

#ProjekMuhibah

STRATEGY 2: OPEN UP SECTORS RESPONSIBLY

**using science and data
and enhanced SOPs**

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#ProjekMuhibah introduces ten strategies to address the socio-economic challenges caused by the COVID-19 pandemic in Malaysia. Our analyses and proposals will help Malaysia build back better, towards a more resilient and equitable economy, a more economically secure workforce, and a stronger and more supportive community.



INTRODUCTION

With the FMCO currently in place as of late June 2021, economic activity in sectors deemed non-essential has come to a standstill. Moreover, the Prime Minister has recently announced that the economy will not move into Phase 2 of the National Recovery Plan (NRP), in which some economic sectors can be reopened, until the number of daily cases falls below 4000. Therefore, **the need to open up safely and responsibly based on science and data and enhanced Standard Operating Procedures (SOPs)** is more important than ever, not just to save businesses but also to save lives and livelihoods.

Even in the minority of sectors allowed to operate, such as food and beverages as well as essential retail services, the restrictions on movement have had considerable impact on sales and demand. Business and economic activity, which was only beginning to recover in April after sectors were allowed to open up gradually following the previous MCO in January, is suffering again due to growing uncertainty.

The FMCO is simply buying time to ease the burden on the healthcare system by preventing COVID-related ICU admissions and deaths from spiralling out of control. **It is by no means a sustainable solution**, especially given its debilitating effect on businesses and livelihoods. Ultimately, as vaccination rates increase and hospitals enjoy more breathing room due to falling case numbers, the government has to have a clear strategy to reopen the economy.

As it stands, Malaysia has a [four-phase National Recovery Plan \(NRP\)](#) that outlines the intended milestones to herd immunity by the end of the year. Introduced on June 15, the NRP provides rough metrics and proposed dates for the gradual relaxation of restrictions. Most economic sectors are expected to reopen in September or October, assuming daily case numbers below 2000, adequate ICU bed availability and vaccination rates above 40%. However, despite the milestones offering a sense of direction that was previously absent, **the overall NRP is vague at best and does not constitute a clear pandemic exit strategy.**

Therefore, on top of the [FTTIS+V framework introduced in Policy 1](#), it is crucial for the SOPs in the economic and social sectors to be science and data based. **These SOPs should be dynamic rather than static in nature**, meaning they need to be updated regularly with inputs from industry players, other stakeholders and also data from the field.

In addition, **SOPs should be tailored** in accordance with the risk of transmission and existing composition of clusters for the sector and industry in question. Only with this kind of science and data based approach can we restore public trust that the government is capable of containing the pandemic while opening up the economy at the same time, slowly but surely.

SELECTIVE REOPENING OF SECTORS: NOT A ONE-SIZE-FITS ALL APPROACH

Mobility data shows that certain sectors, such as parks and other outdoor recreation, have seen significantly reduced attendance, not only during MCO periods but overall. However, the scientific evidence available today points to a low risk of COVID-19 transmission in an outdoor setting. For instance, the United States Centers for Disease Control and Prevention (CDC) has outlined a [list of outdoor activities](#) that are 'safest' for unvaccinated people, including outdoor exercise with the same household (mask not needed) and small outdoor gatherings with a mix of fully vaccinated and unvaccinated people (mask needed). In the UK, the government put this to practice through the '[rule of six](#)' as part of the first stage of easing its lockdown in March, which allowed six people from different households to meet outdoors. Yet **Malaysia has not made meaningful considerations for outdoor activities within the NRP.**

By cross-referencing the MySejahtera data with tracing data and, for example, SSM data, it would be straightforward to identify sectors which have seen a low incidence of transmission, and then move to reopen these sectors, with SOPs in place.

Indoor spaces carry a greater risk of transmission due to the aerosol spread of the COVID-19 virus. To reduce the risk, the **SOPs should evolve to account for indoor air quality.** Belgium's COVID-19 Commissariat, for example, [calls for](#) the CO2 content in indoor spaces not to exceed 1200 ppm under any circumstances, as a proxy for the air quality and hence the risk of aerosol transmission of the virus. The Commissariat

has a specialised Ventilation Task Force that has [prepared recommendations](#) for monitoring ventilation and air quality during the pandemic. Malaysia should follow suit: the country's heating, ventilation and air conditioning sector could work together with the government to come up with updated SOPs to facilitate the eventual reopening of indoor spaces, such as restaurants, malls and gyms, in a safe, responsible manner.

