



26 June 2025

Malaysia

# Project on Resilient, Green and Transformative Development

## in Asian Belt and Road Countries

### Background and Context

Given pressing multifaceted challenges of climate change and development, it is more imperative than ever for developing countries to adopt innovative and integrated policy strategies to pursue resilient, green, and transformative development. To contribute to the debate on how to address these multifaceted challenges from the perspective of developing countries, United Nations Trade and Development (UNCTAD) has developed a project that aims to assist four major developing countries in Asia – Kazakhstan, Malaysia, Pakistan and Türkiye - in their efforts to meet the Sustainable Development Goals (SDGs) related to green transformative development. In particular, the project is designed to assist the participating countries in achieving the 2030 Agenda through 1) effective integrated policy strategies and improved capacity at national level, including South-South peer-learning; and 2) economic cooperation and policy coordination at the regional level.

Unlike many poorer developing countries, the Malaysian economy counts with already established and successful industrial sectors that are supported by a well maintained infrastructure. However, premature deindustrialisation tendencies also remain a core challenge the Malaysian economy faces, amidst growing exposure to climate change impacts, such as rising temperatures, increases in rainfall and severe flooding and the need for coastal adaptation programmes. Systematically integrating climate change adaptation measures and the development of green technologies into wider industrialisation and development strategies is therefore of vital importance.

Malaysia embarked on explicit policy efforts to green its economy over 15 years ago, under the 9<sup>th</sup> Malaysia Plan that introduced initiatives such as the National Green

Technology Policy, the National Renewable Energy Policy and Action Plans, and the National Climate Change Policy. These policy areas have evolved considerably since



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then, in particular with the National Energy Transition Roadmap (NETR) and the New

Industrial Master Plan (NIMP), both launched in 2023 and both aiming to guide Malaysia towards a more sustainable as well as developmentally and economically robust future.

Yet, and as for other developing countries, challenges still abound in balancing the requirements of industrial and economic development with those of environmental sustainability in an inclusive manner. Under this project, UNCTAD in close cooperation with its local partner, the Khazanah Research Institute (KRI), held a first national consultation in August 2024 to identify and discuss binding constraints and core challenges for the effective implementation of Malaysia's green industrialisation agenda with local stakeholders in government, the private sectors and civil society. Key issues identified included macroeconomic and regulatory challenges for successful policy implementation in the context of limited national policy spaces, the need for increased domestic firm presence in the production and export of green technologies, the lack of affordable and reliable long-term external finance to bring inclusive industrial development into line with greening requirements, as well as data constraints.

The meeting furthermore highlighted the importance of regional cooperation and informal policy synergies to further support national policy strategies in regard to green transformation and industrialisation agendas.

### **Purpose and key objectives**

Building on key insights gained at the first national consultation, this high-level meeting will bring together national policymakers, researchers and stakeholders from the private sector as well as civil society to discuss proposals for core integrated national policy strategies to respond to current challenges to continued green transformation and development in Malaysia, including through strengthened coordination between institutions and with stakeholders.

To this purpose, UNCTAD and the Khazanah Research Institute have joined efforts to



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produce a proposal for integrated national policy strategies and ways forward to effectively promote green transformation and industrialisation in Kazakhstan, for

discussion by participants at the meeting. This proposal builds on sectoral and thematic studies presented at the first national consultation and their main policy recommendations. In addition, UNCTAD will present main findings of a modeling exercise to consider the medium- and long-term impacts of climate change and government policies on growth performance, labor market dynamics and income distribution in Malaysia.



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## Programme

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Venue: Odyssey Hall, Level 7 Mercu UEM, KL Sentral, Kuala Lumpur

### Day I: 26 June 2025, 8.30 am – 5.15 pm

8.30 am – 9.00 am Registration and Coffee

#### 9.00 am – 9.30 am Welcome Remarks

Dr. Stephanie Blankenburg, Chief of Branch, UNCTAD, Geneva, Switzerland

Dr. Nungsari Ahmad Radhi, Chairman, KRI

#### 9.30 am – 10.00 am Inaugural Address

Mr. Liew Chin Tong, Deputy Minister of Investment, Trade, and Industry

#### 10.00 am – 11.15 am Session 1: Green Industrialisation in Developing Countries: Genuine Sustainability or a Response to Green Protectionism?

Chair by Dr. Stephanie Blankenburg, Chief of Branch, UNCTAD, Geneva, Switzerland

5 mins.

Presentation Mr. Yin Shao Loong, Deputy Director of Research, KRI

20 mins.

Discussion by Ts. Dr. Tengku Zahaslan Tuan Hashim, Director, Delivery Management Unit, MITI

Dr. Murizah binti Osman, Deputy Director, Sustainability Unit, Bank Negara Malaysia

10 mins each

Questions and Answers

30 mins

11.15 am – 11.30 am Coffee break



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## 11.30 am – 1.00 pm Session 2: Doing More with Less: Green Industrial Policy Under Fiscal Constraints

Chair by Mr. Azfar Hanif Azizi, Research Associate, KRI  
5 mins.

Presentation(s) Dr. Jeronim Capaldo, Economic Affairs Officer, UNCTAD  
20 mins

Discussion by Mr. John Patrick Antonymsamy, Under-Secretary Tax Division, Ministry of Finance  
Dato' Ts. Valluvan Veloo, Deputy Secretary General (Macro), Office of the Deputy Secretary General, Ministry of Economy  
10 mins each  
Questions and Answers  
30 mins.

## 1.00 pm – 2.15 pm Lunch

## 2.15 pm – 3.30 pm Session 3: Beyond Compliance to Innovation: Utilising WTO/FTA Flexibilities and Exploring New Approaches for Strategic Industry Development

Chair by Mr. Yin Shao Loong, Deputy Director of Research, KRI  
5 mins

Presentation(s) Prof. Abhijit Das, former head Centre for WTO Studies, India, [online]  
20 mins

Discussion by Puan Masni Muhammad, Executive Director, Investment Policy Advocacy (Manufacturing)  
Prof. Jomo Kwame Sundaram, Research Advisor, Khazanah Research Institute  
10 mins each  
Questions and Answers  
30 mins





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3.30 pm – 3.45 pm

Coffee Break

3.45 pm – 5.00 pm

**Session 4: North-South Transfers v South-South Cooperation for Green Growth and Strategic Industries**

Chair by Ms. Nurul Farhana Abdul Shukor, Consultant Research Associate, KRI  
5 mins

Presentation(s) Dr. Stephanie Blankenburg, Chief of Branch, UNCTAD, Geneva, Switzerland  
20 mins

Discussion by Ts. Dr Lee Hing Wah, Head of Semiconductor and Venture Division,  
Selangor Information Technology & Digital Economy Corporation  
Mr. Jean-Michel Piedagnel, Director, Woodseer Resources  
20 mins

Questions and Answers  
30 mins

5.00 pm – 5.15 pm

**Summing up**

Dr. Stephanie Blankenburg, Chief of Branch, UNCTAD, Geneva, Switzerland  
Dr. Yin Shao Loong, Deputy Director of Research, KRI

Evening

**Conference Dinner**

For speakers, organisers and invited guests