

**PLEASE CHECK UPON DELIVERY**



**KEMENTERIAN SUMBER ASLI, ALAM SEKITAR  
DAN PERUBAHAN IKLIM**

**KEYNOTE ADDRESS**

**NIK NAZMI NIK AHMAD**

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

**MALAYSIA- REPUBLIC OF KOREA SUSTAINABLE  
ENERGY SUMMIT 2023**

**2nd November 2023 (Thursday), 2.30-5.30PM**

**Mandarin Oriental Hotel Kuala Lumpur**

**Your Excellency Yeo Seung-bae**

Ambassador of the Republic of Korea to Malaysia;

**YBhg. Dato' Mohamad Razif Bin Haji Abd Mubin**

Deputy Secretary-General (Energy, Environment and Climate Change)  
Ministry of Natural Resources, Environment and Climate Change;

**YBhg. Dato' Kwon Byung Ha**

Honorary Chairman of World Overseas  
Korean Traders Association (OKTA);

Representatives of stakeholders and industries from Malaysia and the  
Republic of Korea;

Distinguished Guests, Ladies and Gentlemen;

*Assalamualaikum Warahmatullahi Wabarakatuh* dan good afternoon.

1. I want to begin by expressing my heartfelt appreciation to His Excellency Yeo Seung-bae, Ambassador of the Republic of Korea to Malaysia, **as well as the officials of the Embassy of the Republic of Korea** for their efforts in organising the *Malaysia—Republic of Korea Sustainable Energy Summit 2023*.
2. This Summit is especially significant because our countries have this year marked the **40<sup>th</sup> Anniversary of the Look East Policy**. I would like to applaud both Malaysia and the Republic of Korea for the commitment and hard work that has gone into continuously reinforcing the cooperation between both our countries, including and particularly in the energy sector.
3. 40 is a significant landmark and it is perhaps appropriate for our countries to consider how we can take our relationship, including in the energy sector, to new and greater heights. This platform has indeed provided valuable avenues for our stakeholders and industry players to discuss matters on industry insights, potential investments as well as business and networking opportunities in the energy-related sector.

Your Excellency, Ladies, and gentlemen,

## **Navigating the Energy Trilemma: Towards a Sustainable and Decarbonised Energy Landscape**

4. Today, the global energy landscape stands at the crossroads of a transformative journey. **The energy trilemma**—the intricate balance between **security, affordability, and sustainability**—looms ever larger, demanding concerted efforts to reshape the energy sector. The call to decarbonise energy systems resonates strongly as nations like Malaysia and Korea strive for net-zero greenhouse gas emissions.
5. Under the **Paris Agreement**, countries are mandated to reduce their **greenhouse gas emissions**. Also, the Prime Minister during tabling the **Twelfth Malaysia Plan in 2021** has announced an aspiration **to achieve net-zero GHG emissions as early as 2050 subjects to Long Terms Low Emission Development Studies (LT-LEDS)**.
6. In pursuit of this, the Malaysian Government has **undertaken a comprehensive review of our decarbonisation plans** to explore additional possibilities. This involves **evaluating policy frameworks, technology solutions, and global carbon mitigation opportunities** to expedite our decarbonisation efforts.

Your Excellency, Ladies and gentlemen,

### **Accelerating Malaysia's Energy Transition**

7. Embracing our commitment to sustainable development, Malaysia acknowledges the necessity of **bold and forward-thinking strategies to reduce our dependence on fossil fuels** and invest in cleaner, more accessible, affordable,

sustainable, and reliable energy sources.

8. As of 2020, Malaysia's primary energy mix was dominated by four sources. Natural gas claimed the lion's share at 42.4%, followed by crude oil and petroleum products at 27.3%, and coal at 26.4%. Meanwhile, **renewables**, which encompass hydroelectric, solar, and bioenergy, **contributed only 3.9%**.
9. In recognition of the urgency of the situation, our government recently unveiled an **enhanced Renewable Energy (RE) capacity mix target**. Our previous goal of 40% by 2035 has been substantially elevated to an ambitious **70% by 2050**. Hence, we will enhance our RE capacity and have lifted the export ban on renewables to facilitate cross-border energy trade. Malaysia's RE development will expand further, rooted in the concept of a self-contained system, fostering investment throughout the RE chain and diversifying RE programs through a "willing buyer-willing seller" principle.
10. To further progress our energy transition efforts, we are working towards the **establishment of a renewable energy exchange system in 2024 to facilitate price discovery and the monetization of RE excess power**. This exchange will elevate Malaysia's status to a regional hub, synergizing with the **ASEAN Power Grid** initiative.
11. In tandem, our government is **crafting the NDC roadmap and the Long-Term Low Emission Development Strategy (LT-LEDS)**. This roadmap will outline our policies and actions,

specifically in key economic sectors, driving our **commitment to reduce carbon intensity by 45% against GDP by 2030 from the 2005 baseline and long term aspirations up to 2050.**

Your Excellency, Ladies, and gentlemen,

### **Driving energy transition to foster socioeconomic development**

12. The **energy transition is an integral part** of our broader initiative to restructure the Malaysian economy **under the Ekonomi MADANI framework**. The **National Energy Transition Roadmap** or **NETR is a cornerstone in shaping Malaysia as a regional leader in energy transition** among Asian economies.
13. More significantly, it marks the commencement of mainstreaming the energy transition in our national development narrative, promising positive and sustainable outcomes for both the energy sector and the broader economy.
14. NETR outlines **six (6) energy transition levers**, along with **ten (10) flagship projects** and **fifty (50) initiatives**. These initiatives are **championed by various stakeholders**, signifying a **whole-of-Malaysia approach**.
15. NETR is poised to accelerate and guide our nation's energy transition efforts on a grand scale, **facilitating the shift from a traditional fossil fuel-based economy to a high-value green and sustainable one**. Our accelerated energy transition presents an invaluable prospect for reshaping the economy and unlocking the latent potential of green growth.

