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## Energy policy review to boost industry

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THE National Energy Policy is being reviewed to incorporate new and renewable energy sources into the existing four-fuel strategy, Datuk Seri Dr Mahathir Mohamad says.

Under the Eighth Malaysia Plan (2001-2005), appropriate strategies will be drawn up to develop and spur utilisation of sources that will form a new component in the country's energy mix, he said.

"Recurring savings from energy efficiency programmes will also qualify as renewable energy," Dr Mahathir said at the opening of a four-day World Renewable Energy Congress '99 in Kuala Lumpur yesterday.

The country's four-fuel strategy - oil, gas, hydro and coal - has been a big success, especially in the electricity sector as can be seen from the power sector's strong growth over the past two decades, he said.

"Today, the environmentally friendlier gas accounts for over 70 per cent of the country's total electricity generation," he said.

However, too much reliance on gas is obviously not wise in the long-term, he said.

"We have to fall back on truly renewable energy sources such as hydro... but we cannot get something for nothing," Dr Mahathir said, referring to the trade-off in terms of the environment.

Malaysia, however, can still afford to develop its hydro power industry as the country enjoys forest cover of over 70 per cent.

"The actual areas to be cleared would not affect this percentage much. Yet the generation of electricity is less polluting than even gas," he said.

Speaking to reporters later, Dr Mahathir said Malaysia has to develop its own new and renewable energy to keep pace with developments, like advancements in technology, in the industry.

Take for example the equipment displayed at the exhibition, held in conjunction with the congress, he said.

"Today, I was shown a solar-powered panel that can light up two bulbs... a complete set of the panel costs US\$100 or RM380. There is no more cost after acquiring it," he said.

There is also a grid-connected solar panel system that offers great potential in supplementing power supply during peak hours, the Prime Minister said.

The power generated can be fed into the grid, and is useful for rural electrification projects, for example, he added.

On the congress and exhibition, Dr Mahathir said the events are being held at an opportune time as the Government is undertaking an appraisal of the National Energy Policy to develop a more sustainable energy system.

Earlier in his speech, he said the Malaysia Energy Centre, which was launched yesterday, is established to promote pre-commercialisation demonstration projects.

"Concerted and coordinated efforts must be put into motion to begin pre-commercialisation demonstration projects to evaluate the economic viability and ease of implementation of promising renewable energy technologies," he said.

Dr Mahathir said the centre would serve as a bridge between research and development, and commercialisation of renewable energy technologies.

"It will work with international organisations to build up the necessary capacity to implement market-oriented renewable energy and energy

efficiency programmes," he added.

Malaysia is hosting the congress as part of activities organised by the World Solar Programme 1996-2005, an initiative of the World Solar Commission (WSC), to promote the development, adoption and wider utilisation of renewable energy sources worldwide.

The programme offers practical renewable energy alternatives, especially to the rural communities of developing countries where development of grid connection is prohibitively expensive.

Dr Mahathir noted that UN statistics show that more than 2.4 billion people in developing countries do not have any access to commercial energy.

"This means that almost 40 per cent of the world's population has inadequate energy to meet basic needs," he said to some 300 participants of the congress.

Dr Mahathir later flagged off the central leg of the Malaysian International Solar Cycle Challenge which is organised by Universiti Teknologi Malaysia.

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