

Malaysia



# ENABLING GREEN TRANSFORMATION

**GREEN INITIATIVE SEMINAR** Hotel Casuarina@Meru, Ipoh 4 July, 2018

SYED AHMAD SYED MUSTAFA Chief Operating Officer

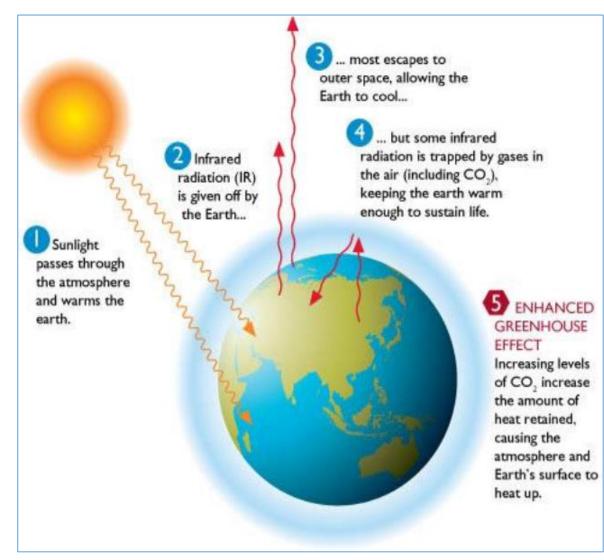
## CHAMPIONING **GREEN ECONOMY**

# OUTLINE

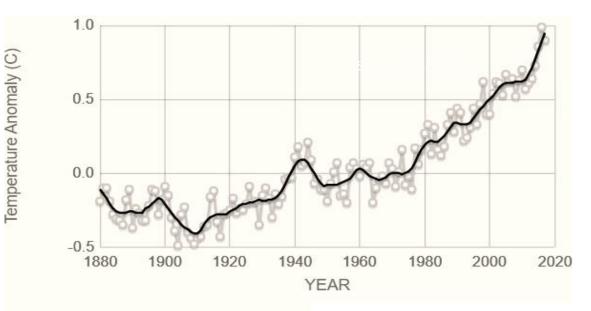
- Climate Change Revisit
- High Economic Growth vs Green Growth
- National Green Technology Policy
- About GreenTech Malaysia
- Public Support Policy Mechanism
- Other Enabling Initiatives
- Way Forward



# **CLIMATE CHANGE - Revisit**



## Change in Global Surface Temperature Relative to 1951-1980 AverageTemperatures



Source: climate.nasa.gov

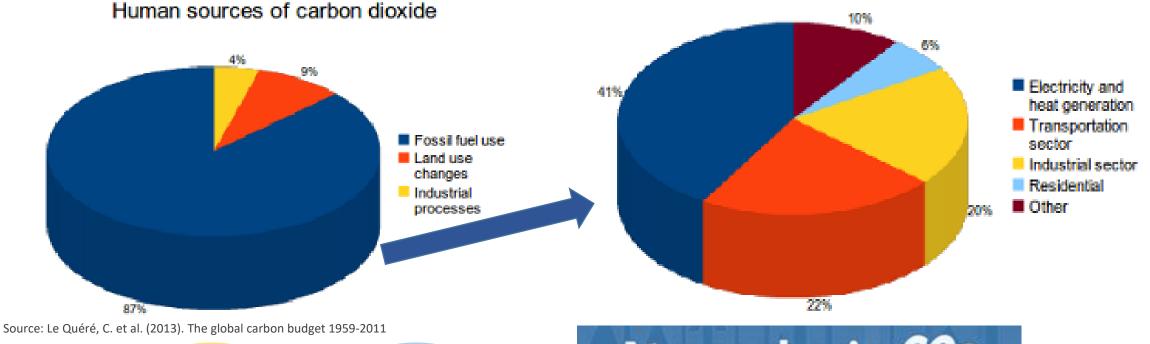
PARIS2015 UN CLIMATE CHANGE CONFERENCE COP21.CMP11





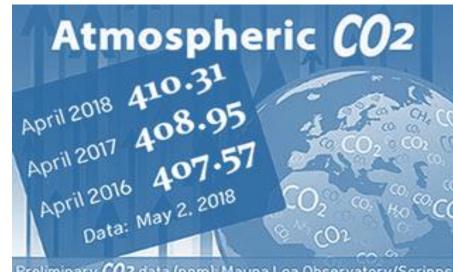
# CO2 EMISSION

## Carbon dioxide emissions from fossil fuel combustion



The build up of human-generated greenhouse gases in the atmosphere is a threat to the ecology and biodiversity of the planet.