Public-private cooperation in drafting workable, sensible SOPs can be extended to technology more broadly. This would be particularly useful to ensure crowd control in shopping malls, a major source of retail traffic in Malaysia. There is scope, for example, for the **use of data analytics** through tracking apps as well as real time monitoring via CCTVs to keep track of the number of people and associated air quality in the premises at any given time. Rather than the previous brute-force approach of shutting down virtually all malls in the Klang Valley for being potential hotspots under the HIDE system, we could instead be proactive and strategic in putting innovations to good use through our SOPs. Even if technology is not available, especially for some of the smaller shopping malls which cannot afford to develop their own apps, for example, it is very easy to use other "low-tech" methods to limit the number of people who enter into a shopping mall by distributing number tags at the entrance and exit of malls. Once a certain number of tags per entrance has been given out, no one else can enter into the mall until another person exits the mall and returns the tag.

Once the current FMCO comes to an end, the transitions into **phases 2 and 3 of the NRP should be accompanied by creative solutions** to allow suitable sectors to be opened up sooner rather than later. The government should avoid painting certain sectors, such as the performing arts, with a broad brush to ensure a revival of economic and social activity. **There should not be any economic sector which is deemed as too risky to open.** For example, even outdoor mass participation events could theoretically be organised with strict SOPs that can ensure physical distancing. For example, a 10km race with 500 participants can have individual flag off times and participants have to leave the race venue almost immediately after the completion of the race. The question of whether it is economically viable to organise these runs with a limited number of participants is a separate question from whether these events can be organised safely and responsibly with enhanced SOPs, especially when the number of cases is still high.

In order to be able to take advantage of an improving health situation as soon as possible, **businesses and organisations should be encouraged and supported today to develop comprehensive and detailed SOPs for their events**, so that they have ample time to implement and refine them ahead of reopening. Those SOPs should take advantage of recent developments, such as the availability of rapid testing, and even home testing, location tracking technology and vaccinations. We know that the indoor gym community as well as the outdoor events community have developed their own SOPs. We also know that cinemas have long practised COVID-19 compliant

SOPs in a strict manner before the start of MCO 3.0.

Such pragmatic thinking even opens the way for a **cautious reopening to international travel**. For example, some sporting or cultural events could be organised by relying on the principle of a bubble, where a limited number of people, including from abroad, are admitted to a geographically restricted area. Admission can only occur after proof of negative tests or full vaccination. Such bubbles have made it possible for high-profile sporting events to go ahead abroad, such as the Euro 2020 football championships or multi-day cycling races for example. In each case, participating teams were in such a bubble, and despite occasional infections in one team, there have been no crossover infections to other teams.

Lastly, but perhaps most importantly, **special consideration should be given to schools**. The education sector seems to be a neglected area, with the NRP calling for schools to start reopening only in phase 3 around September or October. By then, students will have spent over [two-thirds](#) of the 2021 academic year doing home-based learning (PdPR). Long-term PdPR may not only [affect the psychosocial development](#) of younger children but could also [entrench urban-rural inequalities](#) in educational outcomes more broadly. Successful PdPR is predicated on a stable internet connection and adequate IT facilities at home as well as a conducive learning environment, which not all students enjoy. It is unfortunate that education has taken a backseat even though it has not been responsible for a high number of cases relative to factories and construction sites.

By contrast, government policy in [Portugal](#) and [the UK](#) specifically included the reopening of schools as part of earlier phases of their easing of lockdown rules. Rather than treating all schools homogeneously, Malaysia **could reopen schools in stages based on the degree of substitutability between home-based learning and classroom learning.** For example, like Portugal, Malaysia could first reopen kindergartens and schools at the lower primary level, followed by upper primary, lower secondary and finally upper secondary and tertiary education. Additionally, the enforcement of strict SOPs including physical distancing and masks in classrooms must be maintained at all times. This needs to be accompanied by the prioritisation of vaccinations for teachers as well as ensuring school-going children start receiving their vaccinations as soon as possible, given that the government has now [allowed children aged 12 and above to be inoculated with the Pfizer vaccine.](#)

THE APPLICATION OF SOPS: A COMPREHENSIVE, CONSISTENT AND DYNAMIC APPROACH

The NRP needs to **provide more detailed information on scheduled reopenings in order to reduce uncertainty in the economy**, which has already [affected business confidence](#). This includes the list of businesses that will be allowed to reopen in every phase. There is a need to be creative and strategic in outlining the SOPs. Portugal's [Lockdown Easing Plan](#) is a useful case study in this regard as it provided clear guidelines at every stage, with emphasis on minimising indoor activity and crowding while balancing the needs of businesses.

