



# MALAYSIA'S PETROCHEMICAL INDUSTRY: POISED FOR STRATEGIC GROWTH



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# UPSTREAM TRANSFORMATIONS SPURRING DOWNSTREAM SUSTAINABILITY

**Malaysia's petrochemical industry is re-focusing its efforts towards embracing digitalisation, technology advancement using automation and robotics, a skilled workforce and creative partnerships to redefine itself. The industry is poised for transformation and diversification to better adapt to growing global energy transition trends while remaining competitive.**

Backed by abundant oil and gas reserves and petrochemical feedstocks, Malaysia's petrochemical industry boasts almost 50 years of solid fundamentals. It is an important growth area with an established infrastructure, available feedstock, matured supporting industries and smart partnerships with some of the world's largest MNCs through the

continued support of the Government and Petroliam Nasional Berhad (PETRONAS), the national oil and gas company. The local petrochemical industry is well diversified, producing a wide range of products through strategic joint ventures with foreign MNC giants such as Hengyuan (formerly known as Shell Refining), Petron, BASF, Lotte Chemical Titan, Idemitsu, Toray, Penfibre, Kaneka, Eastman Chemicals, Eternal, Polyplastic, UPC, Recron, Synthomer, Dairen, Mitsui and Reliance.

Potential investors can expect to reap returns from existing integrated petrochemical complexes offering centralised utilities, efficient storage services, and a comprehensive transportation network that collectively help reduce capital and operational costs, thus positioning Malaysia as one of ASEAN's promising strategic investment locations. The wide range of tax incentives to meet the varying needs of investors is also another attraction.



# A QUICK PEEK AT MALAYSIA'S OIL & GAS REFINERIES PROCESSING, PLANTS AND FACILITIES

Malaysia has a well-established O&G infrastructure with over **3,500 oil and gas businesses in operation, including international oil companies, independents, service providers and equipment manufacturers. This well-oiled machine includes refineries, gas processing plants, regasification terminals and LNG facilities.**

Oil refineries produce various petroleum products which includes lubricating oils and refinery products such as liquefied petroleum gas, naphtha, gasoline, kerosene, fuel oils, gas oils, jet oils, diesel and bitumen. There are seven refineries in operation in the country with the capacity to process over 700 kilobarrels per day. The main investors in these refineries include PETRONAS, Hengyuan, and Petron.

## OIL REFINERIES IN PENINSULAR MALAYSIA

➤ **PETRONAS Penapisan (Terengganu) Sdn. Bhd.,**  
Kertih, Terengganu

➤ **Malaysian Refining Company Sdn. Bhd.**  
Tangga Batu & Sg. Udang, Melaka

➤ **Pengerang Refining Company Sdn. Bhd.,**  
Pengerang, Johor

➤ **Hengyuan Refining Company Berhad**  
Port Dickson, Negeri Sembilan

➤ **Petron Malaysia Refining & Marketing Berhad**  
Port Dickson, Negeri Sembilan

➤ **Kemaman Bitumen Company Sdn. Bhd.,**  
Kemaman, Terengganu

➤ **ATB Sdn. Bhd.**  
Tanjung Bin, Johor

## GAS PROCESSING PLANTS (GPP) IN MALAYSIA

Natural gas forms the backbone of Malaysia's petrochemical industry, extending the country's industrial capabilities further downstream in the oil and gas value chain. PETRONAS has gas processing facilities with a combined capacity of over 2,000 million standard cubic feet per day (mmscfd) of feedgas. These operations are carried out at six (6) plants in Terengganu, divided into two complexes namely Gas Processing Kertih (GPK) and Gas Processing Santong (GPS). The plants have the capability to process and produce methane (sales gas), ethane, propane, butane and condensates to meet market demands.

By forging partnerships with other ASEAN countries such as Thailand (Malaysia-Thailand Joint Development Area), Vietnam and Indonesia for gas supplies, along with the ongoing implementation of the ASEAN gas grid to make gas available to all 10 ASEAN member countries, Malaysia is ensuring the future security of gas supply to complement its existing gas reserves.

