Global Virtual Workshop

Building Urban Economic Resilience during and after COVID-19

Case Study: Subang Jaya City Council, Malaysia

August 12, 2020
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Subang Jaya City Location and Profile

- Residential: 4,276.86 ha
- Commercial: 1,285.81 ha
- Industrial: 905.76 ha
- Public Facilities: 1,875.94 ha
- Transportation: 4,241.14 ha
- Vacant Land: 9.56 ha

Total Population 2019: est. 950,000

- Open Space: 1,240.15 ha
- Infrastructure: 741.09 ha
- Mix-Use Dev.: 254.25 ha
- Forest: 1,137.98 ha
- Water Bodies: 211.46 ha

Total of Land Area: 16,180 Hectare
Brief description of Covid-19 crisis in Subang Jaya, Malaysia


• Duration of crisis:
  
  MCO 1 (18/03/2020 – 31/03/2020)
  MCO 2 (01/04/2020 – 14/04/2020)
  MCO 3 (15/04/2020 – 28/04/2020)
  MCO 4 (29/04/2020 – 03/05/2020)

• The Movement Control Order is now in Recovery Phase and will end on 31st of August 2020.

• There are 100 reported Covid 19 cases within the Subang Jaya City Council with 1 death. However since early June 2020, our city has been declared as green zone by The Ministry Of Health.

• Covid-19 Statistic as of 10th of August 2020

<table>
<thead>
<tr>
<th>Confirmed</th>
<th>Recovered</th>
<th>Deaths</th>
</tr>
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<tbody>
<tr>
<td>9,094</td>
<td>8,803</td>
<td>125</td>
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Main economic and financial impacts

- **Labour Markets**
  - According to a report by the Malaysian Institute of Economic Research, Malaysia’s GDP growth will contract by 2.61 percent in 2020. Central Bank of Malaysia said in a recent statement that Malaysia’s economic growth will be in the -2.0 percent to +0.5 percent range. It also estimated that 951,000 people will lose their jobs.

- **Business & Financial Environment**
  - The Malaysian Global Innovation and Creativity Centre predicted that about 40 percent of small- and medium-sized enterprises will have to wind up their operations if the COVID-19 chain of infection persists for three to six months.
  
  - Economic stimulus package by the Federal Government
    - Income subsidy to the lower income group
    - Moratorium on loans repayment
    - EPF Reduction
    - BSH Payment
    - Grant for local entrepreneurs
  
  - Subsidization by the State Government
    - Income subsidy
    - Subsidy to petty traders
    - One-off fund (RM500) to the entrepreneurs under Selangor State Government – Selangor Prihatin
Main economic and financial impacts

- **Economic Governance Arrangements**
  - Subang Jaya City Council also understands the sacrifices and burdens carried by food operators; like hawker who rent stalls to sell food, and has announced a special initiative for them. To reduce their burden, we will be carrying forward the rental paid by hawkers who rented our council owned food court, food kiosks and stalls, to the following month.
  
  - The estimated difference in revenue for the current year is projected to decrease by 70% from RM305mil to RM213mil, Which shows the reduction in revenue by RM90mil.
  
  - As of Post-MCO, Subang Jaya City Council generate local revenues by the following methods:-
    1) Create awareness for customers to do their transactions online
    2) Friendly approach to customers by sending notification via email
    3) Instalment plan with zero interest for assessment tax
    4) Waiver on late payment fees for assessment tax
    5) Online transactions:
       - Friendly and fast business license application and renewal
       - Discounts 50% on traffic compound
       - Minimum rates on other compounds (eg: license & permit compound)
Crisis Response

- **Crisis Management Strategy**

  - Since the start of Covid 19 crisis, worldwide including in Malaysia, Subang Jaya has set up an Operational Room for Covid 19 which main tasks are to collect and display data of daily and cumulative Covid 19 cases worldwide and more specifically data of cases in Malaysia, State of Selangor, Petaling District and within the Subang Jaya City Council.

