

PAPER • OPEN ACCESS

Aligning Malaysian Agrotourism Real Estate Investment with The Sustainable Development Goals: Opportunities

To cite this article: Norhishammudin Baharudin *et al* 2023 *IOP Conf. Ser.: Earth Environ. Sci.* **1274**

View the article online for updates and enhancements.

You may also like

- The role of village owned enterprises in the development and sustainability of the agrotourism sector (A case study of agrotourism in Karanganyar Regency, Central Java)
- E Lestari, E Rusdiyana, Sugihardjo et al.
- Application of techniques for moving dynamics series for planning and forecasting indicators in agrotourism E A Vasilieva and N I Zatylkov
- Collembola community structure in two habitat types in Serang Agrotourism, Purbalingga, Central Java, Indonesia
 T B Ambarningrum, E W Minarni, H Pratiknyo et al.



doi:10.1088/1755-1315/1274/1/012030

Aligning Malaysian Agrotourism Real Estate Investment with The Sustainable Development Goals: Opportunities

Norhishammudin Baharudin^{1*}, Mohd Nadzri Jaafar¹, Azizah Ismail¹, Shazmin Shareena Ab Azis¹, and Ebenezer Afrane¹

¹Department of Real Estate, Faculty of Built Environment and Surveying Universiti Teknologi Malaysia

E-mail:norhishammudin@graduate.utm.my

Abstract. Investing in Malaysian agrotourism real estate can significantly impact achieving the Sustainable Development Goals. Agrotourism investments rely on market demand and visitor interest. It is essential to assess the potential market demand for agrotourism experiences in the specific location and consider the competition from existing agrotourism destinations or other tourism sectors. However, failure to attract a sufficient number of visitors can impact the financial viability of the investment. This paper explores the potential opportunities of such investments with respect to suitable development, including economic growth, social well-being, and environmental sustainability. Content analysis from the literature review is used as the medium to achieve the stated objectives above. Findings showed that while investing in agrotourism real estate has the potential to have significant positive impacts on local communities and ecosystems, it also requires careful planning and management to ensure these outcomes are achieved in a suitable manner. We conclude by recommending strategies for investors to promote sustainable development goals through their investment choices in Malaysian agrotourism real estate.

1. Introduction

Malaysia is rich in culture, biodiversity, and historical sites. The government of Malaysia has been keenly focused on maintaining steady economic expansion for quite some time. The agrotourism industry has seen increased interest in investment in recent years. Agrotourism refers to vacations in which participants engage in agricultural activities, such as farming or food preparation. Because of its potential to boost rural economies and small enterprises, protect the environment, and bring people together, agrotourism real estate investment in Malaysia has garnered a lot of interest.

The Sustainable Development Goals (SDGs) are a collection of global objectives established by the United Nations to ensure that all people everywhere enjoy prosperous and peaceful lives by the year 2030. Sustainable development has 17 interconnected aims, such as eradicating world hunger and expanding access to quality healthcare. Many of the SDGs can be achieved through investing in agrotourism properties in Malaysia.

By highlighting the importance of preserving local cultures and engaging visitors in service projects, ecotourism promotes ethical consumption. There will be fewer people living in poverty because of the construction of tourist infrastructure in rural areas, which will also lead to the creation of new jobs. Investing in this area promotes environmentally friendly practices. This occurs when agricultural operations or tourist destinations adopt eco-friendly energy practices that reduce energy consumption and carbon emissions.

Content from this work may be used under the terms of the Creative Commons Attribution 3.0 licence. Any further distribution of this work must maintain attribution to the author(s) and the title of the work, journal citation and DOI.

doi:10.1088/1755-1315/1274/1/012030

Health care and other essential services would improve because of the investment. This would aid Malaysia's overall social inclusion goals by making it simpler for residents in these areas to access medical care [3]. Investment in Malaysia's agrotourism industry has many positive outcomes and contributes to the global effort to achieve the Sustainable Development Goals. It's a good way to make money for those who invest in it. In recent years, agrotourism has emerged as a significant sector of Malaysia's tourism industry.