Meanwhile, Malaysia's Peninsular Gas Utilisation (PGU) system runs a pipeline network more than 2,600 km long to users.

# REGASIFICATION TERMINALS IN MALAYSIA

NO.	REGASIFICATION TERMINAL	COMPANY
1	LNG Regasification Terminal Sungai Udang (RGTSU), Melaka	Regas Terminal (Sg Udang) Sdn. Bhd.
2	LNG Regasification Terminal Pengerang (RGTP), Johor	Pengerang LNG (Two) Sdn. Bhd.

## LIQUEFIED NATURAL GAS (LNG) FACILITIES IN MALAYSIA

NO.	LNG PLANT
1	Malaysia LNG Sdn. Bhd. (MLNG Satu)
2	Malaysian LNG Dua Sdn. Bhd. (MLNG Dua)
3	Malaysia LNG Tiga Sdn. Bhd. (MLNG Tiga)
4	PETRONAS LNG 9 Sdn. Bhd. (PL9SB)
5	PETRONAS Floating LNG Satu (PFLNG Satu)
6	PETRONAS Floating LNG Dua (PFLNG Dua)

## PETROCHEMICAL PRODUCTS IN MALAYSIA

PETROCHEMICAL PRODUCTS	COMPANY/ REFINERY
<ul style="list-style-type: none"> <li>&gt; Naphtha</li> </ul>	<ul style="list-style-type: none"> <li>• PETRONAS Penapisan (Terengganu) Sdn. Bhd.</li> <li>• Malaysian Refining Company Sdn. Bhd.</li> <li>• Hengyuan Refining Company Berhad</li> <li>• Petron Malaysia Refining &amp; Marketing Bhd.</li> <li>• Kemaman Bitumen Company Sdn. Bhd.</li> <li>• Pengerang Refining Company Sdn. Bhd.</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Ethane</li> <li>&gt; Propane</li> <li>&gt; Butane</li> </ul>	<ul style="list-style-type: none"> <li>• PETRONAS Gas Berhad</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Ethylene</li> </ul>	<ul style="list-style-type: none"> <li>• Lotte Chemical Titan (M) Sdn. Bhd.</li> <li>• PETRONAS Chemicals Ethylene Sdn. Bhd.</li> <li>• PETRONAS Chemicals Olefins Sdn. Bhd.</li> <li>• Pengerang Refining Company Sdn. Bhd.</li> </ul>
<ul style="list-style-type: none"> <li>&gt; Propylene</li> </ul>	<ul style="list-style-type: none"> <li>• Lotte Chemical Titan (M) Sdn. Bhd.</li> <li>• PETRONAS Chemicals MTBE Sdn. Bhd.</li> <li>• PETRONAS Chemicals Olefins Sdn. Bhd.</li> <li>• Pengerang Refining Company Sdn. Bhd.</li> </ul>

PETROCHEMICAL PRODUCTS	COMPANY/ REFINERY
> Butadiene	<ul style="list-style-type: none"> <li>• Pengerang Refining Company Sdn. Bhd.</li> <li>• Lotte Chemical Titan (M) Sdn. Bhd.</li> </ul>
> Methyl Tertiary Butyl Ether (MTBE)	<ul style="list-style-type: none"> <li>• Pengerang Refining Company Sdn. Bhd.</li> <li>• PETRONAS Chemicals MTBE Sdn. Bhd.</li> </ul>
> Methanol	<ul style="list-style-type: none"> <li>• Pengerang Refining Company Sdn. Bhd.</li> <li>• PETRONAS Chemicals Methanol Sdn. Bhd.</li> <li>• BASF PETRONAS Chemicals Sdn. Bhd.</li> <li>• Sarawak Petchem Sdn. Bhd.</li> </ul>
> Polypropylene (PP) > Linear Low-Density Polyethylene (LLDPE) > High Density Polyethylene (HDPE)	<ul style="list-style-type: none"> <li>• Pengerang Petrochemical Company Sdn. Bhd.</li> <li>• Lotte Chemical Titan (M) Sdn. Bhd.</li> </ul>
> Mono Ethylene Glycol (MEG) > Di Ethylene Glycol (DEG) > Tri Ethylene Glycol (TEG) > Heavy Glycol (HG)	<ul style="list-style-type: none"> <li>• Pengerang Petrochemical Company Sdn. Bhd.</li> </ul>

