

Yang Berbahagia Dato' Seri Ir. Dr. Zaini bin Ujang

Secretary General

Ministry of Energy, Green Technology and Water Malaysia

Mr Mel Ydreos

Executive Director,

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Yang Berbahagia Datuk Ir. Ahmad Fauzi Hasan
Chief Executive Officer
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Mr. Hazli Sham Kassim
President
Malaysian Gas Association

Distinguished panellists, participants, partners and sponsors from the industry, members of the press, ladies and gentleman.

Assalamualaikum warahmatullahiwabarakatuh and good morning.

First and foremost, on behalf of the Energy Commission, Malaysian Gas Association and Energy Council of Malaysia, I would like to express our deepest thanks and appreciation to Yang Berbahagia Dato' Seri Ir. Dr. Zaini bin Ujang, Secretary General of Ministry of Energy, Green Technology and Water Malaysia, representing the Minister, Yang Berhormat Datuk Seri Panglima Dr. Maximus Johnity Ongkili, for making time to be here out of his schedule, lending his support to the 7th National Energy Forum 2016.

It is also my pleasure to welcome the participants, where we can once again, discuss, deliberate, exchange and share ideas and knowledge, in working for the betterment of the industry, and the nation as a whole.

Attended by policy makers, regulators, industry players, experts and other stakeholders, the National Energy Forum is a very significant platform to gather inputs as well as to communicate on initiatives undertaken by the government and the Energy Commission. I believe that great things happen when there is a gathering of great minds.

Thus, it is with great anticipation that we welcome all of you to this annual forum.

Ladies and gentleman,

As an essential ingredient for economic development of a nation, a secure energy supply is crucial in ensuring continuous viable trade and industry growth. Today, we are highly dependent on a massive energy supply to fuel everything, from communication to transportation, to housing, manufacturing, security and health delivery systems.

According to Asia Pacific Energy Research Centre (APEREC), there are three main elements of energy security. They are the physical aspect – the availability and accessibility of the resources; economic aspects – the affordability of the resource acquisition and energy infrastructure; and environmental aspect – the acceptability of the resource supply.

Indeed, we have also adopted a similar definition when we documented our energy security objectives and this has always been incorporated into our projections.

It would be more demanding now to ensure the security of the energy supply, especially when the Gross Domestic Product (GDP) of the country for 2016 is expected to grow at 4% to 5%, where the construction, services and manufacturing sectors are expected to record a growth of 8.4%, 5.4% and 4.3% respectively.

The global economy on the other hand is expected to pick up with a forecasted growth towards Q4 in 2016 and 3.2% in 2017, while the growth for East Asia and Pacific region is expected at 6.7% for 2016 and 6.6% for 2017.

Ladies and gentleman,

In the era that demands agility, speed and competence, it is also timely that the energy industry also aligns itself with the age of digitisation. With digital transformation, the capital and labour efficiency could be optimised and improved, capital productivity could be enhanced and workers could be upskilled, hopefully towards better lifestyles.

However, despite offering many opportunities, digital transformation of the industry also signifies challenges.

It includes challenges like new skills requirement and data security will become even more important than it was ever.

On another matter, energy efficiency has always been an interesting topic, for waste of the energy would not only cost us materialistically but also environmentally. Therefore, the energy efficiency improvement at demand-side is a crucial part of the energy sector development as the demand dictates the energy supply and fuel consumption.

Ladies and gentleman,

Last year's forum themed "Sustainable Energy for Malaysia, Where Are We?" proposed some recommendations to the policy makers. We are pleased to note these recommendations were taken into consideration in improving the price reforms and subsidy rationalisation of both electricity and gas, in offering better incentives for both suppliers and consumers and in encouraging further energy efficiency drive in the country.

As a sequel to last year's theme, the theme chosen this year – “Energy Transformation in Malaysia: Towards a Sustainable Equilibrium” – focuses on the art of balancing the needs of the economy, the environment and the people, in building a resilient, sustainable and secure energy industry.

Balancing the interests of various stakeholders however, is indeed a challenging task and today's forum will be the ideal platform to attempt this.

Mr Mel Ydreos of the International Gas Union will give us an insight into the international perspective of handling the challenges within the energy spectrum.

On our own shores, the Government through KeTTHA, will also share the national energy landscape; how supply efficiency and infrastructural investments have been improved to strengthen energy security.

All this is part of the Economic Transformation Programme that has been set by the Government for the Peninsula, Sabah and Sarawak, which will be further elaborated during the final plenary session chaired by YBhg Dato' Seri Idris Jala of the Performance Management and Delivery Unit (PEMANDU).

This year and years ahead would be a challenging time for us in the energy sector. Let us translate this to a great opportunity for all the stakeholders to improve and improvise, to meet the ultimate sustainable equilibrium that we have been looking for.

The presence of all of you here is very instrumental in the development of the local energy sector. Thus, I urge all attendees to participate in the discussions and provide your views and opinions according to your expertise and experience, on topics being deliberated. We do acknowledge that communication is vital in determining the direction of the sector, in assisting the country to achieve a developed nation status by year 2020.

Last but not least, I would like to thank:

1) the platinum sponsors TNB and Malakoff Corporation Berhad

2) the gold sponsors Edra Power Holdings Sdn Bhd, Sarawak Energy Berhad, Siemens Malaysia Sdn Bhd, General Electric Malaysia and

3) the silver sponsors Sumitomo Corporation and HESS Exploration & Production Malaysia BV and all the other sponsors for their support.

Your contribution to the realisation of this forum is greatly appreciated. I am also pleased to note that we have managed to retain the momentum of interest in the forum as the number of participants are the same, if not more than last year's.

With that note, once again on behalf of the organising committee, our deepest gratitude goes to Yang Berbahagia Dato' Seri Ir. Dr, Zaini bin Ujang for officiating this forum.

I would also like to thank the speakers, moderators, panel members and all of you, for being here and contributing to the betterment of our energy sector. May we all have a productive and fruitful discussions.

Sekian, wassalam and thank you.