



OPENING REMARKS

YB DATUK SERI JOHARI BIN ABDUL GHANI

MINISTER OF PLANTATION AND

COMMODITIES

ACTING MINISTER OF NATURAL

RESOURCES AND ENVIRONMENTAL

SUSTAINABILITY

OFFICIAL LAUNCH OF

MALAYSIA–UK PARTNERING FOR

ACCELERATED CLIMATE TRANSITIONS (UK-

PACT) 2.0 PROGRAMME

11 DECEMBER 2025

DOUBLE TREE BY HILTON, KUALA LUMPUR

SALUTATIONS

His Excellency Ajay Sharma

British High Commissioner to Malaysia

Distinguished guests, ladies and gentlemen,

Assalamualaikum Warahmatullahi Wabarakatuh
and a very good morning to you all.

1. Let me start by expressing my gratitude to the British High Commission in Malaysia for inviting me to the launch of the Malaysia–UK Partnering for Accelerated Climate Transitions programme, or PACT 2.0. This occasion marks the continuation of a strong partnership between Malaysia and the United Kingdom, as well as a renewed commitment to advancing our shared climate ambitions.

Realities of Climate Change in Malaysia

Distinguished guests,

2. Climate change is no longer a distant threat but a clear and present danger to us all. Just a few weeks ago, we were reminded of the adverse effects of this reality. Continuous heavy rainfall towards the end of November had triggered widespread flooding across several of our states.

3. Communities that have long been familiar with seasonal rains found themselves dealing with conditions that were more intense, less predictable, and far more damaging. This was not just another monsoon episode but a signal of our growing vulnerability to climate-driven disasters.

4. Moreover, in Malaysia, climate change has also resulted in extreme dry seasons due to altered rainfall patterns, and a higher occurrence of heatwave days. With a coastline of around 4,700 km encompassing Peninsula Malaysia, Sabah and Sarawak, we are exposed to coastal erosion which is primarily caused by rising sea levels. These events put at risk our basic necessities such as our homes and ability to put food on the table as well as affecting our very lives.

Necessity for a Comprehensive Framework

Ladies and gentlemen,

5. To address these challenges in a systematic and effective manner, the Government has taken steps to develop a comprehensive policy framework to guide our national response. Last year, the Ministry launched the National Climate Change Policy (NCCP)

2.0, an overarching policy that brings together and aligns all of our climate initiatives such as integrating mitigation, adaptation, and resilience measures across all sectors of the economy.

6. The NCCP 2.0 also covers the establishment of a regulatory instrument in the form of Malaysia's Climate Change Bill or *Rang Undang-Undang Perubahan Iklim Negara* (RUUPIN). This landmark legislation, set to be tabled in Parliament early next year, will enshrine accountability, transparency, and ambition into law, ensuring that our climate commitments are not only aspirational but enforceable. Most prominently, RUUPIN will introduce a compliance carbon market that will embed sustainability-driven values in making key economic decisions via the carbon pricing mechanism.

7. In parallel, Malaysia is also finalizing the National Carbon Market Policy (Dasar Pasaran Karbon Kebangsaan, DPKK). This policy will provide a clear policy structure for both voluntary and compliance carbon markets. To underpin these systems, we are strengthening our Measurement, Reporting, and Verification (MRV) framework, ensuring that every tonne of carbon reduced or traded is backed by integrity and trust.

Malaysia's Updated NDC 3.0

Distinguished guests,

8. Driving these efforts are Malaysia's commitments towards our global climate goals. In October 2025, we submitted the latest iteration of our Nationally Determined Contribution, NDC 3.0, which aims for Malaysia's greenhouse-gas emissions to peak between the years 2029 and 2034. In

addition to this, Malaysia commits to achieving an absolute emissions reduction of 15 to 30 million tonnes of CO₂ equivalent by 2035, relative to the peak level.

9. For a developing economy that is still deeply intertwined with energy-intensive sectors, progressing from a relative goal to an absolute goal is indeed ambitious. Achieving this goal would require Malaysia to ramp up efforts to increase the usage of renewable energy in our national power capacity mix and greater emissions reductions in sectors such as logistics and manufacturing. The absolute emissions reduction of up to 30 million tonnes includes a conditional reduction of 10 million tonnes, which depends on international support from partners in the form of finance, technology transfer and capacity building.

Collective Action to Address Climate Change

Ladies and gentlemen,

10. Facing challenges of such an overwhelming scale underscores the importance of bilateral partnerships such as today's collaboration. Climate action is a shared responsibility that demands the commitment of every nation and thus requires decisive action and unwavering cooperation from all countries to address it.

11. For over three years, the Governments of Malaysia and the United Kingdom have worked together towards a greener and more sustainable future by strengthening cooperation in areas that are central to effective climate action, namely, low-carbon development, clean energy transition, sustainable finance, capacity-building, and

the exchange of knowledge, expertise, and innovation.

12. This collaboration reflects our belief that no country can confront the climate crisis alone. By working together, we can accelerate sustainable growth, support the development of green industries, and ensure that both our economies remain resilient in the face of a changing climate.

Initiatives under UK PACT 2.0

Distinguished guests,

13. The UK PACT 2.0 programme arrives at a timely moment. Building on the success of its first phase in 2020 to 2023, this new portfolio will provide targeted support in areas that are critical to Malaysia's climate transition—particularly green finance and carbon markets. These are not abstract priorities but

engines that will mobilise capital, incentivise innovation, and accelerate our path to net zero.

14. Our collaboration with the United Kingdom exemplifies how international partnerships can amplify national efforts. By combining Malaysia's policy leadership with the UK's technical expertise and global networks, we are creating a platform for shared learning, mutual benefit, and collective progress.

15. Among the focus areas of UK PACT 2.0 include bolstering Malaysia's capacity to operate a domestic emissions trading scheme, preparing for the launch of the Forest Carbon Offset (FCO) mechanism by the Malaysian Forest Fund (MFF) as well as improving green financing strategies to boost renewable energy integration into the power grid.

Conclusion

Ladies and gentlemen,

16. Climate change is the defining challenge of our time. It demands that we act with urgency, but also with foresight. Malaysia is determined to play its part, not only by setting ambitious targets, but by building the institutions, laws, and markets that will make those targets achievable.

17. Once again, I would like to extend my deepest appreciation to the Government of the United Kingdom, the British High Commission, and all partners who have made this collaboration possible.

18. Let us move forward with resolve, with partnership, and with the conviction that our collective actions today will secure a sustainable tomorrow.

Thank you.