Humans are currently emitting around 30 billion tonnes of CO2 into the atmosphere every year.



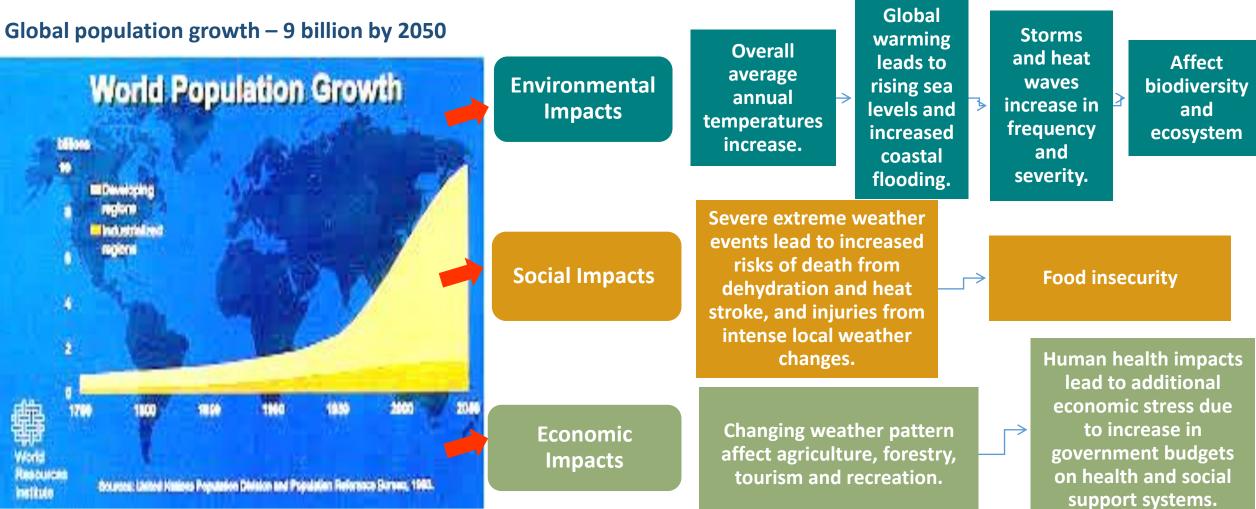
Preliminary CO2 data (ppm): Mauna Loa Observatory/Scripps



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# IMPACTS

Rise in demand for energy, water, transport, urban development and agricultural infrastructure.



The impacts of climate change magnify the already existing challenges face by the developing countries such as widespread poverty, low levels of education, limited access to health services, and gender inequality.

