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KUALA LUMPUR: Malaysia needs clear policy and regulatory direction to maintain investor confidence and support the country's energy transition agenda, Deputy Prime Minister Datuk Seri Fadillah Yusof said on Thursday.

He said that while political leadership may change over time, consistent policies and a stable regulatory framework were crucial in assuring investors that the country remains committed to its long-term development goals.

"New ministers can come in, but more importantly for Malaysia, we need clear policies and clear regulatory perspectives so that the message to investors remains consistent," he said.

Fadillah said this during a Ministerial Session on "Powering Malaysia's Next Growth Chapter: Energy, Economy and Digital In Sync" at the Energy Transition Conference 2026 (ETCon26).

He added that government institutions and the civil service play a critical role in ensuring continuity in policy implementation, regardless of changes in ministerial portfolios or political developments.

Fadillah, who is also Energy Transition and Water Transformation Minister, said his ministry would collaborate with other ministries to strengthen energy infrastructure as a strategic national enabler, moving beyond simply providing energy to meet market demand.

He added that Malaysia also needs to adopt a more structured whole-of-government approach to strengthen coordination among ministries and agencies and enhance the country's competitiveness.

While mechanisms already exist to facilitate collaboration across government entities, Fadillah said a more comprehensive and structured approach would be required moving forward.

He said approval processes must be streamlined to improve efficiency and shorten turnaround times, while infrastructure readiness, particularly in terms of energy supply, must keep pace with the country's economic development plans.

"The challenge is how we get alignment not only at the federal level but, more importantly, at the state and municipal council levels," Fadillah said.

Fadillah also stressed the need for Malaysia to strengthen its regulatory and legal framework to support emerging technologies and industries, particularly in addressing challenges posed by artificial intelligence (AI), including deepfake

technology.

He said the country must ensure the necessary infrastructure, regulations and legislation are in place to support economic growth and digital transformation.

Fadillah also noted that Malaysia's energy transition efforts must be guided by the energy trilemma of security, sustainability and affordability.

He said Malaysia is targeting renewable energy to comprise 70 per cent of its total electricity generation capacity by 2050.

"The challenge when it comes to renewables, it is intermittent in nature. We need to stabilise the grid. This is where TNB has committed to injecting more than RM40 billion to upgrade the grid system (and), to digitalise all our transmission and systems," he added. — Bernama



Fadillah is seen during a Ministerial Session on "Powering Malaysia's Next Growth Chapter: Energy, Economy and Digital In Sync" at ETCon26. — Bernama photo