



MINISTRY OF NATURAL RESOURCES AND
ENVIRONMENTAL SUSTAINABILITY

KEYNOTE ADDRESS

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**MINISTER OF NATURAL RESOURCES AND
ENVIRONMENTAL SUSTAINABILITY**

FOR

FINANCING ASIA'S TRANSITION CONFERENCE

**“Uniting for a Just and Green Transition: Powering ASEAN’s Low-
Carbon Future”**

7 MAY 2025 (WEDNESDAY)

MARINA BAY SANDS, SINGAPORE

Assalamualaikum Warahmatullahi Wabarakatuh and a very good morning.

Distinguished guests, ladies and gentlemen,

1. I am honoured to address the Financing Asia's Transition Conference today, although I regret that I am unable to join you in person. I would like to thank the organisers for inviting me to share my thoughts, and for assembling such a timely and important gathering.
2. Conferences like these are crucial for shaping a regional future that is green, inclusive, and resilient. I am humbled to be featured alongside so many distinguished thinkers and practitioners who are leading the way forward.

Ladies and gentlemen,

A Defining Moment for ASEAN and the World

3. We meet in the backdrop of the US' withdrawal from the Paris Agreement and the so-called "Liberation Day" tariffs imposed on most countries in the world by President Donald Trump. While we are arguably still trying to come to grips with what the ultimate impact of the tariffs will be on climate action the fact is that anything which polarises the world, erodes trust and makes communication harder is no good for anyone—or for the environment.

4. The sad fact is that addressing the global climate crisis—despite it being an increasingly lived reality in Southeast Asia with more frequent extreme weather events, rising sea levels, biodiversity loss, and the economic damage that follows—is now also subject to the geopolitical and geoeconomic uncertainties of our era.
5. But I do not think this is time to despair. History, I believe, is written by optimists. This is not the first time in our collective human experience that we have seen a polarised world. Even if we do submit to the idea that we are living in unprecedented times, when it comes to climate change, the challenges before us in ASEAN remain, namely the need to protect our vulnerable, dense populations and coastal cities, as well as to reimagine our economies, energy systems, and regional cooperation.
6. Added to these is the need to decarbonise while continuing to grow. We must transition while safeguarding livelihoods. We must ensure no one is left behind. We must ensure development is climate compatible.
7. All of these must continue to be pursued regardless of whether we end up with 24%, or 10% or—as we all live in hope—0% tariffs.
8. While we remain committed to resolving the tariff issue through negotiation both on a bilateral and regional basis, the climate cooperation agenda must continue in tandem. Hesitation, to say nothing of retreat, will literally be fatal, especially for our poorest and most vulnerable. **Let me share with you what Malaysia is doing in terms of our climate action, especially in light of our 2025 Chairmanship of ASEAN.**

Ladies and gentlemen,

Malaysia's Climate Vision: From Ambition to Action

9. Malaysia, for its part, has made it clear: we are committed to achieving net-zero greenhouse gas emissions by 2050. This is guided by our Long-Term Low Emissions Development Strategy (LT-LEDS) and supported by the National Energy Transition Roadmap (NETR), the Hydrogen Economy and Technology Roadmap (HETR), as well as the upcoming Climate Change Act. We have pledged to peak emissions by 2030 and reduce the intensity of greenhouse gas emissions per unit of GDP by 45% compared to 2005 levels.
10. But our transition is not just about targets—it is about transforming our entire development model. It is about aligning financial flows with climate goals, empowering our youth with green jobs, and turning policy into progress.

Ladies and gentlemen,

Decarbonisation is an Economic Imperative

11. Too often, decarbonisation is framed as a cost. These kinds of arguments, too, will be increasingly heard post-Liberation Day as intellectuals and policymakers are tempted or even pressured to second-guess decades of intellectual and policy orthodoxy. But I for one believe this framing is flawed.

12. The green transition is not a sacrifice—it is a stimulus. Decarbonisation is an engine for innovation, investment, and job creation. According to the International Labour Organization, the green economy could create 24 million jobs globally by 2030.
13. For Malaysia, we see this opportunity in areas such as energy efficiency, solar PV and EV manufacturing, green hydrogen as well as nature-based solutions.
14. Our NETR is projected to unlock investments of RM1.85 trillion by 2050. This means opportunities for local entrepreneurs, upskilling for workers, and an expanded role for women and youth in the clean energy sector. A just transition must and in fact if properly executed, will be inclusive, equitable, and empowering.
15. The admitted flaws and failures of globalisation, as well as the domestic political pathologies of certain countries, no matter how strong or wealthy, cannot be an excuse to let our forests burn, our air choke us and our seas and rivers clogged with rubbish.

Ladies and gentlemen,

Powering a Greener Future: The ASEAN Grid and Malaysia's Role

16. Permit me now to put on my ASEAN cap. One of the most powerful symbols of our regional potential lies in electricity—specifically, how we generate and share it as a region. Our ASEAN Power Grid (APG) is ambitious because it seeks to connect our national grids across borders, enabling a more resilient, affordable, and sustainable

energy system and it is key to increasing and scaling up renewable energy in the region.