# ERRATIC AND EXTREME WEATHER CONDITIONS

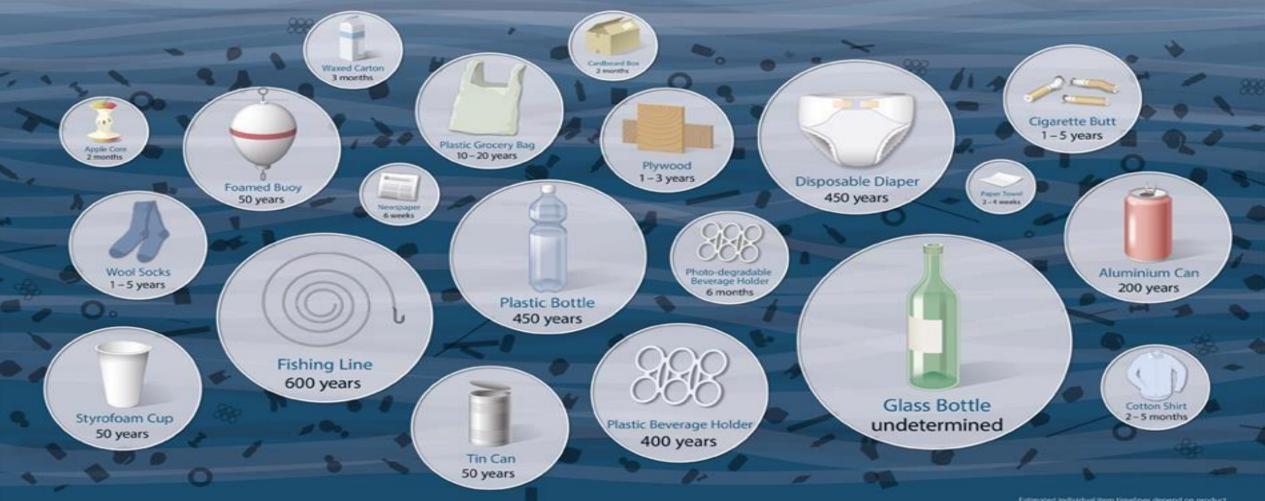


# HUMAN IMPACTS TO ENVIRONMENT



# **HOW LONG UNTIL IT'S GONE?**

Estimated decomposition rates of common marine debris items



Source: Garbage in, garbage out (US National Park Service 1998, cited 1.1.2017)

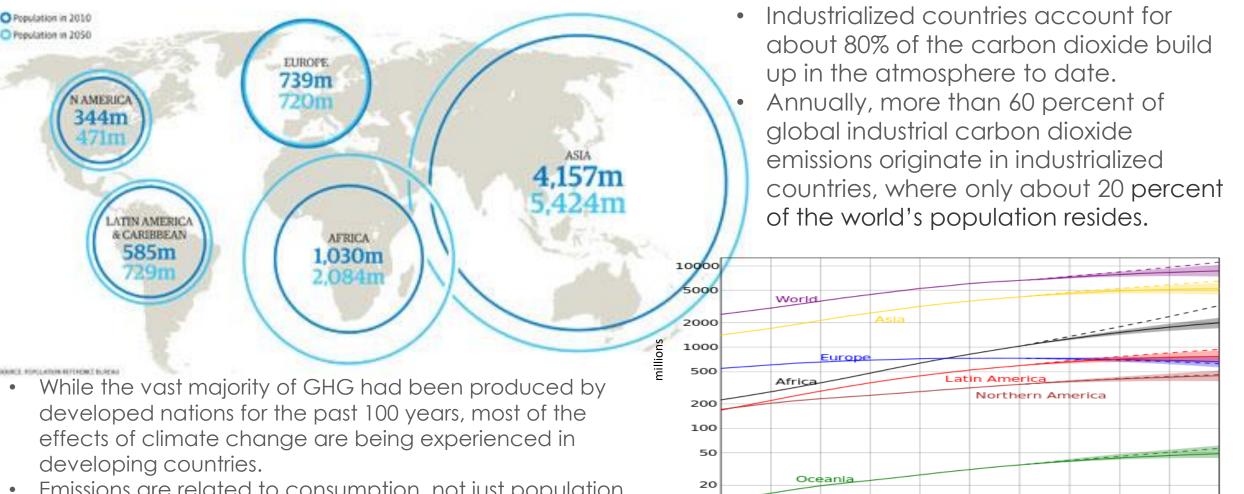
composition and evironmental conditions.

Dinestra

rue: NOAA (National Dueanic and Atmongheric Administration), US / Woods Hole Sea Grant, US Graphics: Ofiver Lade / Museum für Gestaltung Zürich, ZHoK

# CONSUMPTION and CARBON EMISSION

## The world's wealthiest countries i.e 20% consume approximately 80% of the world's resources.



• Emissions are related to consumption, not just population numbers alone.

The combined effects of climate change and rapid population growth are increasing food insecurity, environmental degradation, and poverty level.

