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Gamuda Advances Perak Water Security Through Major Long-Term Supply Infrastructure Agreement



Gamuda Bhd signed an agreement with the Perak government on 20 October to develop and operate the Northern Perak Water Supply Scheme. It will transfer raw water from Sungai Perak to Bukit Merah Dam. It involves Khazanah Air Perak Sdn Bhd, a 50:50 Gamuda–Perbadanan Kemajuan Negeri Perak joint venture, and subsidiary Prasarana Air dan Irigasi Perak Sdn Bhd.

The scheme will be developed in two phases, with capacity to transfer up to 1,500 million litres per day. Of this, 500 million litres per day is intended for irrigation in northern Perak, while 1,000 million litres per day will serve domestic and industrial demand, including the second phase of the Kerian Integrated Green Industrial Park. Surplus water could be sold to Penang. The treatment plant's initial capacity is 500 million litres per day, subject to approvals.

Gamuda expects the project to contribute to revenue and earnings from financial year 2027. Phase One has a six-year development period after lawful site access, followed by 40 years of operation. Funding arrangements and regulatory approvals remain key conditions, and its total value remains undisclosed.

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CIMB Expands Sustainability-Linked Financing Across Property and Palm Oil Businesses



CIMB Bank and CIMB Islamic Bank introduced enhanced sustainability-linked financing for businesses in Malaysia's oil palm and real estate sectors. The offering also covers companies acquiring or upgrading properties to meet recognised green-building standards. Announced on 19 October, it builds on CIMB's RM3 billion financing programme and its GreenBizReady proposition.

Customers may receive rebates of up to 0.50% a year when they meet sustainability performance targets, including greenhouse-gas emissions reductions. For real estate, building energy intensity is an alternative impact measure. Eligible initiatives include renewable energy, efficiency improvements, waste and water management, solar panels, battery storage, energy audits and green certifications. Oil palm measures include methane capture, biomass use, circular-economy practices and lower-carbon agriculture. SMEs beginning emissions measurement may access subsidised tools, assistance and verification.

The dual-target structure aims to make sustainability improvements more accessible across both sectors. CIMB says the programme supports its goal of mobilising RM300 billion in sustainable finance by 2030. By linking financing benefits to operational improvements, the framework may help businesses reduce emissions while managing transition costs.

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Alliance Bank Scales Green Financing Support to Help Malaysian SMEs Transition



Alliance Bank Malaysia is expanding financing and advisory support to help small and medium enterprises meet rising sustainability expectations from buyers and regulators. In a 19 October interview, the bank said businesses unable to demonstrate emissions-reduction progress risk exclusion from global supply chains. High upfront costs, limited expertise and reporting demands are obstacles.

The bank's Sustainability Impact Programme and Sustainability Enhancement Programme combine financing with guidance and ESG tools. Alliance Bank has generated RM16 billion in cumulative new sustainable banking business since FY2022, exceeding its original RM15 billion target for FY2027, and has raised its target to RM17 billion by FY2028. The Sustainability Impact Programme approved RM598 million in FY2026, bringing cumulative approvals to RM1.8 billion since FY2022. The bank has also pledged RM1 billion in preferential financing for supply-chain SMEs, with more than RM500 million disbursed in Sarawak.

The programmes aim to help smaller suppliers improve sustainability and provide emissions data increasingly requested by listed-company customers. Support includes ESG assessment and reporting tools to help SMEs identify gaps, plan improvements and strengthen their position in lower-carbon supply chains.

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Malaysia Aviation Group Weighs Green Tax as Sustainable Fuel Costs Rise

Malaysia Aviation Group president and group chief executive Captain Nasaruddin A Bakar said the company has not ruled out a green tax on passengers to help offset sustainable aviation fuel costs. Reported on 20 October, the comments come as airlines face pressure to cut emissions amid limited supply and higher prices. The government would decide on any tax.

Sustainable aviation fuel accounts for less than 1% of global jet fuel use, according to the International Air Transport Association. Aviation contributes around 2.5% of global emissions, while the International Civil Aviation Organization targets net-zero carbon emissions by 2050. Sustainable fuel can be made from used cooking oil, waste fats and agricultural residues, but remains more expensive than conventional jet fuel. Malaysia Airlines is renewing its fleet with orders for 40 Airbus A330neo and 55 Boeing 737 MAX aircraft.

The group says fleet renewal and sustainable fuel are part of its emissions-reduction approach. The debate highlights the challenge of financing aviation decarbonisation without making travel unaffordable. Airlines, fuel suppliers and regulators will need to improve supply and manage costs during the transition.

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Solarvest Positioned to Benefit from Malaysia's Next Solar Construction Investment Cycle



Maybank Investment Bank raised its target price for Solarvest Holdings to RM5.68 from RM4.31, maintaining a “buy” call ahead of solar construction growth. In a report published on 20 October, the research house cited Solarvest’s track record of securing around 30% of Malaysia’s current solar jobs and its contract pipeline.

Maybank IB estimates RM20 billion to RM25 billion in contracts are in the pipeline as projects under the Corporate Renewable Energy Supply Scheme and the sixth Large Scale Solar programme advance between 2027 and 2029. Solarvest aims to begin projects with combined capacity of 300 to 500 megawatts in FY2027, mainly under CRESS. The bank raised its forecast for new contract wins in FY2028 to RM2.8 billion from RM1.6 billion and increased earnings forecasts for FY2027 to FY2029 by 1% to 30%. Its target price is above the RM4.57 average among analysts surveyed by Bloomberg.

