



MINISTRY OF NATURAL RESOURCES AND
ENVIRONMENTAL SUSTAINABILITY

OPENING ADDRESS

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**MINISTER OF NATURAL RESOURCES AND
ENVIRONMENTAL SUSTAINABILITY**

FOR

ESG AND BRANDS FORUM 2024

26 SEPTEMBER 2024 (THURSDAY)

**BERJAYA TIMES SQUARE HOTEL,
KUALA LUMPUR**

Assalamualaikum Warahmatullahi Wabarakatuh and Salam Malaysia Madani.

1. Ts Dr Nurul Muiz Murad

CEO, Yayasan Hijau Malaysia

2. Shikha Kedia Bharadwaj and Kayatthri Krishnasamy

Organisers of ESG and Brands Forum 2024 from Bitquest Sdn Bhd

Distinguished guests, ladies and gentlemen,

INTRODUCTION

1. I want to extend my heartiest congratulations to the organisers of the ESG and Brands Forum 2024 for putting this event together. I understand this forum is making its debut today and so our gathering is extra special. I thank our hosts for giving me this opportunity, not only to make history by being the forum's inaugural guest of honour, but also to speak about the critical role corporate stakeholders play in addressing the environmental challenges we face today.

2. Indeed, I think it's inspiring that the organisers are two women: Shikha Kedia and Kayatthri. In this country and in the world at large, I think we really ought to be listening to women more on everything. So, congratulations Shika Kedia and Kayatthri and I trust this will not be the last we hear from you in this space.

3. This forum, centred on ESG (Environmental, Social, and Governance), will serve as a vital platform to highlight how businesses and brands can drive sustainability and build lasting value. This is a topic very much on everyone's minds these days, but it bears repeating that all organisations must go beyond compliance and actively contribute to a greener, more sustainable future.

4. During my time as the Minister of Natural Resources and Environmental Sustainability (NRES), I have heard and seen how many Malaysian companies are already taking bold steps towards transformation, embracing sustainable practices not just for economic benefit but to ensure a positive impact on the environment. So, the will and desire are certainly there. I challenge more Malaysian companies to consider similar paradigm shifts, integrating sustainability at the core of your strategies and operations. The Madani government has and will be doing all it can to create the proper ecosystem to support this. The time has come for all of us to walk the talk on sustainability.

5. Meanwhile, our discussions today need to be informed by the fact that achieving a circular economy, mitigating climate change, and advancing sustainable development requires collaboration across all sectors. The corporate world, government, and civil society must work hand-in-hand to ensure that ESG principles become an integral part of our business culture. I understand this is not easy. It's tough bringing people together, even for something as win-win as this. But we all will lose if our environment is devastated and Malaysia gets left behind economically because we cannot get a grip on ESG.

Ladies and gentlemen,

MALAYSIA'S SUSTAINABILITY AGENDA

6. It is worth emphasising that Sustainability is the first pillar of Prime Minister Dato' Seri Anwar Ibrahim's "Malaysia Madani" framework. This underscores the Unity Government's deep commitment to preserving Malaysia's environmental heritage, ensuring energy security, and achieving a balanced approach to sustainability through a just transition.
7. To support these goals, Malaysia aims to achieve net-zero greenhouse gas emissions by 2050, and this vision is captured in the development of Malaysia's Long-Term Low Emissions Development Strategies (LT-LEDS).
8. NRES is committed to advancing the nation's sustainability goals with a comprehensive approach that integrates ESG principles. As we continue to incorporate these values into our national framework, corporate leaders and brands are expected to play an essential role in driving this transformative agenda.
9. We are actively revising and strengthening existing policies to set Malaysia on the right course for a sustainable future. This includes the development of the Nationally Determined Contributions (NDC) Roadmap and Action Plan, which outlines the specific actions needed to achieve our climate action goals.

10. While Malaysia's contribution to global greenhouse gas emissions stands at just 0.69%, the government is fully committed to implementing measures that will significantly reduce the nation's carbon footprint.

11. As mentioned, many organisations are already stepping up their efforts in sustainability. However, there is still ample room for progress. Our goal is to align Malaysia's energy transition and sustainable development targets with our ESG commitments.

Ladies and gentlemen,

12. International collaboration and local partnerships are key to driving ESG-aligned growth. By working with both global stakeholders and homegrown companies, we seek to extend the impact of sustainable practices, ensuring that brands address environmental sustainability, social well-being, and strong governance structures in their operations.

13. At home though, the successful realisation of this aspiration requires close collaboration between both public and private sectors. Corporations and brands have a critical role in driving this transition by aligning your business strategies with sustainable practices and contributing to reducing economy-wide emissions.