## PARADIGM SHIFT: HIGH ECONOMIC GROWTH VS GREEN GROWTH





# UN INITIATIVE: THE SDG'S

On 25 September 2015, the 193 countries of the UN General Assembly adopted the 2030 Development Agenda titled "Transforming our world: the 2030 Agenda for Sustainable Development"



The SDGs cover **social and economic** development issues including poverty, hunger, health education, **climate change**, gender equality, water, sanitation, energy, urbanisation, **environment**, and social justice.



# MALAYSIA'S COMMITMENT

Green technology is a key contributor to realise Malaysia's commitment in reducing its GHG emission intensity

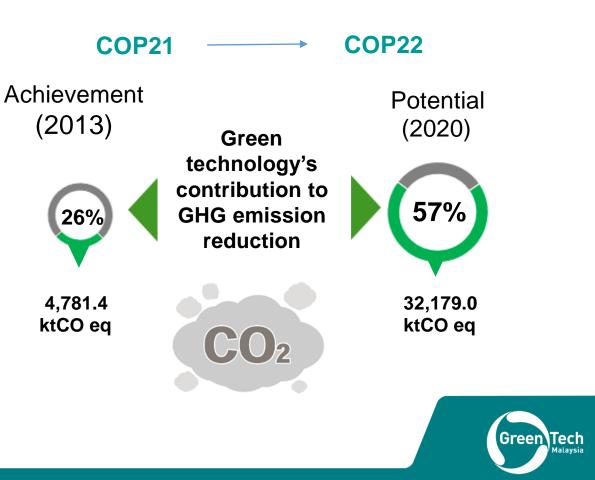
## Malaysia's immediate goals

- Malaysia as a developed and high income nation by 2020 (GNI per capita of USD15,000)
- Up to 45%\* reduction in GHG emission intensity of GDP by 2030 relative to 2005 levels

National nominal GDP in 2013: **RM1 trillion** (based on Dept Statistics, Malaysia)

Green Technology contribution to GDP in 2012/2013: RM7.9 bilion

\*This consist of 35% on an unconditional basis and a further 10% is conditional upon receipt of climate finance, technology transfer and capacity building from developed countries.



# THE CHALLENGE

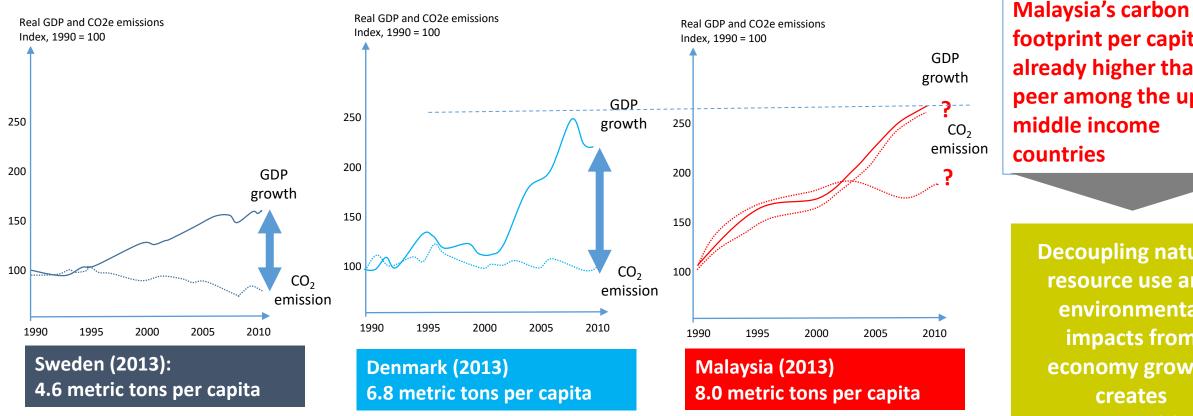
# GDP DECOUPLING ECONOMIC GROWTH FROM ENVIRONMENTAL IMPACT Impact Decoupling **Environmental** Impact

 GREEN GROWTH
Maintains or restores environmental quality and ecological integrity
Decouples negative environmental impact from economic growth pressures

