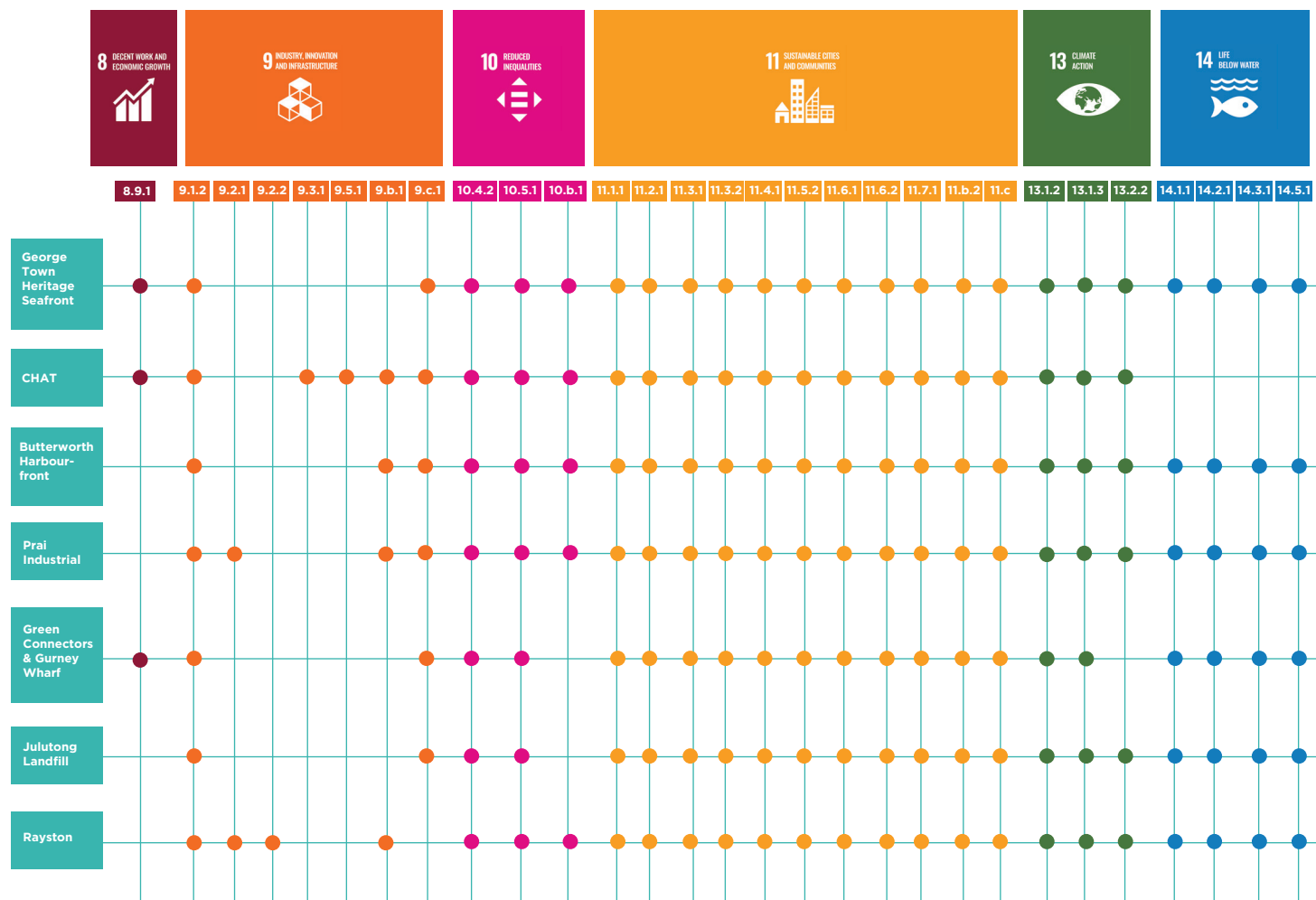
As with all Think City flagships, **SDG 11** Sustainable cities and communities is most often represented in Think City’s analytics work. However, the Urban Data Analytics Platform aligns with specific data-related targets within **SDG 17** Partnerships for the goals, namely target 17.18, to “enhance capacity-building support to developing countries to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location” and target 17.19, to “build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries”.

Flagship 5: SDG Cities

The SDG Cities programme is an initiative with UN-Habitat, with whom Think City has a formal collaboration. The initiative is designed to incorporate cities or city areas into a process of analysis, programme design, certification and finance to help them achieve the SDGs. Think City is pioneering the process in Penang with the Penang Bay Project, which seeks to revitalise the waterfronts of George Town and Butterworth to create a new, future-ready economic zone. Its major initiatives include the development of a creative and technology precinct in the George Town CBD, redevelopment of the east seafront, replanning of the Seberang Prai industrial estate and redevelopment of the Butterworth Harbourfront.

