



**KEYNOTE ADDRESS BY
YAB DATO' SERI ANWAR BIN IBRAHIM
PRIME MINISTER**

AT

**THE OPENING CEREMONY OF ENERGY ASIA 2023
“CHARTING PATHWAYS FOR A SUSTAINABLE ASIA”**

26 JUNE 2023 (MONDAY)

KUALA LUMPUR CONVENTION CENTRE

Assalamualaikum Warahmatullahi Wabarakatuh dan Salam Sejahtera.

Yang Mulia Tan Sri Tengku Muhammad Taufik,
Presiden / Ketua Pegawai Eksekutif PETRONAS;

YBhg. Tan Sri Dato' Seri Mohd Bakke Salleh,
Pengarah/Pengerusi Bukan Eksekutif Bukan Bebas PETRONAS;

Tan Sri Mohd Hassan Marican,
Penasihat Khas Menteri Kewangan;

Menteri-Menteri;

Rakan-rakan dari PETRONAS;

Setiausaha Agong; dan

Tetamu-tetamu,

Rakan-rakan yang saya muliakan, satu penghormatan besar bagi Malaysia untuk menganjur atas nama Energy Asia, sebuah persidangan yang sangat penting dan mencabar. Oleh yang demikian, saya mengalu-alukan kehadiran semua kerana kita harus mengemukakan satu pendekatan baharu, mempertahankan keperluan perubahan dan penggunaan tenaga tetapi menjamin kelangsungan ekonomi negara yang disentuh sebentar tadi.

Your Excellencies, ladies and gentlemen,

1. Let me begin by sharing with you my small chat with more pronounced personalities and impeccable credentials, HE Haitham Al Ghais of OPEC, Mr. Amin H. Nasser of Aramco, Mr. Daniel Yergin of S&P Global, Patrick Pouyanné of TotalEnergies, and of course, Yang Mulia Tan Sri Tengku Muhammad Taufik and the rest.
2. The consensus was that we need the transition. But the transition must be determined by all and subjected to the rigors of the industry requirements of each country. It must not be dictated by any group of countries. So I'm particularly impressed by the suggestion by Excellency, Mr. Amin H. Nasser of Aramco that we in Asia must also take a more proactive position and inclusive as you suggested, to allow for voices of conscience in Asia.
3. The need to change, yes, the need for transition, of course, but also the need to survive to ensure then our present policies elevating poverty in providing quality education, health and basic infrastructure is not will be necessarily frustrated because of the dictate of others that do not place adequate consideration to what we have to face. I think that small session that we had to me is extremely meaningful.

4. Today as we know, more than 75% of the energy consumed in Asia comes from hydrocarbons and by 2030, Asia's demand for energy is projected to double. The challenge is, how do we meet that demand in a way that balances energy security, affordability and sustainability.
5. While some countries are preparing to transition to cleaner forms of energy, others are still struggling with access to complete electrification, clean cooking oil and energy security and of course I have alluded to the issue of education, health and basic infrastructure.
6. Affordability remains a key concern, particularly for parts of developing Asia where people are not looking too far into the future but might simply be struggling to pay the bill for the next week and to put food on the table. Yang Mulia Tan Sri Tengku Muhammad Taufik was referring to next month but I am referring to the following day and next week.
7. Countries in Asia are not climate deniers and indeed Asia is showing positive signs of embracing the energy transition, but countries across the region are moving at a different pace.

8. Four of the largest economies in the region, China, South Korea, India and Japan have committed to achieving net zero by the middle of this century, while India has set ambitious renewable energy targets.
9. In ASEAN, hydrocarbons will continue to be an important part of the energy mix to drive economic growth and development. Despite that, 9 out of 10 countries in ASEAN have pledged Net Zero targets at COP26.
10. However, Net Zero need not be a zero sum equation. It should not be one of lowering carbon emissions at the expense of economic growth or vice versa. Instead, Asia must take every opportunity to further dialogue and actions around how we can responsibly plan to enable every country its right to development AND lower carbon aspirations.
11. Within the ASEAN region, to meet its climate goals and achieve decarbonisation, electricity interconnection and integration will be crucial to facilitate the sharing of renewable energy resources, encourage investment and promote sustainable development. Malaysia, with its strategic central location, is committed to strengthening interconnection and collaboration with our neighbors for this

purpose.