Visiting farms and other agricultural enterprises to participate in related activities and get insight into rural life is a rapidly expanding market. Promoting healthy practices is becoming increasingly vital for the long-term success of agrotourism [4]. To address global issues such as poverty, inequality, climate change, environmental harm, and the promotion of peace, the United Nations created the Sustainable Development Goals (SDGs). The SDGs consist of 17 interrelated targets that must be attained by 2030. In several areas, such as agriculture and tourism, Malaysia is well on its way to fulfilling these SDGs.

At this pivotal juncture in human history, we must all consider the consequences of our choices for future generations. Real estate investments in agrotourism provide opportunities to benefit the economy, the environment, and social cohesion in rural areas [15]. Funding like this allows locals to take advantage of their land's natural resources and engage with curious sightseers. Agrotourism real estate investment offers a one-of-a-kind opportunity for sustainable development by promoting responsible tourism practices that prioritise protecting local cultures and environments. Investors can aid local economies by supporting small businesses like farms and restaurants by purchasing agrotourism sites.

Agrotourism property investments also back eco-tourism initiatives that aid locals and do as little harm to the environment as possible. These funds can be used to encourage farmers to adopt more sustainable practices and reduce chemical use, both of which are beneficial to the environment. Agrotourism's ability to increase employment opportunities for rural youth and women is one of its greatest strengths.

This is a significant step towards achieving SDG 1, which aims to reduce extreme poverty. United Nations General Assembly (UNGA) SDGs 8 (Decent Work and Economic Growth), 11 (Sustainable Cities and Communities), 12 (Responsible Consumption and Production), and 13 (Climate Action) all align with agrotourism real estate investment [12]. This assures a global problem-solving strategy that considers economic growth and environmental balance.

Real estate investments in agrotourism are therefore a wonderful method to achieve several Sustainable Development Goals, such as promoting economic growth that is both equitable and environmentally sustainable. This indicates the necessity for further investigation into the breadth of this subject. Opportunities for sustainable economic growth and development can be maximized while effectively addressing the challenges of environmental conservation, social inclusion, and economic stability [7,15] if Malaysian agrotourism real estate investment is strategically aligned with the Sustainable Development Goals (SDGs).

The concept of agrotourism, which combines farming with tourism in order to boost rural economies, has gained a lot of attention in recent years [4]. The plan is to open rural regions to sightseeing. This is a rare opportunity for students to learn about local food traditions, connect with the environment, and preserve cultural heritage. Given the country's abundance of fertile land and other resources, agrotourism in Malaysia has great potential. There is a wide variety of agricultural attractions in Malaysia that could attract visitors from all over the world, such as the lush tea gardens in the Cameron Highlands, the bright tropical fruit orchards in Penang, and the pepper farms in Sarawak [1].

Malaysia's strategy for achieving the UN's Sustainable Development Goals (SDGs) is consistent with this emerging pattern. The 17 Sustainable Development Goals (SDGs) are an overarching strategy to address interconnected global issues such as poverty, climate change, gender equality, and responsible consumption and production [12]. Real estate investments in Malaysia's agrotourism sector that prioritise these ends have the potential to not only boost the country's social and economic fortunes but also to prevent additional damage to ecosystems brought on by conventional urbanisation.

IOP Conf. Series: Earth and Environmental Science

1274 (2023) 012030

doi:10.1088/1755-1315/1274/1/012030

As promising as this partnership may seem at first, it will face significant challenges. Finding a balance between welcoming visitors and guarding delicate ecosystems is a major obstacle. This is of paramount importance when constructing manmade structures such as hotels or recreation facilities in untouched natural areas. Strategic decisions about agrotourism real estate investment projects should also consider the importance of social inclusion as a key factor. To ensure that all affected parties reap the full advantages of a project, it is important to involve the local community in its design and implementation.