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Figure 7: SDGs connected to Think City's SDG Cities flagship



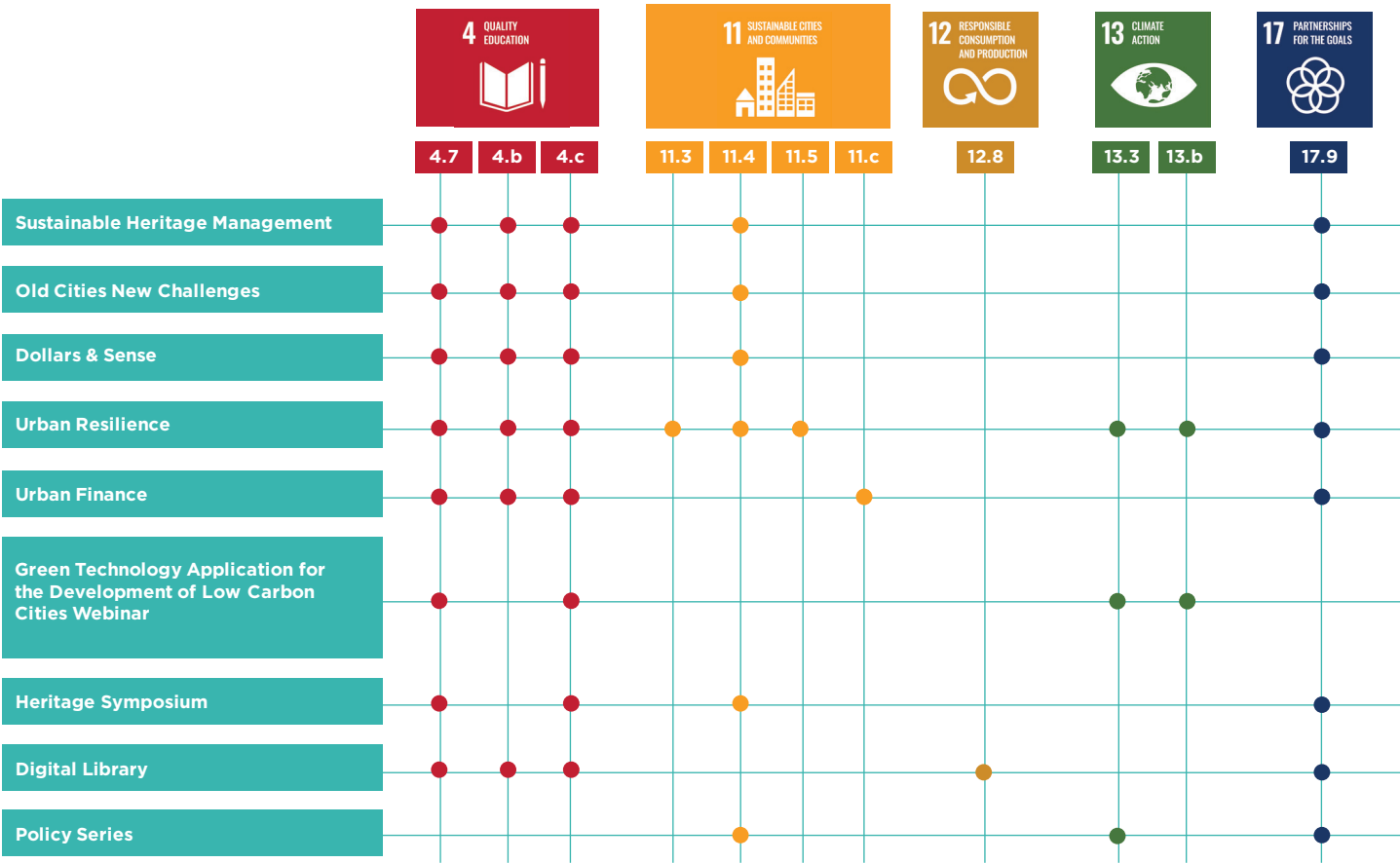
By nature of its objectives, the SDG Cities flagship aims to align its Penang Bay projects with a majority of the Goals. Figure 7 shows the flagship's seven projects and their dense web of linkages to six SDGs. These projects align most closely with Goals within the prosperity pillar – **SDG 8** Decent work and economic growth, **SDG 9** Industry, innovation and infrastructure, **SDG 10** Reduced inequalities, and **SDG 11** Sustainable cities and communities – and the planet pillar, **SDG 13** Climate action and **SDG 14** Life below water. This reflects the flagship's aims to develop new economic opportunities while encouraging climate-friendly initiatives and sustainable development practices.

## Flagship 6: Think City Institute

The Think City Institute (TCI) was launched in February 2020 at the World Urban Forum 10 in Abu Dhabi. The Institute was established as the knowledge repository for the organisation and a way to share the knowledge and experience Think City has gained with citymakers in Malaysia, the region and the world. In 2020, a series of webinars and paid online courses commenced including a Sustainable Heritage Management course in partnership with UNESCO and a Conservation course with the Getty Conservation Institute. Placemaking, Climate Change and Urban Finance Masterclasses are planned for 2021. Since its inception, TCI has reached 8166 participants from 66 countries around the world and currently already has 140 students enrolled in their courses.

