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# Energy transition is about prosperity for country, people

The Sun, Malaysia



BY JOHN GILBERT  
 sunbiz@thesundaily.com

**KUALA LUMPUR:** The ongoing geopolitical tensions in West Asia, coupled with heightened volatility in global energy markets, underscore the pressing need to reduce dependence on conventional energy sources and accelerate the transition towards a more secure, resilient and sustainable energy future.

Deputy Prime Minister and Energy Transition and Water Transformation Minister Datuk Seri Fadillah Yusof said the energy transition is ultimately not only about technology, infrastructure or markets but about nation-building.

"Every major chapter in Malaysia's development, from rural electrification and industrialisation to digital transformation, was made possible because we chose to invest not only in infrastructure, but in people, institutions and shared purpose.

"The energy transition must be approached in the same spirit. It is not merely a technological shift. It is, at its core, about the well-being and prosperity of our people.

"For Malaysia, and I believe for Asean, the energy transition is not only an environmental imperative. It is an economic necessity, and a strategic priority," he told delegates at the Energy Transition Conference 2026 (ETCon26) yesterday.

Fadillah said in his special address that Malaysia's renewable energy portfolio comprises solar, small hydro, biomass and biogas, with solar emerging as the fastest-growing segment.

Guided by the National Energy Transition Roadmap (NETR), which was introduced at the inaugural Energy Transition Conference in 2023, the country continues to commit to increasing the share of renewables in its energy mix.

With strong commitment from Tenaga Nasional Bhd (TNB) and a broader ecosystem of partners, Malaysia has achieved an installed renewable energy capacity exceeding 13.3 gigawatts as of 2025, with solar accounting for a rapidly growing share.

This year, the Energy Transition and Water Transformation Ministry

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► It is not only an environmental imperative, it is an economic necessity and a strategic priority, says Fadillah

(Petra) launched the 2026-2030 Petra Strategic Plan to accelerate the country's energy transition and water transformation, Fadillah said.

The plan is guided by the NETR and the country's broader goal of achieving net-zero emissions as early as 2050, he added.

The five-year plan features 119 programmes and initiatives, with 133 measurable targets that prioritise grid upgrades, digitalisation across the energy sector and demand-side

management to ensure a more efficient and responsive system.

"Our policy intent is clear: to build a more resilient and future-ready system that supports economic growth while advancing our climate commitments," Fadillah said.

He also noted that Malaysia, through TNB, is set to invest RM43 billion from 2025 until 2027 to upgrade and strengthen the grid system, including integration of artificial intelligence (AI) elements,

as part of the efforts to accelerate renewable energy initiatives and advance the energy transition.

Across Southeast Asia, Fadillah said, electricity demand is projected to grow by 4% to 5% annually over the coming decade, driven by industrialisation and urbanisation, as well as new sources of demand such as digital infrastructure, electric vehicles, cooling demand and AI data centres.

"Data centres, for example, are emerging as one of the fastest-growing sources of electricity demand globally, driven by the rapid expansion of AI and cloud infrastructure.

"As economies become increasingly digital and electrified, energy systems around the world

will face growing pressure to deliver reliable, secure and sustainable power at scale.

"This presents both challenges and opportunities. As Asean's digital economy continues to expand rapidly, the energy industry must modernise its grid and transmission networks, strengthen interconnectivity and develop energy storage solutions that can support greater system flexibility, stability and resilience."

Fadillah said the Asean Power Grid initiative stands as a strong testament to how Asean member states can work collectively to advance cross-border electricity trade, strengthen regional energy security and support a more resilient energy future for the region.

Moving on, he said globally, investment momentum in clean energy continues to accelerate as countries intensify decarbonisation efforts and strengthen energy security. For Southeast Asia, the sustained investment and stronger regional collaboration will be essential to support long-term economic growth and achieve energy transition ambitions.

"Our region is well-positioned to capture a meaningful share of this capital - provided we continue to deliver the fundamentals that investors look for," Fadillah said.

"In Malaysia, the government continues to communicate clearly on what investors require for long-term visibility, through instruments such as the National Energy Transition Roadmap.

"What is required now is disciplined execution and dedication from partners to translate this vision into outcomes."



Fadillah visits exhibition booths during the TNB Energy Transition Conference 2026 at the Kuala Lumpur Convention Centre yesterday. - BERNAMAPIC