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ESG in the news

The Star, Malaysia



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ESG in the news

MARCH 22

• The European Union's (EU) ban on the import of palm oil as a biofuel by 2030 is seen as lacking in transparency and scientific reliability, which provides an inaccurate view of the sustainability practices practised in the country's biofuel industry.

Plantation and Commodities Minister Datuk Seri Johari Abdul Ghani said the ban is also seen as biased and will create undue restrictions and contradict free trade practices as it violates the principles of the World Trade Organisation (WTO), namely the Technical Barriers to Trade and the General Agreement on Tariffs and Trade 1994.

MARCH 25

• The rising demand for liquefied natural gas (LNG), of which Malaysia is the world's fifth-largest exporter, augurs well for the country as it will provide a boost to the economy and have positive spillover effects.

Economists and oil analysts expect LNG, a cleaner source of energy compared with coal and crude oil, to see a pick-up in demand this year as industrial coal-to-gas switching gathers pace.

Besides uplifting the economy, it would help improve Malaysia's current weak trade balance and fiscal position, economists noted.

• The Securities Commission (SC) has directed Datuk Lim Khong Soon @ Lim Hock Seng, the founder and director of Quantum Metal Exchange Inc (QMEI), to immediately cease and desist the offering of QMEI shares to the Malaysian public.

The QMEI share offering, which is currently ongoing, contravenes the relevant requirements under securities laws, the SC said in a statement.

• The SC has entered into talks with the Finance Ministry (MoF) to review its revenue model for improved financial sustainability in the future.

This comes as the SC saw its deficit after tax widening by almost three-fold year-on-year (y-o-y) for the financial period ended Dec 31 to RM71.3mil, with chairman Datuk Seri Awang Adek Hussin remarking that the situation cannot be allowed to continue.

MARCH 26

• Reservoir Link Energy Bhd's wholly-owned subsidiary, **Reservoir Link Renewable Sdn Bhd**, has entered into a shareholders' agreement (SA) with Sumitomo Corp, MAQO Engineering Sdn Bhd and SRM Utama Selambau Sdn Bhd to develop and operate a 29.99 MWac ground-mounted solar photovoltaic project in Kedah.

MARCH 27

• Numerous steps have been taken by **FGV Holdings Bhd** to resolve the violation of human rights allegations against the company since the US Customs and Border Protection (CBP) issued a Withhold Release Order (WRO) back in September 2020.

• **Scanwolf Corp Bhd**, through its subsidiary **Scanwolf Plastic Industries Sdn Bhd (SPI)**, has signed a 20-year supply agreement of renewable energy with Tenaga Nasional Bhd (TNB) and Armani Energy Sdn Bhd (AESB) for the purchase of solar photovoltaic (PV) energy.

MARCH 28

• The prospects for the local renewable energy (RE) sector is bright, thanks to the abundance of solar photovoltaic (PV) system engineering, procurement, construction and commissioning (EPC) jobs, says **Kenanga Research**.

According to the research house, the outlook for solar EPC jobs is strong, underpinned by new contracts under the Corporate

Green Power Programme (CGPP) estimated to be worth RM2.4bil and the 2GW Large-Scale Solar 5 (LSS5) worth an additional RM5bil.

There is also an extra quota of 400MW under the net energy metering (NEM) scheme, the research house noted.

MARCH 29

• Property developer **LBS Bina Group Bhd** has attained AA-IS rating for its sukuk wakalah programme with a "stable" outlook from MARC Ratings Bhd – marking a historic milestone for the company.

APRIL 2

• **MISC Bhd's** indirect wholly-owned subsidiaries have signed time charter parties with Qatar's state-owned energy firm for the charter of three newbuild liquefied natural gas (LNG) carriers.

• **Petroleum Nasional Bhd (PETRONAS)** has commenced the construction of its groundbreaking nearshore floating liquefied natural gas (FLNG) facility.

The third FLNG facility by PETRONAS is designed to produce up to two million tonnes per annum of LNG and is targeted to commence commercial operations by the second half of 2027.

APRIL 3

• A very competitive landscape is anticipated for the fifth iteration of the large-scale solar programme (LSS5), as both renewable energy (RE) and non-RE players are anticipated to gear up and bid for the project.

