



ASEAN INTER-PARLIAMENTARY ASSEMBLY (AIPA)

2ND AIPA CAUCUS  
22 – 25 JUNE 2010, SINGAPORE

**SUMMARY TABLE OF NATIONAL INITIATIVES ON (A) ENCOURAGING CLEAN ENERGY AND (B) SUPPORTING A MULTI-LATERAL TRADING SYSTEM**

**To be completed and returned no later than Monday 24 May 2010 to:**

Address : Parliament of Singapore  
Parliament House  
1 Parliament Place  
Singapore 178880  
Phone : (65) 6332 6665, 6332 6663, 6332 6661  
Fax : (65) 6332 5526  
E-mail : parl@parl.gov.sg

**(A) ENCOURAGING CLEAN ENERGY INITIATIVES**

**COUNTRY: MALAYSIA**

<b>National Initiatives to Encourage Clean Energy</b>	<b>Views on Possible Common Legislation</b>
<p><b><u>Transportation</u></b> KeTTHA (Ministry of Energy, Green Technology and Water) is working with the Ministry of Transport and the Ministry of International Trade and Industry to develop the infrastructure roadmap for the use of electric vehicles in Malaysia.</p> <p><b><u>Energy</u></b> In line with the objectives of the Third Outline Perspective Plan (OPP3) (2001-2010) and Eighth Malaysia Plan (2001-2005) to encouraged and increased use of renewable energy (RE), the Government has formulated several strategies to strengthen and develop the use of RE as the fifth power source (5) countries.</p>	<p><b>NATIONAL GREEN TECHNOLOGY POLICY</b></p> <ul style="list-style-type: none"> <li>• To reduce the energy usage rate and at the same time increase economic growth</li> <li>• To facilitate the growth of the green technology industry and enhance its contribution to the national economy</li> <li>• To increase national capability and capacity for innovation in green technology development and enhance Malaysia's competitiveness in green technology in the global arena</li> <li>• To ensure sustainable development and conserve the environment for future generations</li> </ul>

For the implementation of the Ninth Malaysia Plan (RMK-9), the Government has set a target of generating electricity in gridconnected using RE sources such as biomass, biogas, mini-hydro, wind, solar and waste at the Municipal involving 300MW 350MW capacity in 50MW Peninsular Malaysia and Sabah.

The Government is committed to ensuring the success of RE development in Malaysia, especially through the implementation of Power Development of Small Renewable Energy (Small Renewable Energy Programme - SREP), which was introduced in 2001. The various efforts made by the Government seeks to attract developers of RE projects to participate actively in this sector like the establishment of infrastructure for RE development, developing programs for the development of RE markets and industries and provide a more conducive environment.

### **Building**

The energy consumed in buildings in Malaysia is 90% in the form of electricity. If these trends continue, buildings will consume almost as much as industry and transport combined. This is quite alarming as Malaysia has one of the fastest growing building industry in the world. Although this may be a cause for concern, it does provide opportunities for the development of sustainable energy technology.

The Energy Audit in Government Buildings undertaken by PTM in 2003 has established the potential of energy savings. The typical distribution of energy consumption in Malaysian buildings is shown in Table 1 below where shopping complexes and offices use more than 90% of the energy for lighting and air conditioning. Residential buildings use the least energy for both.

- To enhance public education and awareness on green technology and encourage its widespread use
- The National Green Technology Policy was launched by the Hon Prime Minister of Malaysia on 24 July 2009.

### **NATIONAL GREEN TECHNOLOGY COUNCIL**

- To have high level coordination among Ministries, Agencies, the private sector and all other stakeholders
- The council is chaired by the Honorable Prime Minister of Malaysia
- The council is supported by a Steering Committee and five (5) working groups on Industrial Development, Innovation and R&D, Human Capital Development, Promotion and Education, and Transportation
- The first meeting was held on 26 January 2010

### **GREEN TECHNOLOGY FINANCING SCHEME (GTFS)**

- RM1.5 billion soft loan
- Up to RM50 million for producers and RM10 million for users of Green Technology
- 2% interest subsidy by the government
- 60% government guarantee
- 140 companies are expected to benefit from the scheme
- PTHN to administrator all applications
- Effective on January 2010

LEO Building (Low Energy Office) in Putrajaya has been inhabited since the start of 2004. Since the energy management of buildings have been implemented. Index of energy use (building energy index) in 2005 was 114 kWj/m2/year but the index has decreased to 104 kWh / m2 / year in 2006. Energy audits were carried out on the Building Block E6, Ministry of Health and Building Block B6, the Economic Planning Unit (EPU), Prime Minister in Putrajaya. The audit showed that the energy index in the LEO building is lower than conventional buildings.