PETROCHEMICAL PRODUCTS	COMPANY/ REFINERY
> Ethylene Oxide > Ethylene Glycol	<ul style="list-style-type: none"> <li>• PETRONAS Chemicals Glycols Sdn. Bhd.</li> </ul>
> Ethanolamines > Alkoxylates / Functional Fluids > Butanol > Butyl Acrylate > Glycols Ethers > Butyl Acetate	<ul style="list-style-type: none"> <li>• PETRONAS Chemicals Derivatives Sdn. Bhd.</li> </ul>
> Benzene > Toluene > Xylene > Raffinate 2	<ul style="list-style-type: none"> <li>• Lotte Chemical Titan (M) Sdn. Bhd.</li> <li>• PETRONAS Chemicals Aromatics Sdn. Bhd.</li> <li>• Pengerang Refining Company Sdn. Bhd.</li> </ul>
> Isononanol > C8 Hydrocarbons > C12 Olefins > C16 Olefins > Raffinate 3 > Oxo Oil 9N	<ul style="list-style-type: none"> <li>• PETRONAS Chemicals Isononanol Sdn. Bhd.</li> </ul>

# HOME TO WORLD CLASS PETROCHEMICAL ZONES AND FACILITIES

## KERTIH, TERENGGANU



Kertih is the operations base for PETRONAS' oil platform operations offshore Terengganu, petrochemicals production and crude oil refining in nearby Paka. As an industry specific development, Kertih's transformation from a quiet and sleepy fishing village to a top-notch petrochemical hub was finally completed with the establishment of the PETRONAS Petroleum Industry Complex (PPIC), which links the entire range of the oil and gas value chain - beginning from upstream exploration and production to the final stage of petrochemical manufacturing.

Located within the PPIC is PETRONAS' Integrated Petrochemical Complex (IPC), which mainly consists of ethylene-based petrochemical plants.

### FACILITIES AND INFRASTRUCTURE

- ▶ Gas Processing Plants
- ▶ Peninsular Gas Utilisation (PGU) project
- ▶ Centralised Utility Facilities
  - Supply of utilities such as power, industrial gases, water and steam
- ▶ Institut Teknologi Petroleum PETRONAS (INSTEP) (located in Kuala Terengganu)
  - Training centre
- ▶ Kertih Port
  - Mainly bulk liquid port, handling some 2.5 million tonnes of chemical liquid and gasses
  - Vessel services
  - Tank storage (bulk chemical in 41 storage tanks)
  - Truck services
  - Drumming



## GEBENG, PAHANG



The Gebeng Industrial Estate zone is another petrochemical hub for world-renowned petrochemical companies like BASF, Reliance Group, Kaneka, Eastman, and Polyplastics. This industrial estate complements the Gebeng Integrated Petrochemical Complex (IPC), meeting the specific needs of the petrochemical industry.

### FACILITIES AND INFRASTRUCTURE

- ▶ Peninsular Gas Utilisation (PGU) project
- ▶ Centralised Utility Facilities
  - Supply of utilities such as power, industrial gases, water and steam
- ▶ Kuantan Port
  - Centralised tankage facilities
  - Pipeline and piperack system connecting Gebeng to Kuantan Port
  - Container and bulk liquid port
  - Railway linking Kertih, Gebeng and Kuantan Port
  - Cargo handling
  - Marine services (pilotage and towage)
  - Free zone
- ▶ East Coast Highway



## PASIR GUDANG TANJUNG LANGSAT, JOHOR

The Pasir Gudang Industrial Park, located next to the Johor Port, is an established industrial area with a comprehensive range of industries including petrochemicals. To meet the needs of a growing petrochemical industry, the adjacent Tanjung Langsat Industrial Complex (TLIC) site was developed to further enhance manufacturing capacity.

