



**MINISTRY OF NATURAL RESOURCES,
ENVIRONMENT AND CLIMATE CHANGE**

OPENING KEYNOTE

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MINISTER OF NATURAL RESOURCES, ENVIRONMENT & CLIMATE
CHANGE**

**ADVANCING A JUST ENERGY TRANSITION IN MALAYSIA &
SOFT LAUNCH OF ISES 2024**

**4 DECEMBER 2023 | 2 PM
MALAYSIA PAVILION - BLUE ZONE**

SALUTATIONS

1. It gives me great pleasure to welcome you all to Malaysia's Pavilion for the Energy Day Events. As we say in my country, *selamat datang* or welcome. We deeply appreciate your presence and support.
2. As you are all likely aware, Malaysia, as one of the 191 signatories of the **Paris Agreement**, has pledged to reduce its greenhouse gas (GHG) emissions intensity per unit of GDP by 45% by 2030. We have further committed to achieve net zero GHG earliest by 2050.
3. Therefore, we are committed to systematically and holistically manage and address emissions from various sectors, particularly from Energy, industrial processes, agriculture, land use, land use change, forestry and waste. But we are also committed to justice and equity in the world and hence, in this context, to realising a just energy transition which will be so crucial for effective climate action.
4. I hope therefore that, if you have not already, you will after this be able to look around our Malaysian Pavilion. I believe that this Pavilion will serve as a platform for us to showcase and highlight Malaysia's achievements, under the various thematic days, including among others, on our effort in advancing a just energy transition in mitigating the climate change challenges.
5. I also like to think that it highlights key aspects of Malaysia's culture. We are a diverse nation of many faiths and ethnicities. But we are united by the spirit of **gotong-royong**, of cooperation and mutual assistance in the face of challenges, whether it is to organise a wedding or cleaning up after a flood. We have tried to pursue this approach in our international relations and we feel it arguably also applies to the quest for climate action and a just energy transition.

Gotong-royong: things in life are just so much more successful if we all work together, if everyone pitches in.

Ladies and Gentlemen,

MALAYSIA'S ENERGY TRANSITION JOURNEY

6. The energy landscape in Malaysia has evolved rapidly in terms of efficiency, diversity, and sustainability. The energy sector has long contributed to Malaysia's development and growth. However, emissions have also increased in tandem with this progress, necessitating an urgent transition towards a low-carbon economy.
7. In pursuing of a net-zero future, the journey requires not just technological innovation, but a comprehensive shift in our mindset, strategies, and policies. Thus, the Government of Malaysia has formulated the **National Energy Transition Roadmap** or "NETR" which will guide us in this balancing act. Our commitment to the energy transition is steadfast and our targets are clear- by 2050, we aim to elevate the share of renewable energy in our power installed capacity from the current 25% to an ambitious 70%.
8. In Malaysia's endeavour to achieve a net-zero future, the transition of our energy sector, which is accountable for more than half of our overall greenhouse gas emissions, will play a pivotal role and act as a driving force. Hence, we believe that a progressive, robust, and well-developed RE sector will move Malaysia forward. This will open new green business and investment opportunities to the country to further expand our economic value and base. Malaysia will embrace the energy transition—and the broader sustainability agenda—as a national mission. Ultimately, this will make Malaysia a regional leader in the clean energy industry.

