

EGNRET 42, Honolulu, USA 7 April 2014

APEC Peer Review on Low Carbon Energy Policies (PRLCE) - Malaysia -

Aishah Mohd Isa, Ph.D
Asia Pacific Energy Research Centre (APERC)



Presentation Outline

Background of APEC PRLCE

- Objectives of PRLCE
- Mechanisms and Responsibilities of Stakeholders
- Previous PRLCEs

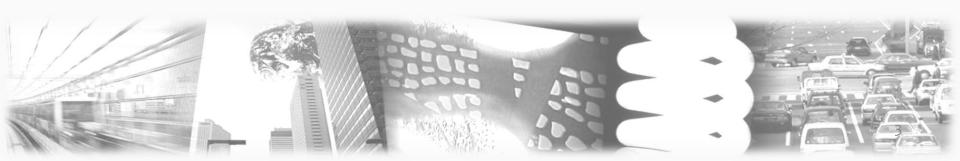
Overview of Malaysia

- Malaysia in brief
- Malaysia energy indicators

PRLCE in Malaysia

• Issues Covered

Background of APEC Peer Review on Low Carbon Energy Policies (PRLCE)



PRLCE Objectives

Initiated by APEC Energy Ministers' 2010 Fukui Declaration

- Share information on low carbon energy performance as well as on policies and measures for improving and promoting low carbon energy in respective economies;
- Provide opportunities for learning from the experiences of other economies and for broadening the network among low carbon policy experts;
- Explore how low carbon goals on an overall and/or sectoral basis and action
 plans could be effectively formulated in each economy under review, taking
 into account the range of possible strategies that could be used, according to
 the circumstance of each economy;
- Monitor progress on attaining low carbon energy goals on an overall and/or sectoral basis and implementing action plans, if such goal and action plans have been already formulated at the time of the review; and
- Provide recommendations for voluntary implementation on how implementation of action plans could be improved with a view to achieving low carbon energy goals.

Main Responsibilities and Stakeholders

Host Economy

- Plan review process
- Prepare Documents for Review
- Source and provided data
- Assess the preliminary and the draft final report

APERC

- Prepare the guidelines for PRLCE
- Liaise with Host Economy on logistics and technical preparations
- Lead the expert review team
- Review the final report with Host Economy

Review Team

- Conduct the review
- Present findings and recommenda tions in the preliminary report
- Prepare the draft final report

EWG

- Discuss and Endorse the draft final report
- Report to APEC Senior Officials

Previous PRLCE Exercises

- 21-25 May 2012
- 10 experts
- 45 Recommendations

THAILAND

PHILIPPINES

- 19-23 November 2012
- 9 experts
- 45 Recommendations
- 13-17 May 2013
- 8 experts
- 51 Recommendations

INDONESIA

Overview of Malaysia



Malaysia in brief



Economic Indicators (2012)		
Area	329,847 km²	
Population	29.34 million	
Income per capita	USD 9 974	

^{*}Ministry of Finance 2013

Fossil Fuel Energy Resources (2011)			
Oil Reserves	5.858 bbl		
Gas Reserves	89.98 Tscf		
Coal Reserves	1.938 bil ton		

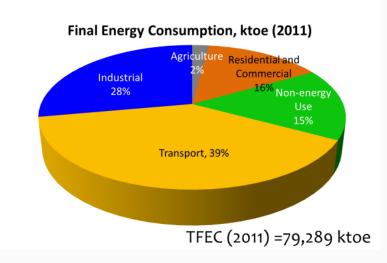
^{*}National Energy Balance 2011

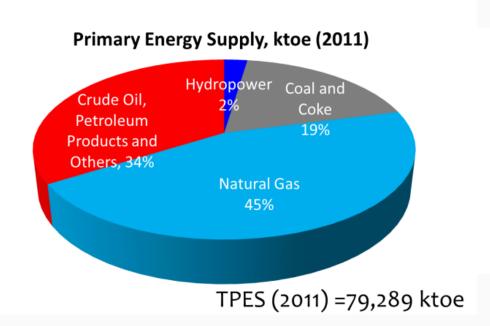
Renewable Energy Resources			
Large hydro Potential	20 GW		
Biomass and biogas from Palm Oil Waste	1300 MW		
Small-scale hydro	500 MW		
Solar Power	6500 MW		

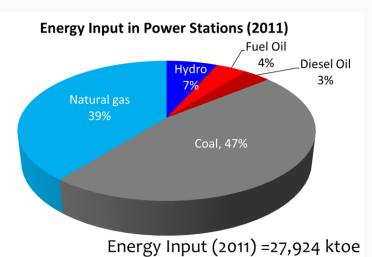
Malaysia energy indicators

Energy Indicators in per capita (2011)			
TPES	24,560 toe/capita		
Electricity demand	3,706 kWh per capita		
CO ₂ emissions	7.7 metric tons CO₂/capita		