12. Investors and financiers will risk losing out in not turning towards Asia, which is endowed with vast amounts of natural resources, potential renewable energy and a growing population that is not averse to co-innovation and is increasingly appreciative of a green economy.
13. In light of this, there is further potential for the region to develop as a player in the net zero value chain in as much as the rich biodiversity resources and a high percentage of forest cover offer abundant nature-based solutions.
14. In addition to developing hydrogen and CCS opportunities for storing carbon, with the innovation of batteries and electric storage well underway, there is opportunity to develop the rare earth minerals and establish a conducive ecosystem to strengthen supply chain.
15. Developing these resources and potential requires access to financing, technology and innovation, the right policy frameworks, and skillsets for the future.
16. Achieving the climate goal for the region will require significant traction in clean energy investment. Yet

developing economies face higher costs of capital for clean energy projects due to the perception of higher macroeconomic risk and the absence of deep capital markets.

17. These are areas where stronger collaboration – between the region and the rest of the world, between industries and sectors – is absolutely necessary to realise crucial energy and climate ambitions.

Malaysia's Role

18. Considering these challenges, Malaysia is determined to be well-positioned to play our part in reducing emissions while ensuring that we are ready for the growth of the low carbon economy.
19. As part of the responsibilities of each nation toward overall global climate targets, we have revised our Nationally Determined Contribution to reduce the intensity of greenhouse gas (GHG) emissions by 45% by 2030 compared to 2005 levels.
20. The efforts towards achieving our NDCs have been incorporated into the 12th Malaysia Plan and the National

Energy Policy 2022 – 2040 (NEP 2040).

21. This policy document strategically charts the way forward and outlines key priorities for the energy sector in the coming years. It positions the energy sector as a key catalyst for socio-economic development and its progressive Low Carbon Nation Aspiration will ensure that the Malaysian economy is able to capitalize on opportunities arising from the energy transition to remain resilient and sustainable.
22. To implement this policy successfully so as to reap the full benefits of the significant socio-economic advances for the nation, the government is further developing several strategic roadmaps. Our paramount importance is the National Energy Transition Roadmap (NETR) which will outline the overarching strategy and high-impact initiatives to expedite the energy transition efforts.
23. This roadmap will be complemented by the Hydrogen Economy & Technology Roadmap, that will pave the way for the achievement of an environmentally sustainable, long- term energy security in Malaysia, driven by technological innovation. These two roadmaps are targeted to be launched by the second half of this year.

24. Malaysia continues to see natural gas as playing an important role in the energy mix. I have to stress this to preclude any confusion, it will remain important in the energy mix and as one of the cleanest burning hydrocarbons, to transition towards a lower carbon economy. At the same time, we recognize the importance of managing methane emissions as a highly potent greenhouse gas and have committed to join the global methane pledge to cut emissions by 30% by 2030 compared to 2020 levels.
25. Our existing mature industries also offer some natural adjacencies to the renewables and the lower carbon economy. As a traditional producer of natural gas and LNG, hydrogen represents a natural next step in the value chain and offers a potential avenue for further economic growth.
26. We are also taking the opportunity to develop the framework and harness the commercial potential of Carbon Capture and Storage, particularly in depleted reservoirs offshore Sabah and Sarawak.
27. The Pengerang Integrated Complex in Johor, thanks to Aramco, with 300,000 barrels per day of refining capacity and more than 3.3 Million Tonnes Per Annum of

petrochemical production capacity, will also position Malaysia to meet growing demand in the region.

28. Malaysia has put into place programmes to develop capabilities within our workforce, particularly our youth. As a concerted effort with private institutions, Malaysia has orchestrated a committed effort to support Technical Vocational Education and Training (TVET) because we recognise that the right human capital equipped with relevant skills will be crucial in ensuring the success of this journey.

29. These efforts and initiatives will unlock further potential for the Malaysian economy, opening up opportunities for growth for all, in line with the Malaysia MADANI framework which encompasses the six core values of sustainability, prosperity, innovation, respect, trust and care and compassion. For HE Haitham Al Ghais of OPEC – *Ihsan, Amanah and Rahmah*.

Closing

30. While challenges are mounting, our region has the innovation, ingenuity, drive, and resolute commitment to deliver better livelihood and a more sustainable future.

31. We have the right people in the room today – leaders from both private and public sectors, policymakers, financiers, tech proprietors, and a global network of expertise – each bringing a unique perspective and wealth of experience to this conversation.

32. In closing, my earnest hope is that this conference will be the place where this vast pool of knowledge convenes to form practical solutions and concrete proposals for an effective and inclusive transition to net zero and a more sustainable Asia.

33. While this may be a good beginning, the efforts cannot end here. The late Austrian poet and mystic, Rainer Maria Rilke reminds us that we live our lives “in widening circles that reach out across the world.” In this vein, I hope to see this conference grow into a multi-year effort that will drive and materialize these continuous efforts for systemic change towards sustainability, not just for the region but right across the universe.

Terima Kasih.