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Figure 8: SDGs connected to Think City Institute flagship



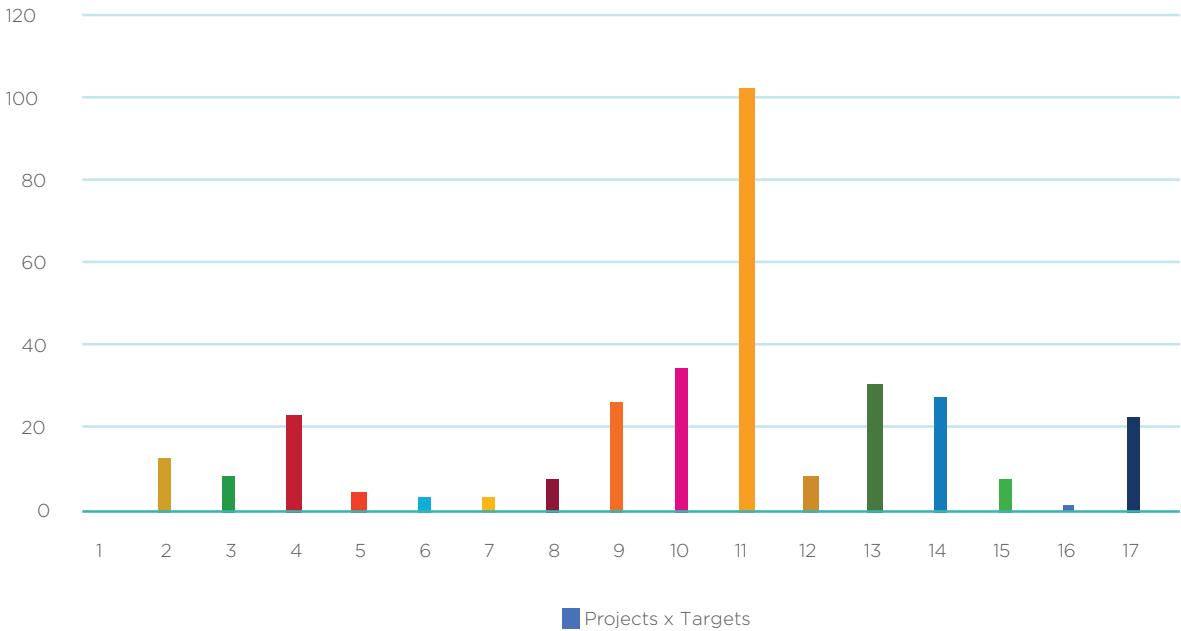
Each one of TCI's projects aligns closely with at least three SDGs: **SDG 4** Quality education, **SDG 11** Sustainable cities and communities, and **SDG 17** Partnerships for the goals. In particular, TCI contributes to Target 4.7 which aims to “ensure that all learners acquire the knowledge and skills needed to promote sustainable development”. TCI's collaborative methods also create connections among a community of urban practitioners, which aligns with Target 17.9 “enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the Sustainable Development Goals, including through north-south, South-South and triangular cooperation”.

### Collective alignment to the SDGs

All Think City flagships are designed to progress towards the SDGs. As an urban impact organisation, it comes as no surprise that the clearest alignment between Think City and the SDGs lies within **SDG 11** Sustainable cities and communities (Figure 9). Across all flagships, 37 of 47 individual Think City projects align with a variety of SDG 11 targets, often hitting multiple SDG 11 targets within each project. This mirrors Think City's focus on its mandate and active efforts in rejuvenating cities. However, the complex and cross-sectoral nature of urban sustainability projects creates significant overlap with many other SDGs, as illustrated in Table 2<sup>11</sup>.

<sup>11</sup> - Adapted from *The New Urban Agenda Illustrated*, UN-Habitat 2020

Figure 9: Distribution of Think City's Projects x Targets across SDGs



Beyond SDG 11, Think City's projects also aligned most often with **SDG 10** Reduced inequalities and **SDG 13** Climate action. Based on data collected from individual flagships, no projects aligned directly with SDG 1 No poverty and Think City has had minimal alignment with **SDG 16** Peace, justice and strong institutions (1 project, 1 target), **SDG 6** Clean water and sanitation (2 projects, 2 targets), **SDG 7** Affordable and clean energy (1 projects, 3 targets), and **SDG 5** Gender equality (2 projects, 2 targets).

This gap reveals opportunities for growth and active pursuit of projects within areas like gender equality (SDG 5) and clean and renewable energy (SDG 7). Placing greater emphasis on projects within these areas, would not only boost the organisation's impact in gender equality and renewable energy but expand new business opportunities in new cities throughout the region as well.