For instance, in an early phase of the plan, the Portuguese government allowed nonessential businesses to reopen as long as their activity did not involve customer presence inside the store: this included home delivery, takeaway, selling at the door or via click and collect. A month later, dine-in was allowed at restaurants but only outdoors, and subsequently, indoor dining was allowed but with smaller numbers than outdoor dining.

Put simply, Malaysia needs to get the timing of the reopenings right: too slow and the economy suffers; too fast (even with vaccinations) and another damaging lockdown would be on the cards, as is the case in [Chile](#).

At the same time, it is also important that the government shows **consistency in how the SOPs are implemented and enforced and not to show double standards**. [For example](#), a deputy minister was allowed to self-quarantine in his 'suitable' house after returning from a 3 month long family

vacation in New Zealand while a pilot who was returning from Singapore had to go through the regular hotel quarantine despite appealing to be allowed to home quarantine to take care of his sick mother.

There is also considerable room for **improvement in terms of decision making**. The SOPs to date have been characterised by constant U-turns and flip flops, usually because of limited consultations with key stakeholders. This not only creates confusion but also dilutes the impact of SOPs that are frequently and arbitrarily adjusted without clarity. SOPs should be ultimately backed up by science and data rather than being designed willy-nilly so as to minimise disruption.

Finally, as the national vaccination programme picks up pace, there is also room to **adjust the SOPs to reflect the rising vaccination rate**. Since March, the government has been [mulling](#) the possibility of allowing fully vaccinated people to enjoy looser SOPs, such as interstate travel, though nothing has been implemented yet.

In late June, Health Director-General Dr Noor Hisham Abdullah [reiterated](#) that Malaysia was considering the implementation of a vaccine passport that would give vaccinated individuals more freedom to travel and participate in economic or social activities. This suggestion should be incorporated into the NRP as a clear milestone, as it would encourage more people to register to be vaccinated.

CONCLUDING REMARKS

As the FMCO enters its second month with little signs of respite, business confidence has plummeted. It has been estimated that the direct economic cost of the FMCO and NRP could be up to [RM170 billion](#) over the coming months. [Supply chains have been battered and sales orders unfulfilled](#) since the start of the FMCO, hurting Malaysia's export competitiveness. Foreign investors have taken notice: the [EU-Malaysia Chamber of Commerce and Industry stressed](#) that Malaysia risks losing its reputation as a reliable FDI destination.

At the end of the day, the concern is not simply a direct fall in GDP growth and FDI inflow. Socioeconomically, business closures and job losses could also worsen inequality and poverty, which may persist even after the pandemic is over, as [research](#) has shown.

We have therefore proposed Strategy 2 as a crucial component in turning the NRP into a concrete pandemic exit strategy.

It is no longer appropriate to split economic sectors into an 'essential' minority and the 'nonessential' majority: at the end of the day, everyone deserves to fill their rice bowl. As we have highlighted, the focus should be on giving companies, schools and organisations the tools, guidance and ability to reopen safely and responsibly using sensible SOPs. We should be strategic in making spaces 'pandemic-proof' instead of relying on the outdated narrative of a trade-off between lives and livelihoods.

All in all, the SOPs need to be supported by science and data. A one-size-fits-all approach

through sweeping lockdowns will do the country no favours: we should instead target a selective reopening of sectors through creative solutions in line with the scientific consensus on risk factors. More importantly, it is no use having solid SOPs on paper if they are not put into practice effectively. The government must therefore aim for a comprehensive, consistent and dynamic approach in the application of SOPs so that Malaysia can come out of the pandemic stronger.

ABOUT REFSA

Research for Social Advancement (REFSA) is a progressive, non-profit think tank that promotes social advancement in Malaysia. Since its inception, REFSA has been at the forefront of policy discussions and debates in the important political and socio-economic issues of the nation. Today, our aspiration hasn't changed - we want to power the movement for a just, inclusive and multi-ethnic society.

REFSA BRIEF

REFSA Brief is a series of briefs and opinion pieces that aim to analyse pertinent socio-economic issues and encourage discussions in policy issues across the public, private and the third sector.

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