1. Socio-Economic Profile

1.1 Malaysia is a Federal constitutional monarchy in Southeast Asia. It has an estimated population of 32,321,303 as of March 2019 and is the third largest economy in Southeast Asia. The country transformed from an agriculture and commodity-based economy to one with strong manufacturing and service base that have made it a leading exporter of electrical appliances, electronic parts, and components. The Government of Malaysia (GoMY) aspires to move from an Upper middle-income to a high-income economy by 2020. Malaysia's economy has been on an upward trend since the end of the Asian financial crisis in 1997-1998, with an average growth rate of 5.4% since 2010. Since less than 1% (0.4%) of households live below the extreme poverty line, the GoMY’s focus is on addressing the well-being of the poorest 40% of its population.

1.2 Malaysia has maintained its position of 57th among 189 countries in the United Nations Development Program's (UNDP) 2017 Human Development Index (HDI). Its HDI value increased by 24.7% between 1990 and 2017. In comparison with The Philippines and Thailand, two countries from the East Asia and Pacific region with close HDI rank and population size as Malaysia, the country's position of 57th is above both countries of 113rd and 83rd respectively. In regard to the Gender Inequality Index (GII), Malaysia's once again maintained its 2016 standing of 62nd out of 160 countries in 2017. However, the current rank is three steps below its 2015 position of 59th but higher than that of The Philippines, and Thailand's at 97th and 93rd respectively.

1.3. The National Youth Development Policy (NYDP) is the country’s youth policy adopted in 1997 and defines youth as individuals between 15-40 years. The policy noted that the main focus of its development programs would involve only persons aged 18-25 years. The new youth policy, the Malaysian Youth Policy adopted in 2015, categorizes youth as people aged 18-30 years, but the application of the new definition started in 2018. The Department of Statistics Malaysia (DoSM) defines youth as persons between 15-24 years. While young people in the Member States of the Association of South East Asian Nations (ASEAN) are defined based on each country's law and regulations, the organization classifies youth as anyone aged between 15-35 years. The United Nations and the Asian Development Bank use the same categorization of youth as the DoSM, and the Commonwealth identifies young people aged 15-29 as youth.

1.4 Malaysia’s score on the Global Youth Development Index for 2016 was 34th out of 183 countries. The country is ranked among the ten Commonwealth countries with a high YDI. Also, Malaysia and Myanmar improved the most among South East Asia and Pacific countries. Both countries improved by 16% with Malaysia recording strong improvement in Civic Participation, made moderate gains in the other three domains, with a slight decrease in the scores for adolescent fertility, drug abuse and not in education, employment or training (NEET) rates.

1.5. The official minimum age for marriage in civil law for young women and men was changed to 18 years by the

5 World Bank 2018, op.cit
6 Ibid
8 Ibid 2
9 Ibid 3
10 Ibid: 34
11 Ibid: 5
13 Ibid 2
17 Ibid:33
18 Ibid:47
Prime Minister on 19th October 2018. Before then, it was 16 years and 18 years for female and male respectively. However, girls can marry at 16 years with the permission of the state’s Chief Minister, while Islamic law stipulates 16 years, earlier age marriages are allowed with permission from the Sharia courts. Malaysia committed to eliminating child, early and forced marriage by 2030 in line with target 5.3 of the Sustainable Development Goals (SDGs). However, the government did not provide an update on progress towards this target during its National Voluntary Review at the 2017 High-Level Political Forum.

Table 1: Youth at Glance in Malaysia

<table>
<thead>
<tr>
<th>Categories</th>
<th>Females</th>
<th>Males</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of marriage</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Labor force participation (ILO 2016)</td>
<td>35.3%</td>
<td>49.9%</td>
</tr>
<tr>
<td>Unemployment (ILO 2016)</td>
<td>11.4%</td>
<td>9.8%</td>
</tr>
<tr>
<td>NEET (ILO, 2016)</td>
<td>15.3%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Net enrolment (UNESCO, 2017)</td>
<td>77.96%</td>
<td>72.11%</td>
</tr>
<tr>
<td>Literacy Rate (UNESCO, 2017)</td>
<td>98.22%</td>
<td>98.1%</td>
</tr>
<tr>
<td>Out of school (WEF-GGGR, 2018)</td>
<td>35.6%</td>
<td>46.2%</td>
</tr>
</tbody>
</table>