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Table 2: Overlap of SDG 11 targets with other SDGs

SDG Targets								
<b>11.1</b> By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slum	<b>11.2</b> By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons	<b>11.3</b> By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries	<b>11.4</b> Strengthen efforts to protect and safeguard the world's cultural and natural heritage	<b>11.5</b> By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations	<b>11.6</b> By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	<b>11.7</b> By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities	<b>11.8</b> Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning	<b>11.9</b> By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels
      	    		    	    	    	   	 	    



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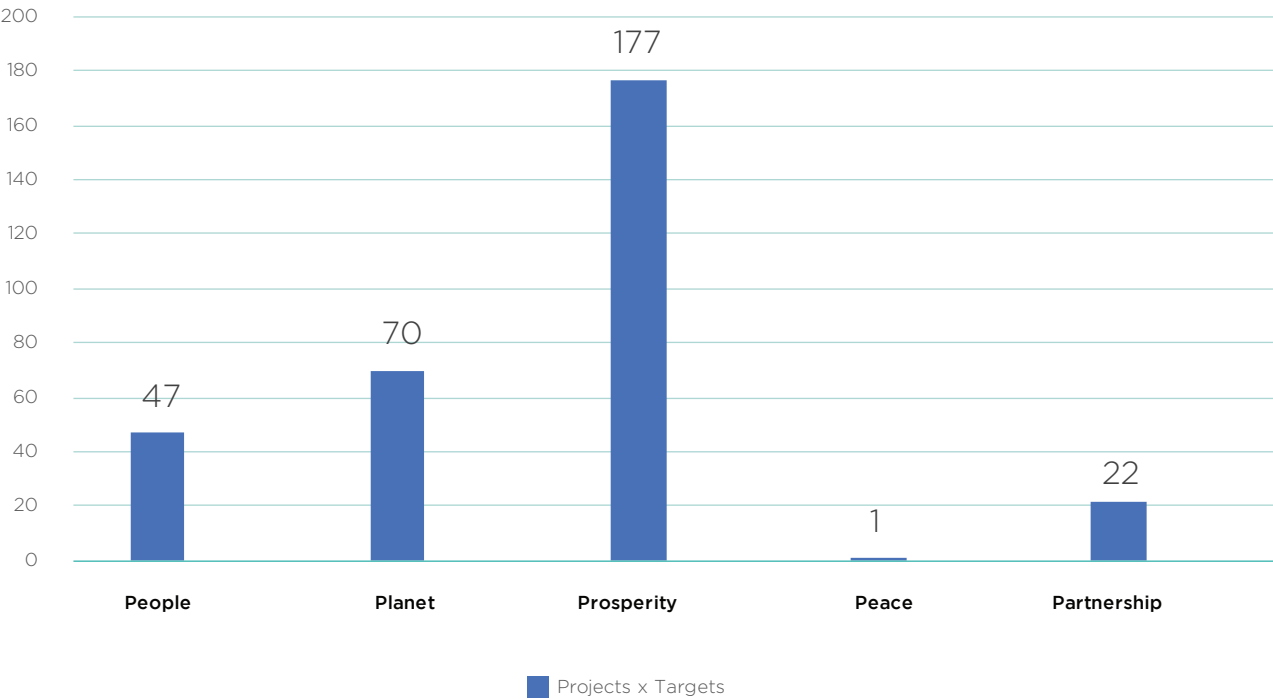
The 17 sustainable development goals can be classified in 5 pillars: People, planet, prosperity, peace, and partnership. Figure 10 shows how the 17 SDGs are organised within this pillar. The greatest alignment for Think City’s work occurs within the

Prosperity pillar, with 177 projects x targets (Figure 11). This is largely due to significant SDG 11 Sustainable cities and communities alignment, which falls under the Prosperity pillar.

Figure 10: 5 SDG pillars



Figure 11: Distribution of Think City projects x targets across 5 Pillars



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Collectively, 74 targets were identified across all SDGs, except for SDG 1, with 41.9% of targets aligning with five or more Think City projects. Table 3 highlights the Top 10 Targets among Think City's projects, the most popular being Target 11.4 with 17 individual projects. The organisation's long involvement in heritage and conservation work, starting in Penang and expanding to KL and Johor, is reflected here in this strong alignment to the target which aims to "strengthen efforts to protect and safeguard the world's cultural and natural heritage". Target 11.7, which encourages "universal access to safe, inclusive and accessible, green and public spaces" especially for vulnerable communities, is also high on Think City's list. Projects like Merdeka 118 (phase 2), Safe City for Women, Community

Connect 2.0, all Penang Bay projects, the Penang Climate Adaptation Plan all contribute to this particular target. Climate action also frequently features within the organisation with 12 projects that align with Target 13.1 "Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters" and nine projects that relate to Target 13.2 "Integrate climate change measures into national policies, strategies and planning". These projects range from KLCCD to the Butterworth Harbourfront to the Urban Data Analytics platform, integrating on-the-ground and strategic policy efforts towards increasing climate action across Think City projects.

