

Malaysia expert calls for 'clear, comprehensive' national energy policy



A clear and comprehensive National Energy Policy (NEP) will serve a vital role in countries' economic growth and energy transition, especially in the face of mounting uncertainties, a senior gas industry official from Malaysia has said.

Speaking at the 52nd edition of the GECF Gas Lecture Series, entitled 'Collaborative Government-Association Synergy for a Sustainable and Vibrant Gas Industry', Hazli Sham Kassim, president, Malaysian Gas Association (MGA), noted that Malaysia's NEP is expected to be launched in the second half of 2021 with an aim to ensuring sub-sector energy development is aligned with the global energy transition trend.

"We anticipate that the National Energy Policy, currently undertaken by the Malaysian Government, will determine long-term strategies surrounding the national energy sector. It will address in depth cleaner energy sources including renewables and natural gas and ensure that all aspects related to the energy sector and environmental sustainability can also

be better addressed,” said Kassim, whose association estimates that energy – precisely natural gas – contributes as much as 12% to the GDP of Malaysia, one of the 19 member states of the GECF.

“Natural gas will play an even more critical role in facilitating energy transition. We look forward to the completion of Malaysia’s ‘Natural Gas Roadmap’ that we understand has been designed to optimise the value of indigenous natural gas resources, enhance security of supply through identifying new growth areas and at the same time ensuring a sustainable gas industry in Malaysia.”

GECF secretary-general Yury Sentyurin noted that Malaysia, like many of the Forum’s member countries from Russia to Qatar, is showcasing that only a holistic approach can address the three intertwined concerns of energy security, affordability, and sustainability.

“The road to recovery does not just depend on the outcome of the battle between the virus and the vaccines – it also hinges on how governments around the world deploy their policies and policy support to all economic sectors,” Sentyurin said.

“This highlights the role of government-enterprise synergy to drive forward the agenda and shape opportunities.”

Malaysia enjoys 42tn cubic feet of proven natural gas reserves that have enabled it to fuel its economic growth since the 1980s. Indigenous natural gas has also enabled Malaysia to become the fifth largest exporter of LNG, although in recent years the country has resorted to importing natural gas due to surging demand.

According to Kassim, as the cleanest fossil fuel, natural gas is expected to complement the growth of renewable energy. 2021 figures show that the contribution of combined gas and renewable energy in Peninsular Malaysia will increase by more than 11GW whilst coal will decline by more than 4GW by 2039. As a result, gas demand will increase threefold and carbon emission intensity from the power generation sector is set to reduce by more than 60% within the same period compared to the 2005 levels.