Time



## DECOUPLING ENVIRONMENTAL IMPACT FROM ECONOMIC GROWTH Advanced economies had demonstrated the decoupling of environmental impact from economic growth



footprint per capita is already higher than its peer among the upper middle income countries

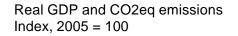
**Decoupling natural** resource use and environmental impacts from economy growth creates opportunities

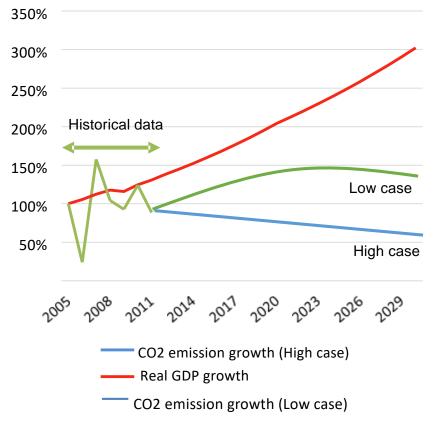


Source: The World Bank, Nordic Energy Research

# DECOUPLING ENVIRONMENTAL IMPACT FROM ECONOMIC GROWTH

## Decoupling natural resource usage and environmental impact from economic Growth – Malaysia Scenario





Decoupling should be a National aspiration in line with global best practice that will accelerate GHG 2030 achievement.

#### Low case

- Malaysia continue its economic growth to becoming a high income nation by 2020, emitting similar amount of GHG as the existing high income nations.
- Decoupling starts post-2020
- Malaysia will not be able to achieve its GHG emission reduction by 2030

High case

 Malaysia to reduce 35% of GHG emission intensity of GDP relative to 2005 scenario by 2030

Green\Tech

Decoupling has to start in 2011

Note: The projection is illustrative only. The actual scenario simulation has to be generated from a Malaysian carbon calculator

Source: The World Bank, Malaysia's Biennial Update Report (BUR) to the UNFCCC, 2016, PwC analysis

# NATIONAL GREEN TECHNOLOGY POLICY

## LAUNCHED ON 24 JULY 2009

## POLICY STATEMENT

GREEN TECHNOLOGY SHALL BE A DRIVER TO ACCELERATE THE NATIONAL ECONOMY AND PROMOTE SUSTAINABLE DEVELOPMENT.







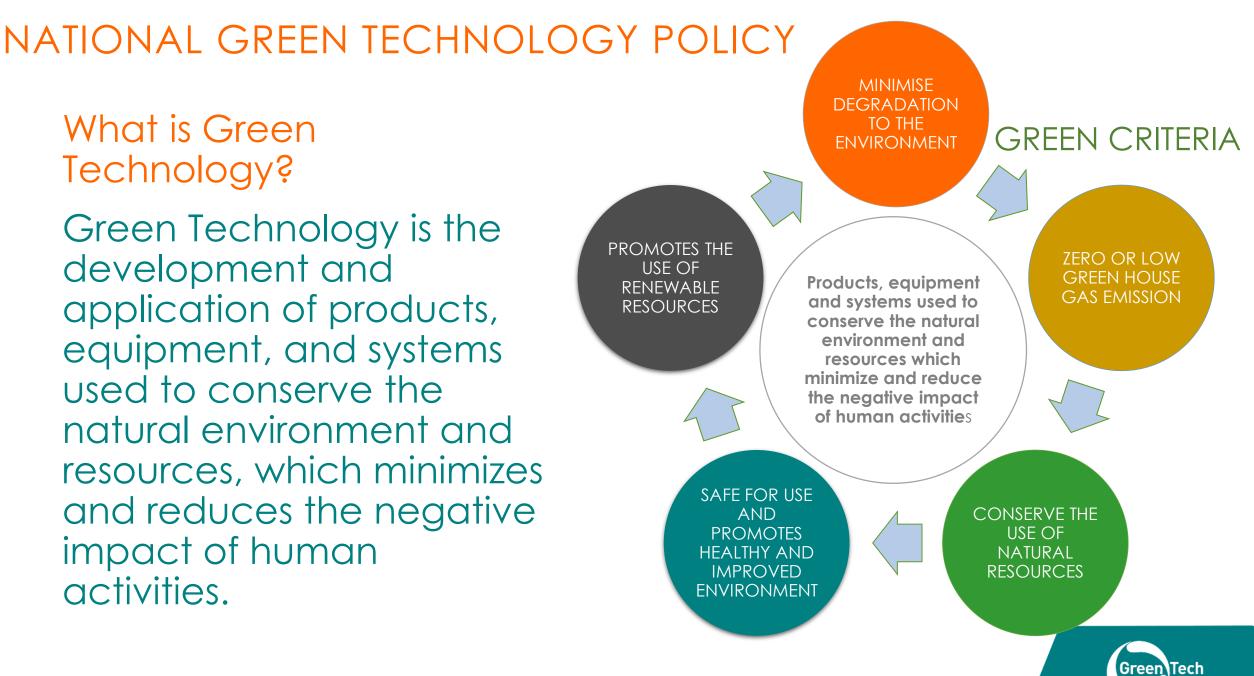
#### MINISTRY OF ENERGY, GREEN TECHNOLOGY & WATER MALAYSIA (KeTTHA)