9. The heart of this transition lies in the significant acceleration of renewable energy capacity deployment. We understand that a robust low-carbon transition in the power sector is fundamental to providing access to green electricity. We firmly believe that a clean grid is pivotal in shaping a future marked by lower greenhouse gas emissions in electrification.
10. This is why I say that, while shifting to renewable energy is crucial, we also need to focus on **the grid, the grid and the grid**. We have to realise that winning over the public is a crucial part in the quest towards sustainability. And that can only happen if we show that renewable energy is not only sustainable but also reliable and affordable. And so again, it's about **the grid, the grid and the grid**.
11. Recognising the grid's indispensable role in accommodating the evolving energy landscape, the Malaysian Government is working closely with utilities to ensure that requisite investments are in place to facilitate this transformation. **Tenaga Nasional Berhad (TNB)**, our national utility company, has laid out an extensive Grid Development Plan Roadmap with a commitment to invest over 90 billion ringgit in the next six years.
12. Moreover, the amplification of renewable energy in our power sector resonates with the surging demand for green electricity, particularly from multinational corporations, RE100 companies, data centres, and organisations ardently dedicated to fulfilling their Environmental, Social, and Governance (ESG) commitments. We anticipate that greening our electricity grid and accelerating the share of renewable energy in our electricity supply will unlock novel green business and investment opportunities, further expanding our economic value and base.

13. To date, Malaysia has implemented various RE initiatives, including the **Feed-in Tariff, Net Energy Metering Programme, Corporate Green Power Programme, and Green Electricity Tariff Programme**. These initiatives, I suppose you can call it **Malaysia's Sustainability Quest** or, dare I say, our **Green Gotong-Royong**, will empower businesses to access green electricity, aligning with their ESG goals and mitigating scope 2 greenhouse gas emissions.
14. In collaboration with **TNBX**, a wholly owned subsidiary of **Tenaga Nasional Berhad**, my Ministry – the NRECC – will now upgrade the existing **Malaysia Green Attributes Tracking System (MGATs)** into a comprehensive **Renewable Energy Certificate (REC)** trading platform. This platform will allow for the commercial exchange of REC in Malaysia, providing businesses with more options to fulfil their respective **Environmental, Social, and Governance (ESG)** commitments. Moving forward, this upgrade will ensure clarity and facilitate efficient transactions.
15. In the upcoming years, Malaysia plans to shift nationwide towards sustainable economic practices and lifestyles, leveraging digitalisation to advance our net-zero ambitions. This shared dedication reflects Malaysia's commitment to environmental stewardship. However, any transition must be just and fair, striving to balance the competing aspects of the energy trilemma that require us to balance sustainability, security, and affordability in the energy sector.
16. How can we ensure that climate action remains inclusive? It is my hope that the esteemed thinkers and practitioners gathered here for COP28 will thoroughly examine this matter. Undoubtedly, the

Government of Malaysia is actively seeking to lead the way in addressing climate change inclusively.

17. The controversies over the **Loss and Damage Fund** should be instructive to us all. Our efforts at climate change and energy transition will fail without funding. And securing the funding needed will not happen if the wealthier industrialised nations that have contributed most to global emissions (and also profited most) carry a heavier financial burden.
18. And, I might add, that they ought to do so without being doctrinaire or seeking to control all the purse strings. We have to realise what is at stake: the continued existence of the human race. Rather, we should be directed by **the Common But Differentiated Responsibility and Respective Capability (CBDR-RC)** rule which states that while all countries should tackle climate change, it is the wealthier ones that must help pay for it.
19. We must stop operating within existing archaic and politically compromised structures but be bold enough to create entirely new structures capable of meeting the unprecedented needs of vulnerable nations struggling against climate change. This is why the COP Presidency's support of the Bridgetown Initiative calling for a more inclusive and equitable global financial system, in addition to tabling one of the most pro-climate financing agendas to date, is so promising.
20. This would mean **reforming the Bretton Woods institutions, creating a new global development bank, and establishing an entirely new global financial transaction tax.** But for it to become reality requires the support of industrialised Western nations and a

radical departure from the norm. This can and must happen. The survival of our planet calls for it.

