

DATO' SRI MOHD NAJIB BIN TUN HAJI ABDUL RAZAK
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1. I am very pleased to be here today for the '3rd International Greentech and Eco Products Conference'. This year's theme is 'Green Technology and Growth'. It is most apt and well chosen. The search for growth is one of the most pressing matters facing policymakers around the world.

2. Just when it seems the global economy is recovering, another wave of bad news breaks across the bow. In the last week alone, we have received fresh warnings about the Eurozone debt crisis, downgraded prospects for global growth, and gloomy predictions for world trade. Even Asia and the Pacific, which surged through the financial crisis, has been hit: on Monday, the World Bank cut our region's projected growth by a full percentage point.

3. To borrow a phrase, uncertainty is a feature of global markets, not a bug. Facing such instability, governments are searching for new and stronger sources of growth; businesses are searching for certainty to invest; and people are searching for high-quality jobs. And all this against a dark and gathering cloud: a climate that is changing more with every passing day.

4. I believe that there is an answer, something that is beneficial for the economy and the environment alike. Something that can help our people and our businesses weather the storm. It is what we are here to discuss. Today I want to talk about what green technology can do for Malaysia – and for the world.

Ladies and Gentlemen,

5. The economic case has never been stronger. Green technology makes our buildings and factories more efficient, our businesses more productive and profitable. Energy saving products ease the pressure on household budgets, boosting consumer spending power. And green industries create well-paid jobs and attract substantial investments.

6. The global green business sector is now worth US\$3.6 trillion, and is growing at a remarkable rate. According to a study done for the German government, the market for clean energy technology could double over the next decade.

7. This vibrant green economy has been nurtured and cultivated by government support. Some of the fastest growing and strongest nations in Asia have taken a strategic decision to marshal public funds in support of clean energy. Korea is spending 2% of its GDP on green industries, and China spent more than US\$50 billion on renewable energy in 2010.

8. These nations have realised a fundamental truth: in the energy economy, as in the business world, diversification brings not just security, but also opportunity. Significant rewards await those who are prepared to show leadership.

9. Last year, Asia grabbed the lion's share – some 38% - of the global low-carbon market. South East Asian countries are making big steps: and all these countries mostly in ASEAN feature in the top 50 countries by market share.

Ladies and Gentlemen,

10. Here in Malaysia, our commitment to green industries is clear. In 2009, I commissioned the Green Technology Policy, and established the Green Technology Financing Scheme. And at the Copenhagen climate conference, I pledged that Malaysia would play its part in the global climate struggle, cutting our carbon emissions by 40% by 2020, so long as we receive technology and financing.

11. My words at that meeting reflected my own and the government understanding of climate change; my belief in the urgency of the threat and the necessity of action. But they also reflect the position of our country, and of our region.

12. Asia finds itself at the heart of the climate debate. We face some of its worst effects: natural disasters already take a disproportionately heavy toll on our people and our economies. More people are at risk from climate change in Asia and the Pacific than anywhere else. But we are also fast becoming one of its main causes.

13. Asia is projected to produce more than 40% of the world's energy-related greenhouse gases within the next decade. Deforestation – which already accounts for 17% of global carbon emissions – is a problem acutely felt across this continent. As our economies modernise, and more of our people access to energy and transport, Asia's development path takes on a greater global significance.

14. In many ways, Malaysia encapsulates these climate changes. We are an emerging economy that is fast approaching high-income status. A country which bears no great responsibility for historic carbon emissions, but must change its economy nonetheless to account for them. And, like the world, we have a deadline to meet.

15. The next 8 years in Malaysia will be critical. As we strive to meet our carbon and economic targets – a 40% cut in emissions, and a \$15,000 per capita income – we must find the narrow path where climate and development ambitions overlap.

16. If we can make Malaysia's transition to upper income status truly sustainable, we could be a model for other emerging economies – and make a greater national contribution to this global crisis. I believe Malaysia can light a path for others to follow. But first, we must make changes in Malaysia.

17. Meaningful action on climate change must include each of the big contributors – energy, transport, and industry. It will rely on the innovation and commitment of our green entrepreneurs – many of whom are here today. But there are also opportunities for Government to show leadership by setting a clear direction, starting with energy.

Ladies and Gentlemen,

18. Malaysia's energy policy has long been based around our natural resources: oil and gas have played a significant part in our national journey, fuelling economic development. But such resources are finite, and will have a certain time frame. By 2030, demand for energy in Malaysia is projected to be double what it was in 2010.

19. Rather than allow our economy to be over-exposed to volatile global energy markets, we have pushed renewable energy into the spotlight. We are now aiming to secure 5.5% of our total energy capacity from renewable sources by 2015, and 11% by 2020.

