



CLOSING CEREMONY SPEECH

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**WORLD ECONOMIC FORUM
Malaysia's Energy Future:
Power Sector Decarbonization Deep Dive**

**2 JULY 2026 | 9:30 AM
LE MERIDIEN HOTEL, KUALA LUMPUR**

Bismillahirrahmanirrahim.

Assalamualaikum Warahmatullahi Wabarakatuh.

Salam Sejahtera and Salam Malaysia MADANI.

(SALUTATIONS)

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**MEDIA FRIENDS, DISTINGUISHED GUESTS,
LADIES AND GENTLEMEN.**

1. Alhamdulillah, all praise and thanks to Allah SWT for His countless blessings and guidance, which have enabled us to gather today in pursuit of a shared purpose that extends well beyond the energy sector.
2. It is a purpose that concerns the future resilience of our nation, the prosperity of our people, and the legacy we leave for generations yet to come.

Allow me to begin with a reminder from the Holy Quran, where Allah SWT says:

“It is He who has made you successors upon the earth and has raised some of you above others in degrees [of rank] that He may try you through what He has given you.”

(Surah Al-An’am, Verse 165)

This verse reminds us that mankind has been entrusted as *khalifah*—stewards of the earth. Every resource we utilise, every decision we make, and every development we pursue carries with it an *amanah*.

Our responsibility is not merely to meet the needs of today, but to safeguard the wellbeing of future generations.

- 3.** In many ways, this is precisely what the energy transition represents. It is not simply about replacing one source of energy with another. It is about exercising responsible stewardship over our nation’s resources.
- 4.** It is about building an energy system that is cleaner, more resilient, more secure and capable of supporting Malaysia’s

continued economic growth while ensuring that no one is left behind.

5. **Against this backdrop, I would like to express my sincere appreciation to the World Economic Forum for its close collaboration with the Ministry of Energy Transition and Water Transformation, PETRA, in organising this important dialogue series on Malaysia's energy future.**
6. Over the past eight months, this initiative has brought together policymakers, regulators, utilities, investors, technology providers and industry leaders to deliberate on one of the most significant strategic challenges facing our nation today—**how Malaysia can transition towards a cleaner, more resilient and more secure power system while continuing to support economic growth, industrial competitiveness and affordable electricity for the rakyat.**
7. The diversity of participants throughout this dialogue reflects an important reality. Energy transition cannot be driven by government alone. It requires collaboration across institutions, industries and borders.

8. It demands that policymakers, financiers, engineers, innovators and communities work together towards a common national objective.
9. Today's launch of the insight paper, ***Beyond Coal: Building a Flexible, Resilient and Clean Power System for Malaysia***, therefore marks an important milestone in this journey.
10. I am pleased to see stakeholders from across government, industry, academia, the financial sector and civil society contributing their expertise towards the development of this important document. I believe the recommendations contained within this paper will serve as a valuable reference and strategic input in shaping Malaysia's coal transition as well as our broader energy transition agenda.

Distinguished Guests, Ladies and Gentlemen,

11. Malaysia has already established a clear and credible policy direction through the **National Energy Transition Roadmap, or NETR**. It reflects our determination to build an energy system that is secure, sustainable and capable of supporting long-term national development.

12. Under this roadmap, Malaysia has committed not to build any new coal-fired power plants and has set a target to transition away from coal-fired electricity generation by 2044. At the same time, we aim to achieve **70 per cent renewable energy installed capacity by 2050.**

13. These are ambitious commitments. Yet ambition alone does not transform nations. History reminds us that it is not the aspirations we announce that define our progress, but the discipline with which we deliver them.

14. Our energy transition is not an end in itself. Its true measure lies in whether it delivers reliable electricity, creates quality employment, strengthens industrial competitiveness, protects our environment and improves the quality of life for every Malaysian.

15. The transition before us is therefore not merely an environmental agenda. **It is an economic agenda. It is an industrial agenda. It is an investment agenda. Ultimately, it is a nation-building agenda.**

16. The choices we make today will shape Malaysia's competitiveness, resilience and prosperity for decades to come.

17. Achieving this vision requires more than replacing one fuel with another. As highlighted throughout this dialogue series, transitioning away from coal requires the transformation of the entire electricity ecosystem.