Spanning a total area of 4,835 acres, the TLIC is a modern integrated industrial park specifically designated for heavy industries.



### FACILITIES AND INFRASTRUCTURE

- ▶ Peninsular Gas Utilisation (PGU) project
- ▶ Tank farms for bulk storage of liquid petrochemicals
- ▶ Johor Port
  - Strategically positioned in the heart of the sprawling 8,000-acre Pasir Gudang Industrial Estate
  - With berths of almost 2.4 km, the port provides liquid bulk, dry bulk, general cargo (breakbulk) and container services
  - Three hazardous liquid bulk terminals to handle LPG, chemicals and petrochemicals
  - Container terminal
  - Free zone
- ▶ Tanjung Pelepas Port
  - A world-class container port
  - Free zone
  - Marine services (pilotage, towage and freshwater supply)
- ▶ Tanjung Langsat Port
  - Endowed with a 4.5-kilometre shoreline that is ideal for O&G and marine-related industries.
  - Four zones: Storage terminals, oilfield services and equipment (OFSE), regional marine supply base and offshore fabrication and maritime hub.
  - The liquid cargo jetty, with a water depth of 15.0 metres, caters to vessels ranging from 5,000 to 120,000 DWT.
  - The dry cargo jetty caters to vessels up to 40,000 DWT.
  - Oil storage terminal with a combined capacity of 923,200 m<sup>3</sup> (gasoline, naphtha, petroleum, bitumen as well as edible oils).
  - Regional marine supply base (offices, warehouses and open storage area, oilfield logistics, management system services, maintenance and, technical support services for corporate, waste management services and stevedoring.
  - Langsat marine terminal (warehouses, open yard, and industrial land).

## PENGERANG INTEGRATED PETROLEUM COMPLEX (PIPC), JOHOR



### A NATIONAL SUCCESS SHORING UP INDUSTRY

An ongoing development of over 22,000 acres of land, the PIPC is a significant step towards strengthening Johor's downstream oil and gas value chain. The PETRONAS Pengerang Integrated Complex (PIC) occupies 6,303 acres of PIPC which accommodates PETRONAS' Refinery and Petrochemical Integrated Development (RAPID) project facilities and infrastructure.

The PIC is supported by associated facilities that ensure its operational self-sufficiency and reliability, a level of complexity and integration that sets it apart from other complexes. With its myriad of world-class services and infrastructure, it is a testament to Malaysia's commitment, capabilities and capacity in the petrochemical industry.

### FACILITIES AND INFRASTRUCTURE

- › Peninsular Gas Utilisation (PGU) project
- › LNG Regasification Terminal
- › Centralised Utility Facilities
  - Supply of utilities such as power, industrial gases, water and steam
- › Deep Water Terminal
- › Air Separation Unit
- › Raw Water Supply



## BINTULU, SARAWAK



Home to several gas-based petrochemical plants, the PETRONAS Bintulu liquefied natural gas (LNG) Complex includes four LNG plants. This establishes Bintulu as the largest producer of LNG in Malaysia, as well as one of the world's largest LNG production facilities at a single location.

### FACILITIES AND INFRASTRUCTURE

- › Bintulu Port
- › Bintulu Airport
- › Samalaju Port



## SIPITANG, SABAH



The Sipitang Oil and Gas Industrial Park (SOGIP), a 4,065-acre site strategically located within the Sabah, Brunei, and Labuan economic centres, is a premier industrial park dedicated to oil and gas downstream activities in the state of Sabah. With natural gas from Sabah's offshore production facilities, SOGIP is well positioned to spearhead the development of the oil and gas industry in the state.