**Table 3: Most popular targets among Think City projects**

	Row Labels	Sum of Projects	SDG Target Description
1	Target 11.4	17	11.4 Strengthen efforts to protect and safeguard the world’s cultural and natural heritage
2	Target 11.7	16	11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities
3	Target 13.1	12	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
4	Target 11.6	12	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
5	Target 11.1	11	11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
6	Target 11.3	10	11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
7	Target 13.2	9	13.2 Integrate climate change measures into national policies, strategies and planning
8	Target 17.9	9	17.9 Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the Sustainable Development Goals, including through north-south, South-South and triangular cooperation
9	Target 11.5	9	11.5 By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations
10	Target 11.2	9	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

## 2.0 Operationalising the SDGs

With projects that relate with 16 of 17 SDGs, it's clear that Think City resonates deeply with the sustainable development goals and targets, not only in theory but in practice. As an organisation, Think City should maximise alignment with the SDGs and develop corresponding metrics for impact both externally (in the projects and partners we choose to work with), and internally (within the organisation).

In line with this, the following section discusses two ways in which Think City could measure its impact across the Goals:

- TC as an SDG delivery partner (external)
- TC as an organisation (internal)

Together, this two-fold endeavour pursues a holistic approach to SDG delivery, ensuring accountability and transparency, in line with both Think City's values and the aims of the 2030 Agenda. However, it is recommended that the organisation selects specific, catalytic goals and targets to focus on in order to produce significant outcomes and spillover effects within these areas of priority. While Think City cares about each one of the Goals, it must carefully determine which SDGs to focus on in its operations and within its projects.

### 2.1 Operationalising SDGs as an SDG Delivery Partner

Think City's 10 years of work in city-making and rejuvenation has generated myriad impacts in Penang, Kuala Lumpur and Johor Bahru. With a renewed mandate to be an SDG delivery partner, these impacts must be measured against the SDGs and tracked as we seek to work with governments, municipalities, corporations, and the community to move the needle for the Goals. With Think City's wide portfolio and the cross-sectoral nature of urban interventions, there are significant methodological challenges to this endeavour. As a start, operationalising the SDGs within Think City projects could begin simply: **all projects should be able to demonstrate alignment with the SDGs**. A thorough, methodical assessment of individual projects against the Goals and Targets would also highlight areas of opportunity for greater impact and underscore possible negative effects of the projects. In a preliminary SDG alignment exercise, Think City's Flagship Leads assessed individual projects against the SDGs. These results showed that Think City's projects aligned most with **SDG 11** Sustainable cities

and communities, **SDG 10** Reduced inequalities, **SDG 13** Climate action, **SDG 14** Life below water, and **SDG 9** Industry, innovation and infrastructure (Figure 9). This exercise, however, was carried out individually without a collective understanding of the Goals, Targets, and Indicators, causing inconsistencies in the areas of focus and alignment to specific indicators. In order to mitigate these challenges, the following actions are recommended to aid this process:

#### 1. Set up an impact committee

An impact committee within Think City would form the foundations for measuring the organisation against the SDGs. With leadership from the Board of Directors and senior management, the committee would first examine TC's priorities and **determine key Goals and Targets to focus on as an impact organisation**. Learning from the UK government's approach to the Goals<sup>12</sup>, Think City too could approach this process of prioritisation by way of identifying cross-cutting issues that could apply to multiple SDGs and Targets. This places emphasis not only on the SDGs, but prioritises Goals and Targets that align with TC's mandate and values.

Further, the more engaged TC's entire staff is in these Goals, the more entrenched the SDGs can be in the organisation's systems and impact. Hence, it is also essential for the committee to facilitate **awareness training on SDGs for staff** with prioritised Goals and Targets clearly communicated to eliminate inconsistencies and support a collective understanding of the SDGs.

The committee would also **develop a methodology for gathering data on Think City's impact**, designing and reviewing reports that will chart TC's progress and contribution towards the Goals. The SDGs are designed as a comprehensive, multi-sectoral, multi-stakeholder framework for nations to work together towards sustainable development. As such, their Indicators are not always well-suited as metrics for the scale of projects Think City delivers. This may require **tailoring indicators to better suit TC projects** and/or developing our own indicators as necessary. For example, indicator 13.2.1 monitors the "[n]umber of countries with nationally determined contributions, long-term strategies, national adaptation plans, strategies as reported in

<sup>12</sup> - *The UK's Global Contribution to the SDGs report, Bond, 2019*

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adaptation communications and national communications”. For Think City’s purposes, it is more useful to measure the number of states or municipalities that have adopted long-term strategies, adaptation plans, and strategies as reported in adaptation communications and national communications. Indicators could also be adapted to project scale. For instance, indicator 8.3.1 “Proportion of informal employment in total employment, by sector and sex” could be modified for a social resilience K2K project to “number of PPR residents who have started micro-, small- and medium-sized enterprises”. This data would be meaningful at the project scale, while aligning with the corresponding target 8.3, which is focused on “[promoting] development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services”. This is no small task, as demonstrated by consulting firms and entire university research teams that have attempted to localise targets and indicators with varying degrees of success.