18. It calls for accelerated deployment of renewable energy, stronger transmission infrastructure, greater investment in battery energy storage systems, enhanced system flexibility, more sophisticated digital grid technologies and deeper regional integration through the **ASEAN Power Grid**.

19. Throughout this transformation, two principles must remain at the heart of every decision we make: **reliability and affordability**.

20. Our responsibility is to ensure that the transition strengthens our energy security without placing unnecessary burdens on households or businesses.

- 21.** One of the most important findings emerging from this dialogue series is the need to ensure that renewable energy deployment progresses ahead of coal retirement.
- 22.** This is a critical consideration. Should renewable deployment fail to keep pace, **there is a real risk that coal dependence may simply be replaced by greater reliance on imported liquefied natural gas, exposing Malaysia to fuel price volatility and external geopolitical uncertainties.**
- 23.** A successful transition must therefore reduce dependence—**not merely shift it from one imported fuel to another.**
- 24.** This is why PETRA continues to prioritise the expansion of large-scale solar, corporate renewable energy procurement through the **Corporate Renewable Energy Supply Scheme (CRESS)**, battery energy storage systems, as well as smart grid modernisation.
- 25.** Together, these initiatives are laying the foundations for a more flexible, resilient and future-ready electricity system that will support Malaysia's long-term development aspirations.

Every generation inherits certain responsibilities. Ours is to ensure that the energy system we leave behind is stronger, cleaner and more resilient than the one we inherited. That is the true meaning of responsible stewardship, and that is the legacy we must strive to build together.

Ladies and Gentlemen,

26. As renewable energy becomes an increasingly larger component of Malaysia's electricity mix, the way we manage our power system must also evolve. A modern power system is no longer defined solely by how electricity is generated, but equally by how effectively it is stored, transmitted, managed and balanced in real time.

27. Energy storage, demand response, digital grid technologies and advanced system planning will therefore become increasingly important in maintaining reliability and resilience as renewable energy penetration continues to grow.

28. In this regard, Malaysia has already begun taking concrete steps. The Energy Commission has introduced the **Malaysia Battery Energy Storage System Framework, or MyBeST,**

to facilitate the deployment of battery storage technologies, while **Tenaga Nasional Berhad continues to undertake major investments in grid modernisation and system upgrades.**

29. These initiatives are not merely infrastructure projects. They are investments in the reliability of our future electricity system and in the confidence of investors, industries and consumers who depend upon it every single day.

30. One of the important recommendations highlighted in this insight paper is the repurposing of retiring coal assets. **Malaysia's existing coal fleet represents significant national infrastructure, including transmission connections, industrial facilities and strategically located land.**

31. Rather than allowing these assets to become stranded, we should view them as opportunities to create new economic value. **Selected sites possess strong potential to be transformed into renewable energy hubs, battery energy storage facilities and other clean energy developments that continue contributing to local economies while supporting our national transition objectives.**

32. The proposed **National Coal Site Repurposing Framework** outlined in this paper therefore provides an important foundation for continued engagement among government, regulators, utilities, investors and local communities.

33. Every retiring power station presents an opportunity to create new industries, generate new investments and prepare our workforce for the economy of tomorrow. **That is how responsible transitions create lasting prosperity.**

Distinguished Guests, Ladies and Gentlemen,

34. No energy transition can succeed without sustainable financing. The scale of investment required over the coming decades will be substantial. **Mobilising capital at pace and at scale will therefore be essential if we are to deliver our ambitions under the National Energy Transition Roadmap.**

35. Fortunately, Malaysia enters this transition from a position of strength. We possess deep domestic capital markets, a

mature Islamic finance ecosystem and well-established institutional investors that are capable of supporting long-term infrastructure investment.

36. We therefore welcome continued collaboration with financial institutions, multilateral development partners and private investors to develop innovative financing mechanisms that accelerate clean energy deployment while ensuring that the transition remains orderly, inclusive and commercially viable.

37. This includes blended finance, transition sukuk and other market-based instruments capable of mobilising greater private sector participation.

38. Investment, after all, follows confidence. And confidence is built upon clear policies, sound governance and long-term consistency.