Responsible for the planning and formulation of policies for energy, green technology and water sectors, as well as to facilitate and regulate the growth of these sectors.

### MALAYSIAN GREEN TECHNOLOGY CORPORATION (GREENTECH MALAYSIA)

A corporation under the purview of the Ministry of Energy, Green Technology & Water Malaysia act as the nation's lead agency in catalyzing green technology as a strategic engine for socio-economic growth.





# NATIONAL GREEN TECHNOLOGY POLICY

## FOUR PILLARS OF GREEN TECHNOLOGY POLICY

ENERGY Seek to attain energy independence & promote efficient utilization

#### **ENVIRONMENT**

Conserve and minimize impact on the environment

### ECONOMY

Enhance the national economic development through the use of technology SOCIAL Improve the quality of life for all









# ABOUT GREENTECH MALAYSIA

Established in 1998 as Pusat Tenaga Malaysia (PTM) or Energy Centre of Malaysia and restructured in 2010 as Malaysian Green Technology, Corporation (GREENTECH MALAYSIA)

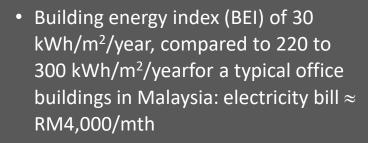
> An agency under the purview of the Ministry of Energy, Green Technology & Water (KeTTHA), Malaysia

The leading organisation in spearheading green technology for green growth and sustainability.



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## **GREEN ENERGY OFFICE (GEO) BUILDING**



- Savings of almost 500,000 kWh per year (at least RM200,000 per annum)
- Avoided 360 tonnes per year of carbon emissions

#### **KEY FACTS:**

Comparison in the local local local states when were bound to be a state of

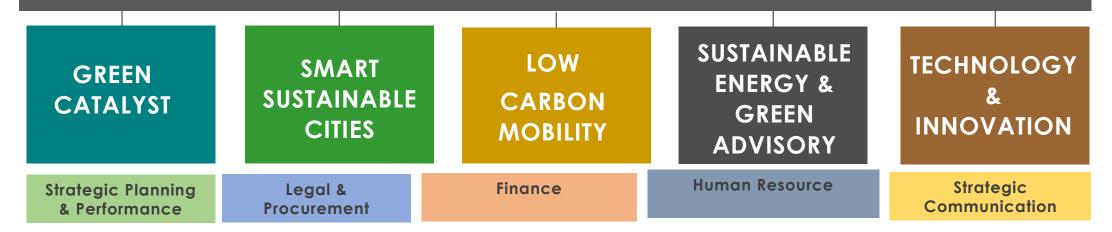
- Location: Seksyen 9, Bandar Baru Bangi
- Construction start: March 2006
- Construction completed: October 2007
- Built up area: 4,200 m2
- Land area: 2 hectares
- Building Integrated Photovoltaic (BIPV) system: 92kWp
- Floor Slab Cooling System: 1st in Malaysia