2. Youth in National Development: Institutional and Policy Framework

2.1. The importance of youth as a social category to harness development was first acknowledged in Malaysia as early as 1948 with the formation of the Malaysia Youth Council (MYC) as a voluntary, non-governmental organization (NGO). The Seventh Malaysia Plan (1996-2000), was the country’s first development plan to mention youth development. The government’s vision on youth development as articulated in the Plan “is to provide youth with the necessary skills to increase their participation and contribution to nation-building, as well as to develop their leadership qualities and inculcate positive values among them.” The MYC is the sole coordinating organization for youth and students in Malaysia. The organization is actively involved in monitoring the implementation of the National Youth Policy as well as in policy process through the National Youth Consultative Council (NYCC).

2.2. Youth development in Malaysia is overseen by three bodies, the Ministry of Youth and Sports (MoYS), the NYCC and the MYC. The MoYS established in 1964, is an offshoot from the Ministry of Culture, Youth and Sports. Its function is to contribute to the development of the youth policy, through its position as chair of the NYCC and to serve as the policy’s key implementation entity. The ministry has two implementing arms, the Youth Division and the Sports Division. The Youth Division comprises four departments, Skill Training Institutes, Youth Economic Development Department, Youth NGO Development Department, and the Rakan Muda (Youth Partners) Department.

2.3. The NYCC formed in 1972, is in charge of youth policy formulation and is chaired by the MoYS.

21 Ibid
22 Ibid
23 Ibid
25 Ibid: 12
26 Ibid:7
27 Ibid:5
28 Ibid:7
29 Ibid:7
30 Ibid:7
The objectives of the NYCC are –

• To monitor the implementation of the NYP;
• To advise the Minister of Youth and Sports in formulating Policies on the issues related to youth development;
• To act as a consultative and advisory body for youth organizations and the State Youth Consultative Councils; and
• To coordinate the planning and activities of all youth organizations and State Youth Consultative Councils.

2.4 The National Youth Development Policy (NYDP) enacted in 1997, developed from the 1985 policy. The NYDP's objective is to establish “a holistic and harmonious Malaysian youth force imbued with strong spiritual and moral values, who are responsible, independent and patriotic, thus, serving as a stimulus to the development and prosperity of the nation in consonance with Vision 2020”. The NYDP’s seven strategies include developing a knowledge base on youth as well as focusing on skills development.

2.5 The current legal framework for youth is the Malaysia Youth Policy (MYP) which was enacted in 2015 and became operational in 2018. The MYP lowered official age designation for youth from 15-40 years that was operational between 1997-2017 to 18-30 years starting 2018.

3. Education

3.1 The GoMY notes that gender parity in primary education and literacy levels are almost at par between girls and boys. Also, gender disparity is not an issue in terms of survival to 6th grade and primary completion rates. The gender parity index for Lower Secondary Assessment and in the Malaysian Certificate Assessment girls outperformed boys in all four subjects, English, Mathematics, Malay and Science. Also, the gross enrollment in upper secondary education is in favor of girls, showing that boys have a lower transition rate from lower to upper secondary school.

3.2 Vocational courses have been introduced in regular secondary schools to get boys to stay longer in school to bridge the gap in the education system. Boys have also been encouraged to opt for teaching careers as it has been shown as one of the reasons why they do not perform well in schools is the lack of role models. On the other hand, girls are being encouraged to study carpentry, wiring, and electronics, besides traditional sewing and cooking classes.

3.3 At the tertiary level, about 55% of higher education intakes into public and private universities, community colleges and polytechnics were dominated by females at 280, 296 against males 230, 858 in 2015. Females have a higher enrolment rate in public universities at 63% versus males at 61%. The registration numbers were evened out in private universities where the ratio was close to 50:50. Also, in 2015, 169, 198 females successfully graduated from higher education against 120, 590 males.