^{*}National Energy Balance 2011 and Worldbank



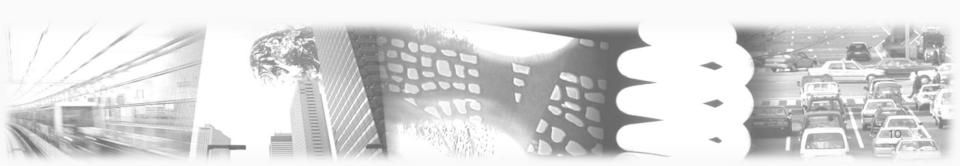




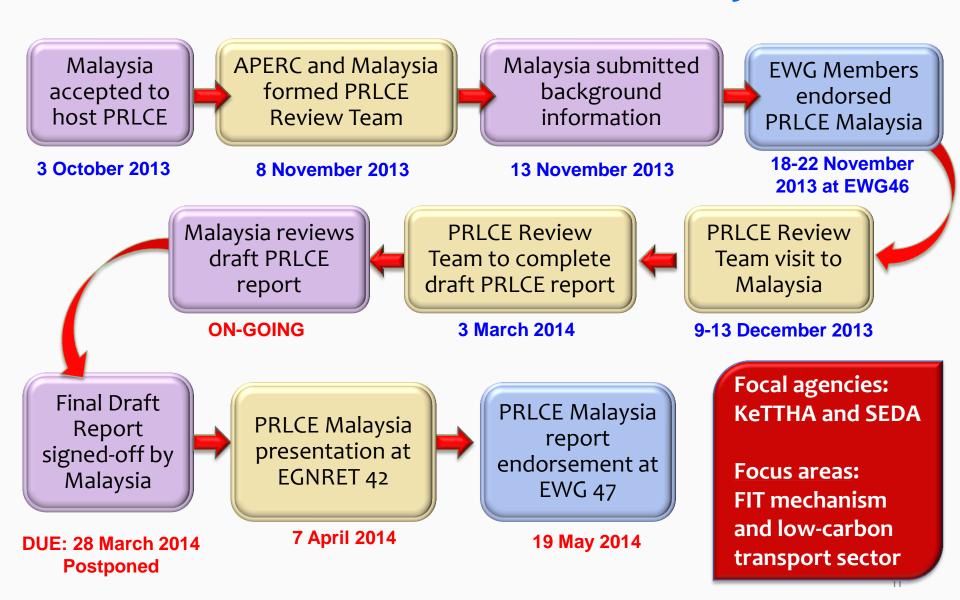
Note that in 2011, NRE capacity is about 53 MW (<0.2% of total)

PRLCE in Malaysia

9-13 December 2013



PRLCE Process for Malaysia



PRLCE Malaysia Review Team



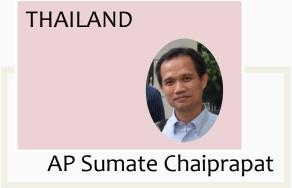




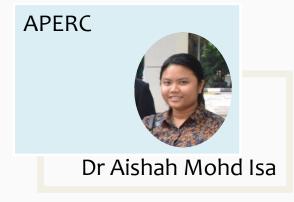












Topics covered in PRLCE Malaysia

Institutional Context Renewable Energy Goals, Targets and Strategy Overarching areas **Energy Regulations** Sustainable Development Biomass and Biogas Renewable Energy Small Hydro and Solar Resources Low Carbon Power Supply Low carbon sectors Low Carbon Transport

PRLCE Recommendations

Institutional Context: LCE Institutions in Malaysia



Economic Planning Unit under the Prime Minister's Department

Low Carbon Power Sector

Ministry of Energy, Green Technology and Water (KeTTHA)

Energy Commission (EC)

Sustainable Energy Development Authority (SEDA)

Sustainable Energy Development Authority (SEDA)

Ministry for Rural and Regional Development (KKLW)

Malaysia Palm Oil Board (MPOB)

State Authorities

Green Technology and Climate Change

Ministry of Energy, Green Technology and Water (KeTTHA)

Malaysia Green Technology Corporation (MGTC)

Ministry of Natural Resources and Environment (NRE) Low Carbon Transport Sector

Ministry of Transport (MOT)

> Land Public Transport Commission (SPAD)

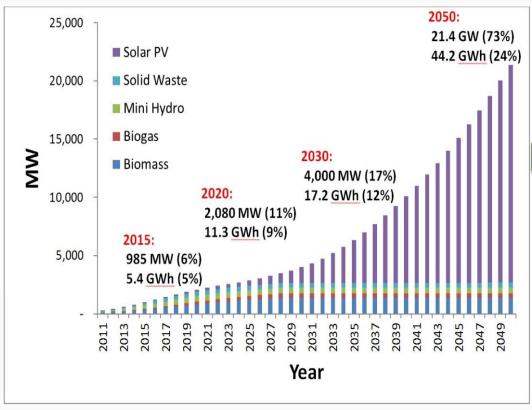
Malaysia Palm Oil Board (MPOB)



Renewable Energy Goals, Targets and Strategy

National Renewable Energy Policy and Action Plan (NREPAP 2010)





PRLCE Recommendations

Energy Regulation: Key LCE Policies in Malaysia



Sustainable Development

Financial Incentives

Incentives for End-Users

Green
Technology
Financing
Scheme

Nationally
Appropriate
Mitigation
Actions
(NAMAs)