Sustainable Development Goals (SDGs) have had a good effect on economic growth, environmental sustainability, and social inclusion in Malaysia's agrotourism business, making it an attractive market for foreign investors [9]. In this part, you'll learn how the United Nations' Sustainable Development Goals (SDGs) have impacted the growth of the agrotourism real estate market in Malaysia. The SDGs are first and foremost internationally agreed-upon targets for fostering sustainable development across a wide range of sectors. Their application in the real estate market for agrotourism in Malaysia has boosted the economy, say Jaunis [6]

Real estate developers who consider agrotourism have a better chance of making a profit off rising tourist numbers, and local economies benefit from the resulting new jobs. In addition, maintaining natural habitats and reducing carbon emissions from transport related to tourism are examples of environmental sustainability practices that should be emphasised as part of SDG implementation in this sector. The UN Friendship Group on the Family [12] says these initiatives have lessened the harmful effects on ecosystems and encouraged long-term ecological protection actions that benefit everyone.

Successful agrotourism real estate investment returns also depend on social inclusion programmes. More inclusive policies regarding marginalised communities have allowed them access to sectors such as farming or hospitality services, creating opportunities for all and reducing poverty in China, as discussed in the country's [14-15] Progress Report on Implementation of the 2030 Agenda for Sustainable Development. Agrotourism Real Estate Investments benefit from the implementation of SDG principles in a number of different ways, including better economic growth prospects due to increased tourism activity, the promotion of ecologically sustainable property management strategies, and the inclusion of previously excluded communities [4].

Investment in agrotourism real estate has developed as an effective means of fostering rural prosperity, ecological integrity, and social cohesion. The competitiveness and quality of farms can be improved by agrotourism [7, 12]. Accommodation, gastronomy, outdoor leisure, and the interpretation of cultural heritage are only a few of the activities that can be incorporated into this strategy. Wang [14] argues that farmers' income and rural job creation can both benefit greatly from increased tourist development thanks to the active participation of farmers in that process. When it comes to fostering industrial restructuring for sustainable economic development without compromising on the preservation of local customs and natural resources, such efforts could not be more timely or relevant.

Real estate investments in agrotourism have the potential to significantly contribute to the achievement of the Sustainable Development Goals, as stated by Ballayram [2]. This is because they promote economic growth through rural entrepreneurship while also addressing environmental challenges such as climate change mitigation and biodiversity conservation. These investments can do more than just help the community by providing fair chances for all the players in this business model. Investments in agrotourism real estate also support several other SDGs,[12] such as ending poverty (SDG 1), achieving decent work and economic growth (SDG 8), lowering inequality (SDG 10), building sustainable cities and communities (SDG 11), combating climate change (SDG 13), and protecting and restoring land and water for people and wildlife (SDG 15).

As an illustration, agrotourism helps alleviate poverty by providing alternative means of money generation for rural communities through activities like welcoming visitors and selling organic products both domestically and abroad. It helps to improve the economic situation in the surrounding areas by giving people a chance to work in fields other than farming. -By incorporating women farmers, who face special barriers to market access due to discrimination over land ownership rights, we can promote gender equality.

IOP Conf. Series: Earth and Environmental Science

1274 (2023) 012030

doi:10.1088/1755-1315/1274/1/012030

Combating climate change and protecting natural resources can benefit from adopting eco-friendly practices and a focus on biodiversity protection [10-11]. Fostering long-term urban-rural relationships that tap into rural economies and cultural resources is one way to do this. By promoting the use of local resources in construction and adornment, agrotourism helps to preserve and restore historic building styles.

Thus, real estate investment in agrotourism has the potential to contribute simultaneously to the attainment of many SDGs. [3] These expenditures align with international initiatives to construct more sustainable development routes that promote economic growth, environmental sustainability, and social justice. As a means of ensuring the long-term health of rural communities everywhere, real estate investments in agrotourism should be actively promoted.