The Sabah Ammonia Urea (SAMUR) project, an initiative undertaken by PETRONAS Chemicals Fertiliser Sabah Sdn. Bhd. (PCFSSB), consists of an ammonia plant, urea plant, and a granulation plant, as well as utilities and jetty facilities.



## MALAYSIA: GEARING UP FOR THE NEXT ENERGY TRANSITION THE FUTURE OF PETROCHEMICAL INDUSTRY

**Nowadays, the petrochemical industry is likely to have a sharper focus on decarbonisation strategies due to increased attention from stakeholders, regulatory change, and technology innovation. The chemical industry (including petrochemical) is responding with its commitments to decarbonisation, recycling, and resource recovery.**

As the global energy industry continues to shift from fossil fuels to renewables and the "Green Deal" gains steam, this momentum is expected to continue in years to come. Specifically, industry players may show a heightened focus on new and innovative technologies such as carbon capture and

utilisation (CCU). In addition, companies are expected to continue to advance work on steam cracker electrification, advanced chemical recycling, green hydrogen, and carbon capture and storage (CCS).

These developments will likely help grow renewables, improve energy efficiency, reduce emissions, and create new markets for carbon and other byproducts as part of an increasingly circular economy. As a result, this could foster collaboration that gives rise to new business models and helps advance the energy transition.

### AT A GLANCE - WHY INVESTORS CHOOSE MALAYSIA

- Strategic location
- Gateway to ASEAN and AFTA
- Economic stability
- Strong commitment from the Government
- Rich reserves of natural gas
- Competitive source of raw materials
- World-class facilities
- Integrated infrastructure
- Skilled technical manpower
- Good quality of life

# INCENTIVES FOR GROWTH

A wide range of tax incentives and exemptions are available for both local and foreign-owned companies in Malaysia. The Government regularly reviews these incentives to ensure companies in the country maintain their competitive edge.

A corporate tax of 24 per cent is applicable to all companies in Malaysia, both local and foreign-owned. Other relevant taxes and exemptions:

## INCENTIVE FOR MANUFACTURING COMPANIES

### Pioneer Status:

Income tax exemption of 70% or 100% on the statutory income for five years; or

### Investment Tax Allowance:

Investment tax allowance of 60% or 100% on the qualifying capital expenditure for five years. The allowance can be utilised to offset against 70% or 100% of the statutory income; or

### Reinvestment Allowance:

Reinvestment allowance of 60% for 15 years on the qualifying capital expenditure. The allowance can be offset against 70% of the statutory income.

## INCENTIVES FOR HIGH TECHNOLOGY COMPANIES

- › Pioneer Status with a tax exemption of 100% on the statutory income for five years; or
- › Investment Tax Allowance of 60% on the qualifying capital expenditure for five years which can be offset against 100% of the statutory income.

## INCENTIVES FOR STRATEGIC PROJECTS

- › Pioneer Status with a tax exemption of 100% on the statutory income for ten years; or
- › Investment Tax Allowance of 100% on the qualifying capital expenditure for five years, which can be offset against 100% of the statutory income.

# INCENTIVES FOR GROWTH

## PRE-PACKAGED INCENTIVES:

Customised packages that cover tax and non-tax incentives.

## PIPC SPECIAL INCENTIVE PACKAGE:

### For Manufacturing Company

Special Tax Rate for a company with capital investment (excluding land) of RM500 million and above in the manufacturing sector;

- Tier 1: 5% Special Tax Rate for up to 10 years (5 years + 5 years)
- Tier 2: 10% Special Tax Rate for up to 10 years (5 years + 5 years)

or

Income tax exemption equivalent to Investment Tax Allowance (ITA) for a company with capital investment (excluding land) of RM500 million and above in the manufacturing sector;

- Tier 1: Income tax exemption equivalent to Investment Tax Allowance (ITA) of 100% on the qualifying capital investment (excluding land) for up to 10 years (5 years + 5 years). The allowance can be offset against 100% of statutory income for each assessment year.
- Tier 2: Income tax exemption equivalent to Investment Tax Allowance (ITA) of 70% on the qualifying capital investment (excluding land) for up to 10 years (5 years + 5 years). The allowance can be offset against 100% of statutory income for each assessment year.