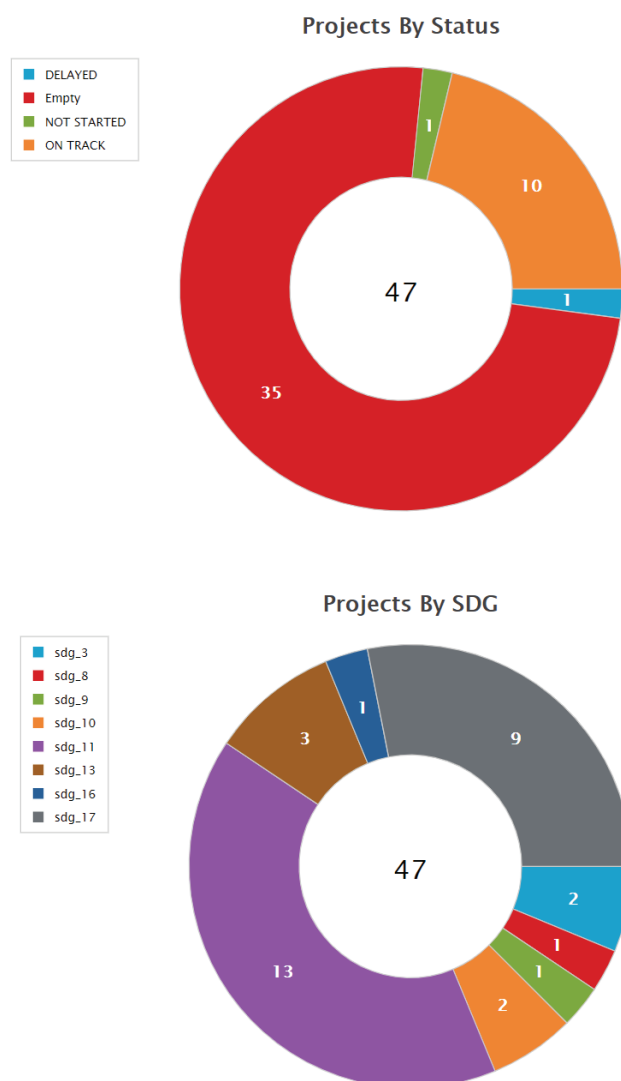
The role of the impact committee is extensive and on-going, requiring regular reporting and reviews, training of staff for continued learning, and constant innovation to grow impact. If it is committed to long-term sustainable development and to alignment to the SDGs, Think City could also consider **creating a Sustainable Development Director role** within the organisation structure. For example, ARUP hired a Global Sustainable Development Director in 2019 and Maybank Berhad recently hired Shahril Azuar Jimin as its Chief Sustainability Officer<sup>13</sup>. Chief Sustainability Officer roles are also increasingly prevalent in global companies like Google, Nike and GM.

### 2. Embed SDGs into Project Management system

To truly integrate the SDGs into each one of Think City’s projects, it is necessary to incorporate the Goals and Targets from the onset of every project, embedding them within with the project’s framework from the planning stages, through methodology and implementation. For Think City, this could be implemented by **including SDGs into project management processes** via the organisation’s digital project management platform (PMP). Within the PMP’s Project Charter, a Project Alignment section links project outputs to the Goals and Targets via dropdown menus. This forms a solid

baseline for tracking progress against the SDGs and should be revisited during regular milestone check-ins at the Outcomes and Impact stages. Collectively, the Targets and Goals tracked across all projects and Flagships will be collated within an organisation-wide dashboard (illustrative diagram at Figure 12), providing a clear indication of places of alignment and areas of improvement for the organisation. The aim is to integrate the SDGs into TC’s projects as painlessly and seamlessly as possible to ease adoption, while reaping the benefits of efficiently reporting impact according to SDGs whenever necessary. Additionally, project-based alignment to SDGs will aid in marketing Think City, particularly as an SDG delivery partner that is well versed in the language, assessments, and reporting of SDG-related projects.

Figure 12: Illustration of PMP dashboard



<sup>13</sup> - <https://www.thestar.com.my/business/business-news/2021/03/04/maybank-appoints-shahril-chief-sustainability-officer>

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3. Embed SDGs into organisation-wide decision-making process for selecting projects and partners

In an effort to significantly move the needle on the key Goals and Targets that TC has chosen to prioritise, the organisation will also need to consider the SDGs **when selecting projects to take on and partners to collaborate with**. Here, **developing a priority matrix to guide the decision-making process** and including SDG alignment as a scoring criteria would be a useful tool for consistently prioritising projects that contribute to specific SDG Targets and TC's overall goals.

This is particularly helpful for programme managers dealing with questions and complexities in portfolio management: With limited resources, what projects should TC prioritise over others? If a project has positive impacts within one SDG but could potentially incur negative impacts for another, how do we maximise the positive and minimise the negative? What is the basis for selecting or declining projects? While these issues often require in-depth discussion, a priority matrix could be useful for objective decision-making.