This paper will examine the positive ways in which real estate investment in Malaysian agrotourism might contribute to the achievement of the SDGs. This paper will examine the role that the Sustainable Development Goals (SDGs) play in the thriving agrotourism real estate market in Malaysia. It will investigate the ways in which adhering to the principles of sustainable development affects the field's economic growth, environmental viability, and social cohesion. The argument is unmistakable: SDG integration is the driving force behind Malaysia's thriving agrotourism sector. That's why it's important to consider environmental conservation efforts that aim to preserve natural resources while maintaining ecological balance and social inclusivity initiatives that promote access for all in any discussion of factors that affect profitability. We will examine the impact that implementing the SDGs has had on the prosperity of Malaysian agrotourism estates in the sections that follow. We will discuss the progress made thus far, including any possibilities and difficulties encountered, as well as any solutions or alternatives that have been proposed.

2. Main Results

Content analysis from the literature review is used as the medium to achieve the stated objectives above. Investment in Malaysian agrotourism should be looked at not only from a financial point of view but also from a broader social point of view that considers long-term sustainability. This study focuses on the potential for economic growth, social growth, and environmental sustainability. Throughout this study, it became clear that investing in agrotourism real estate can help a lot with several SDGs. Investing in Malaysian agrotourism real estate has a lot of potential to help achieve sustainable development goals on many levels, including economic growth, social well-being, and natural balance . With careful planning and smart partnerships between investors, government agencies, local communities, and other important players, this sector can reach its full potential without putting the needs of future generations at risk.

The Inter-agency Task Force on Financing for Development [4] emphasized that investing in Malaysian agrotourism real estate can assist in achieving the Sustainable Development Goals. Sustainable Development Goals (SDGs) could be substantially advanced by investing in agrotourism real estate in Malaysia. Agrotourism can promote sustainable economic growth, environmental conservation, and social inclusion, which are all essential Sustainable Development Goals.

2.1. Economic Growth

Investing in Malaysian agrotourism real estate on the Sustainable Development Goals. According to their findings, such investments can provide locals with employment opportunities and raise their incomes, all while preserving traditional culture and practices. Agrotourism real estate contributes to the diversification of rural economies by providing alternative sources of income for farmers who might otherwise contend with low crop yields or unstable markets [6]

In addition, China's thirteenth five-year plan aligns with the Sustainable Development Goals [16]. This alignment emphasizes the significance of promoting sustainable economic growth and reducing inequality, both of which are directly pertinent to agrotourism real estate investment in Malaysia. Agrotourism has enormous potential as a driver of rural economic development by creating employment opportunities and income streams for local communities. However, it is essential to resolve the various

doi:10.1088/1755-1315/1274/1/012030

obstacles associated with aligning Malaysian agrotourism real estate investment with the Sustainable Development Goals. Permatasari [8] highlight concerns regarding the attainability of SDGs within the capabilities of individual nations. It is crucial that the government of Malaysia and all parties involved in agrotourism real estate investments collaborate closely on policy frameworks that facilitate effective implementation strategies aligned with SDGs.

Nonetheless, it is essential for stakeholders involved in such investments to collaborate closely on policy frameworks tailored to achieving these objectives while addressing potential challenges associated with implementation complexities and competing ideas within the larger framework.

By putting the SDGs' goals and ideas into agrotourism projects, investors can help with many aspects of sustainability while also getting long-term financial benefits. Investing in the right places can help local economies grow by creating more jobs, bringing in more money from tourists, improving infrastructure (like roads or utilities), and making it easier for farmers to sell their goods on the market. These things are good for getting stable economic growth at both the regional and national levels.

2.2. Environmental Conservation

[15,16] China's Progress Report on Implementation of the 2030 Agenda for Sustainable Development emphasizes the urgency of combating climate change and its consequences. The report recognizes the need for prompt action to mitigate climate-related hazards and ensure a sustainable future. According to SDG 13, which is mentioned specifically in China's Progress Report on Implementation of the 2030 Agenda for Sustainable Development, combating climate change should be a top priority.