39. As Malaysia continues strengthening its policy and regulatory frameworks, we remain committed to providing the certainty that investors require. **Because ultimately, financing the energy transition is not simply about raising capital. It is about creating confidence in Malaysia's future.**

40. Malaysia's energy transition cannot be viewed in isolation. Energy security has increasingly become a regional responsibility. **The ASEAN Power Grid represents one of the most significant opportunities for Southeast Asia to build a more interconnected, resilient and sustainable regional electricity system.**

41. A more integrated regional grid can strengthen energy security, improve system balancing, facilitate greater renewable energy integration and reduce overall system costs across ASEAN.

42. Malaysia therefore remains fully committed to advancing regional cooperation and expanding cross-border electricity trade as part of ASEAN's collective energy transition agenda.

43. As we continue accelerating renewable energy deployment, we must also recognise that the future electricity system will require reliable and dispatchable low-carbon energy sources capable of complementing variable renewable energy.

44. For this reason, Malaysia will continue exploring long-term options, including advanced nuclear technologies and **Small**

Modular Reactors, or SMRs. However, our approach will remain measured and responsible.

45. Safety, robust governance, regulatory preparedness and public confidence must remain paramount in evaluating any future deployment. Technology should never outpace public trust. Throughout this journey, Malaysia remains guided by the principle of the **Energy Trilemma**.

46. That is, ensuring energy security, energy affordability and environmental sustainability in a balanced and responsible manner. **These three priorities cannot be pursued independently. They must advance together.**

47. A transition that is environmentally sustainable but economically unaffordable will place unnecessary burdens upon households and industries.

48. Likewise, a system that is affordable but vulnerable to supply disruptions cannot provide the resilience that a modern economy requires. True progress lies in achieving balance.

49. Recent geopolitical developments and volatility within global fuel markets have further reinforced the importance of

strengthening Malaysia's domestic energy resilience. **These developments remind us that energy security can no longer be taken for granted.**

50. Malaysia must therefore continue diversifying its energy mix, strengthening grid infrastructure, expanding energy storage capacity and enhancing regional interconnectivity through the ASEAN Power Grid.

51. At the same time, emerging technologies such as hydrogen, carbon management solutions, advanced nuclear systems, digital energy platforms and artificial intelligence applications in grid management offer new opportunities to strengthen system flexibility and improve long-term energy planning.

52. Malaysia will continue adopting a pragmatic and technology-neutral approach in evaluating these emerging solutions based on safety, commercial viability, system requirements and our long-term national interests.

Ladies and Gentlemen,

53. There is a saying that **every generation is remembered not for the challenges it inherited, but for the courage with which it responded to them.**

54. Malaysia possesses the resources, the talent, the institutions and the partnerships necessary to achieve this transition. **What is required now is continued collaboration, sustained commitment and the confidence to look beyond immediate challenges towards the future we aspire to build together.**

55. It is a national endeavour that calls upon all of us—government, industry, financial institutions, academia, technology providers and international partners—**to work together with a common purpose.**

56. I therefore wish to once again express my sincere appreciation to the World Economic Forum and all stakeholders involved in this important initiative.

57. The true significance of today's gathering will not be measured by the report we launch, nor by the discussions we have held over the past eight months. Its significance will be measured by what we choose to do next.

Distinguished Guests, Ladies and Gentlemen,

Allow me to conclude with a reflection.

Our responsibility is not simply to preserve what we have received, but to leave behind something stronger, wiser and more sustainable than what we inherited.

58.That is the true meaning of responsible leadership and the true purpose of sustainable development. And that, I believe, is the enduring mission of Malaysia's energy transition.

59.Let us ensure that the energy system we build today becomes a source of resilience, prosperity and opportunity for generations to come. **If we remain united in purpose and steadfast in our commitment, I am confident that Malaysia will not simply participate in the global energy transition—we will help shape it.**

60.With that, it gives me great pleasure to officially close the **Malaysia's Energy Future: Power Sector Decarbonization Deep Dive** programme and launch the

insight paper, **Beyond Coal: Building a Flexible, Resilient and Clean Power System for Malaysia.**

Thank you.

Wabillahi taufik walhidayah.

Wassalamualaikum Warahmatullahi Wabarakatuh.