



**KEMENTERIAN PERALIHAN TENAGA
DAN TRANSFORMASI AIR**

OPENING ADDRESS

**YAB DATO' SRI HAJI FADILLAH BIN HAJI YUSOF
DEPUTY PRIME MINISTER MALAYSIA AND MINISTER OF ENERGY
TRANSITION AND WATER TRANSFORMATION (PETRA)**

2ND SUSTAINABILITY ENVIRONMENT ASIA (SEA) 2024

13 NOV 2024

**KUALA LUMPUR CONVENTION CENTRE
KUALA LUMPUR**

Bismillahirrahmanirrahim

(Salutations)

Assalamualaikum Warahmatullahi Wabarakatuh and Good Morning.

It gives me great pleasure to be here with all of you this morning to officially launch the 2nd Sustainability Environment Asia trade show.

Let me extend a warm welcome to all exhibitors and visitors from Malaysia and abroad who have come together to explore solutions to a most pressing challenge confronting the world.

We have witnessed many devastating natural disruptions yet again over the past year from extreme climate change.

The message is more urgent than ever—every nation in the world, every one of us, must step up to play a key role in achieving sustainable development and championing a green future for humankind.

I note that SEA is co-located with E-Mobility Asia, which is also a platform dedicated to a green future.

With over 150 exhibiting companies, including those from China, India, Korea, Malaysia, Singapore, and Taiwan potential investors will find many viable business ideas for growth and partnerships.

This presents opportunities to catalyze the transition to a low carbon and green resilient economy that is appropriate to our needs.

Driving environment sustainability in Malaysia

Malaysia is committed to building a healthy environment in driving economic prosperity and a healthy quality of life for its people and the generations to come.

As the country moves towards its goal of net zero carbon by 2050, it is important and productive to seize every opportunity to navigate a sustainable transformation and embrace a circular economy.

The adoption of circular models is the new paradigm for development where resources are managed more efficiently towards sustainable growth. This includes innovative ways to recycle and reuse waste as much as possible instead of discharging waste into water bodies or landfills which can cause more pollution and more environment damage.

We have laid a strong groundwork for green growth pathways, supported by comprehensive roadmaps and engagement with stakeholders from industries and knowledge groups.

These efforts are constantly revisited for continuous improvement to meet our goals and to achieve better outcomes.

The establishment of the Ministry of Energy Transition and Water Transformation or PETRA, a year ago demonstrates the unwavering commitment of the Government to manage precious water resources and to focus on the transition to clean sustainable energy.

Enabling water and energy transition

Let me share with you the initiatives taken by PETRA to drive the transition and what to expect in 2025.

Over the next decade, Malaysia's water services will be restructured in close collaboration with industry stakeholders and the National Water Services Commission (SPAN) as well as the Malaysian Water Association.

As of 2023, urban and rural water supply access coverage was at 97.1 %, while connected sewerage services covered 86.9 % in major cities.

By the end of next year (2025), we aim to achieve 98 % coverage of clean water and sanitation in rural areas.

Integrated Water Resource Management (IWRM) has been introduced as a balanced approach in managing water resources and their interdependence with environmental ecosystems for long-term health by allowing them to regenerate and flourish while protecting these ecosystems from overuse and degradation.

IWRM plays a pivotal role in ensuring environmental sustainability through balancing water use from domestic, industrial, agriculture and energy sectors, adapting to climate change that impact the environment to ensure resilience and addresses water quality issues through control and protection measures to water sources.

Malaysia's overarching goal is to guarantee water security for all, a commitment to be realised through the adoption of IWRM. Among these

goals are achieving a clean water coverage of 98% in rural areas and decreasing the non-revenue water rate to 31% by 2025.

In the energy sector, decarbonizing the electricity supply industry is a critical focus to advance Malaysia's net-zero aspirations, particularly through the growing electrification of end-use sectors such as transportation, industrial processes, and household energy consumption. Consequently, establishing a clean and reliable electricity grid is essential to support this transition and to sustainably meet the nation's climate and energy transition goals.

Therefore, through the National Energy Transition Roadmap, the government has articulated a strategic ambition to elevate renewable energy's contribution to Malaysia's installed power capacity to 70% by 2050, marking a substantial progression from the present 28%. This visionary target underscores a transformative commitment to sustainable energy, aligning Malaysia's trajectory with global decarbonisation imperatives and fortifying the nation's pathway towards a resilient, low-carbon future.

Towards this end, I am proud to share PETRA's commitment in embracing a brighter and more sustainable energy system and future with the following actions:

- We are moving away from coal. Coal-fired generation will be gradually phased out, and no new coal power plants will be established. The International Energy Agency has clearly stated that reducing coal dependency is critical to limiting global warming, and we are acting on that premise;

- We will continue to enhance grid flexibility by investing and developing smart grids, digitalisation of the power system, and energy storage systems. By the year 2035, we aim to increase the grid flexibility by 20%, enabling greater integration of renewable energy sources;
- We aim to stimulate innovation, attract investments, and adapt our energy infrastructure to the demands of a rapidly evolving global landscape that increasingly focuses on ESG (Environmental, Social, and Governance) commitments. Therefore, we have introduced the Corporate Renewable Energy Scheme (CRESS), which encourages corporate consumers to invest in and source their renewable energy directly from solar producers through third-party grid access arrangements; and
- We will be spearheading the effort for regional power grid integration, to further support and enhanced energy security within ASEAN member states. Further to the regional integrated grid, it can as well be the economic catalyst in fostering regional cooperation through cross-border renewable energy trade. By sharing excess energy, we can reduce reliance on fossil fuels while building an integrated ASEAN energy infrastructure. Towards this end, we hope that the first green electricity delivery from our maiden cross-border renewable energy auction for Singapore energy importer under the auspices of Energy Exchange Malaysia or ENEGEM shall commence before end of this year.

Becoming a regional player

Our Strategic plans and commitments shall be positioning Malaysia to emerge as a regional leader in climate-resilient nation and Malaysia expands it reach toward the international stage. Our progress has been acknowledged by the World Economic Forum which ranked Malaysia as the top country in Southeast Asia on its 2023 Energy Transition Index, which stands as a testament to our commitment and momentum in driving sustainable energy transition and transformation.

Closing

Sustainable development is a journey the government cannot undertake alone.

I invite businesses to partner with the government and explore all options and collaboration to work together.

The government will continue to create a conducive ecosystem for green investment and the development of advanced technology.

This will generate more revenue and enhance Malaysia's GDP, besides creating thousands of jobs for our people.

I hope this trade show will generate a lot of business leads and ideas to move the agenda firmly forward and add to the positive momentum of Malaysia's sustainability goal.

With this, I officially launch the Sustainability Environment Asia 2024.

Thank you.