# GEO BUILDING PERFORMANCE

- 1	April 2018		Actual	Conventional Buildi Monthly Baseline	ng	Compariso	on (yearly)	
	Energy Cost (MYR)*		4,063	40,126.00			GEO as of	Conventional
	Energy Consumption (kW	/h)	8,013	78,833			Current Month	Building Baseline
	Water Cost (MYR)*		479	4,560.00	Yearly Net Energy (kWh)			
	Water Consumption (m3	)	170	2,000			121,047	946,000
	Solar Energy Generated (	kWh)	10,750	NIL		e <b>t BEI</b> Wh/m2/year)	22	220
	Total CO2e Emission (Ton	ne)*	5,632	55.55	Note:	* Net Floor Area (NF	A) = 4,300 sq.m	
	Note *: Based on TNB rate RM0.509 per kW **: total CO2 is Energy & Water comb		, Syabas RM 2.28 per m3		**Average conventional building's BEI is at 220kWh/m2/year, without any Solar Photovoltaic system installed			
Waste	(recycle) (kg) cumulative	396.67		Equivalent Tro	ees Per	rcentage redu	iction 879	%
*this is was	since Jan 2018 *this is waste recycled by staff, not the building (iCycle Programme)			19,100		Tonne CO2e reduction 573		3
			Note: Bas	ed on 1 generic tree absorb 0.03	No tCO2/year	ote: Based on Emissic	on Factor 0.694 kgCO2	
~ (	<b>come to the GEO Buildi</b> Green Energy Office Building ^	•			-			FrackOM Display
			Contraction of the second				A NOTING	

# **ORGANISATION STRUCTURE**

Vision: The leading organisation in spearheading green technology for green growth and sustainability Mission: Championing Green Economy through Green Technology and Green Culture

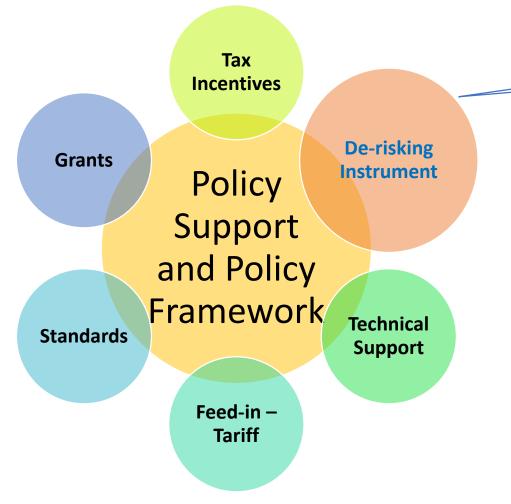


#### IMPACT OF GREEN TECHNOLOGY ADOPTIONS AND DEPLOYMENT

ENVIRONMENT:	reduction of carbon emissions;
ECONOMY:	increase in GNI/GDP and investments;
Social:	increase in high-income jobs and knowledge workers;
ENERGY:	reduction in fossil-fuelled power and increase in renewables.