Maybank IB expects corporate decarbonisation goals and demand for renewable power to support activity despite higher grid charges. This points to opportunities for solar developers as Malaysian businesses seek cleaner electricity and energy-cost visibility

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Gentari and BYD Explore Ultra-Fast Charging Network Expansion Across Malaysia



Gentari, PETRONAS's clean-energy arm, has partnered with Chinese electric vehicle maker BYD to explore deploying ultra-fast EV charging technology in Malaysia. The memorandum of understanding was signed in Shenzhen and announced on 21 October. The companies will identify suitable locations and assess infrastructure needed for BYD's flash-charging system.

The collaboration will examine battery energy storage, renewable energy generation, technical and commercial requirements, project development and operating models. Malaysia recorded 53,537 new EV registrations in the first nine months of 2026, nearly double the number a year earlier. Gentari operates more than 600 EV charging points in Malaysia through its Gentari Go platform, which provides roaming access to around 18,000 points across Malaysia, Singapore, Thailand and India. BYD says its technology can provide about 400 kilometres of range in five minutes for compatible vehicles under optimal conditions.

The partnership reflects growing investment in charging infrastructure as EV adoption expands. Rollout will depend on site selection, technical feasibility and commercial arrangements. Charging speed, reliable power and accessible locations will be important to building consumer confidence and supporting lower-emission transport.

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Bus Cap and StarCharge Explore Malaysia's Electric Vehicle Charging Infrastructure Market



NBus Cap Bhd has entered a collaboration with StarCharge Energy Sdn Bhd to explore electric vehicle charging infrastructure and services in Malaysia. Announced on 20 October, the arrangement could expand Bus Cap beyond vehicle manufacturing into electric transport services. The parties will continue discussions on a definitive agreement.

The proposed collaboration covers charging stations, technical support, installation and maintenance, as well as possible local assembly of charging equipment. Potential customers include electric buses, passenger vehicles, fleets, public stations, workplaces and properties. StarCharge is part of StarCharge Digital Energy, whose group says it has delivered up to two million EV chargers globally and operates in more than 70 countries and regions. The deal follows Bus Cap's August memorandum of understanding with BYD Malaysia to explore locally assembled new-energy commercial vehicles.

The partnership could help Bus Cap participate across more of the electric transport value chain and develop recurring service income. The companies may also explore solar power, battery storage and smart energy management. The agreement is non-binding apart from certain provisions, so investment commitments and deployment timelines are unconfirmed.

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Malaysia Reviews Data Centre Power Demand to Safeguard Energy and Water Resources



Malaysia is reviewing the actual electricity and water requirements of data centres to ensure their rapid expansion does not place unnecessary pressure on national resources or increase costs for other consumers. Deputy Energy Transition and Water Transformation Minister Datuk Seri Abdul Rahman Mohamad told Parliament on 13 October that data centres may reserve more electricity capacity than they eventually consume. The government is assessing demand to ensure future power generation aligns more closely with actual usage.

As of 1 September 2026, Malaysia had nearly 14,000MW of installed renewable energy capacity, representing almost 32% of the national total. The government aims to increase renewable energy's share of installed capacity to 35% by 2030 and 70% by 2050. Under announced renewable energy programmes and private-sector plans through the Corporate Renewable Energy Supply Scheme (CRESS), between 10,000MW and 11,000MW of scheduled renewable energy capacity is expected to come online by 2030. The review also covers data centres' water consumption and project selection.

For investors, the review highlights the growing importance of resource efficiency in digital infrastructure development. The government indicated that some data centres could be required to develop their own power supplies using options such as solar energy and battery storage, rather than relying entirely on the national grid. Clearer assessments of electricity and water demand could support more efficient infrastructure planning while creating opportunities for renewable energy providers and energy-storage businesses.

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MIDA Connects Malaysian Firms With Renewable Energy Supply Chain Opportunities



The Malaysian Investment Development Authority (MIDA) launched its inaugural Renewable Energy Supply Chain Programme at the International Greentech & Eco Products Exhibition and Conference Malaysia (IGEM) 2026 on 8 October in Kuala Lumpur. The initiative connected Tenaga Nasional Berhad's power generation and renewable energy businesses, TNB GENCO and TNB Renewables, with Malaysian vendors, manufacturers, engineers and service providers to identify practical collaboration opportunities.

Approximately 25 Malaysian companies participated in targeted business-matching sessions to explore potential roles in renewable energy projects. The programme also recognised five local renewable energy champions: Alliance MEP, Reactive Energy, Deltaspec (M), P.E.S.B. Engineering and SAA Engineering & Marine. MIDA said the initiative supports Malaysia's ambition to achieve 70% renewable energy capacity by 2050, while helping domestic businesses develop specialised capabilities and participate in higher-value activities.

For investors, the programme signals an effort to translate renewable energy investment into broader local economic opportunities. Potential areas include component manufacturing, engineering, construction, technical services and technology development. MIDA also highlighted the extension of Green Investment Tax Allowance incentives until 31 December 2030 and planned energy infrastructure investment. Stronger local supply chains could help Malaysian firms capture more project value and build capabilities for regional and international markets.

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