20. To get there, we have created support mechanisms, including the Feed-in Tariff, which pays a premium rate for green electricity. It is estimated that renewable energy will generate RM70 billion worth of economic activity by 2020, and support 50,000 jobs. It will also avoid 42.2 million tons of carbon emissions – around 40% of the reduction I promised at Copenhagen.

Ladies and Gentlemen,

21. Alongside generating more clean electricity, we must do more to conserve it. Energy efficiency

could save Malaysia RM14 billion in Gross National Income by 2020. So we are developing Energy Services Companies to help users find savings, encouraging energy efficient appliances for homes and businesses, and supporting efficiency drives with tax incentives.

22. We have worked with the United Nations to develop an industrial energy efficiency improvement programme, reduced energy consumption in Government buildings, and started to phase out incandescent bulbs in favour of energy-saving lighting.

23. This is all good progress: but if we are to truly realise the potential of energy saving – the cheapest, easiest way to cut carbon – we need to think big. So, we are developing the National Energy Efficiency Master Plan, and strengthening the Energy Efficiency Policy.

24. On electricity generation and energy conservation, we are setting Malaysia on a sustainable path. We must do the same for transport, the second-biggest driver of energy demand in Malaysia.

25. This is a huge issue in the climate debate, particularly when questions of equity are raised. Personal transport is a means to economic self-determination; it opens up jobs opportunities, and gives people a measure of personal freedom. Our challenge is to ensure that freedom does not come at the cost to the environment.

26. Electric vehicles – provided they are charged with clean electricity – are green and energy-efficient. But in the past, they have proven too expensive or too limited to really take off.

Ladies and Gentlemen,

27. I believe that market forces will change people's buying behaviour. Once there is a clear signal from Governments that the low-carbon transition is underway, then markets will start pricing zero-carbon vehicles accordingly, and more consumers will start buying them.

28. I believe we have the potential to become a regional hub for electric vehicles, with a vibrant, world-class industry. That is why we reviewed the National Automotive Policy, to stimulate investments in electric vehicles with research grants and tax incentives. We have also announced an extra RM120 million funding for development of Proton's hybrid vehicle. And we are inviting more global electric vehicle players to participate in our programs here in Malaysia.

29. In the meantime, we must push ahead with the electrification of public transport. In the long term, we would like to match the energy consumed by the electric vehicles with renewable power generation to achieve a truly sustainable public transport infrastructure, with zero emissions. That is the ambition that we are working towards.

Ladies and Gentlemen,

30. One of my ambitions is to encourage our green industries to expand and innovate; not just because it is good for the environment, but it is so plainly good for business and our economy.

31. Green technologies are driven by innovation; patent applications for renewable energy increased by 24% in the decade between 1998 and 2008. They attract significant investment: globally, US\$211 billion was invested in renewables in 2010, five times more than in 2004. Last year, for the first time, investment in renewables outstripped investment in fossil fuels. Although recent figures from the United States and India suggest that this year's total will be down, the long-term trend is clearly positive.

32. So too are the opportunities for Malaysia. Our green industries are already worth some RM67 billion, and grew by 6% in 2010/11 – outstripping the global green sector. It is estimated that all the green projects under the Economic Transformation Programme will generate a total Gross National Income of RM53 billion by 2020. We are in a prime position to capitalise on our proximity to huge markets such as China, and our manufacturing strengths.

33. That is why, in Budget 2013, we increased the Green Technology Financing Scheme funding by RM2 billion, and extended the application period for a further three years. It is why we developed a programme to help SMEs to embark on 'green business' – with support for everything from production to procurement. And it is why we are working to encourage public and private partnerships on green technology financing and commercialisation.

Ladies and Gentlemen,

34. I have spoken about the changes we must make in Malaysia – generating more clean electricity, conserving energy, encouraging sustainable transport and growing green industries. I believe these changes will create a better future for our nation. But I also believe that Malaysia can build a better future for the world.

35. I believe we can offer a new development model; one where economic ambitions need not come at an environmental cost.

36. Part of this model is building the right political conditions to foster green growth. That is why I was so pleased to argue successfully with some of my colleagues at the recent APEC Summit, for a reduction in trade tariffs for environmental goods. And why, as we work towards a global climate deal at next month's UN conference in Qatar, I urge Malaysia's delegates to focus on green growth. Like the risks of inaction, the opportunities are simply too great to ignore.

On that note, with the recital word of Bismillahirrahmanirrahim, I officially open the 3rd International Greentech & Eco Products Exhibition & Conference Malaysia 2012.

Thank you.

Wabillahitaufik Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh.

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