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Issue 04

Malaysia a serious global player in pushing for SDG goals, says Nga

Malaysia is making every effort to accelerate progress towards achieving the sustainable development goals (SDGs) by 2030.

Malaysia's Local Government Development Minister Nga Kor Ming said institutional frameworks have been set to ensure inclusive participation involving all level of stakeholders, to accelerate the implementation of the SDGs.

He said the Covid-19 pandemic has reversed some of Malaysia's gains in SDG progress earlier and has further exacerbated existing social and economic inequalities.

Out of the 146 indicators available in 2020, 49 (34%) have improved, 34 (23%) have not changed, while 41 (28%) have decreased, while the remaining 22 (15%) are non-statistical indicators.

“Malaysia remains committed to achieve the goals... We want to prove to the world that we are a serious global player to push for SDGs goals based on all initiatives, legal framework, and core national policies. “We hope that by our commitment (and) determination, and by working with other countries, we will be able to make Malaysia an exemplary model of SDG goals,” he told Bernama on Monday (March 27). [READ MORE](#)



Malaysia, Indonesia lead green and sustainability sukuk issuance, says Sustainable Fitch

Malaysia accounts for 20% of cumulative issuance of green and sustainability sukuk between 2017 and the first half of 2022, within the Southeast Asian region.

Citing a report published by the International Renewable Energy Agency in March 2023, Sustainable Fitch said the country accounted for US\$3.9 billion (RM17.25 billion) or 56% of total Asean sustainable and responsible investing (SRI) sukuk issuance as of November 2021.

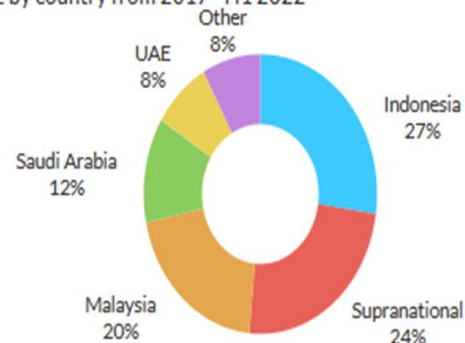
Malaysia is second only to Indonesia, which accounted for 27% of the issuance.

Meanwhile, Sustainable Fitch said Malaysia will need to invest between US\$375 billion and US\$415 billion in renewables and energy-transition efforts in order to achieve its 2050 climate goals under the 1.5 degrees Celsius scenario. The firm said this is more than double the figure that Malaysia currently invests, so the capital shortfall may prompt the government to consider green and sustainability sukuk issuance to shore up the necessary funding.

The agency said Malaysia has pledged to reduce its greenhouse gas emissions and reach “net-zero” by 2050. [READ MORE](#)

Indonesia & Malaysia Lead Green and Sustainability Sukuk Issuance

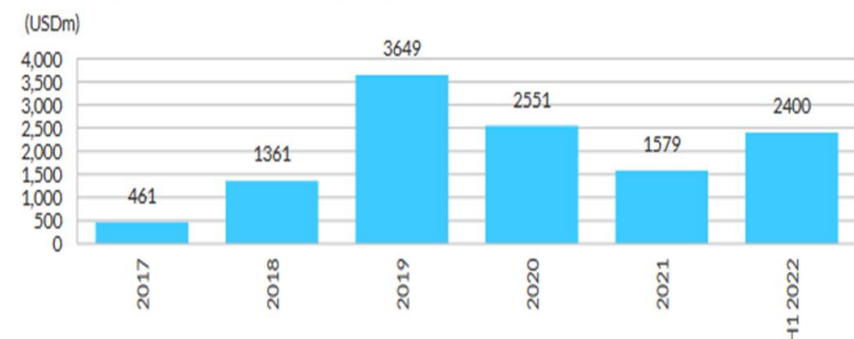
Cumulative issuance by country from 2017 - H1 2022



Source: Sustainable Fitch, Refinitiv

Green Sukuk Issuance

Issuance of green sukuk has more than quintupled since 2017



Source: Sustainable Fitch, Refinitiv

Analysts: China's investment to drive Malaysia to greater heights

Malaysia is poised to receive a massive boost to its economy following China's commitment to invest a record RM170 billion, an analyst said.

SPI Asset Management managing director Stephen Innes said, as Malaysia already has very strong trade ties with China with investment flow especially into green energy and digital economy, these new investments would push for greater job creation, namely for future graduates that are struggling to find suitable paying jobs.

“This will be a boost for the future generation in keeping abreast of global changes and where the world is heading. It is critical for Malaysia to make this transformation after being dependent on oil and gas as well as oil palm industry for decades as those legacy economies are falling way out of favour in the new age world,” he told Bernama.

Meanwhile, Pacific Research Center of Malaysia principal adviser Oh Ei Sun echoed similar views on creating more jobs with the hope that the jobs that would be created would be local jobs especially in the high technology and green technology sectors and others.

“On the other hand, to ensure that this investment commitments goes through, we also need to ease the process of doing business in Malaysia. [READ MORE](#)



Gamuda and partner buy Winchester House London for RM1.39b to turn into best-in-class ESG office space

Gamuda Bhd, together with its partner Castleforge Partners Ltd — a UK-based real estate private equity investor — has bought the eight-storey commercial building Winchester House London for £257 million (RM1.39 billion).

The construction and property group and its partner, via Venta Belgarum II Ltd Pt (VB II), have signed a sale and purchase agreement with Wessex Winchester Ltd Pt to acquire 100% equity interest in Wessex Winchester Propco Ltd, the owner of the 317,000 sq ft Winchester House. Gamuda's wholly owned Gamuda Land (Labuan) Ltd holds a 75% stake in VB II, while Castleforge's wholly-owned partnership entity Athelstan Ltd owns the remaining 25%.

Post acquisition, Gamuda said it plans to refurbish and upgrade the property into a best-in-class, top-rated environmentally sustainable ESG office space that caters to global or multinational financial institutions, legal firms, and mega-tech corporations.

“Gamuda intends to dispose of this investment by the fifth year or prior, after locking in strong pre-lease arrangements by quality tenants,” it added, noting that the Winchester House is Deutsche Bank AG's current London headquarters, with its lease due to expire in April 2024. [READ MORE](#)



Changes to green tech tax incentives on the cards

The government may introduce comprehensive changes to green technology tax incentives in Budget 2024. The under-secretary of the Finance Ministry Datuk Che Nazli Jaapar said the current green technology tax incentives will expire at the end of this year.

“We are thinking of doing comprehensive changes or an enhancement of the incentives. “That is why we preferred not to announce it under Budget 2023 in February and consider announcing it in October this year,” she said during a Budget 2023 seminar yesterday.

To encourage the use of low-carbon vehicles, she said the government may provide tax deductions on the procurement of electric vehicles (EV) in the future.

In the re-tabled Budget 2023, the government announced that companies that rent out EVs will enjoy tax deductions if the maximum amount of rentals is no more than RM300,000.

“The government is aggressively trying to promote EVs by giving so many tax incentives and we would continue to encourage local players to localise the EV assembly in Malaysia and create a hub in the country,” she added.

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