3.2. Skills-Based Training

3.2.1 The technical and vocational education and training (TVET) sub-sector has been identified as a critical enabler for the success of the government’s economic transformation program, with nearly 100 million jobs requiring...
certificates or diplomas by 2020\textsuperscript{45}. As a result, several reforms have been introduced to raise the quality of TVET offerings and to ensure programs are in line with industry needs and requirements. The reengineering of the TVET sector is being implemented in three phases of the strategic plan from 2011-2020: The Leap Phase (2011-2013), the Growth Phase (2014-2016) and the Strengthening Phase (2017-2020)\textsuperscript{46}.

3.2.2. To this end, technical schools have been converted to vocational schools and harmonizing the TVET curriculum with the needs of industries\textsuperscript{47}. Vocational education has been introduced at the lower secondary level with 70\% of the curriculum geared towards vocational training and 30\% towards academic education and strengthening polytechnics as a viable alternative to universities\textsuperscript{48}. Other initiatives include scaling up private skills training to reduce the percentage of unskilled and semi-skilled workers by providing lower secondary school graduates or dropouts with greater opportunities to pursue skills\textsuperscript{49}. The government is encouraging private-public partnership whereby vocational courses in secondary school will have their practical component at private skills training institutes\textsuperscript{50}.

3.2.3. Despite these reforms to boost participation in TVET, the percentage of female enrollment in the sub-sector has hovered around 32\%. Several scholarships programs have been introduced to increase students’ participation in TVET education. Upper secondary students who enroll in the Sciences will be given monthly stipend, and their parents receive tax relief\textsuperscript{51}. Trainees can also access financial support through the Skills Development Fund\textsuperscript{52}. Employers in the industry will enjoy tax rebates and priority access to graduates for recruiting to provide on-the-job training to vocational students\textsuperscript{53}. This is part of the attempt to make vocational training more industry relevant and provide 200, 000 practicum placements by 2020\textsuperscript{54}.

3.3 Inclusive Education

3.3.1 The legal framework for inclusive education (IE) in Malaysia consists of both international conventions and national laws. Malaysia has ratified the Convention of the Rights of the Child (1989), and the Convention on the Rights of People with Disability, UNESCO’s (1990) Education for All Declaration; Salamanca Statement and Framework for Action on Special Needs Education, (2000); Dakar Framework for Action (2000); the UN Convention on the Rights of Persons with Disabilities (ICRPD); the UN Millennium Development Goals (2000); and the Sustainable Development Goals (2016)\textsuperscript{55}. Subsequently, the National Special Needs Education was introduced in the 1996 Education Act, and the Education (Special Education) Regulations 2013 provide the legal framework for special education for children with disabilities in the country\textsuperscript{56}.

3.3.2. Malaysia’s special education needs include students with visual and hearing impairment, speech, physical, and multiple disabilities. Learning disabilities such as autism, Down’s Syndrome, attention deficit hyperactivity disorder and dyslexia\textsuperscript{57}. Special needs students have access to three different schooling options-

- Special Education School: these are schools for students with hearing, seeing and/or learning disabilities. There were 28 primary and 5 secondary schools as at 2013;
- Special Education Integration Program (SEIP): are mainstream schools with specific classes dedicated to special education needs students. As of 2013, there were 1,315 and 738 primary and secondary schools respectively; and
- Inclusive Education Program: mainstream schools with one to five special needs children in regular classes\textsuperscript{58}.

\textsuperscript{46} Ibid:57  
\textsuperscript{48} Ibid:2  
\textsuperscript{49} GoMY 2013 op.cit: A-34  
\textsuperscript{50} Ibid: A-34  
\textsuperscript{51} ILO, op.cit:3  
\textsuperscript{52} Ibid:3  
\textsuperscript{53} Ibid:3  
\textsuperscript{54} Ibid:3  
\textsuperscript{56} Ibid  
\textsuperscript{57} GoMY 2013, op.cit:4-15  
\textsuperscript{58} Ibid 4-15
However, only 6% of special education needs children are part of the comprehensive programs. This low rate is due to the lack of technical know-how to assess or baseline special education needs inclusion programs and therefore do not know where they stand or how to improve the situation. The Ministry of Education (MoE) has developed a tailored curriculum to cater for specific needs group such as blind and deaf students; however, there is less support for students with learning disabilities such as autism. Furthermore, the waiting time for the assessment and intervention of development issues in Malaysia exceeds 6 months.

