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ACCELERATING SOUTH-EAST ASIA'S GREEN  
TRANSITION

The Star, Malaysia



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ASIA'S GREEN TRANSITION

Going green remains a major opportunity for the region as the wider landscape is evolving

SOUTH-EAST Asia stands at a defining moment in its journey toward a low-carbon future.

The *Southeast Asia's Green Economy Report 2025*, jointly developed by Bain & Company and Standard Chartered together with partners Temasek, GenZero and Google, outlines the region's progress in building a green economy – and how it can sustain its transition even as it faces headwinds from global trade tensions, uneven national policies and continued fossil-fuel dependence.

In a discussion on the region's green economy, Bain & Company Partner for Jakarta, Dominik Utama, and Standard Chartered Head of Coverage for Singapore and Asean, Chow Wan Thonh, underscored the immense economic and environmental potential of pursuing a green growth pathway for the region.

According to the report's analysis, embracing green growth could add around US\$120bil each year to South-East Asia's GDP by 2030 – a two-per-cent boost to annual growth beyond business as usual.

These gains extend beyond macro-economics: an estimated 900,000 new jobs could be created across the region, from project development for nature-based solutions and electric-vehicle production to building retrofitting, grid engineering and AI-driven green innovation.

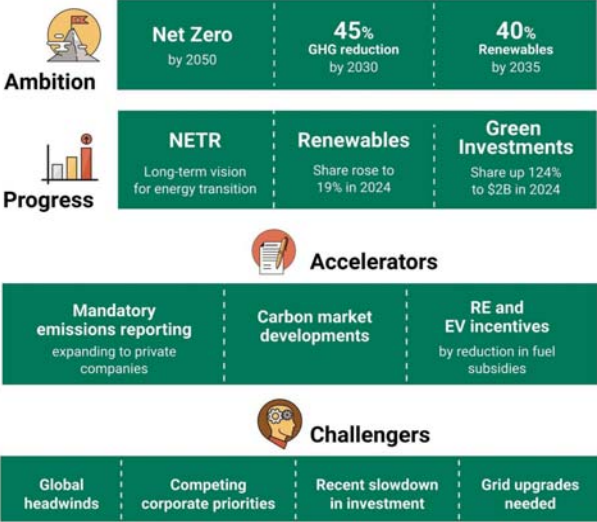
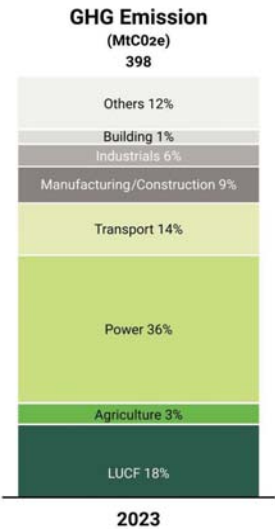
Just as importantly, the report shows that these economic benefits come while tackling climate change. By taking a systems-based approach, South-East Asia could avoid 300 million tonnes of CO<sub>2</sub> equivalent, closing roughly half of the region's current gap toward meeting its 2030 Nationally Determined Contributions.

Still, despite progress, South-East Asia and the wider Asia-Pacific region are projected to miss their 2030 climate targets by about 9%–13%. A shift in approach – linking energy, industry, finance and policy as part of one interconnected system – could help unlock both economic gains and emissions reductions.

This view also frames the region's priority sectors. The report identifies several key drivers: the bio-economy as a new source of sustainable growth; the expansion of electric mobility, supported by policy incentives and infrastructure upgrades; and the development of carbon markets to monetise emissions reductions and promote transparency. Together, these elements form the backbone of an integrated, region-wide transition strategy.

Zooming in on Malaysia, Chow shared the country's encouraging momentum—it is on track towards net zero by 2050, with interim goals of a 45% reduction in greenhouse gas emissions by 2030 and 40% renewable energy by 2035, guided by the National Energy Transition Roadmap

Malaysia | Country Snapshot



A snapshot into Malaysia: A country that has progressively stepped-up actions to unlock the green economy.

(NETR). Renewables already account for 19% of Malaysia's energy mix, while green investments surged 124% to US\$2bil in 2024.

Among the accelerators driving this progress are Malaysia's expanding mandatory emissions reporting, now extended to private firms, and early carbon-market developments that formalise emissions pricing. Incentives for renewable energy and electric vehicles are further redirecting capital toward cleaner solutions.

Yet, challenges remain. Global headwinds have slowed investment inflows, competing corporate priorities risk diluting sustainability commitments, and grid upgrades are urgently needed to integrate higher shares of renewable power.

The report concludes that sustaining momentum will require translating ambition into coordinated action. Collaboration, between governments, businesses and financiers, and across borders, will be essential to maintain the pace of transition.

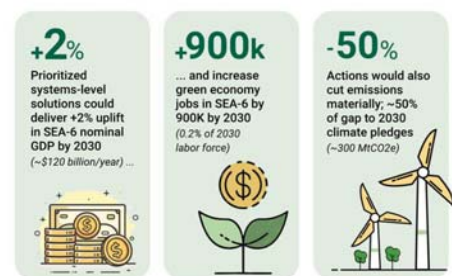
Opportunities must be seized even amid global volatility, and systemic barriers can be dismantled only through coordinated transformation.

Going green is not just an environmental imperative; it is an opportunity to redefine growth, resilience and competitiveness for the decade ahead.

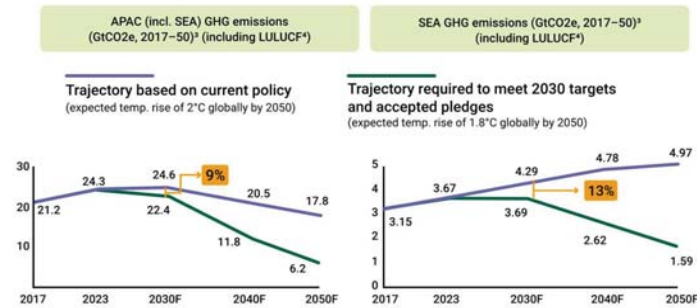
For South-East Asia, the green transition is no longer a niche agenda but a central pillar of its future growth.



Chow (left) and Utama, jointly shed light on the *Southeast Asia Green Economy Report 2025* at the Asean Green Shift Forum.



Leveraging systems-level solutions is projected to have significant impact in 2030 across GDP, employment, and emissions reduction.



Asia-Pacific and South-East Asia are working to meet 2030 targets with clear gaps to be closed; much work to be done to meet future 2040/2050 commitments.