

Headline	Helping vendors spur the economy		
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# Helping vendors spur the economy

**T**ENAGA Nasional Berhad (TNB) is synonymous with all matters related to electricity supply. Switches, lights and electrical appliances come alive as a result of a reliable and stable delivery of electricity supply which the country has enjoyed since the establishment of TNB 71 years ago.

Electricity supply is also the backbone of the country's progress. Various efforts to modernise the country can be achieved through a reliable electricity supply.

However, TNB's efforts to support the country's growth does not just stop at electricity supply. Its various initiatives to increase the capacity and reliability of the country's electricity supply have a trickle-down effect to boost the country's economic activities.

The utility company's vision to drive the country's progress is also manifested in the development of local vendors who, indirectly, are able to contribute to the country's economic growth.

Under the Regulatory Period 2 (RP2) 2018-2020, a total of RM7.4 billion worth of contracts were awarded, including RM6.9 billion awarded under the Vendor Development programme.

Apart from opening up business opportunities, TNB also supports the growth of local vendors through Vendor Upskilling programme which specifically aims to enhance their competencies and technical capabilities.

Malaysian Strategic Business Partners Association (Pernisma) information and finance exco Ismail Mohamed Isa said, TNB has always been progressive in providing opportunities for local vendors to

participate in markets related to the country's energy industry.

"TNB has always opened opportunities to local vendors. With various initiatives being planned by TNB to realise the goal of energy transition, I am confident that there will always be opportunities for local vendors to be involved," he said.

TNB president and chief executive officer Datuk Ir. Baharin Din said over the past four years, TNB has allocated an average of RM8 billion a year for the distribution of projects related to electricity supply.

"We will ensure that the involvement of local vendors is not only on basic products but also products that have added value. As long as they are capable and meet the requirements, we will support them," he said.

## OPPORTUNITIES IN THE NEW ENERGY LANDSCAPE

TNB is making big steps into leading the energy industry's transition from fossil fuel-based generation to renewable energy. These changes to more sustainable energy sources require a revolution of the electricity supply system to accommodate the changing energy ecosystem.

The company has embraced many elements of smart technology that covers the entire range of services including energy resources, transmission and distribution.

Among the initiatives is the installation of smart meters that enable electricity consumption to be tracked on a daily basis and have the ability to provide future value-added features to consumers.

According to Baharin, there are



TNB chairman Datuk Seri Mahdzir Khalid (second from left) being briefed on the smart meter during TNB Vendor Open Day. Also present were TNB president and chief executive officer Datuk Ir. Baharin Din (left), and TNB chief procurement officer Amir Mahmud Abdullah (second from right).

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**DATUK IR. BAHARIN DIN**  
TNB president and chief executive officer



various other initiatives implemented by TNB that can contribute to economic activities to be shared and enjoyed by its suppliers, in line with the government's aspirations in achieving the Shared Prosperity Vision 2030 through the National Entrepreneurship Policy.

These include the development of smart grid technology in an effort to revolutionise the electricity supply chain, such as the Geographic Information System (GIS) mapping project which saw 25 companies developing with data mapping technology capabilities for TNB assets.

Meanwhile, the project to replace public street lights with LED lights provides an opportunity for local suppliers and manufacturers to come up with high-tech products. To date, more than 106 companies are involved with LED lighting projects.

"As vendors, we welcome TNB's efforts to involve local vendors in their ongoing efforts to modernise the electricity supply system," said Pestech International Berhad group chief executive officer, Paul Lim.

"Our involvement with TNB started in 2000 through supplies in the field of Distribution Network, smart meters and switchgear. TNB's modernisation efforts provide indirect opportunities for local vendors to explore the field of supply and manufacturing based on the latest technology," he said.

## WORKING TOGETHER TO DRIVE THE COUNTRY'S ECONOMY

Last year saw Malaysia facing a

challenging global and local operating environment. The economy contracted by 5.6 per cent, the lowest figure since the economic downturn hit in 1998 (-7.4 per cent), following the aftermath of the Covid-19 pandemic.

According to a Bank Negara report, the Malaysian economy is expected to recover between 6-7.5 per cent in 2021 following the recovery in global demand and the gradual recovery of local economic activity.

A representative of ABB Malaysia Sdn Bhd, a company that provides various electricity-based solutions, Putri Rosshilawati Abdul Latip said TNB's support for local vendors reflected the comprehensive efforts of all parties to revive the country's economy in light of the pandemic.

"Efforts to boost the economy are necessary to ensure that people are not burdened by the impact of the Covid-19 pandemic. What TNB is doing with their initiative is very timely because it opens up business and employment opportunities for Malaysians," she said.

To ensure that TNB vendors get the latest exposure and information on the direction and business opportunities of the new economy, TNB organised the TNB Vendor Open Day at its headquarters in Jalan Bangsar in April.

More than 150 vendor companies were present to find out about the latest business potential especially related to the development of Future Grids which includes the Distribution Network Modernisation and Grid Digitisation initiatives.



## INFO BOX

- **889 vendors** participated in the Bumiputera vendor programme
- Over the past four years, TNB has allocated an average of **RM8 billion a year** for project distribution
- TNB creates opportunities for vendors through the Future Grid and Distribution Network Modernisation project, including the installation of **smart meters**
- As of June 2021, **1.2 million** of the targeted **9 million smart meters** have been installed in the peninsula
- **80%** of the vendors involved in the smart meter project are Bumiputera
- The turnover value of the smart meter project exceeds **RM1.5 billion** for the next **3-4 years**

INFOGRAPHIC NST

"Such programmes are very helpful to us, especially the new vendors because a lot of the latest information related to TNB's business and direction is shared with us," said Muklisyah Haron, a representative of Madetil (M) Sdn Bhd, a company that supplies LED lighting.

"The latest TNB business information is very important for vendors who want to explore the areas of manufacturing or supply needed by the energy industry, thereby supporting the growth of local vendors."



One of the participants at TNB Vendor Open Day listening to a briefing about the LED lights.