14. In achieving our net-zero target, we recognise the need to balance economic development and the well-being of the people. This is where corporate responsibility comes into play—companies and brands must embrace sustainability, not only as an environmental obligation but as a core element of their business. By investing in affordable, innovative solutions that benefit the masses, businesses can help create a more resilient and sustainable economy, even in the face of economic uncertainties.

15. If you read the news today, you will often see talk that there is a so-called “anti-ESG backlash” in some corporate circles in the West. These quarters claim that a focus on better business practices somehow erodes profits. This is a wrong-headed approach because quite simply, if our forests are cut down, rivers and oceans and air polluted, as well as our cities rendered unliveable because of skyrocketing temperatures—then there will probably be no profits to be had at all—at least not the kind worth having, or the kind of wealth we would be proud to leave to our descendants.

16. We must resist this trend and be unapologetic about the embrace of ESG. Almost all cultures and civilisations in our region have stressed the need to live in harmony with nature as well as for responsible stewardship of it. You can therefore argue that the spirit of ESG is not some new invention but rather simple human wisdom and logic. Certainly, in my mind, the time has come to double down rather than step away from ESG—especially when it comes to the environment.

THE CIRCULAR ECONOMY

17. To be sure, addressing environmental challenges requires more than just focusing on green, reliable, and accessible energy sources. To tackle these issues comprehensively, we must rethink our current linear economic model of "take-make-dispose" and transition to a more sustainable approach.

18. The concept of a circular economy plays a crucial role in this transformation. In a circular economy, the emphasis is on reusing products and resources to extend their lifecycle and minimise waste. The ultimate aim is to reduce waste to the bare minimum and alleviate pressure on our natural resources.

19. Recycling and sustainable waste management are essential components of this circular model. For instance, the Malaysia Plastics Sustainability Roadmap 2021-2030 (MPSR) sets ambitious goals to phase out single-use plastics by 2030 and achieve a 100% recyclability of plastic packaging by 2030.

20. Innovative solutions in waste management are vital to advancing the circular economy. Examples include kerbside recycling programmes for post-consumer plastics and initiatives that repurpose plastic waste into products for various applications, such as food packaging and healthcare. These efforts are crucial as we explore alternatives to non-biodegradable plastics and seek to address plastic waste effectively.

21. Additionally, the waste-to-energy sector represents a significant opportunity in the circular economy. Viewing waste as a resource can generate substantial benefits. For instance, by creatively reusing by-products such as bio-solids, bio-effluents, and biogas, we can reduce waste and extend the use of existing resources. This paradigm shift towards treating waste as a valuable resource is crucial for closing the loop in our sustainability efforts.

22. It is inspiring to see advancements in circular economy practices, and it is essential for Malaysian companies to innovate and contribute to these solutions. Embracing sustainability not only involves creating and using solutions but also leading by example on a global scale. The challenge for the Malaysian private sector is to fully engage with this vision and drive progress.

23. As we advance towards a circular economy, it is important to consider the human aspect of sustainability. While striving for carbon neutrality, we must ensure that the needs of vulnerable communities are addressed.

24. An inclusive approach to sustainability ensures that no one is left behind, and that development benefits all segments of society. By being transparent about the impacts of our green economy plans, including potential short-term economic effects, we can work towards minimising any harm and supporting those most affected by these changes.

25. You may have seen that, just the other day, the Department of Statistics Malaysia (DOSM) reported that the number of micro, small and medium enterprises (MSME) in our country rose from 907,065 in 2015 to 1,069,831 in 2022, with the top three sectors being services, construction and manufacturing. This simply reinforces what we've known all along, that Malaysia's MSMEs are a crucial part of the economy.

26. I think in this sector too, there's no shortage of interest or willingness to embrace sustainability, including as part of the push to enter global export markets. But the challenge here is funding, capacity and knowledge constraints considering that these are, as noted, MSMEs.

27. The government is doing its part to help these entities, including via the iESG initiative. But again, the wider private sector and industry bodies must also play their part in terms of thought leadership and advocacy. I hope the way forward for MSMEs in relation to ESG and the circular economy will be something that will be discussed in the forum today. We will need the private sector to be part of the sustainability push—but that won't succeed if MSMEs are not included in the conversation.

Ladies and gentlemen,

CONCLUSION

28. Once again, I extend my congratulations to the organisers of the ESG and Brands Forum 2024 for standing up for ESG and on how corporate brands can play an active role in achieving ESG goals.

29. Your commitment to spearheading positive change is commendable. I hope that more industry players will adopt a similar mindset, developing innovative and socially conscious practices that contribute to our collective goals.

30. As we continue our journey towards environmental and social sustainability, it is essential for us to collaborate and support one another. Our shared responsibility is to lay the foundation for a secure and thriving planet.

31. I eagerly anticipate the impactful strategies and partnerships that will emerge from our collective efforts and look forward to seeing the achievements we can accomplish together for a greener and more sustainable future. Thank you.