This alignment between SDG 13 and Malaysia's agrotourism real estate investment provides an opportunity to substantially contribute to climate change mitigation through sustainable practices [6]. By incorporating eco-friendly technologies such as renewable energy sources, efficient waste management systems, and sustainable agricultural practices into agrotourism projects, Malaysia can make significant strides towards achieving SDG objectives relating to the reduction of greenhouse gas emissions.

Malaysia can make tangible progress towards attaining a more sustainable future by incorporating eco-friendly technologies and practices into agrotourism projects and taking into account country-specific contexts when implementing SDG targets.

From an environmental point of view, lining up investments with SDG goals like responsible usage and production or taking action on climate change can help keep natural resources safe and get them back in shape. Real estate projects for agrotourism can be made to be more eco-friendly by using methods like organic farming, green energy generation, or waste management that have less of a negative effect on ecosystems.

2.3. Social Inclusion

Investing in Malaysian agrotourism is particularly pertinent in light of the country's efforts to achieve its Vision 2030 socioeconomic agenda. This partnership can ensure that the development of agrotourism initiatives aligns with the Sustainable Development Goals while also addressing national priorities. Another difficulty is reconciling contending concepts and indicators within the SDGs [8]. To surmount this, it is necessary to select SDG indicators for monitoring and evaluating progress with care. Adapting these indicators to the context of agrotourism real estate investment in Malaysia is essential, considering sociocultural factors, ecological diversity, and economic conditions.

By aligning with SDGs, Malaysian agrotourism real estate investments can contribute to addressing social inclusion challenges. Agrotourism programmes can empower local communities by providing employment opportunities and promoting cultural preservation through heritage tourism initiatives [1]. In addition, it is crucial that these initiatives prioritise inclusive practices that promote gender equality, accessibility for people with disabilities, and respect for indigenous rights.

Investors can help reach SDG 13: Climate Action by pushing sustainable farming practices and teaching people how important it is to protect natural resources. Investing in this area can also help bring people together by giving them opportunities to take part in tourism activities. This helps them get ahead

doi:10.1088/1755-1315/1274/1/012030

financially and keeps their culture alive at the same time. It helps SDGs 8 (Decent Work and Economic Growth) and 10 (Reduced Inequalities) in a good way.

Also, by making social inclusion a priority in these investments, developers have the chance to create jobs in the area and give communities more power through programmes that build up their skills. Increasing the culture exchange between tourists and locals can help people understand and appreciate each other better and strengthen the local economy.

3. Conclusions

In conclusion, Malaysian agrotourism real estate investment could make a big difference in reaching the Sustainable Development Goals (SDGs). Investors in this sector can help reach SDG 1, "No Poverty," SDG 2, "Zero Hunger," and SDG 8, "Decent Work and Economic Growth," by supporting sustainable agriculture and responsible tourism. Investing in agrotourism real estate can also help solve problems like pollution and climate change that hurt the environment. Investors can help reach SDG 13 (Climate Action) and SDG 15 (Life on Land) by using land in a way that is good for the environment and planting trees. Investors can also help with social development goals like gender equality (SDG 5) and reducing gaps (SDG 10) by putting people to work in local communities through agrotourism.

Investing in agrotourism real estate in Malaysia is a good way to help both the economy and the environment. But it's important that these investments are made with a focus on doing business in a way that protects the environment, helps the community, and looks out for people's well-being. Careful planning, and strategic implementation of sustainable practices in this sector can lead to a win-win situation in which economic benefits and good social effects are achieved while natural resources are conserved. Such consistent work will pave the way for a more resilient tourism industry that values Malaysia's natural heritage and addresses global worries about sustainability.

More study should be done to figure out how to best include these investments in larger strategies for sustainability at the national or regional level. Future research could investigate things like legal frameworks or a lack of infrastructure that make it hard for people to invest, find the best practices from successful cases around the world to help policymakers make decisions about financing models for non-traditional forms of commercial property like agritourism estates, which are very different from traditional commercial properties like hotels, and figure out what the effects of these investments are.