3.3.3 This is mainly due to limited specialists (such as clinical psychologists, speech therapists, and audiologist), the underutilization of screening tools (such as Ministry of Health (MoH) Records book), and a lack of standardized approaches for detection. The MoE intends to forge strong collaboration with the MoH to fast-track early identification and diagnosis and plans to improve inclusive programs at the Early Childhood Care Education level. The MoE is committed to moving more students with special needs towards the inclusive education program (IEP) as well as raising the overall quality of provision. This is being done in three phases: Wave 1 (2013-2015) focused on strengthening the foundation while Wave 2 (2016-2020) scales up the initiatives, and Wave 3 (2021-2025) aims at assessing and consolidating the initiatives for further improvement.

3.3.4. Refugee children in Malaysia are denied access to the country’s education system, and therefore obtain their education from the 128 informal parallel community-based learning centers in the country. The UN Refugee Agency, UNHCR advocates for refugee children’s access to education, provides financial and material support to the learning centers, support capacity building of teachers through teacher training and compensation, and continued coordination of ad-hoc support towards enhancing access to, and quality of, education for refugees. In total, there are 150,379 people of concern, 25,499 are under the age of 18, with 23,823 that are of school-going ages. Of the 23,823 that are of school-going ages, only 30% are enrolled in community learning centers. 14% (1,234) are aged 3-5 years enrolled in pre-school education, 44% (5,046) aged 6-13 years enrolled in primary education, and 16% (874) aged 14-17 enrolled in secondary education.

3.3.5 The challenges confronting the sector include:

- Denial of access to Malaysian formal public education
- Lack of certification and access to public examinations
- High turnover of teachers and minimal compensation
- Security and safety issues faced by the students and teachers in and out of school; and
- Lack of data on out-of-school children.

4 Economic Empowerment

4.1 Employment and Unemployment

4.1.1 The youth unemployment rate of 10.5% in 2016, more than triple the country’s overall unemployment rate of 3.4% in the same period. Of the 10.5% unemployed youth, females account for 11.4% compared to men 9.8%. The youth employment rate of 42.9%, comprised of 35.3% female, and 49.9% male. The youth not in employment, education or training (NEET) of 11.7% was made up of 15.3% and 8.4% women and men respectively.
4.1.2. In response to the country's youth unemployment, the government embarked on an education reform program, stimulating labor demand and improving the match between labor supply and demand\textsuperscript{75}. In addition to a general reform on the education sector, the increased focus was put on career guidance and early access to vocational education\textsuperscript{76}. The target groups of these reforms include different categories of youth including the unemployed, students, rural youth, dropouts', and indigenous\textsuperscript{77}. Emphasis has been on increasing the participation of youth in agriculture and in creating skilled youth in the fields of ICT, engineering, and management through the Industrial Skills Enhancement Program\textsuperscript{78}. Also, the government’s Entrepreneurship Critical Agenda Project aims to create more entrepreneurs among graduates from higher education institutions\textsuperscript{79}.

4.2 Ecosystem and Entrepreneurship Development

4.2.1 Malaysia's ecosystem and entrepreneurship development sector are based on private-public partnership (PPP). The GoMY’s interventions and initiatives to promote youth entrepreneurship include:

- Establishment of the small and medium-sized enterprises (SME) Corporation as a central Coordinating Agency under the Ministry of International Trade and Industry (MITI) in 2010;
- Establishment of the Malaysian Global Innovation and Creativity Center (MaGIC) in 2014 to act as a one-stop center to empower entrepreneurs (focus on youth) funded a fund of RM 50million;
- Establishment of Genovasi to develop youth as “innovation ambassadors” and to be a catalyst for progress, a better quality of life and solutions for the nation;
- Launching of the Gathering of Rising Entrepreneur Act Together (GREAT), a movement to act as a platform for aspiring entrepreneurs to collaborate among themselves and with potential investors;
- SME Bank allocating RM 50 million to assist Malaysia’s young and building business-minded through its young entrepreneurship Fund (YEP)-RM 87 million;
- Yayasan Inovasi Malaysia (YIM) to champion the agenda on building an innovation ecosystem to benefit SMEs and society/community;
- Tekun Nasional is a financial services agency for micro and small entrepreneurs under the Ministry of Agriculture

