

PRESS RELEASE

MALAYSIA TO INTENSIFY ASEAN GREEN ECONOMY BY 'POWERING THROUGH CHANGE'

BAKU, 19 November 2024 - In the first week of COP29, the Malaysia Pavilion has become a vibrant hub for meaningful knowledge exchange surrounding critical topics such as *Future-Proofing Our Environment*, *Just Transitioning*, *'Powering' Through Change*, *Closing the Loop in Local and Global Consumer Demands* and *Climate Tech*. The **26** sessions, featuring **39** prominent speakers representing local and international voices from various areas of focus attracted close to **910** attendees.

Journeying to Net Zero with Sustainable Climate Financing Flows

The pursuit of achieving net zero by 2050 has emerged as a shared goal, driving both policy and action across various sectors globally. However, while technological innovations and regulatory frameworks are evolving, the real challenge lies in ensuring climate finance flows smoothly for sustainable climate action.

Secretary General, Ministry of Natural Resources and Environmental Sustainability (NRES), Datuk Dr. Ching Thoo a/l Kim said, "The climate challenges we face today require international solidarity and partnership. As we hold the chairmanship of ASEAN next year, we are committed to setting the right precedent in driving transboundary collaboration. We are dedicated to strengthening cooperation across ASEAN, recognising that our environmental challenges are interconnected. We aim to enhance our region's resilience, support sustainable economic growth, and establish climate-conscious policies that serve the people and economies of all member countries."

In a panel discussion, panellist Shahril Azuar Jimin, Group Chief Sustainability Officer of Maybank highlighted the need for climate adaptation to be done according to locality as there is no one-size-fits-all for the unique ASEAN landscape. This dialogue led by Joel Khaw, Head of MIND and Sustainability at Bank Pembangunan Malaysia Berhad (BPMB) further emphasised the urgent need for financing climate adaptation strategies in ASEAN. The conversation also covered investment opportunities for adaptation financing and actionable insights for overcoming financing challenges across ASEAN.

To address these urgent challenges, developed countries like the UK have advanced collaboration on climate mitigation and adaptation with developing countries like ASEAN who have growing carbon emitting regions and biodiversity hotspots. Initiatives such as the ASEAN-UK Green Transition Fund (GTF) and UK Climate Adaptation and Resilience (CLARE) programme not only aim to accelerate ASEAN's transition to a clean, climate-resilient economy by reducing emissions, promoting green economic growth, and improving the lives of vulnerable communities but also scale up research and innovation efforts through improved climate risk data, enhanced decision-making tools, and better climate adaptation solutions for urban climate resilience in ASEAN.

The Rt Hon Anneliese Dodds, Minister for Development at the Foreign, Commonwealth and Development Office and Minister for Women and Equalities in her opening keynote address, said, “With over 680 million lives at risk from the climate and nature crisis, we recognise the shared ambitions of our partners, be it in Malaysia and across ASEAN. Nearly a quarter of our UK-ASEAN Plan of Action focuses on energy, climate, and the environment. To further this, the UK-ASEAN GTF providing up to £40 million over five years, aims to accelerate the green transition through shared expertise and commitment.”

The Asian Development Bank (ADB), in collaboration with the Coalition of Finance Ministers for Climate Action and the Government of Malaysia, has also hosted an insightful session at the Malaysia Pavilion focused on the Fiscal Resilience Initiative (FRI). During the session, a new report entitled “Climate-Resilient Fiscal Management: Experience from Southeast Asia” was also introduced. The report includes best practices from the region on assessing and managing climate-related fiscal risks and mobilising climate finance. This is the first report under the ASEAN Climate Finance Policy Platform launched in 2024 to facilitate dialogue and enhance capability in finance ministries.

Just Energy Transition for a Climate-Resilient Future

Malaysia's journey towards a just energy transition is critical in balancing economic growth with sustainable development. Fossil fuels currently account for 20% of the nation's GDP and support over 3,500 businesses, making them a significant pillar of the economy. Despite these figures, Malaysia is firmly committed to addressing climate change, setting ambitious targets to reduce carbon emissions by 45% relative to GDP.

At the Malaysia Pavilion, discussions on the country's energy transition underscored the importance of integrating Environmental, Social, and Governance (ESG) principles to guide this shift.

Tan Sri Dato' Abdul Razak bin Abdul Majib, Chairman of Tenaga Nasional Berhad said, "Malaysia's journey towards a sustainable future relies on collaboration, resilience, and innovation. TNB is committed to advancing ESG principles and expanding renewable energy efforts to drive the nation's energy transition forward aligned with the government's NETR policy and guidelines".

Wan Sayuti Wan Hussin, PETRONAS Senior General Manager, Strategy, Policy and Regulation, Corporate Sustainability Division concurred that "The energy transition will be the defining challenge of our time and it has multiple pathways. We need to take into consideration the local context and leverage Malaysia's strengths to unlock opportunities on technology-based solutions (e.g., CCS, hydrogen, biofuels) and nature-based solutions, whilst adhering to the international standards and aligning with the global climate goals."