While raw material costs of solar panel prices have seen a sustained steep drop on keen supply and competition, some industry players think price margins could continue to be wafer-thin this time around.

• While the revision of the road tax for electric vehicles (EVs) may be a step in the right direction, addressing infrastructure challenges, lowering price barriers and implementing supportive policies are essential factors in driving significant growth in EV sales in Malaysia.

• **TA Research analyst Angeline Chin** emphasised the critical need for EV infrastructure development, highlighting that without an adequate number of charging stations, consumers may remain hesitant to embrace EVs.

• Construction company **Nestcon Bhd** is proposing to diversify its business to include engineering, procurement, construction and commissioning of solar photovoltaic (PV) systems, project management of renewable energy (RE) activities, as well as owning and operating solar PV assets.

• **Petroleum Nasional Bhd (PETRONAS)**, through its subsidiary **PETRONAS CCS Solutions Sdn Bhd (PCCSS)**, has signed a joint study agreement with Jera Co Inc (Jera) to evaluate the feasibility of the entire carbon capture and storage (CCS) value chain.

This will include separation and capture of carbon dioxide emitted by Jera in Japan, cross-border transportation and storage in Malaysia. Jera is Japan's largest power generation company.

APRIL 4

• **MN Holdings Bhd's** wholly-owned subsidiary, **MN Power Transmission Sdn Bhd**, has secured a RM17.6mil contract for the supply and commissioning of the transmission main intake 275/132kV Pasir Gudang Power Station Extension in Johor from Tenaga Nasional Bhd.

• **FGV Holdings Bhd**, which has reimbursed a total of RM72.2mil to its active migrant workers, is expected to submit a petition to the US Customs and Border Protection (USCBP) in June.

According to **Hong Leong Investment Bank Research (HLIB Research)**, the petition will be submitted following the completion of Lloyd's Register Quality Assurance's (LRQA) assessment report, which is likely to be in April 2024.

APRIL 5

• **MN Holdings Bhd's** subsidiary, **MN Power Transmission Sdn Bhd**, has secured a RM26mil contract from Sarnaiden Sdn Bhd for engineering, procurement, construction and commissioning or EPC work on a large-scale

solar photovoltaic (LSSPV) plant in Kulim.

APRIL 6

• The bidding process for the fifth cycle of the country's large-scale solar (LSS5) programme has kicked off after a three-year hiatus. A total of two gigawatts (GW) in capacity is up for grabs – more than double the capacity offered under the previous round of the LSS competitive-bidding process.

Potential jobs in the engineering, procurement, construction and commissioning (EPC) space are massive, up to the tune of RM7.2bil, according to **Maybank Investment Bank Research**.

APRIL 8

• The Sarawak government is undertaking a massive replacement exercise for old water pipes in the distribution network statewide that will cost more than RM1bil.

The replacement project for the ageing water pipes spanning across some 2,700km from southern to northern Sarawak has begun this year, according to **Utility and Telecommunication Minister Datuk Seri Julaihi Narawi**.

• Swedish-Swiss electrification and automation leader **ABB Ltd** is looking into expanding its footprint in Malaysia through partnerships in supporting key projects.

• **ABB's Asia President for the Energy Industries, Anders Maltesen**, said the multinational is currently supporting some key projects in Malaysia, including **Batang Ai**, the **PETRONAS** liquefied natural gas two floating liquefied natural gas facility, and Malaysia's biggest crude oil refinery in Melaka, among others.

"We will continue to explore and nurture partnerships in Malaysia that will help accelerate net-zero ambitions," he told **Bernama**.

APRIL 9

• The United States government has initiated two anti-dumping investigations on Malaysian producers, following allegations that the country is selling ferrosilicon and diethyl terephthalate below cost to undercut American manufacturers.

• **Nextgreen Global Bhd (NGGB)** has partnered with IOI Corp Bhd's unit, **IOI Paper Pulp Sdn Bhd**, to establish Malaysia's first large-scale zero-waste paper pulp plant, which is projected to yield about RM300mil in revenue by 2026.

Located within NGGB's 410-acre Green Technology Park in Pekan, Pahang, the initiative is expected to cost an investment of about RM600mil.