For example, a scoring model<sup>14</sup> for project prioritisation would include several relevant criteria, assigning weight to each category according to TC's priorities. Decision-makers then weigh the list of criteria, add weighted values to test the model and ultimately, select the project with the higher score. Table 4 provides a simple, illustrative example of a priority matrix which includes SDG impact as a key scoring criteria.

**Table 4: Illustration of Prioritisation Matrix**

Criteria	Weight	Scoring Values	Project A	Project B
Financial benefits	5	1: Low benefit 3: Some benefits 5: High benefit	15	15
SDG Impact (in key SDG areas)	4	1: Low impact 3: Medium impact 5: High impact	20	12
Feasibility	3	1: Not feasible 3: Possible 5: Highly feasible	9	15
Future business	2	1: One-off 3: Possible recurring biz 5: Repeat client	6	6
Risk	1	1: High risk 3: Medium risk 5: Low risk	3	3
Total score:			<b>53</b>	51

### Opportunities for Business and Ventures

As Think City dives deeper into SDG alignment, the Goals begin to shape our processes and decision-making as an SDG delivery partner and an impact organisation. It also gives rise to new business opportunities and partnerships: beyond delivering impact on SDG-aligned projects, TC could also work with municipalities, and local and state governments in their efforts to gain sustainable development certification. TC could work alongside public agencies in their certification process, leveraging TC's deep experience as an SDG delivery partner across a wide range of sustainable city-making initiatives.

<sup>14</sup> - Project Management Institute, <https://www.pmi.org/learning/library/prioritization-projects-analytic-hierarchy-process-6536>; <https://www.process.st/prioritization-matrix/>

This includes working alongside local governments in the SDG Cities Certification<sup>15</sup> process – TC is embarking on this with Penang Bay – which awards recognition for accelerated SDG performance within a city. TC could expand this work to other cities nationally and regionally, and even consider broadening its scope to similar certification processes such as the International Organisation for Standardization (ISO) for Sustainable cities and communities. Further, TC is also equipped to support municipalities that are committed to strategising, tracking and reporting their progress towards SDG achievement via Voluntary Local Reviews (VLRs)<sup>16</sup>, which ultimately contribute to a Voluntary National Review. Cities are increasingly cognisant of the fact that local efforts have substantial impacts on national sustainability goals, empowering them to prioritise SDG-delivery, which translates to potential business opportunities for TC.

TC's alignment to the SDGs also creates fresh opportunities for business ventures. TC's investment in Bangunan UAB is one such venture that is already creating impact. By thoughtfully gathering and curating tenants such as Facebook, Universiti Sains Malaysia's Jimmy Choo School of Design, Digital Penang, and Penang Art District, this venture is creating a cultural and digital precinct in downtown George Town. The culmination of culture and technology in a centralised space will be synergistic in nature, hopefully catalysing innovative ideas and collaborations. In the same vein, strategically aligning to the SDGs could expand TC's influence as an impact investor, towards generating financial gains while also producing positive environmental and social impact. Here, TC could use its sustainable development know-how in combination with its strategy and implementation experience to build thriving ventures with deep sustainability impact.

## 2.2 Operationalising SDGs within the Organisation

Aligning Think City's projects and output to the SDGs is an essential exercise for the organisation seeking to positively influence sustainable development outcomes. As TC expands its work in SDG delivery, it is increasingly important to reflect and examine the areas in which its internal operations align with the SDGs and where they do not. As an SDG delivery partner, TC's internal practices cannot be in contradiction to SDG delivery – it must walk the talk. To align the SDGs within Think City's operations, an **internal assessment** and **strategic public commitment** are recommended:

### 1. Assess Think City's everyday operations

A first step towards in-house SDG alignment would be conducting a **baseline assessment of Think City's day-to-day activities**. This could include everything from diversity and hiring practices within HR to office energy use and carbon emissions, to event and catering policies, to transparency in finance and strong governance within senior leadership. Indirectly, all the organisation's day-to-day work contributes to **SDG 11** Sustainable cities and communities as it is the focus of the work TC does. However, Think City's existing commitment to diversity and commensurate pay and benefits also lines up well against **SDG 10** Reduced inequalities and **SDG 8** Decent work and economic growth. TC's headquarters at Bangunan UAB in Penang is also a testament to the organisation's investment in sustainability. Bangunan UAB was awarded Gold LEED certification for sustainable and efficient building practices, is equipped for low energy consumption, and houses a vertical garden with local plants like paddy. This aligns with Target 12.6(a) which encourages companies to adopt sustainable practices. Still, there is always room for organisational improvements – particularly as we think about Ruang 2.0, a new office for Think City KL – including tracking sustainability within TC's operations in line with **SDG 7** Affordable and clean energy, **SDG 12** Responsible consumption and production, and **SDG 13** Climate action.

