



04 JUN, 2026

Public-private push to fuel 2050 net-zero goals

The Star, Malaysia



Public-private push to fuel 2050 net-zero goals

DPM says clear priorities to guide energy transition

ENERGY

By YVONNE TAN
yvonne@thestar.com.my

KUALA LUMPUR: Malaysia's broader goal of achieving net-zero emissions as early as 2050 needs an ecosystem where both public and private sectors can work together to accelerate the transition at scale, a government official says.

Deputy Prime Minister and Minister of Energy Transition and Water Transformation Datuk Seri Fadillah Yusof said Malaysia's energy transition is guided by a clear set of national priorities.

"While Malaysia has long benefitted from an institutionalised oil and gas industry, the country has also recognised from early on the strategic importance of diversifying its energy mix," he said at the Energy Transition Conference 2026 here yesterday.

In his keynote address, the minister said Malaysia through Tenaga Nasional Bhd (TNB) is set to invest RM43bil, or US\$10.8bil, from 2025 until 2027 to upgrade and strengthen its grid system, including the integration of artificial intelligence (AI) elements, as part of efforts to accelerate renewable energy initiatives and advance energy transition goals.

He said governments play a critical role in setting direction, but it is the private sector that brings capital, technology, and operational expertise to scale solutions on the ground.

"As we look to the future, I call for deeper collaboration across the entire value chain. Partnerships between government agencies, utilities, developers, and financial institutions will unlock new opportunities and catalyse the energy transition at scale."

He said when the issue of supply is talked about, there needs to be an understanding that many of the resources relied on today are "finite and limited".

"There are widely cited estimates which

"Partnerships between government agencies, utilities, developers, and financial institutions will unlock new opportunities and catalyse the energy transition at scale."

Datuk Seri Fadillah Yusof

calculate that proven oil reserves may last roughly 50 years, natural gas around 50 years, and coal approximately 130 years at current production rates. These figures do present a stark reminder, that even as energy demand continues to rise, fossil fuel resources remain finite," he said.

"So, the question is not just how long will our fuels last, but how do we effectively and fairly manage our transition toward a more sustainable energy system."

As data centres continue to mushroom in Malaysia, they have fast become the primary drivers for electricity demand.

Fadillah said the ongoing geopolitical situation in West Asia and the resulting global energy volatility serve as a "wake-up call" of the urgent need to reduce reliance on conventional resources, and accelerate the transition towards a more sustainable energy future.

The country has managed to achieve an installed renewable energy capacity exceeding 13.3 gigawatts as of 2025, with solar accounting for a rapidly growing share, he noted.

Meanwhile, TNB president and chief executive officer Datuk Shamsul Ahmad said although renewable energy is rapidly being deployed, there needs to be cost considerations.

"AI-augmented systems are helping us integrate a higher share of renewables, optimise grid and asset management, and unlock energy efficiency at scale."

At the conference yesterday, several

agreements were sealed and witnessed, including the exchange of the shareholders agreement and the engineering, procurement, construction and commissioning contract involving TNB Power Generation Sdn Bhd, Terengganu Incorporated Sdn Bhd, Cypark Renewable Energy Sdn Bhd and Fabulous Sunview Sdn Bhd for the Hybrid Hydro Floating Solar project in Kenyir, Terengganu.

The theme for this year's conference is "Energy & AI: The Synergy for Energy Transition".

Separately, *Bernama* reported that tender submissions for the large-scale solar six (LSS6) programme are expected to open this year.

Quoting Fadillah, it said all future solar power projects would be required to incorporate battery energy storage systems (Bess) to strengthen grid stability, while expanding renewable energy capacity.

He said LSS6 was among the initiatives being accelerated by the government in response to global energy challenges.

"This is one of the areas we are focusing on. Under LSS6, solar projects must be paired with battery storage.

"This means all new solar power generation projects will be required to incorporate battery systems," he told reporters after officiating at the signing ceremony of a memorandum of agreement between Mikro MSC Bhd and Hong Kong Cospower Technology Co Ltd for utility-scale Bess projects in Malaysia.