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Govt to assess potential of carbon sector hub

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KUALA LUMPUR: Development of a carbon capture and storage (CCS) hub in Kerteh, Terengganu, will be carried out in phases as the government assesses the region's potential for carbon storage and related industries.

Economy Minister Akmal Nasrullah Mohd Nasir (*pic*) said a study on the development of a carbon capture, utilisation and storage (CCUS) industrial cluster along the East Coast was expected to be completed by the fourth quarter of 2027.



He said the study would examine opportunities across the CCUS value chain, including the potential economic benefits for Terengganu and other East Coast states.

"We will also involve the state government in discussions to obtain its views and determine how the development plans can be strategically formulated," he said during Question Time in the Dewan Rakyat.

He said PETRONAS had identified the offshore Lawit field as having potential for carbon dioxide storage.

However, as the field was expected to continue producing gas beyond 2035, infrastructure development and storage capacity for the Kerteh hub would be planned in phases based on technical and commercial readiness.

"The initial development of Malaysia's CCS hubs will focus on Kuantan, although industries in Terengganu could participate in the value chain and benefit from the project," he said.

He also said the government was piloting a carbon capture project in Kemaman's iron and steel industry to establish a baseline for evaluating the technology's potential to reduce industrial emissions.

"The Malaysia CCUS Roadmap 2050: Towards Green Economy is expected to be launched at the end of November," he said, adding that the roadmap would outline the phased development of the country's CCUS industry towards 2050.

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