Stamp duty exemption on transfer ownership of land, building, or any real estate, loan agreement, and service agreement for qualifying project/activity.

Import duty exemption for raw material, machinery, components, spare parts, and consumables that are used directly for qualifying project/activity.

### For Industrial Park Developer

Special tax rate of 10% for a company on the disposal or rental of land or buildings for qualifying projects for a period of 10 years.

Stamp duty exemption on transfer ownership of land, building, or any real estate, loan agreement, and service agreement for qualifying project/activity.

# INCENTIVES FOR GROWTH

## OTHER INCENTIVES

- › Industrial Building Allowance
- › Tariff Related Incentives

## AUTOMATION CAPITAL ALLOWANCE (ACA):

ACA consist of 2 Categories which are:

### Category 1 – Labour-intensive industries (rubber products, plastics, wood, furniture and textiles)

- Automation Capital Allowance of 200% on the first RM4 million expenditure incurred within the year of assessment from 2015 to 2023;

### Category 2 – Other Industries including Services Sector

- Automation Capital Allowance of 200% on the first RM2 million expenditure incurred within the year of assessment from 2015 to 2023 (for the services sector commencing from the year of assessment 2020).



# DRIVING SUSTAINABLE INVESTMENTS IN THE PETROCHEMICALS INDUSTRY

For more than 50 years, petrochemicals have been essential to society. During this time, the sector has seen continuous change and has adopted cutting-edge technologies and procedures to boost productivity at a lower cost. The chemical sector including petrochemicals, which is the third-largest emitter of carbon dioxide after the iron-and-steel and cement industries, is currently focusing its efforts on minimising its carbon footprint.

MITI together with MIDA is spearheading national-level efforts to put in place all the policies, facilitation and support to ensure that Malaysia is ready to host new green investments coming in for the next few years. The National Investment Aspirations (NIA) will further strengthen Malaysia's ecosystem to meet global megatrends and deliver on the promise of inclusive and sustainable development. There will be more Environmental, Social and Governance (ESG)-related investments as many multinational companies (MNCs) are exporting their products from Malaysia to the ESG-compliant countries.

As ESG-compliant countries lead the way and embed sustainable agendas in their economies, the

overall supply chain (including those from non ESG-compliant countries) would need to oblige and follow suit. This is to keep themselves at par, as well as not to be left behind, in order to maintain their presence and relevance in the supply chain. Hopefully this will encourage our petrochemical industry players in Malaysia to pursue sustainable initiatives as well.

MIDA, as the Government's principal investment promotion and development agency, is working together with companies to foster the adoption and practice of sustainability in their activities. One of the Strategic Thrusts of NIA is 'Unified investment strategy to drive laser-focused delivery on NIA & ESG', as listed in the following table:

INITIATIVES	ACTION	TARGET BENEFIT
<b>1</b> Harmonised investment strategy and policies, aligned to NIA	<ul style="list-style-type: none"> <li>&gt; Establish NIA as the guiding framework for all investment decisions</li> <li>&gt; Refresh the Promotion of Investments Act (PIA) to better align with the national investment agenda</li> <li>&gt; Establish a unified view on the value of investments that is regularly aligned across key stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Sharpened clarity across government machinery on national priorities needed to accelerate fundamental reforms to unlock investments</li> <li>• Enhanced clarity on the direction of policies, providing greater certainty to investors on their business plans</li> <li>• Increased sustainability of long-term investment strategies, ensuring outcomes consistently deliver target national benefits</li> </ul>
<b>2</b> In-depth sectoral roadmaps to guide the transition towards national sustainability targets	<ul style="list-style-type: none"> <li>&gt; Develop sector-level sustainability roadmaps with policies to holistically support the transition of the ecosystem</li> <li>&gt; Develop mechanisms to strengthen accountability amongst industry players and the Government</li> <li>&gt; Coordinate market forces to support ecosystem transition</li> </ul>	<ul style="list-style-type: none"> <li>• Increased resilience and competitiveness of the local ecosystem by strengthening industry response towards sustainability trends</li> <li>• Enhanced clarity on milestones and goals for companies to accelerate the pace of sustainability transition efforts</li> <li>• Strengthened accountability measures to drive sustainable public-private efforts towards national sustainability goals</li> </ul>
<b>3</b> Clear standards and strengthened regulation for ESG disclosures	<ul style="list-style-type: none"> <li>&gt; Strengthen ESG disclosure requirements for companies</li> <li>&gt; Set clear transition plans for the phased adoption of new ESG disclosure requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Clearer actions to support industry adoption of ESG standards, enhancing global competitiveness amidst rising ESG awareness</li> <li>• Increased transparency and measurability of national progress towards ESG targets to inform future policy decisions</li> </ul>