16. Considering this, the guiding principles underpinning NETR are fourfold:
- i. **First**, aligning the energy sector with our sustainable development aspirations and commitments;
  - ii. **Second**, ensuring a just, inclusive, and cost-effective transition, cognizant of challenges faced by low-income and vulnerable populations;
  - iii. **Third**, emphasising effective governance and a whole-of-nation approach;
  - iv. **And finally**, elevating employment and empowering SMEs through high-impact economic opportunities.
17. To make it clear, there is **no one-size-fits-all solution** for **addressing the world's increasing energy demands** and addressing the issue of greenhouse gas (GHG) emissions. Nevertheless, the NETR highlights **Malaysia's commitment as a responsible stakeholder in the effort to achieve net-zero GHG emissions by 2050**, even though we only **account for a mere 0.8% of global emissions**.

Your Excellency, Ladies and gentlemen,

### **Advancing Energy Efficiency for a Low Carbon Future**

18. Let us now turn to energy efficiency, which, as one of the energy transition levers, provides **long-term solutions to manage our energy consumption and reduce carbon emissions**.

19. Recently, I tabled the **Energy Efficiency and Conservation Act or EECA** in Parliament. The **EECA has been identified as an essential instrument to drive energy efficiency initiatives and expand energy efficiency adoption** among society and industries. Furthermore, the Act will establish a **comprehensive legislative framework for energy efficiency**, encompassing the regulation, enforcement, coordination, and implementation of energy efficiency initiatives, including for thermal energy.
20. The implementation of the EECA is expected to allow an approximately **2,017 million GigaJoule** of cumulative energy savings across all sectors or an equivalent of **RM97.1 billion** in utility bill savings and **almost 200,000 ktCO<sub>2</sub> of carbon avoidance**.

Your Excellency, Ladies and gentlemen,

### **Powering Our Future through the Hydrogen Economy**

21. Much like South Korea, **Malaysia is actively pursuing the development of a hydrogen economy**. As we are well aware, hydrogen has the potential to be a powerful enabler for energy transition, as it offers a clean, sustainable, and flexible option for a resilient and low-carbon economy.
22. The newly launched **Hydrogen Economy and Technology Roadmap** or **HETR** outlines hydrogen as a clean energy source to reduce pollution and enhance energy security while emphasising its importance in the country's transition to renewable and low-carbon energy. **The roadmap projects that**



**by 2030, Malaysia could achieve a 0.4% to 1.3% reduction in greenhouse gas emissions and generate substantial revenue contributions to the GDP, along with the creation of thousands of jobs in the clean energy sector. By 2050, these figures are expected to increase, positioning Malaysia as a major hydrogen exporter in the Asia-Pacific region, with significant revenue and job opportunities, while also contributing to a 15% reduction in GHG emissions.**

23. Recognizing the expertise and strengths of our Korean counterparts in hydrogen technology, **Malaysia would like to take this opportunity to learn and collaborate in areas related to hydrogen to complement our own hydrogen economy development efforts.** Let me assure you that the government of Malaysia is open to business and foreign investment, and that we are willing to assist companies from abroad wishing to expand here or deepen their existing presence, especially from Korea.
24. Your country's culture, cuisine and technology are almost universally admired, including in Malaysia. Korean companies have a long history in Malaysia, and I hope they will also support their local partners and counterparts in transitioning to more sustainable practices. As rising Asian nations, we must support each other in the pursuit of just transitions in addressing climate change. It is always better to journey together than alone, and I am confident that the best is yet to come in our relationship.

Your Excellency, Ladies and gentlemen,

## Conclusion

25. **Energy transition is not a choice; it is a necessity.** However, as I noted earlier, it brings with it a trilemma, requiring us to balance sustainability, security, and affordability in the energy sector. While Malaysia's pursuit of sustainability gains momentum, **we also emphasise the importance of providing affordable energy and ensuring energy security.**
26. We are **optimistic that Malaysia's energy transition initiatives will succeed in balancing the energy trilemma.** It will generate high-paying job opportunities, attract domestic and foreign investments, and ensure the continuity of Malaysia's green energy supply. Ultimately, this **will position Malaysia as a regional leader in the clean energy industry.**
27. In conclusion, Malaysia stands committed to the reduction of emissions in our power sector as we venture onto the path of a lower carbon future. **With our unwavering commitment to expediting a just energy transition in Malaysia and guided by the philosophy of the MADANI framework,** we aspire to a future where green principles and the pursuit of net-zero greenhouse gas emissions become the driving forces behind our collective endeavours. Together, we can pave the way for a more sustainable and environmentally conscious future, one that will benefit the generations to come.
28. I hope and trust that our colleagues in Korea will support us in our journey. Malaysia and Korea are old friends. We have a long history together and we have achieved a lot. But only our imaginations should limit what we can still achieve. Let us continue to learn and work together in the times ahead, which

are challenging but also full of opportunity.

29. Once again, I would like to thank the organisers for inviting me to share my thoughts this afternoon. I wish all the participants a productive discussion ahead and I eagerly look forward to the tangible outcomes of this Summit.

Wabillahi Taufik Walhidayah, Wassalamualaikum Warahmatullahi Wabarakatuh. Thank You.