Source: ILOSTAT, 2016

\textsuperscript{75} ILO 2016, op.cit:2
\textsuperscript{76} Ibid:2
\textsuperscript{77} Ibid:2
\textsuperscript{78} Ibid:2
\textsuperscript{79} Ibid:2
and Agro-based Industry. Tekun also provides comprehensive development support.

4.2.2. MaGIC is at the forefront of promoting private sector investment in Malaysia’s ecosystem. According to MaGIC, its Corporate Entrepreneurship Responsibility (CER) is not only a powerful tool for both job creation and wealth generation, but it also provides a platform for market expansion and fosters innovation, as well as empowers startups to create solutions to everyday problems while creating economic opportunities. Other government-funded startups include Selangor Accelerate Program by SITEC, Rave Accelerator by MYNEF, Cyber Living Lab Accelerator, and ASEAN Data Startup Accelerator.

- Private Startup Accelerators
  - Nexea Accelerator, The Hangout Startup Accelerator, Cyberlab/Finnext Startup Accelerator, Mad Incubator, Supercharger Accelerator, Khazanah Neo Accelerator, 1337 Accelerator, Codear MY, Watch Tower & Friends Accelerator.

- Corporate Startup Accelerators
  - Sunway Ilabs Incubator and Accelerators, Tunelabs Startup Accelerator, Hong Leong Bank Startup Accelerator, Digi Startup Accelerator in Bangkok (Recruitment in Malaysia).

5. Youth Civic Engagement and Participation

5.1 Although youth mobilization for civic participation is primarily government business, few youth-focused NGOs are engaging young people to become socially conscious and aware of the various social challenges confronting the country. However, it has been observed that youth civic participation in the country is low. As mentioned earlier, the MYC is the national umbrella organization for youth in Malaysia. It promotes responsibility, independence, volunteerism, and patriotism. The MYC’s objectives include strengthening the democratic and voluntary participation of young people in organizations, representing youth organizations in government, promoting cooperation and mutual understanding through youth work.

5.2 Other governmental programs include the National Service Training Program, which was introduced in 2004 amid rising racial polarization and lack of patriotism among youth. The objectives of the program are to increase patriotism among young Malaysians, to instill racial harmony in youth, to develop positive character traits through moral value, to develop volunteerism, and create a generation that is active physically, mentally and filled with self-confidence. Participation was mandatory for girls and boys aged 18 years who were randomly selected to spend three months in remote purpose-built camps often referred to as summer camps. Participants are incentivized to participate in the program including free tuition, vocational training, and guaranteed employment in the industrial sector and solid earnings as a base salary.

5.3. The National Civics Bureau (BTN) started as a youth research unit in 1974 in the MoYS; it was later re-established as a unit in the Prime Minister’s office in 1981. Its objective is to nurture the spirit of patriotism and commitment to excellence among Malaysians, and train leaders and future leaders to support the nation’s development efforts. The program was criticized for “indoctrinating” Malay students and civil servants, and for openly promoting Ketuanan Melayu (Malay dominance) and being blatantly partisan to Barisan Nasional (BN), the previous government.