By sharing the experience of the LEO building and management of energy efficiency, KeTTHA held two (2) seminar, the Seminar on Energy Efficiency in Buildings - how to achieve immediate savings in Kuala Lumpur and KeTTHA Low Energy Office: Lessons Learnt in Putrajaya. Seminar on Energy Efficiency in Buildings targeted for agencies and government departments, local authorities, building owners and maintenance and professional bodies in the energy industry. A total of 200 participants attended the seminar. Seminar on KTAK Low Energy Office: Lessons Learnt was attended by 300 participants from government agencies and private sector.

With such awareness programs, KeTTHA hope to improve energy efficiency among the members of the community. Other activities that continue to be implemented under this project are to monitor the energy consumption index on a monthly basis, receive visitors, and presented a briefing on the building and provide brochures on LEO Building. KeTTHA LEO building has also won first place in the tournament Energy efficient Building Best Practices ASEAN in 2006 under the category of "building new and existing." Award was presented at a special ceremony was arranged in conjunction with the Meeting of ASEAN Ministers of Energy to -24 in Vientiane, Lao PDR.

The Zero Emission Office (ZEO) building belongs to Green Tech Malaysia (previously

#### **THE NATIONAL PETROLEUM POLICY (1975)**

- Introduced to regulate downstream oil & gas industry via the Petroleum Regulations 1974.

#### **THE NATIONAL ENERGY POLICY (1979)**

- Introduced to ensure adequacy, security and cost-effectiveness of energy supply, to promote efficient utilization of energy and to minimize negative environmental impacts in the energy supply chain.

#### **THE NATIONAL DEPLETION POLICY (1980)**

- The main intention to prolong the lifespan of Malaysia's oil reserves for future security & stability of oil supply.

#### **THE FOUR FUEL/DEVERSIFICATION POLICY (2001)**

- Introduced to prevent over dependence on oil as the main energy resource especially for electricity generation.

known as Malaysia Energy Centre) which is a demonstration project for commercially viable examples of sustainable initiatives for modern buildings in Malaysia and the region. This centre was established in 1998 with the objective to coordinate and manage energy-related R&D programmes and promote the development of energy efficiency and renewable energy in Malaysia.

The ZEO building is equipped with the state-of-the-art facilities for energy research in the country. It has also helped in the capacity building of local architects, engineers, consultants, academia and building managers. The building is aimed to have a BEI of less than 50 kWh/m<sup>2</sup>/yr.

The design incorporates a combination of energy efficiency measures and sustainable technologies. The building design and initial concepts have also incorporated almost all of the ideas and principles recommended in the MS 1525:2007 although both were developed around the same period of time.

#### **ESTABLISHMENT OF MINISTRY OF ENERGY, GREEN TECHNOLOGY AND WATER (KeTTHA)**

Ministry of Energy, Water and Green Technology (KeTTHA) was established on 9 April 2009 following the Cabinet reshuffle and restructuring of the ministry done by the Prime Minister, the sixth Dato 'Sri Mohd Najib bin Tun Abdul Razak. Prior to that, KeTTHA known as the Ministry of Energy, Water and Communications (KTAK), this was established on March 27, 2004 through the restructuring of the Ministry of Energy, Communications and Multimedia.

Following the Cabinet reshuffle in 2009, one (1) new function included in KeTTHA is Green Technology. Simultaneously, the function of 'communication' is transferred out to the Ministry of Information, Communication and Culture (KPKK). Admission of new

functions and responsibilities KeTTHA for planning, developing policies and programs, green technology is showing determination Government led by Prime Minister to lead a new initiative addressing global issues such as environmental pollution, depletion of the ozone layer, 'global warming' and issues related thereto.

#### **NATIONAL GREEN TECHNOLOGY POLICY**

- To reduce the energy usage rate and at the same time increase economic growth
- To facilitate the growth of the green technology industry and enhance its contribution to the national economy
- To increase national capability and capacity for innovation in green technology development and enhance Malaysia's competitiveness in green technology in the global arena
- To ensure sustainable development and conserve the environment for future generations
- To enhance public education and awareness on green technology and encourage its widespread use
- The National Green Technology Policy was launched by the Honorable Prime Minister of Malaysia on 24 July 2009.