• Malaysia is ideal to be developed into a regional carbon capture, utilisation and storage (CCUS) hub, says **Hong Leong Investment Bank (HLIB) Research**.

This is underpinned by some major gas-producing fields nearing the end of their lifespan, local oil and gas (O&G) companies equipped with technical knowledge capabilities to support carbon capture and storage (CCS) developments and tax incentives by the government.

APRIL 10

• **Solarvest Holdings Bhd** plans to raise about RM57mil by placing out up to 6% of its shares to fund its solar projects.

• The SC has revoked the Capital Markets Services Representative's Licence (CMSRL) of **Lim Chee Kuang** on the basis he had submitted false and misleading information to the regulator in relation to his CMSRL application.

APRIL 12

• With the growing trend of plant-based products, **Nestle Malaysia** has expanded its **Harvest Gourmet** brand product range with the launch of **Puff Pastries**.

APRIL 13

• **Nextgreen IOI Pulp Sdn Bhd (NIP)**, a joint venture between **Nextgreen Global Bhd (NGGB)** and **IOI Corp Bhd**, has inked a memorandum of understanding (MoU) with **China's Xiamen C&D Paper & Pulp Group Co Ltd (Xiamen C&D)** for the proposed development and operation of a green and sustainable paper

pulp production facility.

• The electric vehicle (EV) industry has a lot of ground momentum driving its growth and adoption globally, but there are still key choke-points that could impede any widespread adoption locally – at least for the moment.

APRIL 16

• **Bank Negara** is ready to deploy tools at its disposal to ensure that the financial markets remain orderly and continue to function efficiently in light of the current geopolitical situation in the Middle East.

• South-East Asia is "woefully off track" on green investments to reduce emissions and needs new policies and financial mechanisms to help bridge the gap, the global consultancy **Bain & Co** says.

With energy consumption in the region expected to grow by 40% this decade, climate-warming carbon dioxide emissions remain on the rise, with the region still dependent on fossil fuels, according to an annual report compiled by **Bain**, green investment group **GenZero**, Standard Chartered Bank and **Temasek**.

APRIL 17

• **Energy solutions provider Jentayu Sustainables Bhd** is hoping to ink its power purchase agreement (PPA) with the Energy Commission of Sabah by the middle of the year.

Chief executive officer **Baevinraj Thiagarajah** said the company was on track to execute the PPA for its 170MW run-of-river hydropower plant in Sipitang worth RM2.8bil.

• **Bursa Malaysia** has entered into a collaboration with **Britain's Mobilising Institutional Capital Through Listed Product Structures (Mobilist) programme** to enable greater investment in energy transition and to advance the United Nations' sustainable development goals in Malaysia.

Bursa Malaysia chairman **Tan Sri Abdul Wahid Omar** said the collaboration would amplify the stock exchange's pursuit of driving innovation, environmental, social and governance priorities and sustainable finance, for the betterment of the capital market and economy.

• The setting up of the **Energy Exchange Malaysia (Enegem)** platform to facilitate cross-border trading of renewable energy (RE) is being viewed positively. RE exports are potentially a new revenue source and a driver of capacity growth for the industry, said analysts.

• **Sime Darby Property Bhd**, which has an above-average score for its ESG practices, now aims to achieve net-zero emissions across its projects.

Maybank Investment Bank Research (Maybank IB Research) said the property developer has relatively better ESG disclosures compared with other developers under its coverage.

• **Westports Holdings Bhd** is all set to go green with the development of the **Westports 2 (WP2)** container terminal, for which it has secured a 58-year extension until 2082.

The company is actively testing and evaluating the electrification of port vehicles and equipment as part of its commitment to sustainability.

ESG Opportunities

Project Manager – Proforest, KL

Interested candidates will be tasked to manage and participate in a range of projects related to agricultural and forestry sustainability, particularly in relation to production, sourcing and supply-chain management.

Responsibilities include providing policy advice, research, training, assessments (including HCV-HCSA Assessment) and other tailored services.

The post will involve international travel and fieldwork, particularly in the South-East Asian region.

Interested applicants can send their application to CV and a cover letter to personnel@proforest.net