---

80  Arrifin A.S. (2017), Policy Formulation Framework for Preparing Youth Entrepreneurs Becoming Innovation Players in Global Market, https://www.google.sn/search?ei=d3zPW5uRG8aJgQb5_rHYDw&q=arrifin%2C+A.S.%2C+Youth+entrepreneurship&gs_l=psy-ab.3.33i21k1.4723.5225.0.6369.2.2.0.unemployment,0.0.0.317.539.2-1j1.2.0....0...1c.1.64.psy-ab.2.0.535...Otv6CIbco4E_P21
81  MaGIC (ND), Corporate Entrepreneurship Responsibility, https://mymagic.my/corporate-entrepreneurship-responsibility/
82  NEXEA (2018), Complete List of Top Accelerators in Malaysia, https://www.nexea.co/complete-list-top-startup-accelerators-malaysia/
83  Ibid
84  Ibid
85  Ibid
87  Bartleby (ND), Research and Study on the National Service Training Program, https://www.bartleby.com/essay/Research-and-Study-on-the-National-Service-P3CFF96SVJ
89  Malaysia Kini (2018), No Place for Biro Tata Negara in New Malaysia, https://www.malaysiakini.com/letters/425584
90  Ibid
Both programs were abolished in September 2018 because they failed to create patriotic and civic-minded youth; instead, they were accused of propagating racial divisions in the country\(^91\).

5.4 In parallel, independent youth initiatives and movements that encourage national-building, unity and political participation have emerged in the country’s political landscape. EcoKnights, an environmental rights organization, has through its Knights of Nature Sustainability Camps empowered Malaysian youths in addressing environmental and social issues\(^92\). The Science of Life Studies 24/7 Malaysia (SOLS24/7) focuses on sustainable human development. It has spearheaded projects such as the building of community centers throughout the country to provide free education and conduct social empowerment programs\(^93\).

5.5 The Leaderonomics, through their youth leadership programs, aims to create a positive influence in the leadership landscape. Their Leaderonomics Club initiatives in schools aim to drive intentional leadership growth among students and their peers in their immediate spaces of influence\(^94\). The objective is to build grassroots leaders through their programs. The programs are meant to inspire, empower and build solid relationships among youth, so they grow and become agents of change in their communities\(^95\). Other organizations such as WWF-Malaysia, Suka Society, Yayasan Generasi, Gemilang, Hospitals Beyond Boundaries, Need To Feed The Need, PERTIWI Soup Kitchen and PAWS Animal Welfare Society focus on volunteerism\(^96\).

6. Development Partners in the Youth Sector

- The UN System
- The World Bank

7. Recommendations

i. The IsDB should work with the GoMY to advocate for age and sex-disaggregated data in the youth sector;

ii. The IsDB should work with the GoMY for youth development to be mainstreamed across all sectors;

iii. The IsDB should work with GoMY to reduce the high unemployment and NEET rates among female youth;

iv. IsDB should provide technical support to assist the GoMY to implement SDG target 8b (develop and operationalize a national strategy for youth employment, as a distinct strategy or as part of a national employment strategy); and

v. IsDB should work with the GoMY to promote gender awareness across the youth sector.

---

92 Ibid
93 Ibid
94 Leaderonomics (ND), Youth, https://leaderonomics.org/ldryouth/
95 Ibid
96 Jireh’s Hope (2018), Kickstart Your 2018 ON A Note By Volunteering At these 8 Malaysian NGOs, https://www.jirehshope.com/posts/362
References

Arrifin A.S., (2017), Policy Formulation Framework for Preparing Youth Entrepreneurs Becoming Innovation Players in Global Market, https://www.google.sn/search?ei=d3zPW5uRbG8aJgQb5_rHYDw&q=arrifin%2C+A.S. Youth+entrepreneurship&gs_l=psy-ab.3.33i21k1.4723.5225.0.6369.2.2.0...1c.1.64.psy-ab..0.2.535....0.tv6DCibc4pE, P.21


Bartleby (ND), Research and Study on the National Service Training Program, https://www.bartleby.com/essay/Research-and-Study-on-the-National-Service-P3CFF96SVJ


Girls not Bride (ND), Malaysia Country Data, https://www.girlsnobrides.org/child-marriage/malaysia/


Jireh's Hope (2018), Kickstart Your 2018 ON A Note By Volunteering At these 8 Malaysian NGOs, https://www.jirehshope.com/posts/362

Leaderonomics (ND), Youth, https://leaderonomics.org/ldryouth/


MalaysiaKini (2018), No Place for Biro Tata Negara in New Malaysia, https://www.malaysiakini.com/letters/425584


NEXEA (2018), Complete List of Top Accelerators in Malaysia, https://www.nexea.co/complete-list-top-startup-accelerators-malaysia/