#### **NATIONAL GREEN TECHNOLOGY COUNCIL**

- To have high level coordination among Ministries, Agencies, the private sector and all other stakeholders

- The council is chaired by the Honorable Prime Minister of Malaysia
- The council is supported by a Steering Committee and five (5) working groups on Industrial Development, Innovation and R&D, Human Capital Development, Promotion and Education, and Transportation
- The first meeting was held on 26 January 2010
- 

**GREEN TECHNOLOGY FINANCING SCHEME (GTFS)**

- RM1.5 billion soft loan
- Up to RM50 million for producers and RM10 million for users of Green Technology
- 2% interest subsidy by the government
- 60% government guarantee
- 140 companies are expected to benefit from the scheme
- PTHN to administrator all applications
- Effective on January 2010

**GREEN TOWNSHIP IN PUTRAJAYA & CYBERJAYA**

Its objective is to develop Putrajaya and Cyberjaya as pioneer townships in Green Technology, as a showcase for the development of other townships in the country.

- Developing Green Township Guidelines
- 10% savings in energy & water in all government buildings
- Developing Green Rating System
- Carbon Footprint Baseline for Putrajaya & Cyberjaya

**GREEN PROCUREMENT & ECO-LABELING**

KeTTHA is working with the Ministry of Finance (MoF) to develop a mechanism for Green Procurement to be implemented in government agencies. KeTTHA is working with the Standards and Industrial Research Institute of Malaysia (SIRIM) to develop standards, certifications and labeling mechanisms.

## SUPPORTING A MULTI-LATERAL TRADING SYSTEM

COUNTRY: MALAYSIA

National Initiatives to Support A Multi-Lateral Trading System	Views on Possible Common Legislation
<ul style="list-style-type: none"> <li data-bbox="159 411 1108 767">● As a <u>trading nation</u>, Malaysia is highly dependent on international trade and foreign investment and places great emphasis on the <u>role and function of the WTO</u> in ensuring that the <u>multilateral trading system</u> continues to <u>contribute</u> towards stability in growth and development. The WTO must continue to <u>provide an enabling environment</u> for international trade to flourish by strengthening rules and keeping markets open. An open, fair and equitable multilateral trading system will ensure <u>market access</u> for Malaysian products and services.</li>   <li data-bbox="159 847 1108 1107">● Malaysia believes that a rules-based multilateral trading system under the WTO is <u>necessary</u> to <u>safeguard the interests of developing countries</u>, as well as ensuring that the <u>world trading system</u> is conducted in an <u>orderly manner</u>. Current global developments has also necessitated that the WTO assumes a significant role in <u>ensuring that trade is not affected</u> by the adverse global economic and financial situation.</li>   <li data-bbox="159 1187 1108 1447">● The <u>current stalemate</u> in the Doha negotiations at the <u>WTO</u> could <u>erode the credibility of the WTO</u>. <u>Malaysia</u> is willing to <u>work with other members</u> to close the gaps and move forward the process towards conclusion of the Doha Round. As a small economy, Malaysia undertakes <u>collaboration with interested parties</u> or groupings in advancing its interest.</li> </ul>	

- Malaysia supports efforts to intensify negotiations through bilateral, plurilateral, multilateral and any other formats and configurations in the process to close gaps and move negotiations forward. However, there is a need to ensure transparency and inclusiveness, and outcomes from these processes must be multilateralised to the broader membership.
- In moving towards a successful conclusion of the Doha Round, it is imperative that areas where there is convergence or agreement should not be re-opened. Members should not introduce new issues as it has taken several years of tough bargaining and compromises to achieve the current agreement.
- Although Malaysia is pursuing bilateral and regional trading arrangements (FTAs), the WTO will still continue to remain relevant. Multilateral trade negotiations continue to be the most cost-effective way of opening up markets. Market access derived from WTO negotiations will be global as compared to bilateral trade agreements. Furthermore, issues such as agricultural subsidies, anti-dumping, fishery subsidies cannot be addressed in bilateral agreements, but only through multilateral rules and disciplines.
- The WTO also provides an effective mechanism for settlement of trade disputes. The dispute settlement mechanism also protects Malaysia and other smaller trading nations from unilateral actions of bigger trading partners.

- Malaysia views the bilateral and regional trading arrangements as complementing and not replacing the multilateral trading system.