A JUST ENERGY TRANSITION FOR ALL

Ladies and Gentlemen,

21. As Malaysia aims to become a regional leader in the clean energy industry, Malaysia is actively decarbonising its energy sector, reducing coal dependency, reinforcing its grid, and ramping up renewable energy capacity to 70% (55GW by 2050). Whilst Malaysia's move to embrace sustainability has been gaining momentum, emphasis is also given to ensuring Malaysia can provide affordable energy and energy security.
22. Malaysia is also blessed with a strategic location, vast natural resources, potential renewable energy, and a growing pool of talented people who appreciate a green economy. Malaysia sees energy transition as a commitment beyond buzzwords, addressing climate challenges, fostering innovation, and creating a sustainable future.
23. The urgency for Malaysia's shift to sustainable energy is fuelled by global commitments, particularly the Paris Agreement and the need to fortify economic diversification and energy security. This transformative effort requires a significant investment of RM637 billion, and Malaysia invites global collaboration to lead the way to a net-zero future by 2050.
24. The focus of global investment is on the development of renewable energy, energy efficiency and strengthening the grid and energy storage. Moreover, corporations and enterprises confront a rapidly changing market landscape where carbon costs will reshape

business dynamics and potentially strain competitiveness. Meanwhile, the imminent realities of climate change, exemplified by rising sea levels, extreme weather events, and escalating heatwaves, highlight the direct and tangible impacts on everyone's daily lives.

25. Beyond mitigating risks, the energy transition presents Malaysia with the opportunity to restructure its economy and maximise the potential for green growth that balances sustainability, enhances GDP, creates jobs, and meets the needs of everyone.
26. To ensure the energy transition is just and fair, the energy transition and climate action must involve all sectors. All sectors and all countries must contribute if humanity continues to thrive and invest in this transition. Thus, join us on this journey towards a sustainable future for all.

6TH ISES 2024-ACCELERATING ENERGY TRANSITION THROUGH INNOVATION

27. I am also pleased to announce that we will again host the biennial **International Sustainable Energy Summit (ISES)** next year. Organised by the **Sustainable Energy Development Authority (SEDA) Malaysia**, the **6th ISES 2024** will take place from 20 to 21 August 2024 at the Kuala Lumpur Convention Centre (KLCC).
28. Aligning with the Government of Malaysia's direction, the 6th ISES 2024 theme, "**Accelerating Energy Transition Through Innovation**," is timely and underscores our commitment at COP28 to expedite the global shift toward sustainable energy through innovative approaches. Considering the global momentum towards

cleaner and more efficient energy solutions, innovation plays a crucial role in expediting this critical energy transition.

29. The upcoming 6th ISES 2024 will emphasise the transformative potential of innovative solutions. Innovation, a pivotal aspect of advancement and progress, will take centre stage in the era of cleaner and more efficient energy solutions. I believe this theme will steer discussions at the summit, guiding the audience towards a future with net-zero carbon emissions and highlighting the transformative capacity of innovative solutions.
30. We hope to increase participation from global experts and industries alike for this summit, who are working towards the widespread implementation of innovative solutions in advancing a sustainable energy future. We look forward to welcoming all of you to Kuala Lumpur for the 6th ISES 2024.

CONCLUSION

Ladies and gentleman,

31. I have outlined these various initiatives to demonstrate that when it comes to climate change and the energy transition, developing countries like Malaysia are not just seeking handouts. Rather, in our several ways, we are actively seeking to transform as well as decarbonise our economies and in our doing so, support global efforts at the same.
32. What is needed is for the wealthier countries to give their counterparts the critical push needed to get everyone over the line. It can seem like a not inconsiderable leap of faith; but that is how all great, positive paradigm shifts in world history, such as the Marshall Plan and others, began.

- 33.** Before I conclude, I would like to once again thank you for your participation in our events. I would also like to record my appreciation to the organising committee that has been working relentlessly to ensure the realisation of Malaysia's Pavilion at this UNFCCC COP28, including the various Energy Day Programme today.
- 34.** On that note, ladies and gentlemen, let us forge ahead united in our dedication to a sustainable, resilient, and green future. Malaysia stands firm in its commitment to not only meet but exceed our climate goals, and we invite the global community to join hands in this collective endeavour. Together, we can pave the way in accelerating a just energy transition to create a sustainable future.

Thank you.