17. Malaysia is proud to be an early mover in this space. We have already established cross-border electricity interconnections with Thailand, Singapore, and Indonesia. Our Power Integration Projects (PIP) aim to not just trade electricity, but to trade clean electricity. This is a strategic pathway to decarbonise our power sector, which remains the single largest source of emissions in the region.
18. Our involvement in the Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (LTMS-PIP) is likewise a model for regional cooperation. Through this multilateral power trade, clean hydroelectric power from Laos can flow all the way to Singapore—passing through Thailand and Malaysia. This is the future: a green regional grid that reduces carbon intensity, strengthens energy security, and fosters mutual economic benefits.

Ladies and gentlemen,

The ACCF: A Pathway to a Harmonised Future

19. Also, as an effort to ensure regional cooperation transcends mere power lines, Malaysia supports the ASEAN Common Carbon Framework. This initiative, championed under the ASEAN Taxonomy for Sustainable Finance, can create a unified approach to carbon pricing, carbon credits, and low-carbon investments. Carbon markets can be powerful tools—if done right. They must be credible, transparent, and aligned with environmental integrity.

20. Malaysia is developing our own domestic voluntary carbon market through Bursa Carbon Exchange (BCX), and we see immense potential in linking these markets regionally. A harmonised carbon framework would give investors clarity, incentivise emission reductions, and open new revenue streams for conservation and community-led projects.
21. But we must ensure carbon markets are not a license to pollute—they must be a bridge to deeper decarbonisation, not a detour. There must be no more greenwashing.
22. Furthermore, Malaysia is actively strengthening efforts on Ecological Fiscal Transfer for Biodiversity Conservation (EFT) a domestic mechanism to incentivise states in Malaysia that prioritise environmental conservation. This not only decentralises climate action but empowers our state governments to play a greater role in biodiversity stewardship and sustainable development.

Ladies and gentlemen,

Co-Benefits of the Transition

23. We also hope to pursue a regional green grid as a catalyst for co-benefits. Economically, this includes reduced cost of electricity by allowing countries to tap into the most efficient sources of renewable energy as well as jobs not just in construction, but in digitalisation, grid management, and services.
24. Environmentally, it enables higher penetration of renewables, reduces dependency on coal, and improves air quality—a silent crisis in many of our cities.

25. Socially, it helps rural communities connect to reliable electricity, supports industries to be competitive in a low-carbon world, and ensures that no one is left behind.
26. Imagine an ASEAN where a young engineer in Kelantan helps optimise cross-border battery storage; where a startup in Cebu develops AI for smart grids, where a community in Kalimantan earns income by preserving forests through verified carbon projects. This is not a fantasy—it is within reach.

Ladies and gentlemen,

Finance is the Fuel of the Transition

27. Of course, none of this is free. If you will allow me to repeat an old joke in this otherwise very serious topic: we have the money to do all these things, the problem is that right now, it's sitting in all of your pockets!
28. While our ambitions are high, we need the financial infrastructure to match. According to the Asian Development Bank, ASEAN needs an estimated USD210 billion annually until 2030 for climate-aligned infrastructure. Private capital must be mobilised, de-risked, and directed towards sustainable investments.
29. Blended finance, green bonds, sustainability-linked loans, and catalytic funds must be scaled up. Malaysia has introduced the green sukuk, and we are actively exploring innovative financing to crowd in private sector participation.

30. We urge development banks, multilateral institutions, and the private sector to join us in creating a financial ecosystem that rewards sustainability. By sharing risks and crowding in private capital, we can accelerate climate projects that otherwise may not be viable on a purely commercial basis.

Ladies and gentlemen,

Conclusion: Collaboration is Our Competitive Advantage

31. It's possible much of what I have said will be familiar to you all. To the untrained eye, it may seem like ASEAN is running in place on climate action and other things. But as those in the know will tell you, even that can be an extremely effective form of exercise.
32. The fact is that ASEAN and its work, including when it comes to climate cooperation, has always been subject to much debate. There have and will always be those who say we do too much of certain things, or not enough of others.
33. Such criticism is inevitable because much is at stake. But we must not let such voices distract us from our goals or from our ASEAN Way and our ASEAN Centrality. ASEAN, including when it comes to climate cooperation, has its own way of doing things. It has not and will not be to the satisfaction of some, but I would argue that this is the best and most inclusive way, precisely because ASEAN prioritises consensus-building. We must believe that the arc of history will bend forward for us even in this way—and it will.

34. No country can face the climate crisis alone. But together, ASEAN can lead. We have natural resources, growing markets, young populations, and a shared destiny. We must build on our common strengths and deepen our partnerships—across governments, businesses, civil society, and academia. Let us remember that climate action is not a burden to bear—it is a legacy to build.
35. Malaysia stands ready to collaborate, share lessons, and lead where we can. Through partnership, we can not only weather the storms of climate change but chart a new course for prosperity.
36. Let me end with this: In the 21st Century, power will not just be measured in megawatts, or, for that matter, in terms of GDP or the strength of arms or even PISA scores—although those do matter in their time and place. Rather, strength, as well as a region's capacity to survival, arguably lies in our ability to transform, in our combined vision, courage, and unity.
37. Let us power a new era—an ASEAN powered not by coal or carbon, but by cooperation and commitment. Let us ensure that our children inherit not just clean air and water, but also the kind of hope that comes from seeing leaders take bold, decisive action.
38. The time for incremental change is over. The time for transformational leadership is now. Thank you.