Acknowledgement

The authors would like to express their appreciation for the support of the sponsors with Majlis Amanah Raya (MARA).

References

- [1] Abdul Rashid, M. F., Muhamad, A. K., Rashid, K., Ahmad, A. L., & Azman, M. A. A. (2021). Formulation of a Malaysia Modern Rural Development Framework: Synergising Rural for Change. Planning Malaysia: Journal of the Malaysian Institute of Planners, 19(2), 14-26.
- [2] Ballayram, T. (2017). The Promises and Challenges of the Sustainable Development Goals for Caricom Caribbean Countries. Journal of Food Security, 5(1), 1-8.
- [3] Baranova, A., & Kegeyan, S. (2019). Agrotourism as an element of the development of a green economy in a resort area. E3S Web of Conferences, 91.
- [4] Iftikhar, H., Pinglu, C., Ullah, S., & Ullah, A. (2022). Impact of tourism on sustainable development in BRI countries: The moderating role of institutional quality. PLoS ONE, 17(4), e0263745.
- [5] Inter-agency Task Force on Financing for Development. (2021). Financing for Sustainable

doi:10.1088/1755-1315/1274/1/012030

- Development Report 2021. c
- [6] Jaunis, O., Mojiol, A. R., & Kodoh, J. (2022). Agrotourism in Malaysia: A Review on Concept, Development, Challenges and Benefits. Transactions on Science and Technology, 9(2), 77-85.
- [7] Parra López, E., & Calero García, F. J. (2006). Agrotourism, sustainable tourism and Ultraperipheral areas: The Case of Canary Islands. PASOS. Revista de Turismo y Patrimonio Cultural,4(1),85-97.ISSN1695-7121.
- [8] Permatasari, P.; Ilman, A.S.; Tilt, C.A.; Lestari, D.; Islam, S.; Tenrini, R.H.; Rahman, A.B.; Samosir, A.P.; Wardhana, I.W., 2021, "The Village Fund Program in Indonesia: Measuring the Effectiveness and Alignment to Sustainable Development Goals".
- [9] Rahman, Lya, "Trending: Sustainable responsible investment in Malaysia and the region"
- [10] Rehman, A., & Hussain, I. (2016). Modern Agricultural Technology Adoption its Importance, Role and Usage for the Improvement of Agriculture province, Pakistan View project Ecoenergy-environmental nexus in China View project. American-Eurasian J. Agric. & Environ. Sci, 16(2), 284–288.
- [11] Shita, A., Kumar, N., & Singh, S. (2018). Agricultural Technology Adoption And Its Determinants In Ethiopia: A Reviewed Paper Corporate Social Responsibility of Manufacturing SMEs View project Agricultural Technology Adoption, Poverty and Income Inequality in Ethiopia View project AGRICULTURAL TE. Asia Pacific Journal of Research ISSN, March, 2347–4793. www.apjor.com
- [12] Susan Roylance (2016) Family Capital and SDGs- Implementing17 Sustainable Development Goals
- [13] UNIDO, 2022, Guidelines for Planning, Development and Management of Integrated Agro-Food Parks (IAFPs), UNIDO.
- [14] Wang, Y. (2016). Research on Involved Rural Tourism Developing Mode. 4th International Conference on Management Science, Education Technology, Arts, Social Science and Economics (MSETASSE 2016). Atlantis Press.
- [15] Yang, Q., Li, J., & Tang, Y. (2022). The Dilemma of the Great Development of Rural Tourism from the Sustainable Environment Perspective. Journal of Environmental and Public Health, 2022,7195813.https://doi.org/10.1155/2022/7195813
- [16] Yuan ZHENG, Bryce Seockhwan HWANG, 2016, "Discussion Paper Sustainable Development Goals in Motion: China's Progress and the 13th Five-Year Plan", United Nations Development Program China.