PRLCE Recommendations

Renewable Energy Resources

	Biomass and Biogas	Small-scale Hydro	Solar
Targets by 2030	410 MW biogas capacity1340 MW palm biomass capacity	490 MW by 2030	854 MW by 2030
Guiding Policies and Strategies	 NREPAP (2010) National Biofuel Policy (2005) National Biomass Strategy 2020 (2013) 	 NREPAP (2010) Rural electrification schemes 	 NREPAP (2010) Malaysia building integrated solar PV Project (MBIPV) Solar PV Rooftop Programme
Financial Incentives	FIT SchemeGTFS	FIT Scheme	FIT SchemeFinancing packages from banks

PRLCE Recommendations

Low Carbon Power Supply: Power Systems and FIT Mechanism



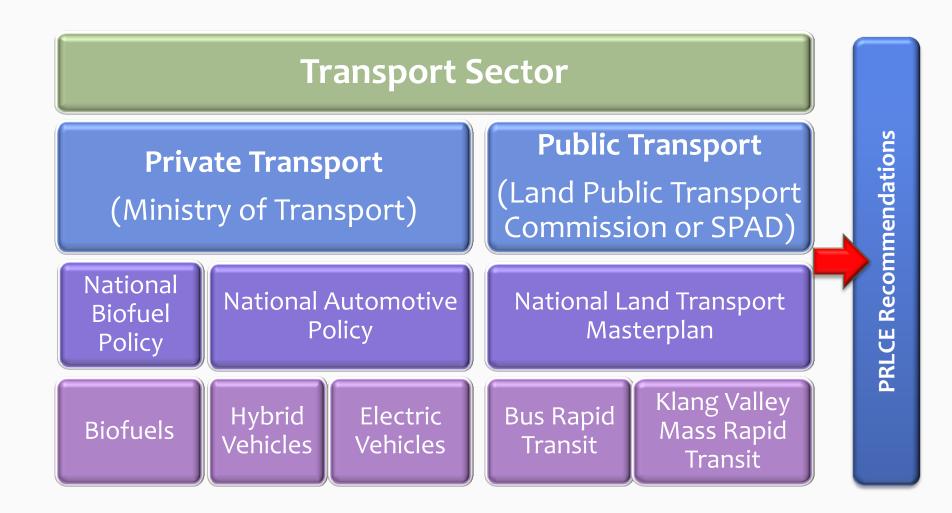
Low Carbon Strategies for Power Systems Sector

- Rural electrification using hybrid solar and small hydro
- Rationalisation of electricity tariffs
- Improving efficiency in power generation sector
- TNB Smart Grid Initiative

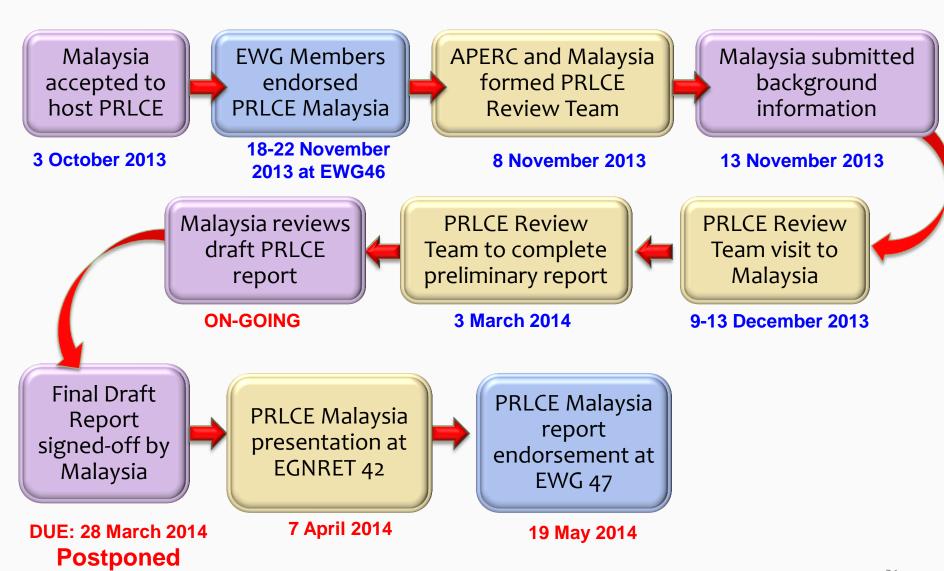
Feed-in Tariff System

- Renewable Energy Act 2011
 - → RE Fund and FIT mechanism
- Sustainable Energy
 Development Authority
 Act 2011
 - → SEDA

Low Carbon Transport Sector



PRLCE Process for Malaysia



PRLCE Malaysia Summary and Conclusions

- The PRLCE Review Team made 51 recommendations
- PRLCE recommendations are tailored towards:
 - Overcoming existing, specific challenges in the current system
 - Connecting remote resources
 - "First- and last- mile" interconnection for public transport
 - Providing proper signals to end-users and investors to encourage uptake of low-carbon energy supplies
 - Enhancing existing strategies that have been proven to increase LCE uptake