  - Schedule of daily activities for Subang Jaya’s staff are also prepared here. Among the daily activities are, giving health education regarding Covid 19 to residents and monitoring of daily disinfection activities by business owners and Management Corporation (MC) or Join Management Body (JMB) of high rise buildings. There is a very good collaboration not only within the various departments in City Council but also with other external departments such as the Fire And Rescue Department. City Council Staff has also assisted the Petaling Health Office in doing contact tracing of positive Covid 19 cases during the early phase of Covid 19 pandemic.
Crisis response

- **Role Of Local Government**
  
  - During the pandemic, Subang Jaya City Council has executed MPSJ business continuity plan in Ensuring citizen’s safety and subsistency. These are the Functions of Subang Jaya City Council during MCO:
    - Monitoring of public places and ensuring essential services are conducted safely by regulating operating hours & keeping safe distance by the enforcement team
    - Garbage collection and general area cleaning continue to function
    - To ensure that all infrastructure are in good working condition
    - Disinfecting markets, bus stops and ensuring operators disinfect their premises
    - Distribution of food and disinfecting solutions to the poor
    - Registering e-hailers and food handlers, dispatchers
    - Emergency assistance (e.g. fallen tree, flash flood)
    - Contact tracing and PPE making assistance to the Health Department
    - Making sure all the latest information are disseminate to the public via Social Media
  
  - Under the purview of the Federal and State Government, we as the local authority will assist and adhere to the National Security Council guidelines and coordinate between all levels of governments like:
    - Petaling District Security Committee under the supervision of The District Officer
    - Police, Army, Health Department, Welfare Department, Local Authorities

**UN-Habitat**
**UNCDF**
**UNEP**
**UN-ESCAP**
Examples of local response & control measures to COVID-19

• Subang Jaya City Council must follow the guidelines issued by the Ministry Of Health and National Security Council. Residents are reminded to avoid the 3C’s (Crowded Places, Confined Spaces and Close Conversations) and advised to follow the 3W’s, Wash (frequently wash hands with soap or hand sanitizers) Wear (wear mask especially in crowded place) Warn (to avoid shaking hand, cough or sneeze in your bent elbow – not your hand, avoid touching your eyes, nose and mouth, avoid close contact with someone who sick, to frequently disinfect their premises and vehicles etc.

• The Government introduced “MySejahtera” (contact tracing system), to help manage the spread of COVID-19. It aims to support registered businesses or commercial premises by giving them QR codes that can be placed on posters at their establishments to be scanned by customers.

• Subang Jaya City Council monitors public places and ensuring essential services are conducted safely by regulating operating hour and keeping safe distance. Only businesses under the essential services category are allowed to operate.

• Our council also disinfects markets, bus stops and ensuring operators disinfect their premises. We also disinfect low cost flats with the help of fire and rescue department
Examples of recovery measures

Below are the initiatives responding to the pandemic COVID19:-

i. Subang Jaya City Council has taken the initiative to help the people in need during covid-19 pandemic under Inclusive Development by providing funds totalling up to RM240,000.00 through the 24 councillors. until May 2020, 4,710 recipients have received essential supplies and disinfection tools.

ii. The City Council have also established a special charity fund in order to help effected city workers (e.g: single parents including those who cannot work their full hours whilst they are home working during the crisis.

iii. 15 volunteers from Subang Jaya City Council have been making Personal Protective Equipment (PPE) for medical frontliners. The group comprising 11 council employees and four civilians sewed 1,991 pieces of PPE head covers over a 10-day period. As of May 2020, a total of 2,160 PPEs were presented to the local Health Clinic for the use of its staff and those at the district health office.

iv. 76 hotspots low cost area were disinfected and this exercise was in collaboration with The Fire And Rescue Department. Besides low cost area, the disinfection exercise also includes road fixtures such as lamp posts, bus stops, sidewalks and public transportation hubs.
Mid- To Long-term Economic Recovery Strategy/Plans

Subang Jaya is prioritizing immediate crisis management response and has proactively developed a Financial Back-Up Plan as one of the Disaster Risk Management strategy which includes:-

1) Maintain 4-months expenses for reserve
2) Practice good financial habits such as reducing overtime costs, administrative costs up to 20%, in-house trainings and courses, cut meeting expenses, laid-off underperformed staffs, impose paperless policy, implements innovations that creates less cost and increase productivity.
3) Trust fund – ISF, Development Charge, Developer contributions.
4) Contingency budget – RM1.5 M
Subang Jaya City Council Post-Covid19 Development Fund & Initiatives on Small Local Entrepreneur:

- e-BAZAR
- Guideline on Home Business
- Allocation of Bazar Area
- Opening of Morning Bazar
- Legalization of Informal Economy
- Food Hub
- Food deliver registration
- Culinary Skill Training
- Sewing Skill Course
Thank you for your attention