## MALAYSIA'S POSITION ON THE ESG JOURNEY: TWELFTH MALAYSIA PLAN (12MP)

The Twelfth Malaysia Plan (12MP 2021-2025) outlines recommendations pertaining to the unified direction/way forward, which includes the Government's initiatives and drive towards achieving Environmental, Social and Corporate Governance (ESG) as a nation.

5-year national development agenda focuses on three key areas: Economic Empowerment, Environmental Sustainability, and Social Re-engineering.

Theme 3 of the 12MP, "Advancing Sustainability," emphasises the promotion of green growth, energy sustainability, and water sector transformation. To achieve this, two game changers will be implemented: embracing the circular economy and accelerating the adoption of the Integrated Water Resources Management (IWRM) programme.

These efforts will open up numerous opportunities for green growth.

Businesses today navigate an increasingly dynamic and unpredictable landscape, marked by rapid global economic, environmental, and social changes. Amid these shifts, addressing sustainability has emerged as a central focus of global action, demanding a just and responsible transition to foster a more resilient future.

# THEME 3 ADVANCING SUSTAINABILITY

## GAME CHANGER VIII Embracing the Circular Economy

## GAME CHANGER IX Accelerating Adoption of Integrated Water Resources Management

### ADVANCING GREEN GROWTH FOR SUSTAINABILITY AND RESILIENCE

#### PRIORITY AREA A

Implementing a Low-Carbon, Clean and Resilient Development

STRATEGY A1  
Moving Towards a Low-Carbon Nation

STRATEGY A2  
Accelerating Transition to the Circular Economy

STRATEGY A3  
Sharing Responsibility in Pollution Prevention

STRATEGY A4  
Increasing Resilience against Climate Change and Disasters

#### PRIORITY AREA B

Managing Natural Resources Efficiently to Safeguard Natural Capital

STRATEGY B1  
Concerning Natural Ecosystems

STRATEGY B2  
Protecting and Conserving Species and Genetic Resources

