KUALA LUMPUR

DIGITAL DISRUPTION AND TECHNOLOGY CREATES CITY EVOLUTION

INFORMAL ENTREPRENEURSHIP

Citizen Centric Cities
The Sustainable Cities Index 2018
Malaysia's capital city benefits from consistent scores across all pillars and outranks all the cities in China except for Shenzhen as well as a number of U.S. and European cities. With a well-established business eco-system, the city benefits from a good talent pool and moderate cost of living.

Technology will play a key role in enabling Malaysia to deliver on its initiative to be in the world's top 20 economies by 2050 and accelerate its current profile from an Evolutionary City. The Malaysian government is currently developing the National Industry 4.0 Policy Framework to intensify the adoption of Industry 4.0 related technologies and to promote innovation, creativity and competitiveness in embracing the digital revolution.

Malaysia's Economic Transformation Program (ETP) considers improving Kuala Lumpur and the Greater Klang Valley around the capital a key growth engine in driving economic growth and transforming Malaysia into a high-income country. With 7.25 million people living in the wider area, the region is one of the fastest growing in Southeast Asia and the government has set a goal to transform Kuala Lumpur into a world-class city by 2050.

The flagship Tun Razak Exchange covers 28.3 hectares of land and will help to fulfil Kuala Lumpur's need for a "defined Financial and Business District". Many of the new buildings being developed are environmentally-friendly which will help assist the sustainability agenda. The project will open in phases with the first projected to be complete in 2019.

Malaysia is undergoing a period of transformation as it strives towards becoming a prosperous, sustainable and smart nation. It is critical that the country maintain and evolve its services based on current citizen's needs, as well as assure that they address future requirements. The nation has already embarked on its smart city agenda with the development of the national blueprint and initiatives to address critical urban challenges. However, as the Index highlights, city policy makers will play a key role in driving advocacy for long-term policies to solve these urban challenges with sustainable principles at its forefront.

The three pillars

The Sustainable Cities Index is a broad measure of sustainability, encompassing measures of the social, environmental and economic health of cities. It ranks 100 global cities on three pillars of sustainability: People, Planet and Profit. The three pillars are closely aligned to the UN Sustainable Development Goals (SDGs) and track progress against UN SDG commitments.

Kuala Lumpur's three pillar rankings:

- **People**: Reflects social mobility and quality of life, with **#59**
- **Planet**: Describes management of energy use, pollution and emissions, with **#83**
- **Profit**: Assesses business environment and economic performance, with **#37**

**City Cluster Two | Evolutionary Cities**

Our report also features new work on city archetypes and clusters based on an analysis of the citizen experiences of city living combined with the Index data. The four city clusters, Balanced Innovators, Post Industrial Opportunists, Evolutionary Cities and Fast-growing Megacities seek to profile the citizen experience in correlation to the Index ranking.

Kuala Lumpur is a typical Evolutionary City and the Index features 19 cities fit this profile with these cities in the bottom third of the SCI. This is a very diverse group that includes rapidly growing cities in emerging markets as well as cities in developed economies that are changing rapidly in response to new circumstances.

An Evolutionary City is a city that undergoes rapid growth, and a key challenge for them is the level of disruption risen at the turning point in their trajectory. This disruption might affect jobs, crime levels and even mobility choices. Support from enterprises and the local community is important in shaping a positive citizen experience as the city gains momentum in improving the quality of life.

**Asia results**

European cities dominated the top quartile of the 2018 Sustainable Cities Index with the exception of Singapore representing Asia by ranking #4 globally, closely followed by Hong Kong at #9. Other Asia cities are represented in the bottom quartile of the rankings with Profit performance, particularly related to ease of doing business and output contributing to their weak relative performance.

**City Cluster Two | Evolutionary Cities**

- **4 Singapore**
- **9 Hong Kong**
- **13 Seoul**
- **24 Taipei**
- **33 Tokyo**
- **41 Macau**
- **66 Shenzhen**
- **67 Kuala Lumpur**
- **73 Beijing**
- **74 Guangzhou**
- **76 Shanghai**
- **80 Bangkok**
- **83 Tianjin**
- **87 Wuhan**
- **88 Chennai**
- **89 New Delhi**
- **90 Chengdu**
- **91 Bengaluru**
- **93 Mumbai**
- **94 Jakarta**
- **95 Manila**
- **98 Hanoi**

**Disrupted**
- Facing economic decline and needing to re-orient
- Unplanned cities where citizens create their own services and structures
- Run to an increasing extent automated processes and AI
- Using integrated sensors to manage city services

**Resilient**
- At risk from disruption and heavily invested in mitigation measures
- Automated enterprise aligned to the needs of businesses and their employees
- Using accessible infrastructure to enable all people to go about their daily lives

**Accessible**
- Balanced prosperous, healthy and with a good work-life balance
- Using accessible infrastructure to enable all people to go about their daily lives
- Automated enterprise aligned to the needs of businesses and their employees