<sup>15</sup> - <https://unhabitat.org/programme/sustainable-development-goals-cities#:~:text=SDG%20Cities%20Certification%20At%20the%20core%20of%20this,accelerate%20SDG%20performance.%20Sharing%20knowledge%20for%20global%20Impact>

<sup>16</sup> - [https://www.iges.or.jp/en/publication\\_documents/pub/workingpaper/en/10803/State+of+the+Voluntary+Local+Review+2020+-+Final.pdf](https://www.iges.or.jp/en/publication_documents/pub/workingpaper/en/10803/State+of+the+Voluntary+Local+Review+2020+-+Final.pdf)



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An in-depth assessment would better illuminate the spaces of contribution towards the SDGs and areas of possible improvement within TC operations. This could start simply by asking ourselves several pertinent questions. For example:

- How can TC reduce its ecological footprint? What are three changes it can make in the ways it operates to reduce environmental footprint?
- SDG 12 Responsible consumption and production
- SDG 13 Climate action
- Does TC promote stable work and a living wage? What is the living wage in the community and how should TC commit to being a living wage employer?
- SDG 8 Decent work and economic growth

- How diverse are TC's board, staff and committees? What goals does TC need to increase diversity to reflect the larger community?

- SDG 5 Gender equality
- SDG 10 Reduced inequalities

As the SDGs cover a wide breadth of areas, Think City should **establish key SDG Targets to focus on internally**, within the organisation. Prioritising Targets that Think City will commit to as an organisation will focus monitoring where it is most impactful and help to avoid misalignment in TC's work as an SDG delivery partner. These key Targets may overlap with some of the Goals and Targets Think City projects prioritise, but will ultimately have a different focus and will require modified metrics and indicators to better suit the scale of TC offices. Table 5 highlights several possible Targets to consider for Think City's internal SDG alignment:

*Table 5: Possible SDG targets to prioritise within Think City's operations*

Target	Description
Target 5.c	Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels
Target 7.2	By 2030, increase substantially the share of renewable energy in the global energy mix [Indicator: Renewable energy share in the total final energy consumption]
Target 8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors
Target 8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services
Target 10.3	Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard
Target 10.4	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality
Target 12.2	By 2030, achieve the sustainable management and efficient use of natural resources [Indicator: Material footprint]
Target 12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse [Indicator: Materials recycled]
Target 12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle [Indicator: Publish sustainability report]
Target 13.2	Integrate climate change measures into policies, strategies and planning
Target 17.17	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

### 2. Strategic public commitment to SDGs

Aligning Think City's operations to the SDGs is an important in-house process, but it also has extrinsic effects which influence the organisation's relationship with partners, the communities it works in, as well as potential clients. SDG best practices warn against impact-washing or blue-washing, a phenomenon where "compan[ies claim] to support an SDG while being implicated in conduct that may belie that support"<sup>17</sup>. This misalignment occurs when organisations offer SDG-related services but choose not to publicly commit to the SDGs themselves. Failing to disclose the organisation's alignment with the SDGs could also result in a loss of opportunity on work offered to positive impact companies.

Therefore, Think City should demonstrate **strategic, transparent commitment to the SDGs**, in line with Target 12.6(b) which encourages companies to integrate sustainability information in their reporting cycle. This can occur in various forms but most commonly exists as a public sustainability report which tracks SDG alignment and improvement from year to year. Think City could produce a **Voluntary Organisation Review**, inspired by Carnegie Mellon University's Voluntary University Review<sup>18</sup>, which mirrors Voluntary National Reviews that participating UN nations have carried out as milestone markers towards the 2030 Agenda. Carnegie Mellon's Voluntary University Review assessed and tracked activities by students, faculty and staff, "using the common language of the SDGs [to] link education, research and practices to help shape a more sustainable and equitable future".

Producing such a sustainability report would require a framework that tracks Think City's efforts and progress across all 17 SDGs, including the projects it participates in as an SDG delivery partner and its internal operations. In its simplest form, this could take the form of a scorecard for every department within the organisation, from which data would be collated to create a dashboard to track each department's alignment progress, and eventually published in a Voluntary Organisation Review or sustainability report. At present, there is no one common reporting and measurement schema for companies aligning their impact to the SDGs. While Carnegie Mellon University and companies like ARUP work with various consultants to form this framework, certification entities like BCorp provide existing impact reporting frameworks which its participating organisations must adhere to in order to maintain certification.

#### Ongoing Work

Lastly, operationalising the SDGs within Think City as an SDG delivery partner and as an organisation requires commitment at every level. Alignment to the SDGs is not a one-off exercise but an ongoing effort over the coming decade of action. This requires will and investment from Think City's leadership and its impact committee to continue to monitor and maximise impact in line with the SDGs, support on-going training of staff and partners, and keep the sustainable development conversation going with standing agenda items and regular check-ins.

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<sup>17</sup> - <https://www.responsible-investor.com/articles/assessing-company-alignment-with-the-un-sdgs>

<sup>18</sup> - <https://www.cmu.edu/news/stories/archives/2020/september/sustainable-development-goals-report.html>