# POLICY SUPPORT MECHANISM FOR GREEN INVESTMENTS IN MALAYSIA

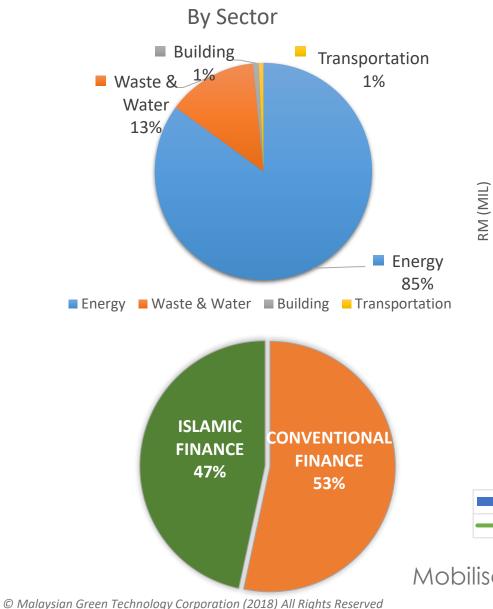


## GREEN TECHNOLOGY FINANCING SCHEME

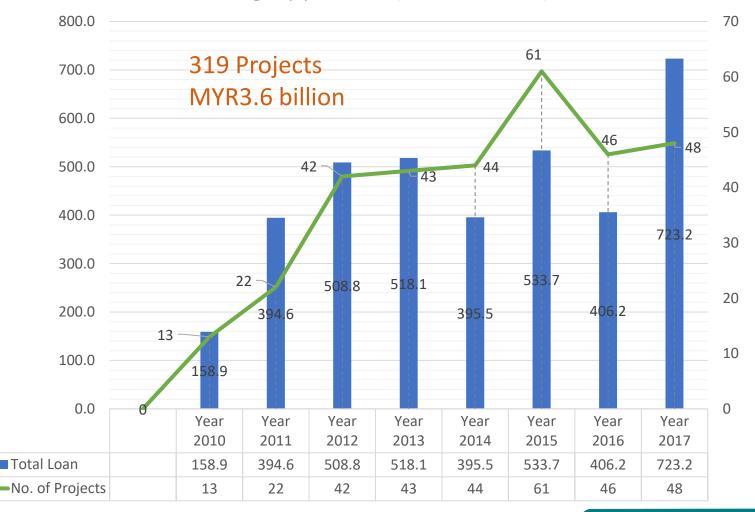
- Loan guarantee scheme introduced in 2010 till 2017 with a total target financing approval of RM3.5 billion.
- Objective is to promote green investments by providing easier access to financing and at a lower financing costs.
- $\succ$  Incentives:
- 60% Government Guarantee on financing provided by financial institutions.
- 2% rebate on interest/profit rate charged by financial institutions.



# GTFS PERFORMANCE 2010 - 2017



## Financing Approvals (MYR million)



Mobilise green investment and mitigate financial risks



# GTFS EXPECTED IMPACT

	92%	SME'S		
				CO <sub>2</sub>
PARTICIPATING FINANCIAL INSTITUTIONS: 28	GREEN PROJECTS: <b>319</b>	GREEN INVESTMENTS: MYR7.05 billion	EMPLOYMENT CREATION: <b>5,265</b>	GHG EMISSIONS REDUCTION: <b>3.784mt</b> CO2eq/yr



# OTHER ENABLING INITIATIVES

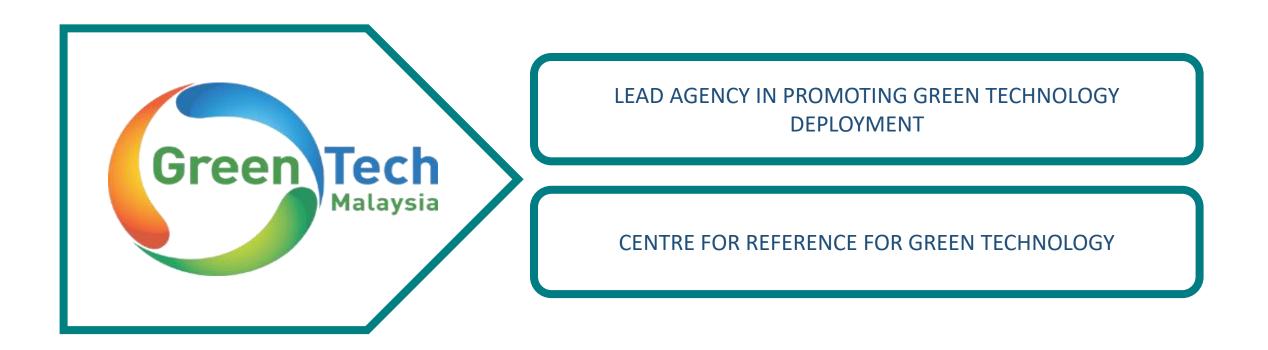


# **KEY ACHIEVEMENTS**





Lead organisation in spearheading Green Technology for green Growth & Sustainability





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## Thank You

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