STRATEGY B3  
Ensuring Sustainable Utilisation and Benefit Sharing

STRATEGY B4  
Enhancing Conservation of Water Resources

#### PRIORITY AREA C

Strengthening the Enabling Environment for Effective Governance

STRATEGY C1  
Strengthening Environmental Governance

STRATEGY C2  
Scaling-up Green Financing and Investments

STRATEGY C3  
Instilling Sense of Ownership and Shared Responsibility

### ENHANCING ENERGY SUSTAINABILITY AND TRANSFORMING THE WATER SECTOR

#### PRIORITY AREA A

Ensuring Sustainable Energy for All

STRATEGY A1  
Enhancing the Energy Sector

STRATEGY A2  
Ensuring Sustainable and Progressive Oil and Gas Subsector

STRATEGY A3  
Enhancing the Electricity Subsector

#### PRIORITY AREA B

Transforming the Water Sector

STRATEGY B1  
Empowering People

STRATEGY B2  
Strengthening Governance at All Levels

STRATEGY B3  
Enhancing Capability in Data-Driven Decision Making

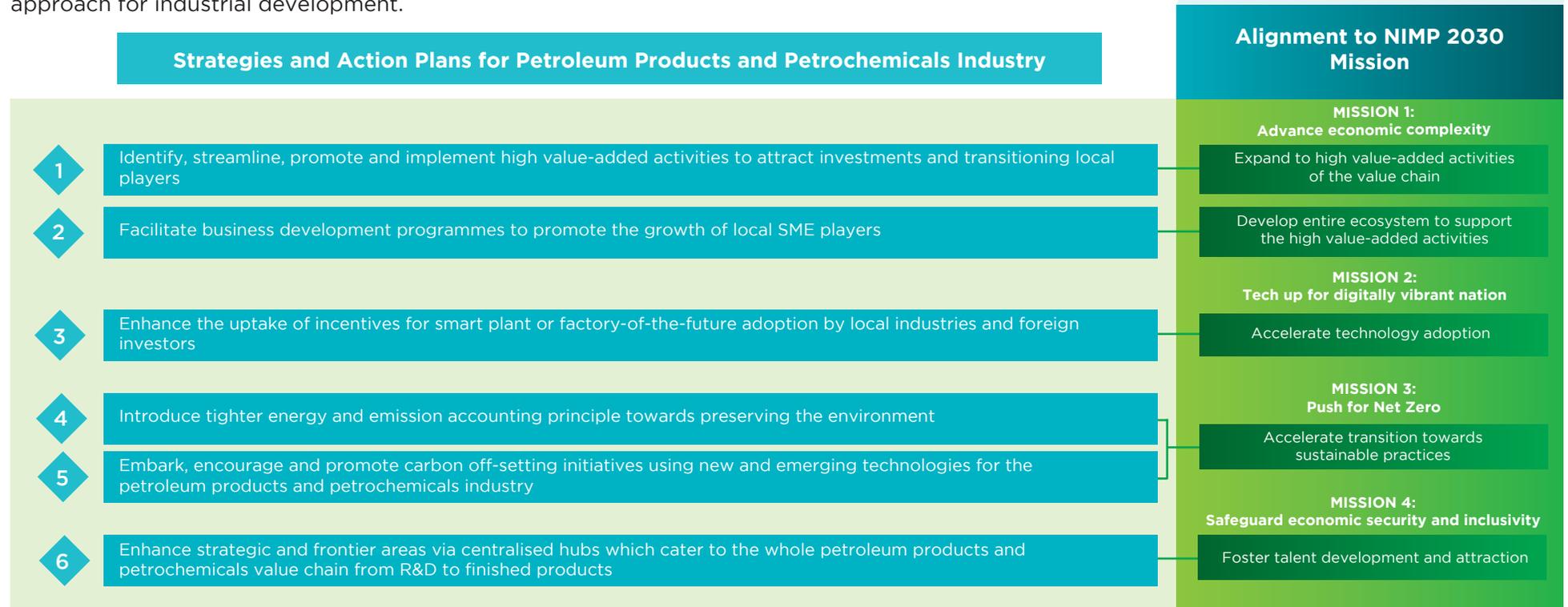
STRATEGY B4  
Ensuring Sustainable Financing

STRATEGY B5  
Developing Sustainable Infrastructure with Cost-Effective Technology



## NEW INDUSTRIAL MASTER PLAN 2030 (NIMP 2030)

Malaysia's NIMP 2030 aims to elevate the industry to new heights by leveraging emerging global trends, supply chain disruptions, the current geopolitical landscape, digitalisation, and ESG considerations. As such, the NIMP 2030 is designed to achieve these aspirations over a seven-year period, and takes a mission-based approach for industrial development.



As Malaysia moves forward with NIMP 2030, the industry will direct its efforts towards:

- Implementing new regulations and adopting digitalisation and technology to enhance environmental sustainability
- Centralising resources and facilitating SME advancement to promote industry growth
- Participating in high value-added activities and introducing smart technologies to maintain attractiveness to investors

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