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ASEAN EMERGES AS KEY HUB

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GLOBAL ENERGY TRANSITION

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Opec projects that Asia will account for 70pc of energy growth by 2050

SYAKIRAH NOR
AND FAIQAH KAMARUDDIN
KUALA LUMPUR
bt@nst.com.my

AS global energy transitions accelerate, Asean emerges as a critical hub for shaping the future of energy demand and sustainability, according to Organisation of the Petroleum Exporting Countries (Opec) secretary-general Haitham Al Ghais.

At the Energy Asia 2025 here yesterday, Haitham addressed the complex interplay between energy security, affordability and sustainability, emphasising the region's pivotal role in global en-

ergy dynamics. He underscored the need for significant investment in the oil sector to ensure a reliable energy supply while meeting growing demand.

"Sustainability and continuous flow of investments in energy systems overall — and for us, particularly in oil — are critical." Opec, he said, had forecast a staggering US\$17.4 trillion investment requirement for the oil industry by 2050, translating to about US\$640 billion annually.

Despite global momentum towards renewables, Haitham highlighted that oil remains indispensable to daily life, representing 30 per cent of the global energy mix.

Asia's Rising Energy Needs
The Asean region, with its

rapidly growing population and urbanisation rates, is at the forefront of global energy demand with Opec projecting that Asia will account for 70 per cent of energy growth by 2050, with half

the world's energy consumption taking place in the region.

"Asia will add over 800 million vehicles to the car fleet by 2050. While one-third of the portion will be electric vehicles, the internal combustion engine will continue to play a key role."

He said urbanisation across the globe would create unprecedented energy

demands.

Opec-Asean Pact
Haitham pointed to the enduring collaboration between Opec member countries and Asean nations, including Malaysia's role

in the Opec+ framework since 2017.

"Opec member countries, being exporters of energy, and Asean countries, being importers of energy, create a recipe for good future collaboration."

He acknowledged Malaysia's leadership as Asean chair in fostering partnerships, adding that "stability in energy markets creates an environment conducive to investments, and we look forward to working with Asean countries like Singapore and others to strengthen collaboration".

Balanced Transition to Sustainability

While advocating for the transition to cleaner energy, Haitham stressed the need for a balanced approach that doesn't compromise energy security or affordability.

"The Paris Agreement is about reducing emissions from all sources, not choosing one energy type over another. Renewables

alone will not meet the world's needs."

He cited renewable energy initiatives led by Opec member nations, including Saudi Arabia's goal to source 50 per cent of its electricity from renewables by 2030, and the UAE's investment in nuclear and solar projects.

Multi-dimensional Energy Future

Opec, said Haitham, advocates for an "all-energy" approach to meet the increasing energy demands of a growing global population, particularly in Asia.

"Our estimates are that global primary energy demand will grow by 24 per cent by 2050, with Asia accounting for the fastest growth globally."

"There is no single pathway for energy transition. We need all forms of energy and technologies working together to reduce emissions while meeting demand."

Additional reporting by Amalia Azmi



Haitham Al Ghais