By aligning financial flows and policies with low-carbon development pathways, Malaysia is positioning itself to lead in the green economy, all while navigating the complex challenge of moving away from its fossil fuel dependency in a just and responsible manner.

Driving Just Transition and Circular Economy in Malaysia's Palm Oil Industry

On the 5th day of COP29 at the Malaysia Pavilion, the sessions featured insightful conversation surrounding *Powering a Just Transition: Sustainable Malaysian Palm Oil*. The discussion encapsulated Malaysia's palm oil industry's role in driving global climate solutions through Just Transition and Circular Economy initiatives. It also facilitated dialogues on the industry's transformative approaches to job creation in sustainable farming and bioenergy, circular economy advancements, and empowerment of marginalised communities.

Belvinder Sron, Chief Executive Officer of The Malaysian Palm Oil Council, highlighted the industry's forward-thinking approach, stating, "Our presence at COP29 highlights Malaysia's position as a trailblazer of sustainable palm oil production. Through strategic partnerships and steadfast dedication to responsible practices, we aim to set a global benchmark for environmental stewardship and economic resilience, showing the world that sustainable palm oil can meet both ecological and societal needs."

Professor Jeffrey D. Sachs, President of the UN Sustainable Development Solutions Network (SDSN) in his speech, said, "We recognise that the East Asia region, including ASEAN and China, is at the forefront of the world's most significant transformations towards a green, sustainable, and digital economy. As global

pacesetters, it is crucial for ASEAN to drive region-wide initiatives in energy transformation and sustainable land use, including the palm oil industry. Malaysia's ASEAN Chairmanship 2025 is a tremendously important opportunity to lead these efforts, given its strong track record in sustainable development and energy innovation."

Embracing The Future of Climate Adaptation and Mitigation Through Tech

Week 1 at the Malaysia Pavilion concluded with an emphasis on the transformative role of climate tech innovations and data platforms in supporting the larger climate agenda. These innovations are not only driving sustainability but also contributing to climate adaptation and mitigation efforts across Southeast Asia and the broader ASEAN region.

From near zero emission power systems to cross-border grids that accelerate regional decarbonisation like the ASEAN Power Grid, provides a strategic cross-border energy integration that can serve as a strategic, cost-effective solution for decarbonisation within the region. Moreover, the integration of data platforms is reshaping solutions across key sectors from agriculture to energy and biodiversity.

These solutions not only unlock renewable energy potential and innovative energy storage solutions but also accelerate policy and regulatory reforms, securing sustainable financing, and navigating social and economic implications for a more sustainable and resilient tomorrow.

The Malaysia Pavilion at COP29 is spearheaded by the Ministry of Natural Resources and Environmental Sustainability (NRES) in collaboration with the Malaysian Green Technology and Climate Change Corporation (MGTC) as the implementing agency. The Pavilion and our country's participation is proudly supported by Tenaga Nasional Berhad (TNB), Petroliaam Nasional Berhad (PETRONAS), Malaysian Palm Oil Council (MPOC), Malaysian Palm Oil Green Conservation Foundation (MPOGCF), Felda Global Ventures Holding Berhad (FGV), SD Guthrie Bhd, Malayan Banking Berhad (Maybank), Bank Pembangunan Malaysia Berhad (BPMB), Kloth Wear and De Carton.

For more information regarding the Malaysian Pavilion at COP29, visit <https://malaysiapavilion-cop.com/>.

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About the Malaysian Pavilion

Malaysia is proud to present our Malaysia Pavilion at COP29, built around the theme "Shift for Sustainability: Climate Action Now". This theme emphasises the urgency of addressing climate change with immediate, bold actions. Through a whole-of-nation

approach, Malaysia is committed to collaborating with all sectors—government, businesses, and communities—to create a sustainable and resilient future for all.

Join us at the Malaysia Pavilion as we showcase our nation’s innovative solutions for climate action, from green urban development to energy transitions, biodiversity preservation, and more.

For media inquiries, kindly contact:

Corporate Communication Unit

Ministry of Natural Resources and Environmental Sustainability (NRES)

Tel. : 03-8000 8000

Daniel Michael

Senior PR Manager

MSL Group Malaysia

Phone: +60 14-933 9060

Email: daniel.michael@mslgroup.com

Wan Aiqa Liyana

PR Executive

MSL Group Malaysia

Phone: +60 10 287 3103

Email: wan.aiqa@mslgroup.com

**MINISTRY OF NATURAL RESOURCES AND ENVIRONMENTAL SUSTAINABILITY
(NRES)**

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Corporate Communication Unit | Ministry of Natural Resources and Environmental Sustainability (NRES)

Tel. : 03-8000 8000 | Fax : 03-8889 4763

